

THE
COUNCIL OF STATE DEBATES
(Official Report)

VOLUME I.

FIRST SESSION
OF THE
COUNCIL OF STATE, 1921



DELHI
SUPERINTENDENT GOVERNMENT PRINTING, INDIA
1921

the Honourable Mr. A. C. Chatterjee, C.I.E.; the Honourable Mr. H. Moncrieff Smith, C.I.E.; the Honourable Mr. Ganesh Srikrishna Khaparde; the Honourable Sir Manakjee Byramjee Dadabhoy, Kt., C.I.E.; the Honourable Mr. E. L. L. Hammond, C.B.E.; the Honourable Khan Bahadur Saiyid Zahir-ud-din; the Honourable Nawab Sir Bahram Khan, K.C.I.E., K.B.E.; the Honourable Lieutenant-Colonel A. C. Elliott, C.B.E.; the Honourable Sardar Jogindra Singh; the Honourable Rai Bahadur Lala Ramsaran Das, C.I.E.; the Honourable Mahamahopadhyaya Dr. Ganganath Jha; the Honourable Lala Sukhbir Sinha; the Honourable Nawab Muhammad Abdul Majid, C.I.E.; the Honourable Khan Bahadur Aminul-Islam; the Honourable Mr. C. N. Seddon; the Honourable Mr. Lalubhai Samaldas Mehta; the Honourable Mr. K. V. Rangaswamy Ayyangar; the Honourable Mr. E. S. Lloyd; the Honourable Rao Bahadur S. Rm. M. A. Annamalai Chettiyar; the Honourable Maung Po Bye; the Honourable Mr. E. J. Holberton, C.B.E.; the Honourable Mr. Altaf Ali; the Honourable Mr. G. M. Bhurgri; the Honourable Mr. Waman Govind Kale; the Honourable Khan Bahadur A. K. G. Ahmedthamby Maricair.

The HONOURABLE THE PRESIDENT: I have to intimate to the Council that I have received two messages under the Sign Manual of His Excellency the Governor General of India which it is my duty to communicate to this Honourable Council. Honourable Members will doubtless desire to receive this intimation in the usual manner by rising in their places. I will ask Honourable Members now to resume their seats in order to hear in a more convenient manner the messages that I have to deliver.

The first message runs as follows:—

"In pursuance of sub-section (3) of section 63A of the Government of India Act, I, Frederick John Napier, Baron Chelmsford, hereby require the attendance of Members of the Council of State in this Chamber at 10-30 O'Clock on Wednesday, the 9th February, 1921."

With reference to this message, I need only inform the Council that as they know, it refers to the inaugural ceremony which will be performed by His Royal Highness the Duke of Connaught. Honourable Members have already, I understand, been supplied with copies of the programme of the procedure to be observed on that occasion, and I will only add that, by carefully complying with the directions therein contained, they will not only study their own convenience, but contribute to the success of the function. I would particularly call their attention to the fact that they are requested to take their seats by 9-35 in the morning.

The second message runs as follows:—

"In pursuance of the provisions of sub-section (2) of section 63A of the Government of India Act, I, Frederick John Napier, Baron Chelmsford, 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 Mr. V. S. Srinivasa Sastri; in the second place, the Honourable Sir Alexander Robertson Murray; in the third place, the Honourable Sir Manakjee Byramjee Dadabhoy; and, lastly, the Honourable Sir Dinshaw Wacha."

With reference to this message, if it would be not impertinent for me to remark thereon, I am sure I should be giving expression to the views of this

Honourable Council when I say we may well congratulate ourselves on the Panel of Chairmen we have secured. Our new Chairmen are all men of great experience, well versed in affairs, and zealous in the public service.

It only remains for me now, before I adjourn this Council, to explain to Honourable Members that the meeting of the Council on the 5th of this month will be held not only for the purpose of taking the ballot of resolutions, but also to enable certain Members who have been prevented by public duties from attending to-day, to make the necessary oath.

The Council is adjourned till Saturday, the 5th, at 11 A.M. in this Chamber.

COUNCIL OF STATE.

Saturday, 5th February, 1921.

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

The HONOURABLE THE PRESIDENT: Honourable Members wishing to make Oath or Affirmation will kindly present themselves at the table in the order in which their names may be called by the Secretary.

MEMBERS SWORN:

The Honourable Maharaja Sir Manindra Chandra Nandy, K.C.I.E., of Kasimbazar; the Honourable Raja V. S. Govinda Krishna Yachendraluvaru Venkatagiri; the Honourable Maharaja Shoshi Kanta Acharyya Chaudhuri of Muktagacha; the Honourable Raja Pramada Nath Roy of Dighapatia; the Honourable Mr. Phiroze C. Sethna.

GOVERNMENT BUSINESS FOR 14TH FEBRUARY:

The HONOURABLE THE PRESIDENT: Honourable Members have been informed that the first meeting of this Council for the disposal of ordinary business will be held on Monday, the 14th, when Government business will be taken. In this connection I should like to ask if any Member of the Government is in a position to make a statement regarding the business to be brought forward at that meeting. I think Honourable Members will welcome any information that is available.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I am grateful for the opportunity of explaining what the intentions of Government are for the business of the 14th. After questions Government propose to move for leave to introduce a Bill to amend the Civil Procedure Code. I believe the Bill will be non-controversial, at any rate at the first stage; after that they propose to introduce a Bill to facilitate the enforcement in British India of certain maintenance orders, another Bill of much the same character.

I have been unable to communicate with the Mover of the Resolution which Government propose to take up after concluding the legislative business, but subject to his consent—and I have already telegraphed to him—the Government propose to take up the Honourable Mr. Srinivasa Sastri's Resolution relating to the appointment of a Committee to examine the repressive laws now on the Statute-book.

The HONOURABLE THE PRESIDENT: The Council will next meet for the inaugural ceremony on Wednesday, the 9th. I understand there are still some Honourable Members who have been prevented by urgent business from attending to take the Oath, but who wish to be present at that meeting. I propose, therefore, to attend in this Chamber as near as may be after 9-35 A.M. to enable any such Members to be sworn in on that day.

Honourable Members are aware that immediately after this Council meeting a ballot for Resolutions will be held in this Chamber. I will ask those Honourable Members who desire to take part in or to attend the ballot to remain in their places.

The Council now stands adjourned till Wednesday, the 9th, and will meet thereafter on Monday, the 14th.

COUNCIL OF STATE.

Wednesday, 9th February, 1921.

The Council met in the Assembly Chamber at Twenty Minutes before Ten of the Clock. The Honourable the President in the Chair.

MEMBERS SWORN:

Mr. V. S. Srinivasa Sastri; Sir Alexander Roberston Murray, Kt., C.B.E.; Diwan Bahadur V. Ramabhadra Nayudu.

COUNCIL OF STATE.

Wednesday, 9th February, 1921.

INAUGURATION OF THE COUNCIL OF STATE AND LEGISLATIVE ASSEMBLY.

His Excellency the Viceroy and His Royal Highness the Duke of Connaught, having arrived in procession with their Staffs and the Presidents of the Council of State and the Legislative Assembly, took their seats on the dais.

H. E. THE VICEROY : Honourable Members of the Council of State and Members of the Legislative Assembly :

I have required your attendance here under section 63 of the Government of India Act for an important ceremony.

The new Indian Legislature, which is to be opened to-day, is the outcome of the policy announced by His Majesty's Government in August, 1917. That announcement has been described as the most momentous utterance in the chequered history of India ; and I believe that it merits that description. But history, as we have learnt to know, is a continuous process. In human affairs, as in nature, there are no absolute beginnings ; and, however great the changes that may be compressed into a few crowded years, they are to the eye of the historian the inevitable consequences of other changes, sometimes but little noticed or understood at the time, which have preceded them. Nowhere is this clearer than in the record of British rule in India. The Act of 1919 involved a great and memorable departure from the old system of government. It closed one era and opened another. None the less its most innovating provisions had their germ in measures reaching well back into the last century, and the purpose and spirit which underlay them are those that have throughout guided and inspired the policy of the British in India.

There are those who will dispute this interpretation of the character of British policy. In their eyes the real object of the British Government has always been the retention of all genuine power in its own hands, and every step in the liberalisation of the structure of Government has been a concession, tardily and grudgingly yielded, to demands which the Government deemed it impolitic wholly to refuse. I am confident that history will not endorse this charge. The historian of the future will detect in his survey of the achievements of the British in India many an error and shortcoming. But he will also recognise that throughout the years of their rule one increasing purpose has run and he will do justice to the unprecedented character and the colossal magnitude of the task which they set themselves. For no such task was ever attempted by the Empires of the past. In these Empires either free institutions had never existed or, as in the case of Rome, the growth of Empire had proved fatal to such liberties as had previously been enjoyed by the founders of the Empire. There were differences doubtless in the forms of local administration and in the personal privileges of the members of the various peoples and races of the State, but such variations in no wise affected the autocratic character of the Central Government. But the destinies of India and Britain became linked together at a time when in the latter country self-government

[H. E. the Viceroy.]

had become firmly established, and it has since been the constant aim of the British Government to extend to India the benefits and privileges of her own institutions. Were any specific evidence needed of the truth of this proposition, I would appeal to the historic minute of Lord Macaulay upon the question of the medium of instruction in India. His argument that England could not impart the ideas of the western world otherwise than in her own language carried with it tremendous consequences. It was familiarity with the literature and thought of English historians and teachers that did more than any other single cause to mould the minds of educated India in a way that inevitably led to a demand for political development that should imitate the model held out to her; for as one of our own poets has said—

‘We must be free who speak

The language Shakespeare spake.’

The difficulties which confronted her in such a task were indeed formidable. The vast area of the country, the number and diversity of its population and the habits and ideas engendered by many centuries of despotic rule were obstacles that might well have seemed insuperable even to the boldest imagination. In dealing with them the methods followed by British statesmen have been those with which the political development of England herself had made them familiar. English self-government was not the fruit of any sudden revolution or catastrophic change, but has been built up gradually, and through centuries of sustained effort. The evolution of British policy in India has pursued a similar course. The British Government has not attempted any dazzling and brilliant, but inevitably unstable, reconstructions. It has been content to advance step by step, to adjust its institutions from time to time to the degree of progress obtained by the people and to build up the edifice of constitutional government on the foundations laid by preceding generations; so that of India under British rule it might be truly said, as has been said of England herself, that she has been a land ‘where freedom slowly broadens down, from precedent to precedent’.

The history of constitutional developments in India under British rule falls into certain fairly well-defined stages. The first of these may be said to have terminated with the Act of 1861. During this period the British Government were engaged in extending and solidifying their dominions, in evolving order out of the chaos that had supervened on the break up of the Moghal Empire, and in introducing a number of great organic reforms, such as the improvement of the police and the prisons, the codification of the criminal law, and the establishment of a hierarchy of courts of justice and of a trained civil service. The main achievement of administration was in fact the construction and consolidation of the mechanical framework of the Government. The three separate presidencies were brought under a common system; British rule was extended over much of the intervening spaces; and the legislative and administrative authority of the Governor General in Council was asserted over all the Provinces and extended to all the inhabitants; while at the same time provision was made for local needs and local knowledge by the creation or re-creation of local Councils. And it is significant that in the Act which closed this Chapter the principle of associating the people of India with the Government of the country was definitely recognised. The Councils set up by this Act were still merely legislative committees of the Government, but the right of the public to be heard and the duty of the executive to defend its

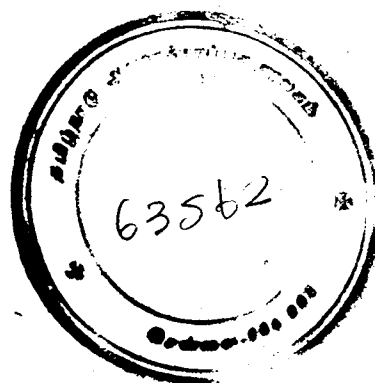
measures were acknowledged, and Indians were given a share in the work of legislation.

The second stage terminated with the Act of 1892. The intervening period had witnessed substantial and many-sided progress. Universities had been established; secondary education had made great strides; and Municipal and District Boards had been created in the major Provinces. A limited but important section of Indian opinion demanded further advance, and the justice of this demand was recognised by the British Government in the Act of 1892. This Act conferred on the Councils the right of asking questions and of discussing the budget; and to this extent admitted that their functions were to be more than purely legislative or advisory. But its most notable innovation was the adoption of the elective principle. It is true that technically all the non-official members continued to be nominated, but inasmuch as the recommendations of the nominating bodies came to be accepted as a matter of course, the fact of election to an appreciable proportion of the non-official seats was firmly established. The Act of 1861 had recognised the need for including an Indian element in the Legislative Councils. The Act of 1892 went further. It recognised in principle the right of the Indian people to choose its own representatives on the Councils.

The third stage will always be associated with the names of Lord Morley and Lord Minto. The experience of the reforms of 1892 had been on the whole favourable. The association of the leaders of the non-official public in the management of public affairs had afforded an outlet for natural and legitimate aspirations and some degree of education in the art of government. But the impulses which had led to the reforms of 1892 continued to operate and they were reinforced by external events, such as the Russo-Japanese war. Important classes were learning to realise their own position, to estimate for themselves their own capacities and to compare their claims for equality of citizenship with those of the British race. India was in fact developing a national self-consciousness. The Morley-Minto Reforms were a courageous and sincere effort to adjust the structure of the Government to these changes. The Legislative Councils were greatly enlarged, the official majority was abandoned in the local Councils; and the principle of election was legally admitted. No less significant were the alterations made in the functions of the Councils. These were now empowered to discuss the budget at length; to propose resolutions on it and to divide upon them; and not only on the budget but in all matters of public importance, resolutions might be moved and divisions taken. It was hoped by the authors that around this constitution conservative sentiment would crystallise, and that for many years no further shifting of the balance of power would be necessary. These anticipations have not been fulfilled; and from the vantage point of our later experience we can now see that this was inevitable. The equilibrium temporarily established was of a kind that could not for long be maintained. The forces which had led to the introduction of these reforms continued to gain in intensity and volume; the demand of educated Indians for a larger share in the government of their country grew year by year more insistent; and this demand could find no adequate satisfaction within the framework of the Morley-Minto constitution. This constitution gave Indians much wider opportunities for the expression of their views, and greatly increased their power of influencing the policy of Government, and its administration of public business. But the element of responsibility was entirely lacking. The ultimate decision rested

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COUNCIL OF STATE DEBATES
(OFFICIAL REPORT OF THE FIRST SESSION)

VOLUME I.

FIRST VOLUME OF SESSION, 1921.

COUNCIL OF STATE.

Thursday, 3rd February, 1921.

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

The HONOURABLE THE PRESIDENT: As Honourable Members are aware, every Member of the Council of State must, before he takes his seat, make oath or affirmation in the prescribed form. I propose, therefore, in the first instance to take the oath myself and thereafter to invite Honourable Members to present themselves at the table for the same purpose in the order in which their names may be called by the Secretary.

The Honourable the President then standing, subscribed the Oath and signed the Roll.

MEMBERS SWORN:

His Excellency General Lord Rawlinson, G.C.B., G.C.V.O., K.C.M.G., the Honourable Sir George Barnes, K.C.B., K.C.S.I.; the Honourable Sir William Vincent, K.C.S.I.; the Honourable Khan Bahadur Mian Muhammad Shafi, C.I.E.; the Honourable Rao Bahadur B. N. Sarma; the Honourable Maharaja Bahadur Keshava Prasad Singh, C.B.E., of Dumraon; the Honourable Maharajadhiraja Sir Rameshwara Singh, G.C.I.E., K.B.E., of Darbhanga; the Honourable Sir Zulfiqar Ali Khan, Kt., C.S.I.; the Honourable Colonel Sir Umar Hyat Khan, K.C.I.E., C.B.E., M.V.O.; the Honourable Raja Sir Harnam Singh, K.C.I.E.; the Honourable Raja Moti Chand, C.I.E.; the Honourable Raja Sir Rampal Singh, K.C.I.E. of Kurri Sudhauri; the Honourable Khan Bahadur Ebrahim Haroon Jaffer; the Honourable Mr. A. H. Froom; the Honourable Sir Dinshaw Wacha, Kt.; the Honourable Sir John Wood, K.C.I.E., C.S.I.; the Honourable Mr. Denys de S. Bray, C.I.E., C.B.E.; the Honourable Mr. C. A. Barron, C.S.I., C.I.E.; the Honourable Major-General W. R. Edwards, C.B., C.M.G., K.H.P.; the Honourable Mr. E. M. Cook, C.I.E.; the Honourable Mr. J. A. Richey, C.I.E.;

[H. R. H. the Duke of Connaught.]

the members of the various Provincial Councils, my congratulations and my earnest good wishes for success in your labours and theirs.

For years, it may be for generations, patriotic and loyal Indians have dreamed of Swaraj for their motherland. To-day you have beginnings of Swaraj within my Empire, and widest scope and ample opportunity for progress to the liberty which my other Dominions enjoy.

On you, the first representatives of the people in the new Councils, there rests a very special responsibility. For on you it lies by the conduct of your business and the justice of your judgments to convince the world of the wisdom of this great constitutional change. But on you it also lies to remember the many millions of your fellow-countrymen who are not yet qualified for a share in political life, to work for their upliftment and to cherish their interests as your own.

I shall watch your work with unfailing sympathy, and with a resolute faith in your determination to do your duty to India and the Empire.

As you know, it had been the intention of His Majesty to send the Prince of Wales, the Heir to the Throne, with His greetings and His authority to open the Chambers of the new Indian Legislature. Events did not permit of his coming, and I received His Majesty's commands to perform these functions on His behalf. In me the King selected the eldest member of the Royal House, and the only surviving son of Queen Victoria whose love and care for India will ever live in its peoples' memory. I have myself a deep affection for India, having served it for years and made many friends among its Princes and leaders. It is thus with no common pleasure that I am here to receive you on this memorable occasion.

Throughout the centuries Delhi has witnessed the pomp and ceremony of many historic assemblages. Two at least of these are remembered by most of you. Twenty years ago, I took part in that brilliant concourse which celebrated the accession of my late brother, King Edward the Seventh. Nine years later, amid circumstances of unforgettable splendour, King George the Fifth and His Queen received in person the homage of the Princes and peoples of India. Our ceremony to-day may lack the colour and romance of the gatherings I have mentioned, though it does not yield to them in the sincerity of its loyalty. But it strikes a new and different note: it marks the awakening of a great nation to the power of its nationhood.

In the annals of the world there is not, so far as I know, an exact parallel for the constitutional change which this function initiates; there is certainly no parallel for the method of that change. Political freedom has often been won by revolution, by tumult, by civil war, at the price of peace and public safety. How rarely has it been the free gift of one people to another, in response to a growing wish for greater liberty, and to growing evidence of fitness for its enjoyment! Such, however, is the position of India to-day; and I congratulate most warmly these of you, old in the service of your motherland, who have striven, through good report and ill, for the first instalment of that gift, and to prove India worthy of it. I trust that you, and those who take up your mantles after you, will move faithfully and steadfastly along the road which is opened to-day.

When India became a dependency of the British Crown, she passed under a British guardianship, which has laboured with glorious results to protect India from the consequences of her own history at home, and from the complications of international pressure abroad. Autocratic, however, as was the Government then inaugurated, it was based on the principles laid down by Her Late Majesty Queen Victoria in that famous Proclamation of 1858, of which the key-note is contained in the following passage: 'In their prosperity will be our strength; in their contentment our security, and in their gratitude our best reward.' And though there have been occasions on which the tranquillity of this great country has been endangered by disturbances and disorders, which have necessitated the use of military force, speaking on behalf of His Majesty and with the assent of His Government, I repudiate, in the most emphatic manner, the idea that the administration of India has been or ever can be based on principles of force or terrorism. All Governments are liable to be confronted with situations, which can be dealt with only by measures outside the ordinary law; but the employment of such measures is subject to clear and definite limitations; and His Majesty's Government have always insisted and will always insist on the observance of these limitations as jealously in the case of India as in that of England herself.

As His Excellency the Viceroy has observed, the principle of autocracy has all been abandoned. Its retention would have been incompatible with that contentment which had been declared by Her Late Majesty Queen Victoria to be the aim of British rule, and would have been inconsistent with the legitimate demands and aspirations of the Indian people and the stage of political development which they have attained. Henceforward, in an ever-increasing degree, India will have to bear her own burdens. They are not light. The times which have seen the conception and birth of the new constitution are full of trouble. The war which ended two years ago has done more than alter the boundaries of nations. The confusion which it brought in its train will abate in time; but the world has not passed unchanged through the fire. New aspirations have awakened; new problems been created, and old ones invested with a stinging urgency. India has escaped the worst ravages of the war and its sequels, and is thus in some respects better fitted than many other countries to confront the future. Her material resources are unimpaired; her financial system is sound, and her industries are ready for rapid expansion. But she cannot hope to escape altogether the consequences of the world-wide struggle. The countries of the earth are linked together as never before. A contagious ferment of scepticism and unrest is seething everywhere in the minds of men; and its workings are plainly visible in India. She has other problems peculiarly her own. Inexperience in political methods will be irksome at times. The electorates will have to be taught their powers and responsibilities. And difficulties, which are negligible in smaller and more homogeneous countries, will arise in handling questions of religion and race and custom.

Gentlemen of the Indian Legislature, such are the labours which await you. They will have to be carried on under the eyes of a watching world, interested but not uncritical,—of the sister nations who welcome you into their partnership in the British Empire, of that wider Council of nations which look to India as the future guide of the unknown forces of Asia. Your individual responsibility is great. You may perhaps be apprehensive that the arena for practical issues of immediate moment will be rather the Provincial

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[H. E. the Viceroy.]

in all cases with the Government, and the Councils were left with no functions save that of criticism. The principle of autocracy, though much qualified, was still maintained, and the attempt to blend it with the constitutionalism of the West could but postpone for a short period the need for reconstruction on more radical lines.

Such then was the position with which my Government were confronted in the years 1916-1917. The conclusion at which we arrived was that British policy must seek a new point of departure, a fresh orientation. On the lines of the Morley-Minto Reforms there could be no further advance. That particular line of development had been carried to the furthest limit of which it admitted, and the only further change of which the system was susceptible would have made the legislative and administrative acts of an irremovable executive entirely amenable to elected Councils, and would have resulted in a disastrous deadlock. The Executive would have remained responsible for the government of the country but would have lacked the power to secure the measures necessary for the discharge of that responsibility. The solution which finally commended itself to us is embodied in principle in the declaration of August 1917. By that declaration the gradual development of self-governing institutions with a view to the progressive realisation of responsible government was declared to be the goal towards which the policy of His Majesty's Government was to be directed. The increasing association of the people of India with the work of Government had always been the aim of the British Government. In that sense a continuous thread of connection links together the Act of 1861 and the declaration of August 1917. In the last analysis the latter is only the most recent and most memorable manifestation of a tendency that has been operative throughout British rule. But there are changes of degree so great as to be changes of kind, and this is one of them. For the first time the principle of autocracy which had not been wholly discarded in all earlier reforms was definitely abandoned; the conception of the British Government as a benevolent despotism was finally renounced; and in its place was substituted that of a guiding authority whose rôle it would be to assist the steps of India along the road that in the fulness of time would lead to complete self-government within the Empire. In the interval required for the accomplishment of this task, certain powers of supervision, and if need be of intervention, would be retained, and substantial steps towards redeeming the pledges of the Government were to be taken at the earliest moment possible.

I shall not attempt to recount in detail the processes by which subsequently the new policy was given definite form and expression in the Act of 1919. They are set out in documents all of which have been published.

In May 1916, I took up first the question of constitutional reform. Throughout that year and the first half of 1917, I pressed upon His Majesty's Government the necessity for a declaration of policy outlining the objective of British rule in India and the steps to be taken in the direction of that objective, feeling sure that such a declaration could only emanate satisfactorily from the highest authority of the Empire. In August 1917, that declaration was made, and in November the Secretary of State, on my invitation, came to India to take up the task of recommending with myself to His Majesty's Government the steps to be taken in fulfilment of the declaration. Without

that visit, I make bold to say, the Government of India might still be exchanging despatches with His Majesty's Government on this subject. No two men could have worked together on such a task with greater harmony and good-will. Differences there may have been, but where and when have there not been differences in such a work?

Our proposals and the reasons for them are set out in the Report on Indian Constitutional Reforms. They have been widely and in some quarters severely criticised and in some respects they have been modified by Parliament, but the cardinal feature of our scheme, now generally known as the system of dyarchy, is the basis of the Act of 1919. It will be for future generations to pass the final judgment on our scheme, and I shall not endeavour to anticipate the verdict. But certain claims I do advance. The scheme does represent an honest effort to give effect in the fullest and most complete form possible to the declaration of August 1917. Neither here nor in England has there been any attempt to whittle down or nullify the pledges then given. Nor can the charge of failing to consult Indian opinion be laid at our doors. At every stage we have courted publicity. The proposals in the Report on Indian Constitutional Reforms were communicated to the public at the earliest moment possible; the criticisms which they elicited were transmitted to the Secretary of State in published despatches, and every opportunity was given to all parties to lay their views before the Joint Committee. And every criticism, every suggestion, every alternative plan was fully weighed and explored. We left nothing undone that in our judgment might conduce to the successful solution of the great work which we had undertaken. According to our lights we have striven to make the gift which we had to bestow worthy of Britain and worthy of India. And now His Majesty the King-Emperor, who has given so many proofs of his concern for the welfare of India, has been pleased to set the seal on our labours of the last four years by deputing His Royal Highness the Duke of Connaught to open on His behalf the new Indian Legislature. His Royal Highness is no stranger to India. Some five years of his life were passed in this country; he has himself been a Member of the Indian Legislative Council; he knows the people of India and their problems; and his interest in their well-being has never flagged. We welcome him not only as the representative of His Majesty the King-Emperor, but as an old and proved friend of India.

And now it is my privilege and pleasure to ask His Royal Highness to inaugurate the new Assemblies of the Council of State and Legislative Assembly.

H. R. H. THE DUKE OF CONNAUGHT: Your Excellency and gentlemen of the Indian Legislature:

I am the bearer of a message from His Majesty the King-Emperor. It is this:

HIS IMPERIAL MAJESTY THE KING-EMPEROR'S MESSAGE TO THE INDIAN LEGISLATURES.

Little more than a year has elapsed since I gave my assent to the Act of Parliament which set up a constitution for British India. The intervening time has been fully occupied in perfecting the necessary machinery; and you are now at the opening of the first Session of the Legislatures which the Act established. On this auspicious occasion I desire to send to you, and to

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[H. R. H. the Duke of Connaught.]

My experience tells me that misunderstandings usually mean mistakes on either side. As an old friend of India, I appeal to you all—British and Indians—to bury along with the dead past the mistakes and misunderstandings of the past, to forgive where you have to forgive, and to join hands and to work together to realise the hopes that arise from to-day.

The HONOURABLE MR. MUDDIMAN: May it please Your Royal Highness: We, His Majesty the King-Emperor's most dutiful and loyal subjects, the Members of the Council of State, beg leave to request that Your Royal Highness may be pleased to offer our humble thanks to His Imperial Majesty for the gracious message which has been conveyed to our Council. We beg further to express our profound gratitude for Your Royal Highness' presence on this most auspicious occasion.

The HONOURABLE MR. WHYTE: May it please Your Royal Highness: We, His Majesty the King-Emperor's most dutiful and loyal subjects, the Members of the Legislative Assembly, beg leave to request that Your Royal Highness may be pleased to offer our humble thanks to His Majesty the King-Emperor for the gracious message which has been conveyed to the Legislative Assembly by Your Royal Highness. We offer our profound gratitude for Your presence on this most auspicious occasion, and our warm appreciation of the terms in which Your Royal Highness has been pleased to address the Indian Legislature.

H. E. THE VICEROY: Before declaring these proceedings closed, I should like to add one or two words to the speech which I made at the opening to-day. No one can have listened unmoved to the personal appeal which has been made to all of us in the closing words of His Royal Highness' speech. 'Cannot we all bury along with the dead past the mistakes and misunderstandings of the past, forgive where we have to forgive and join hands and work together?' I use His Royal Highness' words, I can use no better.

I now declare the proceedings closed.

COUNCIL OF STATE.

Monday, 14th February, 1921.

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

The HONOURABLE THE PRESIDENT: Under Standing Order 17 of the Standing Orders of this Council, the manner in which questions should be put and answers given is left to the discretion of the President. I propose at present to continue to follow the practice of the Imperial Legislative Council by which members who want to put a question put that question by a reference to the number in the question paper.

We will now take questions.

QUESTIONS AND ANSWERS.

SLAUGHTER OF CATTLE.

1. The HONOURABLE LALA SUKHBIR SINHA: Will Government be pleased to state the names of places in every Province where cattle and cows are killed for the Burma meat trade, as well as the number of cattle killed in India in each of the last three years?

The HONOURABLE RAO BAHADUR B. N. SARMA: The information which the Government of India possess is not complete. It will in due course be supplied to the Honourable Member. It is impossible to give figures of the total number of cattle killed in India.

VOTING FOR INDIAN LEGISLATURES.

2. The HONOURABLE LALA SUKHBIR SINHA: (a) Is it a fact that the official European voters did not exercise their right of voting in the election of Indian Members for the Council of State, Legislative Assembly and Provincial Legislative Councils?

(b) Did the Government of India or any Provincial Government issue any instruction to European officials not to take part in the elections?

(c) If the answer to (b) is in the negative, do Government propose to remove their names from the list of voters for the future?

The HONOURABLE SIR WILLIAM VINCENT: (a) The Government have no information as to the extent to which European officials exercised, or refrained from exercising, their right to vote in the elections referred to.

(b) Assuming that the reference is to voting, no instructions on the subject were issued by the Government of India nor, so far as they are aware, by any Provincial Governments.

As regards (c) I would point out to the Honourable Member that registration on the electoral roll of a constituency is a matter that is regulated entirely by statutory rules made by the Secretary of State in Council with the approval of Parliament.

SLAUGHTER OF ANIMALS AT THE MUKTESAR PASTEUR INSTITUTE.

3. The HONOURABLE LALA SUKHBIR SINHA: (a) Will Government state the number and kind of animals that are killed every year in the Muktesar Pasteur Institute?

(b) Is the whole serum prepared there used in this country or is any portion of it exported?

(c) If any is exported, how much is exported and to what countries?

The HONOURABLE RAO BAHADUR B. N. SARMA: (a) The annual average number of animals that have died in the process of serum-making has been 890 in the last five years. In the year 1919-20 the number was 795, representing 17 per cent. of the animals purchased for the operations.

Only male animals are used, namely, bulls and buffaloes.

(b) A small portion of the serum is sent to foreign countries, and during the war there was a temporary increase in the quantity so sent.

(c) During 1919-20, out of a total of 2,949,000 doses issued, 25,000 doses were sent to Ceylon, the Malay States, the Straits Settlements and Egypt, while 90,000 doses were sent for army requirements to Mesopotamia, Persia and China. The amount exported to foreign Governments was thus only about 1 per cent. of the total issue, while the amount exported for army requirements was about 3 per cent.

3A. The HONOURABLE LALA SUKHBIR SINHA: I want to put a supplementary question, Sir? Will the Honourable Member be pleased to tell me the age of the animals that are killed at Muktesar?

The HONOURABLE THE PRESIDENT: This is a matter of which the Honourable Member should give notice.

SLAUGHTER OF COWS.

4. The HONOURABLE LALA SUKHBIR SINHA: (a) Has the attention of Government been drawn to a resolution passed at a meeting of the Bombay Legislative Council held on 28th September, 1920, on the question of cow slaughter?

(b) What, if any, action do they propose to take in the matter?

(c) Do Government propose to put a stop to the Burma meat trade without any further delay?

The HONOURABLE RAO BAHADUR B. N. SARMA: (a) The reply is in the affirmative.

(b) The Government of India propose to await the representation of the Government of Bombay in the matter.

(c) Full particulars regarding the Burma meat trade are being collected with a view to the question being further examined, but the Government of India can hold out no hopes to the Honourable Member that they would interfere with the trade in the manner suggested.

APPLICATIONS UNDER SECTION 19, INCOME-TAX ACT.

5. The HONOURABLE SIR MANECKJI DADABHOY: Do Government propose to order the quicker disposal of applications for adjustment under section 19 of the Income-Tax Act?

The HONOURABLE MR. E. M. COOK: The Finance Member has received no complaints regarding any delay in the disposal of applications for adjustments under section 19 of the Income-tax Act. The question of the abolition of the system of adjustment is, however, under consideration.

SLAUGHTER OF COWS.

6. The HONOURABLE SIR MANECKJI DADABHOY: (a) Are Government aware that there is considerable feeling among Indians on the question of cow-killing and that throughout India there is a movement against the slaughter of cows, especially prime cows, for meat?

(b) If so, what steps have Government taken to remove the root cause of the agitation and to minimize the evils of cow slaughter?

(c) Is it a fact that in the West cows and plough cattle are not killed for meat, but a special class of cattle are reared for beef?

(d) Do Government propose to encourage the rearing of beef cattle and to stop, as far as practicable, the indiscriminate slaughter of cows?

The HONOURABLE RAO BAHADUR B. N. SARMA: (a) Yes.

(c) So far as the United Kingdom is concerned, cattle are specially bred for beef. The Government of India have not ascertained the conditions prevailing in other western countries.

(b) and (d) Government have no proposals for encouraging the rearing of beef cattle. The question of the slaughter of cows is engaging their attention.

INDIANS IN THE KENYA COLONY.

7. The HONOURABLE SIR MANECKJI DADABHOY: (a) What measures, if any, have been taken by this Government to secure to Indians settled in Kenya Colony the ordinary rights of citizenship, including freedom in the choice of residence and in the matter of trade?

(b) Will Government state how matters stand there for Indian settlers?

The HONOURABLE SIR GEORGE BARNES: The representations which the Government of India have made are embodied in their despatch of the 21st October last to the Secretary of State for India. This despatch was published on the 27th December last in a Gazette Extraordinary to which the Honourable Member is referred.

It will be seen from the telegram from the Secretary of State dated 24th December last which was published in the same Gazette Extraordinary, that the matter is engaging the attention of His Majesty's Government.

RIOTS IN FIJI.

8. The HONOURABLE SIR MANECKJI DADABHOY: (a) Will Government make a detailed statement regarding the genesis of the recent riots in Fiji?

(b) Has the attention of Government been drawn to the report that the riots were due to economic causes?

(c) Do Government propose to send over to Fiji a Committee of Inquiry consisting of one experienced official and two non-officials enjoying the confidence of the people here?

[H. R. H. the Duke of Connaught.]
Councils than the central legislature. You may feel that the Ministers in the Provinces will be in closer touch with popular causes and have larger opportunities of public service. But this is true only in a very limited sense. It is the clear intention of the Act of 1919 that the policy and decisions of the Government of India should be influenced, to an extent incomparably greater than they have been in the past, by the views of the Indian Legislature; and the Government will give the fullest possible effect, consistent with their own responsibilities to Parliament, to this principle of the new constitution. From now onwards your influence will extend to every sphere of the Central Government; it will be felt in every part of its administration. You are concerned not with the province, but with all British India, and statesmanship could not ask for a nobler field of exercise. Upon the manner in which your influence is exerted, upon the wisdom and foresight displayed in your deliberations, upon the spirit in which you approach your great task, will depend the progress of India towards the goal of complete self-government.

To ensure, so far as political machinery can ensure, that the legislature is fitly equipped for those lofty duties, two Chambers have been constituted. In the Council of State it has been the intention of Parliament to create a true Senate, a body of 'elder statesmen' endowed with mature knowledge, experience of the world and the consequent sobriety of judgment. Its functions will be to exercise a revising but not an over-riding influence, for caution and moderation, and to review and adjust the acts of the larger Chamber. To the Assembly it will fall to voice more directly the needs of the people. Soldier and trader, owners of land and dwellers in cities, Hindu and Muhammadan, Sikh and Christian, all classes and communities, will have in it their share of representation. Each class and each community can bring its own contribution, its own special knowledge, to the common deliberations. And may I say in passing that help will be expected from the representatives of the British non-official community. They have done great service to the trade and industry of India in the past; will they now, with their special experience of representative institutions in their own land, lend their powerful aid in building up India's political life and practice?

In a legislature thus composed, it is both inevitable and right that strong differences of opinion and aims should manifest themselves. Struggle is a condition of progress in the political as in the natural world. Politics is in fact the process of the clash of wills, sympathies and interests striving for adjustment in the sphere of legislation and government. But it is the great virtue of representative institutions that they tend to replace the blind encounter of conflicting interests by reasoned discussion, compromise, toleration and the mutual respect for honourable opponents. The extent to which a body of law-makers shows itself capable of controlling passion and prejudice is the measure of its capacity for enduring success. For these reflections I make no apology. They must already have been present to your minds; but they constitute the strongest plea for what all friends of India most desire to see,—a greater unity of purpose among her various communities. In all your deliberations let there be a conscious striving for unity in essentials, that unity which has been lacking in India in the past, but may yet become, if steadfastly nurtured, her greatest strength.

Gentlemen of the Indian Legislature, hitherto I have spoken of your duties. Let me close with a word on your privileges. On you, who have

been elected the first members of the two Chambers, a signal honour has fallen. Your names will go down to history as those whom India chose to lead the van of her march towards constitutional liberty. I pray that success will attend you, and that the result of your labours will be worthy of the trust that India has reposed in you.

Your Excellency, you are approaching the end of your Viceroyalty. In almost every country of the world, the years just passed have been critical and anxious, in India no less, and I know well the vast and well-nigh overwhelming anxieties which you have been called upon to face.

I know well the high sense of duty which has always prompted you, the single purpose which has possessed you, the never-failing courage which has sustained you.

From the first moment you held one special object in view. You determined, God willing, to lead India to a definite stage in her constitutional advancement. Through all distractions and difficulties you held to that determination, and to-day, when your thoughts are turning to the home-land and to the hour when your mantle will pass to other shoulders, when you think regretfully, as all men must in such an hour, of all the things you would have wished to do had fortune been more kind, still as you look round this Assembly, Your Excellency must surely feel 'For this I have striven and in this I have won'.

I wish to offer my warm congratulations to you on the translation to-day into life and reality, of that far-seeing scheme of political progress of which you and the Secretary of State were the authors. It must be no small pride to a statesman who had been directing the destinies of India during these difficult years, that he sees, while still in office, the foundations securely laid of that edifice which he helped to plan with infinite care, in face of much misunderstanding, and yet with the full assurance of a nation's future gratitude. I trust that Your Excellency's successor and the devoted public servants who will be his agents and advisers, will find in the new Indian Legislature an alleviation of labour, a faithful mirror of India's needs and wishes, and a trusty link between themselves and the vast millions under their care.

And now I declare duly open the Council of State and the Legislative Assembly constituted under the Government of India Act, 1919.

Gentlemen, I have finished my part in to-day's official proceedings. May I claim your patience and forbearance while I say a few words of a personal nature?

Since I landed I have felt around me bitterness and estrangement between those who have been and should be friends. The shadow of Amritsar has lengthened over the fair face of India. I know how deep is the concern felt by His Majesty the King-Emperor at the terrible chapter of events in the Punjab. No one can deplore those events more intensely than I do myself.

I have reached a time of life when I most desire to heal wounds and to re-unite those who have been disunited. In what must be, I fear, my last visit to the India I love so well, here in the new Capital, inaugurating a new constitution, I am moved to make you a personal appeal, put in the simple words that come from my heart, not to be coldly and critically interpreted.

The HONOURABLE SIR GEORGE BARNES: I hope the Honourable Member will repeat this question at a later date. The whole matter is under correspondence with the Secretary of State, and I hope to make a full statement on the subject at an early date.

EUROPEAN AND INDIAN MEMBERS ON EXECUTIVE COUNCILS.

9. The HONOURABLE MR. SETHNA: (a) Did the Joint Select Committee recommend the maintenance of equality in the number of European and Indian members on Executive Councils.

(b) Will Government be pleased to state why this recommendation has not been given effect to in the Province of Bihar and Orissa, where two European officials and one Indian non-official have been appointed members of the Executive Council.

The HONOURABLE SIR WILLIAM VINCENT: (a) In their report on the Government of India Bill the Joint Committee recommended that, if an Executive Council contained two Members with service qualifications, neither of whom was by birth an Indian, it should also contain two non-official Indians.

(b) A Council of four would have been larger than was required for the province of Bihar and Orissa. On the other hand, if the composition, adopted in the case of the Executive Councils of the United Provinces, the Punjab, the Central Provinces and Assam, had been adopted for that of Bihar and Orissa, the result would have been that in a Government consisting of five Members, there would have been only one European official, and it was not considered desirable that the European official element should form so small a proportion of the Government.

INCOME-TAX ASSESSEES.

10. The HONOURABLE MR. CHETTIYAR: (a) Has the Government any reason to believe that Income-tax assesses are put to hardships by the actual working of section 51 of the Income-tax Act of 1918?

(b) Will the Government be pleased to collect and furnish the Council with information—

(1) as to the number of applications by the assesses to the Chief Revenue Authorities under the section in the various provinces of India,

(2) the number of applications granted,

(3) the number of cases in which the High Court had to intervene on behalf of an assessee by issuing a Mandamus.

(c) Will the Government be pleased to state whether they will introduce a Bill to amend the above section so as to permit of an unrestricted right of appeal from the Chief Revenue Authority to the High Court?

The HONOURABLE MR. E. M. COOK: (a) We have received no complaints on the subject.

(b) Information is being called for and will be laid on the table when received.

(c) The suggestion will be considered when the information called for in (b) has been obtained.

POLITICAL PRISONERS.

11. The HONOURABLE SARDAR JOGENDRA SINGH: (a) How many political prisoners are still in jail?

(b) How many of them are from the Punjab?

(c) How many were sentenced under Martial Law and how many have been detained without trial?

(d) How many of them are Sikhs?

(e) Have any of these been released on the introduction of constitutional reforms?

The HONOURABLE SIR WILLIAM VINCENT: The following are the figures reported by Local Governments of prisoners now in jail and convicted of offences connected with movements against the State:—

(a) 101

(b) 53.

(c) None have been detained without trial. I will deal with martial law prisoners later.

(d) 49.

(e) 8.

In addition to the above there are in jail 86 persons convicted by Martial Law Courts and Defence of India Tribunals in connection with the disturbances in the Punjab and elsewhere, of whom 18 are Sikhs.

EXPORT OF RICE.

12. The HONOURABLE MR. CHETTIYAR: Will the Government be pleased to state whether they intend to relax the restrictions on the export of rice from India so far as finer kinds of rice not ordinarily used by the poorer classes are concerned?

The HONOURABLE RAO BAHADUR B. N. SARMA: Government do not consider that the present foodstuffs position in India justifies a further relaxation of the embargo on export of rice even in favour of the finer qualities.

KANNAMBADI DAM.

13. The HONOURABLE MR. CHETTIYAR: (i) Will the Government be pleased—

(a) to state at what stage the negotiations between the Government of India and the Mysore State are regarding the Kannambadi dam?

(b) place on the table all papers relating to the subject?

(ii) Do Government intend to assure the landholders of Tanjore and Trichinopoly that no final decision will be arrived at without giving them full scope for representing their case?

The HONOURABLE RAO BAHADUR B. N. SARMA: (i) (a) No negotiations are at present taking place between the Government of India and the Mysore State regarding the Kannambadi dam. The Secretary of State has invited the Mysore Durbar, if they so desire, to submit a further representation showing cause why the Arbitration Award should not be set aside, and their reply is awaited. It is believed that further informal conversations have taken place on the technical aspects of the case between the professional advisers of the Governments of Madras and Mysore with a view to a settlement by mutual consent being reached, but the Government of India have no official information on the subject.

(b) The case as put forward by the two Governments, the Arbitrator's Award and the representations of the two Governments have already been published both in Madras and Mysore. It would not be in the public interests to place on the table official correspondence in regard to a case which is still *sub judice*.

(ii) The Government of India understand that the Government of Madras propose to consider any representations which the landholders of Tanjore and Trichinopoly may care to put forward before a final decision is arrived at.

KING'S COMMISSIONS IN THE INDIAN ARMY.

14. The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU: Will the Government be pleased to give information on the following points:—

- (a) How many Indian candidates have been till now admitted into the Royal Military College, Sandhurst, with a view to their qualifying for King's Commissions in the Indian Army?
- (b) Of these how many have been selected from the Madras Presidency?
- (c) Of Madras candidates how many belong to the Andhra country?
- (d) How many belong to the Zamindari class?
- (e) Do the Government propose to select more candidates from among the members of ancient families which have military traditions and history?

The HONOURABLE SIR WILLIAM VINCENT: Sir, His Excellency the Commander-in-Chief having been detained on public business, has asked me to answer this question, with your permission:—

- (a) Twenty-five.
- (b) One.
- (c) Nil.
- (d) One.
- (e) The selection of Indian cadets for the Royal Military College, Sandhurst, is carried out under a system which ensures that those accepted for nomination to the College, from amongst the names submitted by Local Governments and Administrations, are the most suitable, physically, morally and intellect-

ually. This system is similar to that followed in the case of candidates selected for nomination to the College, in the United Kingdom, and as individual merit is the sole consideration, it is not possible to reserve vacancies for any particular class.

SCHOOLS OF ARTS.

15. The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU:

(1) Will the Government be pleased to state—

- (a) Whether there are schools of arts in other Presidencies like the one in Madras?
- (b) What amount is being spent in maintaining each of them?
- (c) What number of pupils studied in each of them for the past five years?
- (d) What educational attainments and technical qualifications are possessed by each of the Heads in charge of them?
- (e) What amount of scholarship is given to students locally in each school?
- (f) Whether in each of these institutions, both Western and Indian fine arts are attended to?
- (g) Whether there are fine art scholarships or other facilities afforded by the Government for enabling Indian fine arts students to prosecute their studies abroad, and, if not, whether the Government propose to make proper provision for the same in the near future?

(2) Has the attention of the Government been drawn to the letter which appeared in the "Hindu," dated 8th September 1920, purporting to deal with the condition and administration of the Madras School of Arts?

(3) Are due facilities given at the schools of art in India to amateurs and University-going students, if they should so desire it, to prosecute art studies practically during weekly holidays and during the summer and Christmas vacations? If not, do the Government propose to organise such classes for the benefit of such amateurs and students and permit them the use of the library, if any, in each of these institutions on payment of legitimate fees?

The HONOURABLE MR A. C. CHATTERJEE: The Honourable Member's question relates to a Provincial transferred subject, and one which is not therefore the direct concern of the Government of India. A great part of the information asked for is not available to the Government of India, and the Honourable Member is; therefore, advised to ask the Local Governments concerned for the particulars which he wishes to know. At the same time, I shall be glad to place at the disposal of the Honourable Member any information on the subject which may be available in the records of the Government of India, if he desires to have it.

CHANGES OF HEADQUARTERS IN DISTRICTS.

16. The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU:

(a) Will the Government be pleased to state whether the Government of India's approval is obtained for the change of Headquarters in a District?

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(b) Are the Government aware of the change of the Headquarters of the Madura District to Dindigal in Southern India?

(c) Are the Government aware that there is a strong feeling of opposition among the people of the District to the change of Headquarters from Madura to Dindigal?

The HONOURABLE SIR WILLIAM VINCENT: (a) No.

(b) and (c) Government have no information on the point.

WIDOW OF THE LATE WAZIR DANIEL BEG SAHIB.

17. The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU: (a) Will the Government be pleased to state whether they are in receipt of a memorial signed by most of the people living in Southern India praying for an allowance to be given in favour of Rabiya Bibi, the widow of the late Wazir Daniel Beg Sahib who was, as a political pensioner, allowed to live in Kodaikanal and Periyakulam by the Government of India?

(b) Do the Government propose to consider the memorial favourably?

The HONOURABLE MR. DENYS BRAY: No such memorial has been received by the Government of India.

RICE MILLOWNERS' ASSOCIATION, KUTTALAM.

18. The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU: (a) Will the Government be pleased to state whether they have received a memorial from the Rice Millowners' Association, Kuttalam, in South India?

(b) Was the issue of licenses surrendered by the Madras Government to the Ceylon Government.

The HONOURABLE RAO BAHADUR B. N. SARMA: The answer to (a) Yes.

(b) Licenses for export are issued by the Madras Government to the nominees of the Ceylon Government in order to enable the Ceylon Government to keep a check over imports and prevent cornering in the limited supplies of Madras rice sanctioned for Ceylon.

EXCESS PROFITS DUTY.

19. The HONOURABLE MR. CHETTIYAR: Do the Government propose to consider the question of helping assesseees by postponing collection of all uncollected amounts of the excess profits duty for three months?

The HONOURABLE MR. E. M. COOK: The period for payment of excess profits duty, which was originally fixed at March 15th, 1920, has, for Madras, already been twice extended, and the Finance Member regrets that he does not see his way to accept the Hon'ble Member's suggestion.

AWARD IN REGARD TO THE KANNAMBADI DAM.

20. The HONOURABLE MR. MARICAIR: (a) Is it a fact that the Right Honourable Secretary of State has called for a further report on the award of the arbitration in regard to the Kannambadi dam?

(b) Will Government be pleased to state at what stage the appeal preferred by the Madras Government against the award now stands?

The HONOURABLE RAO BAHADUR B. N. SARMA: The reply to (a) is in the negative.

As regards (b) the Honourable Member is referred to the first portion of the reply given to the question asked by the Honourable Rao Bahadur S. Rm. M. A. Annamalai Chettiyar on the same subject.

AMENDMENT OF THE PRESS ACT.

21. The HONOURABLE MR. MARICAIR: With reference to an interpellation on the subject by the Honourable Dr. Sir Debaprasad Sarvadhikari put at the meeting of the Imperial Council on the 16th September, 1920 and the reply given by the Honourable Sir William Vincent thereto, will the Government be pleased to lay on the table the reports received from the Local Governments relating to the amendment of the Press Act?

The HONOURABLE SIR WILLIAM VINCENT: Government do not propose to lay the correspondence on the table at present. The Press Act forms the subject of a resolution in the Legislative Assembly, and the policy of Government will be explained in connection with that resolution.

APPOINTMENTS CARRYING SALARY OVER RS. 1,000.

22. The HONOURABLE MR. MARICAIR: (a) Will the Government be pleased to lay on the table a tabular statement showing the number of appointments carrying a salary of over one thousand rupees per mensem in the Government of India, now held by different communities?

(b) Do the Government propose to consider the question of increasing the appointments of Muhammadans in the Government of India in proportion to their population?

The HONOURABLE SIR WILLIAM VINCENT: (a) I have had a statement prepared which I shall be glad to give to the Honourable Member, but it relates to the Government of India only, and not to attached offices.

(b) The Government of India have not been unmindful of the claims of the Muhammadan community, but are not prepared to lay down any hard and fast rule on the subject of communal representation in these posts. Each Department must be free to get the best men available.

MUHAMMADAN JUDGE IN MADRAS HIGH COURT.

23. The HONOURABLE MR. MARICAIR: (a) Are the Government of India aware that a European Barrister has been appointed temporarily in the place vacated by the Honourable Sir Abdur Rahim on the Madras High Court Bench?

(b) Do the Government propose to consider the question of appointing a Muhammadan as permanent Judge of the Madras High Court?

The HONOURABLE SIR WILLIAM VINCENT: (a) The Government of India are aware that a European Barrister has been appointed temporarily in

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the vacancy in question though they have no official knowledge of the appointment, as under section 105 of the Government of India Act, such temporary appointments in the case of the Madras High Court are made by the Local Government.

(b) This question also does not directly concern the Government of India, as permanent appointments are made by His Majesty, and recommendations regarding such appointments in the case of the Madras High Court are made to the Secretary of State direct by the Government of Madras. The Government of India have, however, reason to know that, in making such recommendations, the Government of Madras and the Secretary of State have in the past taken and will take into consideration the claims of suitable Muhammadan gentlemen for appointment. The benches of High Courts are not, however, representative institutions, and the main consideration in filling vacancies must always be that of efficiency.

LAND REVENUE LEGISLATION.

24. The HONOURABLE MR. MARICAIR: Will the Government be pleased to state whether they propose to call upon the Local Governments shortly to introduce Land Revenue legislation in accordance with the recommendations of the Joint Parliamentary Committee on Reforms?

The HONOURABLE RAO BAHADUR B. N. SARMA: Local Governments were addressed in March last regarding the recommendations of the Joint Parliamentary Committee, referred to by the Hon'ble Member. Their attention was drawn to the need for early action on the recommendations, but they were advised to defer the introduction of legislation until the new Councils had met.

RELEASE OF STATE PRISONERS.

25. The HONOURABLE MR. MARICAIR (a) Are the Government aware that the Bengal Government has ordered the release of all détenues and State prisoners in view of the inauguration of New Reforms?

(b) Have the Government issued orders to other Local Governments to follow the lead of Bengal?

The HONOURABLE SIR WILLIAM VINCENT: (a) Yes.

(b) No orders have been issued to Local Governments to follow the lead of Bengal, since to the best of our best information save for two persons belonging to the North-West Frontier Province whose cases will be considered again before long, all such persons have already been released.

FOREST LAWS.

26. The HONOURABLE SIR MANECKJI DADABHOY: (a) Are Government aware of complaints that considerable hardship is caused to villagers by the rigorous administration of forest laws?

(b) Is it a fact that from time immemorial villagers used to graze their cattle in forests and to depend upon scrub and twigs for their supply of firewood?

(c) Is this right recognised by Forest Officers?

(d) If not, do Government propose to consider the advisability of throwing open, if only to a limited extent, the reserved forests to villagers for the purposes indicated in question (b) above under any conditions that may be found necessary for the preservation of such forest?

The HONOURABLE RAO BAHADUR B. N. SARMA: (a) The Government of India believe that complaints are sometimes made, but they are not aware that hardship on a considerable scale is caused by the administration of the forest laws.

(b) It is doubtless a fact that villages situated in, or near, forests, have always depended upon them, to a considerable extent, for their grazing and firewood requirements.

(c) Before any area is constituted Reserve Forest an elaborate inquiry is undertaken. Claims to rights of all kinds are considered and, where admitted and recorded, are recognised and respected. Where no such rights are recorded, it still remains the duty of the forest officers to see that legitimate requirements are met, so far as is compatible with the preservation of the forest as such.

(d) This is a matter with which the Local Governments are primarily concerned. In the event of any specific case of disregard of admitted rights, or of failure to provide, so far as is possible, for legitimate requirements being known, the Local Governments concerned should be approached.

26A. The HONOURABLE LALA SUKHBIR SINHA: May I put a supplementary question Sir? Will the Honourable Member be pleased to state the number of cattle kept by the villagers before these forest laws were brought into force, and the number of cattle at present, so that we may be able to know what decrease there has been under the present rules.

The HONOURABLE RAO BAHADUR B. N. SARMA: The Honourable Member will surely recognise that this is a question which cannot be answered as a supplementary question. If he will give notice of it, I shall be prepared to answer it to the best of our information.

SCHEME OF AFFORESTATION.

27. The HONOURABLE SIR MANECKJI DADABHOY: (a) Have Government any scheme of afforestation in hand?

(b) If so, will a statement on the subject be made?

The HONOURABLE RAO BAHADUR B. N. SARMA: (a) and (b). The Government of India have no scheme of afforestation in hand.

ASSESSMENT TO INCOME-TAX.

28. The HONOURABLE SIR MANECKJI DADABHOY: (a) Is the question of exemption from assessment to Income-tax of the interest payable on the stock of 3 per cent., 3½ per cent. and 4 per cent. Government Promissory Notes under the consideration of Government?

(b) If it is, when may a decision be expected?

The HONOURABLE MR. E. M. COOK: The Government are unable to make any announcement on the subject. However carefully the replies to

questions such as this may be worded, there is always the danger that they will mislead the investing public, and possibly affect the market price of the security or commodity which is the subject of the question. It would be very unsafe therefore to draw any inference, one way or the other, from the terms of the reply which I have just given.

STATE LOAN, 1917.

29. The HONOURABLE SIR MANECKJI DADABHOY : (a) Is it a fact that the 5 per cent. State Loan of 1917 was issued at Rs. 95 for every hundred on the distinct condition that Government would maintain a Sinking Fund to keep up the market rate for that Loan, and would go on buying the stock at Rs. 95 whenever the rate showed any signs of decline?

(b) If so, has this promise been redeemed?

(c) If not, what steps, if any, do Government propose to take to redeem their promise?

(d) Will Government be pleased to make a statement about their policy in regard to the existing Loans?

The HONOURABLE MR. E. M. COOK : The answer to (a) is in the negative, and (b) and (c) do not therefore arise. I may explain, however, what the actual promise was. I quote from the loan notification of 1917 :—

‘For the purpose of providing against depreciation in the market price of the War Loan, 1929—1947, the Government of India undertake to set aside annually a sum equal to one and one-half per cent. of the amount of the War Loan, 1929—1947 to form a fund to be used for the purchase of securities of that loan for cancellation, whenever the market price falls below the issue price.’

The Honourable Member will observe from this that the Government of India undertook to expend a certain sum annually in purchasing the loan, if the market price was below the issue price of 95; they gave no undertaking to purchase the loan at issue price, as stated in the question. The actual promise made by Government has been redeemed, and information as to the purchases made from time to time is furnished regularly in the quarterly returns of the Rupee Debt which are published in the Gazette of India.

(d) If the Honourable Member will put down a question stating precisely what particular loans he is referring to, and what are the points upon which he desires an announcement as to Government's policy, the Finance Member will consider whether it is possible to supply him with the information he requires.

ASSESSMENT TO INCOME-TAX.

30. The HONOURABLE SIR MANECKJI DADABHOY : (a) Is it a fact that the present system of examination of accounts for purposes of assessment to the Income-tax, involves disclosure of the financial position and leads to considerable irritation among people engaged in business?

(b) Is there any guarantee in the existing arrangement against the leaking out of the results of such examinations?

(c) If so, what?

(d) Do Government propose to order—

(i) that in all cases of large incomes verified returns of income must be submitted?

(ii) that, as a rule, such returns shall be accepted as correct; and

(iii) that only in exceptional cases where the circumstances justify suspicion of *mala fides* the accounts shall be scrutinised?

The HONOURABLE MR. E. M. COOK : (a) We have received no complaints regarding the examination of accounts by income-tax officials.

(b) and (c) Under section 42 the Act, a Government servant is liable to imprisonment if he discloses any particulars contained in any statement or return made or furnished under the Act. The Finance Member will be prepared to consider any suggestions for making this protection more complete.

(d) (i) Under sections 17 and 39 of the Act, a verified return is required in the case of all incomes.

(ii) and (iii) Under section 18, assessments are made on the basis of the verified returns if the Collector is satisfied that the returns are correct and complete. The Finance Member sees no reason to alter the present provisions of the Act under which the Collector is empowered, in any case where he has reason to believe that the return made under section 17 is incorrect or incomplete, to require the person who made the return to supply further information or to produce accounts or documents. It would not be safe to order, as suggested by the Honourable Member, that such returns should as a rule be accepted as correct; this would in practice be equivalent to the assessee assessing himself.

UTILISATION OF WATERWAYS.

31. The HONOURABLE SIR D. WACHA : Will the Government be pleased to state whether they have been able by this time to lay down a definite policy with regard to the utilisation, as far as practicable, of the various large waterways in the country for purposes of trade?

The HONOURABLE RAO BAHADUR B. N. SARMA : The Government of India have decided, in consultation with the Secretary of State, that no all-India policy in regard to waterways is either necessary or desirable, but that the control of matters connected with inland navigation should be left primarily to the Local Governments concerned. In the case of Bengal, the waterways in which province are connected on either side with those of Bihar and Orissa and Assam, the Government of India have accepted a proposal of the Bengal Government that extra provincial representatives should be co-opted on their existing Waterways Advisory Committee, with a view to a uniform policy being observed throughout the whole system.

DISCUSSION OF BUDGET.

32. The HONOURABLE SIR D. WACHA : Will the Government be pleased to inform the Council of the procedure they propose adopting for the discussion of their own annual budget and the manner in which the discussion itself is to be regulated?

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The HONOURABLE MR. H. MONCRIEFF SMITH: If the Honourable Member's question relates to procedure in the Council of State, he is referred to section 67A (i) of the Government of India Act, rule 43 of the Indian Legislative Rules, and Standing Order 70, from which he will see that there is no discussion of the Budget in this Council.

In regard to procedure in the Legislative Assembly, the Honourable Member is referred to rules 45, 46 and 47 of the Indian Legislative Rules. The purport of the Honourable Member's question may have been misunderstood, but if he desires information as to procedure not provided for in the Rules or Standing Orders, it is suggested that he should address a specific question to the Member of the Government in the Finance Department.

ABILITY OF COUNTRY FOR PURPOSES OF TAXATION.

33. The HONOURABLE SIR D. WACHA: Are the Government aware of what may be the existing ability of the country for purposes of taxation; if not, do they propose to consider the expediency of appointing a Committee of selected Members of the Council of State and the Legislative Assembly to investigate the question and report thereon?

The HONOURABLE MR. E. M. COOK : There is, no doubt, in all countries a limit beyond which any additional taxation results in definite injury to the general financial position of the country as a whole. It must, however, always be largely a matter of opinion and to some extent also of practical experience where that limit should be placed, and Government are not prepared to give any estimate as to the margin which may now exist between the present scale of taxation and India's taxable capacity. Any attempt to frame an estimate would necessitate a very careful statistical inquiry by experts, and even then it is doubtful whether the results would command anything like universal assent. In these circumstances, Government do not think that a Committee as suggested by the Honourable Member would be likely to serve any practical purpose.

BILL FOR RECONSTRUCTION OF UNIVERSITY OF CALCUTTA.

34. THE HONOURABLE MAHARAJA SIR M. C. NANDY: (a) Will the Government be pleased to state the probable time for the introduction of a Bill for the reconstruction of the University of Calcutta, and in what Council the Bill is likely to be introduced?

(b) Is there any provision under the Government of India Act by which a Bill for the reconstruction of the University of Calcutta may be sent back to the Bengal Legislative Council for final enactment? If so, will the Government be pleased to indicate the provision in the Act or in the Rules framed under the Act?

(c) Is it in contemplation to provide the scheme for reconstructing the University of Calcutta with a grant from the Government of India for its capital outlay and recurring expenditure? If so, will the Government state the amount (if any) likely to be set apart for the purpose in the Imperial Budget for 1921-22.

(a) The Government of India are unable to make any statement on this subject at the present stage.

(b) The Governor has power under the Government of India Act to return a Bill passed by the Legislative Council for reconsideration together with any amendments which he may recommend. There is no power to compel the Legislature to pass a measure in a form recommended by the Governor. The Honourable Member's attention is invited to sections 72E and 81A of the Government of India Act.

(c) No amount will be provided in the Imperial Budget for 1921-22 for the reconstruction of the University of Calcutta. The question of making a grant for this University has received the careful attention of the Government of India. The allotment of such a grant would be definitely against the spirit of the financial arrangements under the Reforms and, even if this were not the case, would be difficult in the present financial circumstances.

ALLOTMENT FOR RAILWAYS, 1921 AND 1922.

35. The HONOURABLE MAHARAJA SIR M. C. NANDY: Will the Government be pleased to state if they already have drawn up the Railway programme which is to be brought under the operation of a Budget of 1921 and 1922? If not, do the Government propose to appoint a small Committee from among the members of both Chambers of the Indian Legislature to draw up such a programme in consultation with the Railway Board?

THE HONOURABLE SIR GEORGE BARNES : The amount provisionally allotted to Railways for 1921-22 has been distributed to the different administrations for the purpose of preparing detailed programmes in accordance with the usual procedure.

In the circumstances, Government do not see that any purpose would be served by convening a committee of the nature indicated.

MILITARY OPERATIONS IN MESOPOTAMIA, PALESTINE, ETC.

36. The HONOURABLE MAHARAJA SIR M. C. NANDY : Will the Government be pleased to state if any money has been spent so far by the Government of India out of their revenues for any Military operations in Mesopotamia, Palestine, Egypt and Arabia, and, if so, to lay a statement on the table of all such expenditure, year by year, from 1917 onwards in each of these countries ?

The HONOURABLE MR. E. M. COOK : No expenditure chargeable to Indian revenues, that is to say, no expenditure not recovered from His Majesty's Government has been incurred in Mesopotamia, Palestine or Egypt. No portion of the expenditure on operations in Arabia has been met from Indian revenues, except in the case of those conducted in connection with the defence of Aden. A moiety of the expenditure on Aden operations has been charged to India under a long-standing arrangement which is based on the recommendations of the Welby Commission. The expenditure on this account charged to India since 1915 has been as follows in the past six years. I give the figures in lakhs :—

[illegible]

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FINANCIAL CONFERENCE AT BRUSSELS.

37. The HONOURABLE MAHARAJA SIR M. C. NANDY: (a) Has the attention of the Government of India been drawn to the recommendations of the Financial Conference at Brussels which asks every Government 'to reduce expenditure on armaments, in so far as such reduction is compatible with the preservation of national safety?'
(b) Will the Government be pleased to state the steps so far taken to meet the above recommendation?

The HONOURABLE SIR WILLIAM VINCENT: The answer to (a) is in the affirmative.

With regard to (b), a statement on the subject will be made in the course of the discussion on the Budget of 1921-22.

RECOMMENDATIONS OF ESHER COMMITTEE.

38. The HONOURABLE MAHARAJA SIR M. C. NANDY: Will the Government be pleased to state if the Indian Legislature may have an effective voice in the determinations of the issues raised by the Esher Committee, and do the Government intend to postpone all action in connection with the recommendations of that Committee till all controversial points of their Report have been fully considered by this Council and the Legislative Assembly?

The HONOURABLE SIR WILLIAM VINCENT: The recommendations of the Esher Committee are still under the consideration of the Government of India and the Secretary of State, and although effect has already been given to certain of their recommendations of a non-controversial character, the larger issues raised in Parts I and II of the Report will not be determined until an opportunity has been given for their discussion by the Legislative bodies, and their views, if necessary, communicated to the Secretary of State.

APPOINTMENT OF ROYAL COMMISSION ON CURRENCY COMMITTEE.

39. The HONOURABLE MAHARAJA SIR M. C. NANDY: Will the Government be pleased to state if they are prepared to press on the attention of the Secretary of State the advisability of appointing a Royal Commission to reconsider the recommendations of the last Currency Committee?

The HONOURABLE MR. E. M. COOK: In reply to a similar question asked in the House of Commons on the 13th December, 1920, the Secretary of State for India gave the following reply: 'The statistics of Indian trade for the first seven months of the current financial year reveal an adverse balance against India in respect of merchandise and treasure of approximately 36 crores. This is, I believe, mainly due to curtailment of Indian import during the war years, the restriction on the export of food grains owing to shortage in India and the reduction of the buying power of European countries in consequence of the depreciation of their currencies. I would add that the present policy was adopted after full inquiry less than a year ago, and having regard to the abnormal factors mentioned I do not think that a further review is now called for.'

The answer to the Honourable Maharaja's question is therefore in the negative.

EXPORT OF RICE.

40. The HONOURABLE MAHARAJA SIR M. C. NANDY: (a) Will the Government be pleased to state if it is intended to remove at an early date all embargo on the export of rice?

(b) If so, do the Government propose to ascertain, before taking any measures to that effect, the food conditions of the people all over the country at the present day and the probable chances of the crop for next year?

The HONOURABLE RAO BAHADUR B. N. SARMA: The answer to the first part of the question is in the negative and the second part of the question does not, therefore, arise.

HIGH COMMISSIONER FOR INDIA.

41. The HONOURABLE MAHARAJA SIR M. C. NANDY: Will the Government be pleased to state—

(a) the exact functions of Sir William Meyer's new office in London, and the estimated cost of that office, and the total number of men in his staff together with the salaries they draw from the Indian Revenues?

(b) if there are any Indians in the office of Sir William Meyer, and if so, will the Government kindly state their names and the pay of each?

The HONOURABLE SIR GEORGE BARNES: (a) The Honourable Member is referred to the Press Communiqué issued by the Government of India on the 20th September last which gives full information regarding the functions of the High Commissioner. If he has not seen it, I shall be happy to supply him with a copy. The budget estimate for 1921-22 of the cost of the High Commissioner's office, including payments on account of the Indian Trade Commissioner's office and the Indian Students' branch, is £205,000. This is the total cost of the office, and it is not meant to imply that the creation of the High Commissioner's appointment has involved a net extra charge of this amount to Indian revenues. Most of the sum represents merely a transfer from the India Office budget to the budget of the High Commissioner.

In regard to (b), I have no details of the staff employed by the High Commissioner and of their salaries. Sir William Meyer's General Secretary is an Indian gentleman, Mr. Bhore. His salary is £1,300 a year *plus* war bonus. The Senior Joint Secretary of the Students' branch is an Indian as also one of the Assistants to the Indian Trade Commissioner. The former, Mr. Sen, draws £750 a year *plus* war bonus, the latter, Mr. Asli, £650 *plus* war bonus.

ABOLITION OF EXCESS-PROFITS TAX.

42. The HONOURABLE MAHARAJA SIR M. C. NANDY: Do the Government propose to consider the advisability of abolishing the Excess-Profits Tax at an early date in India?

The HONOURABLE MR. E. M. COOK: The answer is in the negative. The Excess-Profits Duty Act, which was passed by the Imperial Legislative Council two years ago, had reference only to the profits of the twelve months ending 31st March, 1919, and no legislation has been passed subsequently continuing the duty beyond that period.

DEDUCTIONS UNDER INCOME-TAX.

43. The HONOURABLE SIR MANECKJI DADABHIOY : (a) Are Government aware of complaints against the system of deducting at the source income-tax at the maximum rate of one anna per rupee from interest due upon Government Promissory Notes and Debentures on the ground that it leads to serious injustice, especially in the case of *pardanashin* ladies, illiterate people and small holders?

(b) Is it a fact that the procedure for claiming exemption or abatement is resorted to in very few cases?

(c) Is it a fact that all applications for exemption or abatement are required to be signed by the applicants either before a Magistrate or before the Collector of Income-tax?

(d) What is the reason for the levy of a stamp duty of one anna upon all applications for exemption or abatement?

(e) Is it proposed to adopt the system of receiving by post verified applications, whether on printed forms or not, signed before a witness only?

The HONOURABLE MR. E. M. COOK : (a), (b), (c) and (e). The rules regarding refunds of income-tax are made by Local Governments. In 1918, the Government of India circulated to Local Governments a model set of rules framed by the Bombay Government, and since that time no complaints have been received regarding the working of these rules. It is true that the total sum paid annually in refunds has hitherto been comparatively small, but it is quite possible that this is due, not so much to the difficulties of the prescribed procedure, as to the fact that in many cases, where an exemption or abatement is legally claimable, the amount involved is so small that it is not worth the assessee's while to make a claim. The provision contained in the rules of some Local Governments that applications may be signed before a Magistrate or a Justice of the Peace was introduced for the purpose of avoiding the necessity of requiring the personal attendance of *pardanashin* ladies to make declarations before disbursing officers or before the Collector of Income-tax. The Finance Member is willing to consider any proposals for any simplification of the procedure that would result in greater convenience to assessees, and will refer to Provincial Governments the suggestion contained in part (e) of this question. He is unable, however, to accept that portion of the suggestion which implies that statements filed with applications showing the total income of an assessee and the amount of securities held by him should not be in a prescribed form, since it is necessary to have all the details prescribed by the assessee's income is liable to assessment or the amount of the refunds due.

(d) Prior to 1886 the duty was 8 annas, in which year it was reduced to one anna. The Finance Member has now reconsidered the matter in view of the Honourable Member's query and, while he does not think there is any real hardship involved by the payment of one anna on these applications, he agrees that there is not sufficient justification to retain the fee. Under the Court Fees Act the power of remitting the fee is vested in the Local Governments, but the Finance Member is suggesting to them the desirability of exempting the applications in question from the payment of fees.

STRENGTH OF ARMY IN INDIA.

44. The HONOURABLE SIR D. WACHA: Will the Government be pleased to state what is the existing strength of the Army in India,

British and Indian separately; also the strength of British and Indian forces, whose cost is paid from the revenues of India, in Mesopotamia and other parts of Asiatic Turkey, in Persia and in East Africa?

The HONOURABLE SIR WILLIAM VINCENT: There are no troops, British or Indian, in Mesopotamia, Asiatic Turkey or East Africa, the cost of which is paid from the revenues of India. Part of the cost of certain troops employed in Persia is charged to Indian revenue under an arrangement which has been in force since before the war. A statement is laid on the table, which is printed below, giving the strength as on the 1st January, 1921, of the Army in India, British and Indian separately, and also the strength of the small bodies of troops which were employed in Persia on that date on the terms just mentioned, which are explained more fully in the statement.

	ACTUAL STRENGTH.		
	B. O.	B. O. R.	I. O. and I. O. R.
(a) British and Indian regular troops employed on garrison duty in India—			
(i) Royal Air Force	225	1,688	...
(ii) Combatant Troops	5,237	57,210	180,847
(iii) Administrative services	2,891	3,494	72,804
Total	8,353	62,392	253,651
	70,745		
(b) Depôts in India of Units serving Overseas—			
(i) Cavalry Regiments	117	...	3,265
(ii) Infantry Battalions	401	...	21,746
(iii) Pioneer Battalions	55	...	2,021
Total	573	...	27,032
	573		
(c) Regular troops forming Consular Escorts and providing detachments for Persia and the Persian Gulf (excluding East Persian Cordon)—			
(i) Consular Escorts	...	...	142
(ii) Detachments in the Persian Gulf	14	12	1,259
(iii) Administrative services at 40 per cent. of (ii).	6	...	503
Total	20	12	1,904
	32		
(d) Regular troops with South Persian Rifles	50	64	91
	114		
GRAND TOTAL	8,996	62,468	282,678
	71,461		

The figures at (a) include approximately 24,000 Indian troops and a corresponding number of British officers representing units which are either about to proceed overseas or have just returned from overseas and the cost of which is chargeable to His Majesty's Government.

The cost of (b) above is also chargeable in its entirety to His Majesty's Government.

The expenditure under (c) and (d) is a political charge, and is borne in moieties by His Majesty's Government and the Government of India under a long standing arrangement based upon the recommendation contained in paragraph 240 of the report of the Welby Commission.

RECOMMENDATIONS OF ESHER COMMITTEE.

45. The HONOURABLE SIR D. WACHA : Which are the recommendations, if any, of the Esher Committee that have been or are being carried into practice, and what burden have or will they impose on the finances of the Government of India ?

The HONOURABLE SIR WILLIAM VINCENT : The only recommendations of the Esher Committee to which it has been decided as yet to give effect are those relating to :—

- (i) Tightening up of the system of financial control exercised at Army Headquarters and in the Royal Indian Marine. The new arrangements are at present on a provisional basis, and their cost is estimated at 3 lakhs per annum.
- (ii) Improvements in the system under which the Army and Marine accounts are maintained. The charges are being introduced gradually, and the ultimate extra cost, if any, cannot yet be gauged.
- (iii) Re-arrangement of staff duties at Army Headquarters. No extra cost is involved.
- (iv) Assimilation of the training system in India to that in force in the United Kingdom, including the introduction of a system of education for Indian soldiers. Full details of the scheme have not yet been settled.
- (v) Creation of a Territorial Force for India. Cost in the first year as roughly estimated—Rs. 5 lakhs. The ultimate cost cannot be stated at present. It will depend on the success of the scheme.

Some of these proposals had already been under the independent consideration of the Government of India before the Committee's Report was issued. The re-organisation of the Army in India, in accordance with what is known as the Four-Command Scheme, was supported but not initiated by the Esher Committee. Effect has been given to this reorganisation on a provincial basis.

NAVY IN INDIAN WATERS.

46. The HONOURABLE SIR D. WACHA : Will the Government be pleased to inform the Council what will be the contribution of the Government of India to the Home Government for the coming official year in reference to His Majesty's Navy in Indian waters ?

The HONOURABLE SIR WILLIAM VINCENT : Government regret that they are unable to give any information on this subject at present. The budget when presented will supply the information which the Honourable Member requires. But it is contrary to practice to disclose beforehand what provision is being made under any particular head.

UNDELIVERED GOODS AT PORTS.

47. The HONOURABLE MR. CHETTIYAR : Will the Government be pleased to collect and place on the table information as to the amount of goods, if any, lying undelivered at the several ports on account of the importers refusing to honour the drafts ?

The HONOURABLE SIR GEORGE BARNES : The Government of India could doubtless collect, with some trouble, statistics of the stocks of certain classes of goods lying in the different ports on a given date, but they could not ascertain, except at the cost of wholly disproportionate labour and expense, why delivery has not been taken of these goods, and they do not propose to take the action suggested by the Honourable Member.

47A. The HONOURABLE MR. LALUBHAI SAMALDAS MEHTA : Is Government aware that delivery is not taken because exchange has gone down ?

The HONOURABLE SIR GEORGE BARNES : Will you please give me notice of that question ?

EXTENSIONS OF EASTERN BENGAL RAILWAY.

48. The HONOURABLE RAJA PROMADA NATH ROY : Would the Government be pleased to state how far the schemes of the following extensions and branch lines of the Eastern Bengal Railway have developed, and when are the construction works of these to be taken up :—

- (i) Santahar-Siliguri extension of the broad gauge ;
- (ii) Isurdhi-Nauchal branch of the Eastern Bengal Railway in Rajshahi district ;
- (iii) Khulna-Madaripur line in the Dacca Division ?

The HONOURABLE SIR GEORGE BARNES : (i) The estimate for the conversion of the Santahar-Parbatipur section of the Eastern Bengal Railway to broad gauge was recommended for sanction of the Secretary of State in January last, and his orders were asked for by cable to allow of the work being pushed on. The estimate for the further extension of the broad gauge from Parbatipur to Siliguri is under preparation by the Railway Administration.

(ii) A survey for a railway from Nachoul to Gopalpur *via* Rampur Boalia was carried out in 1912-13. As the construction estimate then prepared is now out of date and the location of the junction at Ishurdi instead of at Gopalpur, since decided upon, has entailed a slight re-alignment of the line, it has been necessary to obtain a revised construction estimate. This estimate is now under preparation.

Government are not at present in a position to say when the project is likely to materialise.

(iii) A survey for a railway connecting Khulna with Faridpur *via* Madaripur and with Barisal was carried out in 1914. The project was ultimately abandoned for the reasons stated in Sir Robert Gillan's reply to the Honourable Maharaja Sir Manindra Chandra Nandy's question of the 11th September, 1918, of which I shall be glad to send the Honourable Member a copy, if he so desires.

RAILWAY CONNECTION BETWEEN INDIA AND BURMA.

49. The HONOURABLE RAJA PROMADA NATH ROY : Would the Government be pleased to state if the survey of a line connecting

Burma with India has been completed, and, if so, when is the work of construction going to commence?

The HONOURABLE SIR GEORGE BARNES: The necessary surveys for a railway connection between Burma and India have not yet been completed, and Government are unable to state in the meantime when construction is likely to be commenced.

EXPENDITURE ON PUBLIC GARDENS.

50. The HONOURABLE RAJA PROMADA NATH ROY: Would the Government be pleased to state what amount of money is spent yearly in the maintenance of public gardens under their supervision and control, and how much of it is recouped by the sale of the garden produce?

The HONOURABLE RAO BAHADUR B. N. SARMA: There are no public gardens under the direct control of the Government of India.

SHIP-BUILDING IN INDIA.

51. The HONOURABLE RAJA PROMADA NATH ROY: In view of the Communiqué issued by the Government in 1918 to the effect that the Government would help in various ways the ship-building industry in India, would the Government be pleased to state what steps have been taken so far in this connection up till now and how many ships and what amount of tonnage have been launched since then?

The HONOURABLE MR. A. C. CHATTERJEE: The Honourable Member's attention is invited to the reply given by the Honourable Sir George Barnes to the resolution moved on the 24th September, 1918, by the Honourable Rao Bahadur B. N. Sarma in the Indian Legislative Council, and also to the Press Communiqué dated the 18th March, 1919, issued by the Indian Munitions Board. In his reply the Honourable Sir George Barnes gave certain details of the number of wooden vessels which were then being built in India under the encouragement given to the industry by the Munitions Board which was a purely war-time organisation. The assistance given to the industry during the war was confined entirely to the building of wooden vessels. But the building of ocean-going ships in this country is dependent on a supply being locally available of steel plates at low prices. Obviously no business company would undertake the building of steel ships if they had to pay freight for the importation of the chief constituents. It is hoped, however, that when the existing and the projected steel-works in India are in a position to supply steel plates in the required quantities and of specified quality, private enterprise will be forthcoming to develop and expand the ship-building industry. For this purpose private capitalists will probably require suitable and adequate areas of land for ship-building yards. Applications for assistance in the acquisition of land will in the ordinary course be dealt with by appropriate Local Governments.

TEACHING OF NAVIGATION IN INDIA.

52. The HONOURABLE RAJA PROMADA NATH ROY: Would the Government be pleased to state if it is in contemplation to open schools

for teaching navigation in any part of India and, if so, which are the places likely to be selected for the purpose?

The HONOURABLE MR. A. C. CHATTERJEE: The Honourable Member's question is understood to refer to the teaching of navigation generally. Education is a Provincial transferred subject, and it will be for the Ministers in the Provinces to decide whether schools should be opened for teaching navigation. With regard to the question of providing the means of training personnel for the Royal Indian Marine, a subject that is under the direct control of the Central Government, I would invite the Honourable Member's attention to the reply given by His Excellency the Commander-in-Chief to a question on the subject put by the Honourable Mr. Patel in the Indian Legislative Council on the 8th March, 1920. The Government of India have asked the Secretary of State for a ship suitable for use as a Royal Indian Marine training ship for Indian ratings, including engineer artificers, on which facilities can also be provided for the training of cadets and special ratings, such as wireless operators and signallers. Up to the present time the Government of India have not been able to obtain such a vessel.

EXPENDITURE ON REFORMS.

53. The HONOURABLE RAJA PROMADA NATH ROY: Would the Government be pleased to state to what amount the expenditure has been increased by the introduction of the Reforms Scheme in each of the Provinces and also in the Government of India?

The HONOURABLE SIR WILLIAM VINCENT: A statement is laid on the table which is printed below, giving the information asked for so far as this is known to the Government of India.

Statement showing the annual extra expenditure likely to be incurred in the Provinces in connection with Reforms.

Province.	Particulars of appointments involving extra cost created.	Extra annual cost involved.	REMARKS.
Madras	1 Executive Councillor	Rs. 64,000	* Salary will be fixed by the local legislature.
	3 Ministers	*	
	1 President of Legislative Council.	36,000	
	1 Deputy President of Legislative Council.	*	
	1 Secretary	Pay according to superior time scale for I. C. S. + duty allowance of Rs. 250 per mensem.	
Bombay	1 Executive Councillor	64,000	† Not known; the fixing of the salary rests with the Governor under section 72 C. (5) of the Government of India Act.
	3 Ministers	*	
	1 President of Legislative Council.	†	
	1 Deputy President of Legislative Council.	*	
	1 Secretary	Superior I. C. S. time scale pay + duty allowance of Rs. 250 per mensem.	
	1 Deputy Secretary	Superior I. C. S. time scale pay + duty allowance of Rs. 200 per mensem.	

Province.	Particulars of appointments involving extra cost created.	Extra annual cost involved.	REMARKS.
Bengal	1 Executive Councillor	Rs. 64,000	* Salary will be fixed by the local legislature.
	3 Ministers	*	
	1 President of Legislative Council.	36,000	
	1 Deputy President of Legislative Council.	*	
	1 Secretary	Superior I. C. S. time scale pay + duty allowance of Rs. 250 per mensem.	
	1 Deputy Secretary	Superior I. C. S. time scale pay + duty allowance of Rs. 200 per mensem.	
United Provinces.	5 Assistant Secretaries	Pay to be fixed by Local Government subject to maximum of Rs. 800 per mensem.	
	1 Governor	20,000	
	2 Executive Councillors	1,28,000	
	2 Ministers	*	
	1 President of Legislative Council.	36,000	
	1 Deputy President of Legislative Council.	*	
	1 Secretary	Superior I. C. S. time scale pay + duty allowance of Rs. 250 per mensem.	
	1 Under Secretary	Inferior I. C. S. time scale pay + duty allowance of Rs. 200 per mensem.	
	or		
	1 Assistant Secretary	Pay to be fixed by Local Government subject to maximum of Rs. 800 per mensem.	
Punjab	2 Executive Councillors	1,20,000	
	2 Ministers	*	
	1 President of Legislative Council.	36,000	
	1 Deputy President of Legislative Council.	*	
	2 Secretaries	Superior I. C. S. time scale pay + duty allowance of Rs. 250 per mensem.	
Bihar and Orissa.	2 Ministers	*	† Post at present held by a member of the Executive Council.
	1 President of Legislative Council.	†	
	1 Deputy President of Legislative Council.	*	
	1 Secretary	Superior I. C. S. time scale pay + duty allowance of Rs. 250 per mensem.	
	1 Under Secretary	Inferior I. C. S. time scale pay + duty allowance of Rs. 200 per mensem.	
Central Provinces.	1 Governor	19,000	
	2 Executive Councillors	96,000	
	2 Ministers	*	
	1 President of Legislative Council.	36,000	
	1 Deputy President of Legislative Council.	*	
Assam	1 Governor	6,000	† No salary has yet been fixed by the Governor.
	2 Executive Councillors	84,000	
	2 Ministers	*	
	1 President of Legislative Council.	†	
	1 Deputy President of Legislative Council.	*	

Statement showing the annual extra expenditure likely to be incurred in the Government of India in connection with Reforms.

Particulars.	Extra annual cost involved.		REMARKS.
	Rs.	A. P.	
1. President, Council of State	50,000	0 0	} 7 months at Rs. 5,000 and 5 months at Rs. 3,000.
2. President, Legislative Assembly	50,000	0 0	
3. Joint Secretary	36,000	0 0	
4. Additional Deputy Secretary	24,000	0 0	
5. Two Superintendents at Rs. 600—40—800 each	18,000	0 0	
6. Five Council Reporters at Rs. 450—25—750 each	38,400	0 0	
7. One Assistant in the upper time scale at Rs. 375—25—500	5,625	0 0	
8. Ten Assistants at Rs. 200—15—500	42,000	0 0	
9. Sixteen clerks at Rs. 100—8—300	36,400	0 0	
10. Three Stenographers at Rs. 175—9—400	9,675	0 0	
11. Six daffries at Rs. 15—1—35	1,080	0 0	
12. Two Jemadars at Rs. 20—1—24	480	0 0	
13. Sixteen peons at Rs. 10 each	1,920	0 0	
14. Eighteen temporary peons at Rs. 10 each	2,160	0 0	
15. Hill Journey allowances	22,000	0 0	
16. Travelling and daily allowances of the Members of Council of State and of Legislative Assembly	4,87,278	0 0	
TOTAL	8,25,018	0 0	+ the salary of the Deputy President of the Legislative Assembly which will be fixed by the Indian legislature.

NON-CO-OPERATION MOVEMENT.

54. The HONOURABLE RAJA PROMADA NATH ROY: Will the Government be pleased to lay a statement on the table as to the progress of

the non-co-operation movement in the various parts of India, and state the steps, if any, which the Government have so far taken to counteract its influences?

The HONOURABLE SIR WILLIAM VINCENT: I think the Honourable Member must form his own conclusions as to the progress of the non-co-operation movement. As regards the policy of the Government towards that matter, I would refer the Honourable Member to the Resolution published on the 6th November, 1920. I shall be glad to give him a copy if he has not already seen it.

MARKET FOR INDIAN PRODUCE.

55. The HONOURABLE MR. CHETTIYAR: Is it a fact that Indian produce cannot find a market in foreign countries?

The HONOURABLE SIR GEORGE BARNES: The Honourable Member's question is rather vague, and I am not sure what information he requires, but if he is referring to the present state of India's export trade, it is a fact that that trade is, generally speaking, in a state of depression. The principal cause, of course, is that the purchasing power of many countries, especially Continental countries, has been reduced owing to the collapse of their foreign exchanges. India, of course, is not the only country affected in this way.

STABILIZATION OF EXCHANGE.

56. The HONOURABLE MR. CHETTIYAR: Do the Government propose to stabilise exchange; if so, when?

The HONOURABLE MR. E. M. COOK: Government are unable to give any guarantee regarding the course of the rupee-sterling exchange.

EXCESS-PROFITS DUTY.

57. The HONOURABLE MR. CHETTIYAR: Will the Government be pleased to collect and place on the table information as to—

- (a) the total amount of excess profits duty levied on Europeans and Indians respectively in each one of the several Provinces;
- (b) the number of such assessees, European and Indian, in the several Provinces?

The HONOURABLE MR. E. M. COOK: The excess profits duty is a duty on the profits of businesses, and the greater portion of the duty levied is from businesses carried on by firms and companies, the amounts collected from individuals as such being insignificant. The names of companies and firms give no indication of the nationality of the shareholders or partners, and it would be an impossible task to attempt to distribute the receipts from the duty between Europeans and Indians. The Finance Member therefore regrets that he is unable to collect the information asked for.

EXPENDITURE ON IMPERIAL SERVICES IN INDIA.

58. The HONOURABLE MR. BHURGRI: Will Government be pleased to state the amount of the increase of expenditure on the Imperial Services in India owing to the recent increments in the salaries, allowances and pensions, respectively?

The HONOURABLE SIR WILLIAM VINCENT: I lay on the table a statement which is printed below, giving the required information so far as it is available.

Statement showing the approximate additional expenditure involved per annum in the increase of salary, allowances and pensions, respectively, of the various Imperial Services in India.

(a) Salary—	Rs.
Indian Agricultural Service	3,30,000
Imperial Civil Veterinary Service	1,04,000
Imperial Customs Service	90,000
Indian Educational Service	10,00,000
Indian Finance Department	72,000
Military Finance Department	50,000
Imperial Forest Service	4,50,000
Geological Survey of India	1,00,000
Indian Civil Service	36,00,000
Indian Police Service	13,00,000
Indian Medical Service	25,00,000
Superior Telegraph Branch of the Indian Telegraph Department	1,50,000
Indian Service of Engineers	10,00,000
State Railway Engineering Service	2,30,000
Survey of India	45,000
(b) Allowances*	Figures not available.
(c) Pensions—	
Rough estimate	3,00,000

EXPENDITURE ON THE STUDENTS' BUREAU IN ENGLAND.

59. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

- (a) the amount of annual expenditure incurred in connection with the Students' Bureau in England;
- (b) the amount of such expenditure borne by the Indian Exchequer;
- (c) the amount of such expenditure, if any, borne by the British Exchequer?

The HONOURABLE KHAN BAHADUR MIAN MUHAMMAD SHAFI: (a), (b) and (c). The total expenditure incurred during 1919-20 in connection with the Indian Students' Department, including the salary of the Educational Adviser and Staff, was £8,601. The whole of this expenditure was borne by the Indian Exchequer.

MILITARY EXPENDITURE IN INDIA.

60. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

- (a) the amount of military expenditure incurred in India in the year before the war and in the year after the war, respectively;
- (b) the amount of expenditure, incurred in India, during the same periods, on sanitation, education and medical relief, respectively?

The HONOURABLE MR. E. M. COOK: (a) The net military expenditure in the year 1913-14 amounted to 30 crores and in the year 1919-20 to 87 crores. This last figure however includes 2½ crores, the cost of the Afghan war, besides various other charges arising directly or indirectly out of war, including in particular an item of over 4 crores as payment of war gratuities. I am not quite clear which year the Honourable Member wishes us to understand as the year after the war, and as the Peace Treaty with Germany was signed only in 1919. I may also state for his information that a sum of about 55½ crores was provided in the budget estimates for the year 1920-21 for net military expenditure, although owing to the operations on the frontier the actual expenditure of the year will exceed this figure.

(b) The expenditure on education in 1913-14 was 5½ crores and on medical and sanitation together 2½ crores. Separate figures for medical and sanitation expenditure for that year are not available, and moreover the figures for that year do not include grants to local bodies for expenditure on these objects. In 1919-20, the expenditure on education amounted to 7½ crores, on medical 2½ crores and on sanitation 2½ crores.

PROVINCIAL EXECUTIVE COUNCILS.

61. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

- (a) if it is a fact that the Montagu-Chelmsford report recommended that the Provincial Executive Councils be composed only of two members, one official and one non-official;
- (b) the reasons why the strength of some Provincial Executive Councils has been raised to four members?

The HONOURABLE SIR WILLIAM VINCENT: (a) Yes.

(b) The appointment of Ministers has no doubt relieved Members of the Executive Councils of some of the duties hitherto discharged by them. I would, however, refer the Honourable Member to the remarks of the Joint Committee in their Report on the Government of India Act draft rules. Referring to their recommendation that if a Provincial Council contained two Members with service qualifications neither of whom was by birth an Indian, it should contain also two non-official Members; the Joint Committee observed that they recognised that this decision might involve a slightly greater manpower in government than the present statistics would strictly justify, but that they had little doubt that the increase of work arising out of the new legislative bodies would be such as to render past experience a doubtful guide as to the volume of business likely to fall upon the Executive, and that in any case they thought it more important that as many Indian gentlemen

as possible should obtain experience of inside government and that the salaries of a few officials should be economised.

ARMS RULES.

62. The HONOURABLE MR. BHURGRI: Will Government be pleased to lay on the table the recent notification of the Government of India on the subject of the Arms Rules?

The HONOURABLE SIR WILLIAM VINCENT: The Government of India have recently issued a number of notifications on the subject of the Indian Arms Rules, and it is not known to what particular notification the Honourable Member refers. The notifications have all been published from time to time in the Gazette of India, but if the Honourable Member so desires, I shall be glad to send to him direct copies of the Indian Arms Rules and all subsequent notifications, and any particular notification that he wants.

INDIAN DEFENCE FORCE.

63. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

- (a) the total strength of the Indian Defence Force at present;
- (b) the strength of the Indian element in that force?

The HONOURABLE SIR WILLIAM VINCENT: (a) The Indian Defence Force ceased to exist with the repeal of the Indian Defence Force Act, 1917, on the 1st October, 1920.

(b) This part of the question does not therefore arise.

TERRITORIAL FORCE IN INDIA.

64. The HONOURABLE MR. BHURGRI: Will Government be pleased to state what action, if any, has been, or is proposed to be, taken by them in regard to the constitution of a territorial force in India?

The HONOURABLE SIR WILLIAM VINCENT: The formation of the Indian Territorial Force will be undertaken as soon as the draft Rules, which will shortly be published in the Gazette of India, become effective.

It is proposed to form, in the beginning, six Provincial battalions, in addition to the University Corps, as well as two Railway battalions. When these are completed, the formation of other units will be considered.

TECHNICAL, INDUSTRIAL AND SCIENTIFIC EDUCATION OF INDIAN STUDENTS IN ENGLAND.

65. The HONOURABLE MR. BHURGRI: Will Government be pleased to state what facilities, if any, there are for the technical, industrial and scientific education of Indian students in England and other countries?

The HONOURABLE MR. A. C. CHATTERJEE: The Honourable Member is doubtless aware that Advisory Committee for Indian Students proceeding

abroad for study exist in the Provinces. His Provincial committee will be in a position to furnish him with any detailed information he desires. I may at the same time commend the following publications to the Honourable Member's attention :—

- (1) Handbook of Information for Indian Students relating to University and Professional Studies, etc., in the United Kingdom (issued by the Committee of the National Indian Association, in conjunction with the Students' Department, India Office).
- (2) Pamphlet on Admission to American Universities and Colleges, by J. C. Coyajee, Secretary, Provincial Advisory Committee for Indian Students, Calcutta.
- (3) Pamphlet No. 7 of the Bureau of Education and Facilities for Indian Students in America and Japan, by R. K. Sorabji.
- (4) United States Bureau of Education No. 27 of 1915 on Opportunities for Foreign Students at Colleges and Universities in the United States by Samuel Capen.
- (5) Pamphlet No. 6 of the Bureau of Education on Indian State Scholarships.

REPORT OF INDUSTRIAL COMMISSION.

66. The HONOURABLE MR. BHURGRI: Will Government be pleased to state what action, if any, has been, or is proposed to be, taken in regard to the Report of the Industrial Commission?

The HONOURABLE MR. A. C. CHATTERJEE: It is not possible to give in detail all the information which the Honourable Member desires within the compass of a reply to his question. I shall, however, be glad to give to the Honourable Member at any time detailed information regarding any particular recommendation made by the Indian Industrial Commission, should he desire to have it. Briefly, the main recommendations of the Commission were—

- (1) the constitution of a Central Department of Industries;
- (2) the constitution of Provincial Departments of Industries;
- (3) the creation of all-Indian Scientific and Technical Services; and
- (4) the creation of an agency for the purchase and inspection of stores in India.

The general approval of the Secretary of State was given to the principle of each of these four recommendations, and effect has actually been given to the first two. Considerable progress has also been made with the 3rd and 4th recommendations, but some little time must elapse before they can be carried into effect.

The Proceedings of the two Conferences of Directors of Industries, which have been held up to date, indicate the position in respect of each recommendation made by the Commission on which the Government of India have taken or are taking action. These Proceedings are now being published

in the form of official bulletins, and when these are ready, I shall be glad to supply the Honourable Member with copies of them.

ANDAMANS SETTLEMENT COMMITTEE.

67. The HONOURABLE MR. BHURGRI: (a) Will Government be pleased to state—

- (i) when the Andamans Settlement Committee was appointed;
- (ii) what was the personnel of that Committee;
- (iii) whether the Committee have submitted a report to Government and, if so, when;
- (iv) whether the report has been published by Government;
- (v) if not, why the report has not been published?

(b) Will Government lay on the table a copy of the report of the above Committee, together with the orders, if any, passed by Government in the matter?

The HONOURABLE SIR WILLIAM VINCENT: The Honourable Member is perhaps referring to the Jails Committee which was directed to inquire into the system of transportation to the Andamans. If so, the answer to his questions is as follows :—

- (a) (i) In April 1919.
- (ii) I would refer the Honourable Member to the resolution published on the 25th April, 1919.
- (iii) Yes. Copies were received on 23rd November, 1920.
- (iv) (v) and (b). The report is still under the consideration of the Government of India, who are in consultation with Local Governments regarding the recommendations contained therein. No decision has yet been reached regarding the question of publication, and the Government are not therefore at present prepared to lay a copy of the report on the table.

67A. The HONOURABLE MR. BHURGRI: Was there any other committee appointed specially with regard to the Andamans Settlement?

The HONOURABLE SIR WILLIAM VINCENT: To the best of my knowledge, no. Sir Reginald Craddock visited the Andamans some time ago and submitted a report, but the only committee that investigated the subject is the Committee to which I have already referred.

REPORT OF JAIL COMMITTEE.

68. The HONOURABLE MR. BHURGRI: Will Government be pleased—

- (a) to state what action, if any, has been, or is proposed to be taken in respect of the report of the Jail Committee;
- (b) to lay a copy of the report on the table?

The HONOURABLE SIR WILLIAM VINCENT: I would refer the Honourable Member to the answer which I have just given.

INDIAN TROOPS OUTSIDE INDIA.

69. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

- (a) the total number of Indian troops stationed outside India;
- (b) the places where they are stationed;
- (c) the number stationed in each place;
- (d) the amount of annual expenditure incurred over them;
- (e) the amount of such expenditure borne by the Indian Exchequer;
- (f) the amount of such expenditure, if any, borne by the British Exchequer;
- (g) the reasons for these Indian troops being stationed outside India?

The HONOURABLE SIR WILLIAM VINCENT: (a) The number of troops stationed outside India is 105,000.

(b) and (c). It is undesirable in the public interests to give the information asked for. The information could not, in any case, be given without the concurrence of His Majesty's Government, at whose disposal these troops are.

(d) The information is not available as practically all the expenditure is that of His Majesty's Government and not that of the Government of India.

(e) and (f). No expenditure is borne by the Indian Exchequer on account of the Indian troops serving overseas, except that on account of consular escorts, of the garrisons at Gulf Ports, and of about 200 officers and men employed with the South Persia Rifles. Presumably, the Honourable Member's question does not refer to expenditure of this nature which is shared with His Majesty's Government under an arrangement which has been in force for many years.

(g) Except in Mesopotamia and Persia, where we are still dealing with the aftermath of the war, these Indian troops are employed on ordinary pre-war garrison duties.

PROSECUTIONS UNDER DEFENCE OF INDIA ACTS, ETC.

70. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

- (a) the number of prosecutions under the Defence of India Act, Sections 124-A and 153-A, of the Indian Penal Code, and Section 108 of the Criminal Procedure Code, respectively, in the whole of India during the last five years;
- (b) the number of convictions in the above prosecutions;
- (c) the number of acquittals, if any, in the above prosecutions?

The HONOURABLE SIR WILLIAM VINCENT: The information asked for by the Honourable Member is being collected and will be laid on the table as soon as it is available.

The HONOURABLE THE PRESIDENT: It now being Twelve of the Clock, the time for questions is exhausted. The remaining questions on the paper will, therefore, stand over.

Before we proceed further, I desire to communicate to this Honourable Council a message under the Sign Manual of His Excellency the Governor General of India. The message was received by the Council standing.

It runs as follows:—

For the purposes of sub-section (1) of section 67 A of the Government of India Act and in pursuance of rule 43 of the Indian Legislative Rules, I, Frederick John Napier, Baron Chelmsford, hereby direct that the statement of the estimated annual expenditure and revenue of the Governor General in Council (referred to in the said Rules as the Budget) shall be presented to the Council of State on Tuesday, the 1st March 1921.

It may possibly be for the convenience of this Council if any Member of the Government is in a position to make a statement (other than the statement made on the last occasion) of the Government business to be brought forward at the next meeting of the Council.

The HONOURABLE SIR GEORGE BARNES: That is, I think, on the 21st February.

The HONOURABLE THE PRESIDENT: Yes.

GOVERNMENT BUSINESS FOR THE 21ST FEBRUARY, 1921.

The HONOURABLE SIR GEORGE BARNES: Sir, it is hoped that a Bill further to amend the Code of Criminal Procedure, 1898, and the Court Fees Act, 1870, will be ready for introduction on that day, the 21st of February, and it is possible that one or two small measures may also appear in the list of business.

The seven Resolutions regarding the recommendations of the Washington Labour Convention, of which notice has been given by the Honourable Mr. Chatterji, will also come on for discussion.

The HONOURABLE THE PRESIDENT: We will now proceed to the business of the day.

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move for leave to introduce a Bill further to amend the Code of Civil Procedure, 1908.

The Bill is a very short measure and requires no explanation other than that which is already provided in the Statement of Objects and Reasons. Members of this Council are aware that the Provincial Insolvency Act was consolidated in the last Session of the Imperial Legislative Council. The Select Committee, which sat on that Bill, recommended an amendment of that

[Sir W. Vincent.]

portion of section 55 of the Code of Civil Procedure which provides for the release of a judgment debtor arrested in execution of a decree if he announces his intention of applying to be declared an insolvent and complies with certain conditions into which I need not enter. The Committee recommended that this provision of the law should be repealed. Accordingly, we consulted Local Governments and the High Courts and, for reasons which will be apparent to any one who studies the Statement of Objects and Reasons, we decided not to abolish this power of the Courts altogether, but merely to make it a permissive power and to change the section from a mandatory section to an enabling section, that is to allow the Courts, where they thought fit, to release the judgment debtor but not to make it obligatory upon them to do so; and it is to give effect to that proposal that I introduce the present Bill. I only ask at present for leave to introduce, and Honourable Members who desire to criticise the Bill in detail will have an opportunity of doing so later when they have examined the provisions more fully.

The motion was put and agreed to.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I introduce the Bill.

MAINTENANCE ORDERS ENFORCEMENT BILL.

THE HONOURABLE SIR WILLIAM VINCENT: Sir, I move for leave to introduce a Bill to facilitate the enforcement in British India of maintenance orders made in other parts of His Majesty's Dominions and Protectorates and *vice versa*.

I hope that I shall not have to detain the Council for any time over this measure, which is also largely non-controversial and is fully explained in the Statement of Objects and Reasons to which I refer Honourable Members. The legislation arises out of a decision of the Imperial Conference of 1911 that wives and other dependents deserted by their husbands or persons liable for their maintenance and left destitute should be afforded additional protection by the Courts. In accordance with that decision an Act of Parliament was passed in 1920 which enables maintenance orders made in the United Kingdom (but not in Scotland, I think), to be transmitted to other parts of His Majesty's Dominions for enforcement, and also provides for the enforcement of orders made in other parts of His Majesty's Dominions in British India. The Act is a purely enabling one, in that Parliament very wisely insisted that, before they gave effect to it, there should be reciprocity of treatment. The present Bill provides similar facilities for enforcing maintenance orders made in other parts of His Majesty's Dominions in British India, for the confirmation of provisional orders of that character, for the making of provisional orders of that character when the person deserted is in British India, and for the transmission of maintenance orders made in this country to other countries for execution. That is, if a wife is deserted by her husband here, she can bring a suit or complaint for maintenance. If she secures a final order in this country, then we can get it executed in the United Kingdom if he runs away there. Similarly, if he runs away before the order, we can get a provisional order here, which will have to be confirmed in the country in which he has taken up his residence. But the whole arrangement is subject to reciprocal treatment by the other country affected.

If Honourable Members will turn to the Bill for one moment they will see that clause 3 also provides for similar facilities for the enforcement of maintenance orders as between British India and Indian States. The remaining clauses provide for procedure, for variation of orders where necessary and for cancellation; also for appeals in certain cases.

The necessity for the legislation is well illustrated, I think, by the Lord Chancellor's speech when he moved the second reading in the House of Lords. He told the House that in 1919 the Colonial Office received communications from over 30 Boards of Guardians in England with reference to the cases of wives with or without children dependents whose husbands had deserted them and gone to reside in other parts of His Majesty's Dominions. Speaking on the same Bill at the same hearing, the ex-Lord Chancellor said that it was a small but long overdue instalment of a debt which society owed to women who had been deserted by their husbands, and in that view I think this Council will agree.

There is one other point which I ought to mention, namely, that the Bill does not cover maintenance orders for illegitimate children, the reason for that being that it was found impossible for various reasons, into which I need not enter, to include that class of person in the English enactment, and, as the whole basis of the legislation which I am putting before this Council is reciprocity, it would have been useless for us to attempt to include that in our Bill.

I do not think, Sir, that there is any other point to which I need advert at present. Ample opportunity will be given to this Council and to those who take any interest in a somewhat technical and difficult subject to discuss it at a later stage.

The motion was put and agreed to.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I introduce the Bill.

THE HONOURABLE THE PRESIDENT: That closes the legislative business for the day. We will now proceed to Resolutions. I call upon the Honourable Sir Maneckji Dadabhoi to move the Resolution standing on the paper in his name.

RESOLUTION *RE* CIRCULATION OF SPEECHES OF HIS ROYAL HIGHNESS THE DUKE OF CONNAUGHT AND HIS EXCELLENCY THE VICEROY IN THE VERNACULARS.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, in the list of business, the first Resolution stands in my name. It is not in order as I have not complied with the provisions of section 57 of the Standing Orders. I, therefore, request you, Sir, to ask the Member in charge of the Department to which the Resolution relates to give me his consent to move this Resolution.

THE HONOURABLE THE PRESIDENT: I understand the Honourable Member has the consent of the Honourable the Home Member. I have been so informed.

THE HONOURABLE SIR WILLIAM VINCENT: That is correct, Sir.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I beg to move the following Resolution :—

'This Council recommends to the Governor General in Council that the speeches delivered by His Royal Highness the Duke of Connaught and His Excellency the Viceroy at the inauguration of the Indian Legislature on the 8th February, 1921, be translated into all the important vernaculars and freely distributed throughout the length and breadth of the country at the cost of Government.'

I feel sure Honourable Members will not grudge me the priority which I have claimed for this Resolution, particularly as I shall not take more than a couple of minutes to place this Resolution before the Council. I trust Government will agree with me that the Resolution which I have just read out need no special words of recommendation. My justification for moving this Resolution is obvious. The inauguration of the Council of State and the Legislative Assembly has been an epoch-making event—I may say, an event of exceptional and momentous importance. To the solemnity of the occasion special interest was invested by the presence of His Royal Highness the Duke of Connaught, who has specially come out to India to inaugurate the Councils and to deliver in person the message of His Imperial Majesty to the people of India. Honourable Members are now aware of that message. The message which His Royal Highness has delivered to the Indian Legislature has been received with reverence and with unswerving loyalty to the Throne and person of His Majesty. That part of the speech of His Royal Highness which referred to our future responsibilities, to the privileges of Members, to the new Constitution and to the new era of political freedom which has been opened out to India is worthy of our serious consideration. Likewise, the weighty speech of His Excellency the Viceroy reviewing the situation and tracing the gradual steps by which the first instalment of self-government and political freedom has been obtained for the country is worthy of our serious study and reflection. I have no doubt that both these speeches will be published in the newspapers and will be read by many educated people; but, in my opinion, it is essentially necessary that the widest possible publicity should be given to these important utterances by making them available among the masses generally. It is only right and proper that the message of His Imperial Majesty the King should be freely communicated to the people of India, particularly as that message embodies an important declaration, namely, the beginning of Swaraj within the Empire—the goal to which the people of the country are aspiring for and which they are endeavouring to obtain.

There is another reason, Sir, why this Resolution ought to commend itself to Government. There is a section of the public, as the Council is aware, which has belittled the Reforms and has misinterpreted them. There is some apprehension that the two important speeches delivered at the inauguration of the Councils might be likewise misinterpreted. My Resolution therefore suggests that translations of these two important speeches be made in all important vernaculars of the country and distributed broadcast throughout the country. I would also ask Government to issue executive instructions to Tehsildars and Revenue Officers in the districts to read the translations in all the important villages and groups of villages. As regards the cost, I have not the slightest doubt that the Provincial Governments will be ready and willing to bear their share of the contribution. I therefore move this Resolution and I feel sure it will be accepted by the Council and Government.

The HONOURABLE SIR ZULFIQAR ALI KHAN : Sir, I agree wholeheartedly with the sentiments expressed by the Honourable Sir Maneckji Dadabhoy. I think it is essential that the country should know what is the character of the message sent by His Majesty the King-Emperor.

The HONOURABLE DIWAN BAHADUR V. RAMABHADRA NAYADU :
12-17 P.M. Sir, I heartily support the Resolution moved by my Honourable friend Sir Maneckji Dadabhoy. The momentous utterances to which His Royal Highness the Duke of Connaught and His Excellency the Viceroy have given expression should be made known to all, especially at this time when a section of the Indian people are being misled by Mahatma Gandhi and others. It is therefore necessary that the documents containing the message of His Imperial Majesty should be translated into some of the vernaculars in all the Provinces. I think it very important that the masses should understand what is conveyed to the people of India by His Imperial Majesty in the weighty words of His Royal Highness the Duke of Connaught and also those of His Excellency the Viceroy. So I think it necessary, even though it will require the expenditure of some money, that the translations should be made and distributed broadcast among the mass of the people, as this Resolution suggests.

The HONOURABLE RAJA SIR RAMPAL SINGH : Sir, I rise to give my support to the Resolution that has been moved by my friend the Honourable Sir Maneckji Dadabhoy. It is extremely desirable in my opinion that translations of the two speeches referred to in the Resolution should be distributed in the country—especially in rural areas. I am sure the stirring appeal made by His Royal Highness the Duke of Connaught will find a ready and enthusiastic response in the hearts of the people.

The HONOURABLE NAWAB ABDUL MAJID : Sir, I think that it is absolutely necessary that the speeches of His Excellency the Viceroy and of His Royal Highness the Duke of Connaught should be translated into all the important vernaculars of the Provinces. It is essential, Sir, not for the reason only that they will give information to the people of the country at large as to what the pronouncements have been, but it is essentially necessary for this reason also, that they will go a long way to allay the unrest which is prevailing in the country at the present time. When the people hear the message which has been conveyed by His Imperial Majesty and that message conveyed through a Royal mouth, that will have a great effect upon the masses of the country. Of course, we educated people will learn from the newspapers, but the masses, unless it is brought home to them, I am afraid will not be well acquainted with it, and for that purpose it is not only necessary that the speeches should be translated, but the speeches should be circulated far and wide so that they might reach the hands of every villager and every man in the country and not only that, it should be explained to the people what are the pronouncements of the Government, what are the intentions of the Government at the present time. With regard to the agitation that has been going on in the country at the present time, I would say that it is not telling the real facts to the people. When the people know what are the real intentions of the Government it is quite possible—I am in fact quite certain—that the people will see with their own eyes what these intentions are, and they are not likely then to follow these agitators who are booming from one end of the country to another. Sir, with these words I support the Resolution.

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The HONOURABLE MAUNG PO BYE: Sir, I beg to support the Resolution, and I hope that the term 'important vernaculars' includes Burmese, and that the Publicity Department will carry out the resolution as quickly as possible.

12-22 P.M. The HONOURABLE SIR WILLIAM VINCENT: Sir, speaking on behalf of Government I welcome this Resolution, and I should like also to congratulate the Honourable Mover on the patriotic spirit which has induced him to put forward a proposal so full of promise and likely to be of such benefit to the public. I myself have heard many speeches in this Chamber—more perhaps than any member here—and I have seldom seen an audience so moved as they were by the gracious message of His Royal Highness at the Inauguration Ceremony. To few indeed is given that prerogative of greatness, the power of touching the human heart in such generous measure as it is given to Members of the Royal House of Great Britain. If I may slightly paraphrase a citation from a great American Orator, it was a speech spoken in charity with all men, in malice towards none by one striving only to bind up the wounds caused by the unhappy dissensions which now prevail in this country; and though I am well aware that it will be impossible to convey in cold print the deep impression which that message made upon all who heard it or to reproduce in any way the sympathetic tone and manner in which it was delivered, the speech itself breathes such a spirit of good-will, bears such intrinsic evidence of deep affection for this country and contains such a clear exposition of His Majesty's sympathy with India and Indians, and is so inspiring and full of promise for the future, that I feel that the widest publication of it cannot but do immense good. In these circumstances, Sir, I engage that if this Resolution is—as it will no doubt be carried, Government will make every effort to have both His Royal Highness' speech and the weighty address of His Excellency the Viceroy, also worthy of a great occasion, translated into all the main vernaculars and widely distributed throughout the country, so that all, high and low, rich and poor, may have an opportunity of hearing and pondering in their hearts the gracious message of His Royal Highness and may appreciate the motives of sympathy by which both these speeches were so sincerely inspired.

The HONOURABLE the PRESIDENT: Does the Honourable Mover wish to reply?

12-25 P.M. The HONOURABLE SIR MANECKJI DADABHOY: I have only to express my gratitude, Sir, to the Honourable the Home Member for the manner in which Government have received the Resolution.

The Resolution was put and carried unanimously.

PROCEDURE TO BE ADOPTED *RE* AMENDMENTS.

12-23 P.M. The HONOURABLE THE PRESIDENT: Before I call upon the Honourable Member whose name stands next on the paper to move his Resolution, I think it will be convenient for the Council if I explain the procedure which I propose to adopt. I find there are several amendments of which notice has been given in connection with this Resolution. There is one amendment standing in the name of the Honourable Mr. Khaparde which presents to the Council an alternative

proposition wholly opposed to the original question. I shall therefore call upon the Honourable Mr. Khaparde to move this amendment immediately after the Resolution has been moved, and the debate that will follow will not be restricted to the amendment but will include the motive of the amendment and of the Resolution, both matters being under the consideration of the Council as alternative propositions. I shall then put Mr. Khaparde's amendment, and if it is carried the other amendments fail, as the Council will then affirm a proposition which is inconsistent with these amendments. If the amendment fails, I shall call upon the other Honourable Members to move their amendments; but in that case the subsequent debate is strictly restricted to the desirability of the omission or the addition of the words contained in those amendments. I now call upon the Honourable Mr. Sastri to move the Resolution which stands in his name.

RESOLUTION *RE* REPEAL OF CERTAIN REPRESSIVE LAWS.

The HONOURABLE MR. V. S. SASTRI: Sir, the Resolution which I am about to move is in these words:—

'This Council recommends to the Governor General in Council that a committee be appointed at an early date to examine the repressive laws now on the Statute-book, and report whether all or any of them should be repealed, and, in cases where repeal is not desirable, whether the laws in question should be amended and, if so, how.'

Sir, I am very grateful indeed that the Government have found it possible to bring my Resolution on the agenda paper of the first business-day of the Council. If I may say so, it is an indication of an admirable spirit of cordiality and friendliness, which, I hope, will characterise the future work of this Council. The purpose and aim of the reforms cannot be better expounded than in the weighty words addressed to us on the inauguration day by His Excellency the Viceroy, than whom no more authoritative exponent of the subject could be conceived. In that statement we had the words 'For the first time the principle of autocracy, which had never been wholly discarded in all earlier reforms, was definitely abandoned.' That is a great point. There is no more to be in the Government of this country the principle of autocracy. My Resolution practically asks Government to adopt the first of the many steps that will be required before this principle of autocracy is in fact extinguished on the Statute-book.

It would be incongruous with the popular liberty which we are confidently hoping that the new Councils will inaugurate; it will be incongruous with that principle if the repressive laws at present on the Statute-book continued there in their present form. What these laws are I will barely mention later on. But for the present I must answer the question which must occur to many of you. Is this the time for any body to ask that repressive laws be abandoned or modified? With a due sense of responsibility, I answer the question in the affirmative. There is trouble, there is intense unrest. At any moment the forces of disorder may exhibit themselves in undesirable forms. It is not unnatural if the custodians of peace and order feel some hesitation as to the wisdom of striking off all the fetters on individual freedom and liberty that are now in their possession. Still considering how this unrest derives a great part of its nourishment from the very existence of these repressive measures, from the denial at various points in the life of a people of that individual freedom which we regard as essential to full citizenship, considering how the unrest is mainly caused by the feeling that there are too many of these restrictions on our citizenship, I think I shall not be guilty of forcing the pace of reform if I ask that

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we begin the work of conciliation by striking off some of these fetters and by weakening the force of others. For, after all, if sedition is to be adequately dealt with, it must be as a great man has said, by the removal of the matter of sedition. If that is our work, am I right in suggesting to the Council the procedure of the appointment of a committee for the purpose? The suggestion will be made later on that perhaps the wiser course will be for ourselves to strike off these fetters at once. I do not deny that there is much to be said for that course. But upon the whole, taking all things together, I am not satisfied that every one of these fetters can be struck off immediately. Perhaps one or two of these will still have to be preserved in a modified form on the Statute-book. I cannot be dogmatic on a subject of which I am very ignorant. Nevertheless I do wish to state as my conviction that upon the whole the committee procedure that I am now recommending is the best way of approaching the problem. We shall not lose much time by adopting that course. Anyhow, even if the alternative suggestion that is going to be made to the Council be adopted, I take it that it will not be before the next Session of our Council that the effectuating measures can be carried out. My suggestion does not involve any further delay than that. If the committee which I propose should be appointed and instructed to report in good time, so that at our next Session the necessary legislation, repealing and amending may be undertaken, everything that we wish would be got.

Touching the repressive laws themselves, I would divide them broadly into three classes. The first class is an offence in itself. Its presence on the Statute-book is a political danger and cannot be tolerated hereafter. To this class belong the notorious Rowlatt Act, the unblest mother, I must say, of a monstrous brood of evil. Her we no longer wish to have on the Statute-book. Then there are the deportation Regulations of a very early date, the existence of which also has contributed a great deal to the political dissatisfaction which is gathering ahead. They date from 1818 to 1827 and refer to different parts of India. I do not think it will be at all difficult for a great Government like the Government of India to manage to administer the country along peaceful and progressive lines without being armed with these very old-fashioned Regulations which constitute, if I may say so, a relic of a somewhat barbarous time. Then there are certain Acts, which it is highly desirable immediately to repeal. Herein I would include what is known as the Press Act, and the Act which authorises the Government of India to constitute special tribunals for the trial of certain offences. The Press Act, in particular, has been the cause of a great deal of discontent and dissatisfaction. It has been held to be absolutely incompatible with a free press which we regard as one of the essential constituents of freedom. I am not quite competent to go into the various features of the Press Act. But about its general effect one is puzzled to say anything that will be generally acceptable. I am sometimes doubtful whether to describe the Press Act as a success or as a failure. At the present moment, at all events, the press in India, whether English or vernacular, cannot be truly said to be very much deterred in the exercise of its freedom by the existence of the various provisions of the Press Act. That, however, is an accident of the policy that the Government is pursuing to-day rather than a necessary result of the nature of its provisions. These provisions are in themselves, no doubt, of a very restrictive nature, and on high authority it has been held that even the safeguards provided in the Act have not been so carefully provided as to secure suitable remedies to aggrieved parties.

I would, therefore, press on the Government—or rather on the Committee which I am suggesting should be appointed—I would press on the Committee the desirability of repealing altogether the Press Act, and, as I mentioned before, that other Act which authorises the appointment of special tribunals to try certain offences. Then, there are certain other Acts, which I will mention, but with regard to which I am by no means certain that it would be wise to repeal them. Possibly the best course is to examine them carefully, with expert advice as to how best to amend them. In this category I would mention, for example, the Seditious Meetings Act, the Newspapers Incitement to Offences Act, and the Act relating to conspiracies.

Sir, as a man not versed in law, I should be treading on dangerous ground if I proceed to examine in detail the various provisions of the Acts. But I think I have mentioned such a number of these restrictive Acts that I need not say much to recommend the appointment of a Committee to examine the whole body of these repressive laws. There are too many of them, and some of them are really too bad. We cannot afford to enter on a career of even partial responsible government with these menaces to popular freedom existing on the Statute-book.

I must now ask the Council's patience if I refer, as I cannot help referring, to the broader aspect of these questions. As I said before, this is one of the first steps we necessarily must take in the great work of conciliation, in the great work of placing the Reforms on a proper basis. I was not struck by any part of His Royal Highness' speech, great as it was, so much as by the passage in which he summed up in simple but pregnant words the experience of humanity in its struggle for freedom. The words are worth quoting, and I will make no apology to the Council for doing so:—

‘Political freedom has often been won by revolution, by tumult, by civil war, at the price of peace and public safety. How rarely has it been the free gift of one people to another in response to a growing wish for greater liberty and to a growing evidence of fitness for its enjoyment?’

I cannot conceive of a more suitable answer to those, European and Indian, who are so sceptical as to the final issue of the great work on which the Government of India has now entered than that passage. It gives us hope. It shows us at one glance the immense scope of the British Constitution, within the arms of which it is possible, by methods altogether peaceful and constitutional, to proceed from a condition of political dependence to a condition of absolute equality with Great Britain herself in the work of Empire. Often it has been doubted, and it has been thrown at the face of political agitators—‘Are you going to beat the record of humanity? Where is the people that has won its liberty except by bloodshed?’ That may or may not be, but we, England and India together, have resolved, if only we understand the genius of the Constitution of Great Britain, to achieve this unique feat in political growth. We will achieve freedom, and the whole of it, by entirely peaceful means. Let that be the resolution of each one of us in proceeding with the work that opens to-day. Difficulties there must be: let us together overcome them. Misunderstandings there must be: let us together clear them up. But revolution and tumult, and civil war there need not be if history can teach and mankind can learn. That, Sir, is non-violent co-operation. Not non-co-operation, which may begin in non-violence and in professions of non-violence, but through the imperfections and weaknesses of the material on which it works, cannot but end in violence and bloodshed. To this work of co-operation I invite the Government to-day by means of this

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Resolution. Let us, with His Royal Highness' words still ringing in our ears, on the first business-day of the first Council, make this compact of high-hearted comradeship.

One word more. In giving such liberties as may seem suitable in taking such steps as may seem advisable, let there be no reservations to the extent that you wish to go. Go ahead bravely and not haltingly. It is the most essential condition of success in this great work. But us no buts; let there not be a superabundance of ifs. So working, we certainly will do what no other people in the world has done, achieve full constitutional liberty within the British Empire by entirely peaceful and constitutional methods.

I move, Sir, the Resolution which stands in my name.

The HONOURABLE MR. G. S. KHAPARDE : Sir, I wish to move the following amendment to the proposition which has just been moved. It run as follows :—

* This Council recommends to the Governor General in Council that the following laws be repealed :—

1. Regulation III of 1818.
2. The Indian Criminal Law (Amendment) Act (Act XIV of 1908).
3. The Indian Press Act (Act I of 1910).
4. The Seditious Meetings Act (Act X of 1911).
5. The Anarchical and Revolutionary Crimes Act (Act XI of 1919).

It is, I take it, a great coincidence that the Honourable the Mover of this Resolution began where I also wish to begin. I begin with the same words and practically the same expressions as were used by His Excellency the Viceroy. He divided the period of British Indian history into three periods, one up to 1861, another up to 1893, and then another that goes on from 1893 to 1910 or 1915, and then we have the present period.

I take it that the British Government began here with the understanding or under the impression that India was not fit to rule herself, that India required to be ruled from without and then gradually be led up to the path of self-rule. The first period, therefore, was the period of what I call infancy. Just like when we began as children and were told not to come here, or not to go there, or not to speak to this man or that person. In short, to put all possible restrictions on the child so that he may be taken the greatest possible care of. That is the period of infancy. Then comes the period of adolescence when the boy is permitted to go to school and associate with his fellow-students, and the boy, the students and everybody else is looked after and cared for. That is the period next to that of infancy. Then comes the period of freedom when the boy has to make his way in the world. That is the fourth period. In the third period there is a person who sits in the school-room—there used to be one in my days, I remember. He sits there and sees that everyone comes to school alright and learns his lesson; he sees that he does not get into mischief and fight, and that sort of thing. The Honourable the Mover thinks that we have now come to the period of having finished the college course, and passed all the examinations, but that we have not taken any degrees—the period that has really elapsed between the two and that is the period when the punishments are of a different kind. In my days the punishment was this. If the boy was naughty, he was ordered to go to the corner of the school-room and stand with his face to the wall. Later, if he

did not behave himself properly, came the punishment of being sent to another room altogether where the other boys did not sit. Then came the punishment of impositions which meant that he had to write out or copy a large number of things or lines and he was prevented from attending the class when recitations were being said and from taking prizes. Then, lastly, come other punishments such as expulsion and so on.

Now Regulation III of 1818 and the Anarchical Revolutionary Crimes Act belong to the period when the boy is asked in the school-room to stand with his face to the wall, because deportation practically means turning him out of his home and keeping him in a small village with his face to the sea.

Then comes the period when you are asked to sit in another room, which is not deportation entirely but internment—something like being kept in another place altogether. Then comes the period when you are prevented from entering the class-room and saying recitations, that is, when free expression in the press is prohibited and free speech on the platform is not lawful and when you are not left alone.

These periods, I may say, come within my own knowledge and have happily come to an end, as has been declared by His Excellency the Viceroy, the period of autocracy is over which, in my opinion, means our guardianship has ceased. Up to this time we were infants *in statu pupillari*, we were pupils and minors and taken care of. The guardian has withdrawn his hand, however, that is to say, it is the period of adolescence when I am free to go about where I like and do what I like and so on. Therefore, the punishment must be different now and the arrangements quite separate altogether. I have come to the period when I can say what I choose and do what I please and take the consequences. That is to say, there is the Penal Code, there are the general laws and at present these have to be observed—preventive action as it is called has to cease.

It reminds me of Sir Walter Scott being permitted to go on a horse alone. His age at that time was 18. His parent gave him a horse and he felt that he was a free man. He could go where he liked, stop the horse without asking anybody's permission and even stand by the roadside and admire the scenery. I want to feel that I can do all this without anybody saying nay, in fact to feel that sense of freedom which I am sure Sir Walter Scott felt. The sense of freedom, of being a responsible person comes when I have the right to do what I please and to take the consequences of what I feel.

I, therefore, submit that rather than go through with the lengthy procedure of a Committee and its necessary recommendations, legislation should be resorted to to obviate this altogether, so that I may ride my horse as Sir Walter Scott rode his with a perfect sense of freedom. Now is the time when we should withdraw all these fetters. I base my reason on the authority of the greatest statesman which England has ever had, and he is the late Mr. Gladstone. And that is the question. If a man abuses liberty the remedy is to give him further liberty. If he goes wrong, let him go completely wrong. Then he comes to grief necessarily. This is the kind of proof known in Logic as *reductio ad absurdum*. If there is a man who will persist in maintaining a wrong proposition, you say 'all right' and let him maintain his wrong proposition, and watch the result. He soon corrects himself. Similarly, if I am going wrong, if I am going too fast, let me go fast. I shall come to grief, I shall correct myself and I shall learn better than I would if there was a monitor sitting by my side preventing me from doing what I want

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to. I therefore propose that all these fetters—I think they have been correctly described as fetters—should be taken away. Autocracy has gone. We have also been told that we stand on our own feet. Then let these fetters go at once without any preliminary examination as to how it is to be carried out. Let all things go. If I go wrong I shall suffer certainly and suffer severely enough to correct myself. If I do not go wrong and if I am right, the quicker the remedy is applied the better progress I make. It appears to me therefore to be a very easy and straightforward course to repeal these Acts which I have mentioned. This would take away the most important fetters. You would leave some minor things there. I will not quarrel with these minor things because I have the power to turn them out whenever I choose to. So I let them be. But these five things I would like to take away at once, and that is my proposition. The first is Regulation III of 1818 that offends against laws of Habeas Corpus. That must go straight off. Then there comes the Criminal Law (Amendment) Act, which makes a sort of extraordinary court—a court with three High Court Judges sitting, without any due formal commitment. These temporary measures ought to go out. Then there comes the other Act, which takes away the free press and the free platform. That certainly ought to go and the Honourable Mover is in agreement with me on that point. So these should go at once without any further inquiry. There are no two opinions about them in the country. There are no two opinions about them even among the administrators, I think. Those who passed them did so under the feeling that they were exceptional measures for exceptional times. Now that those exceptional times have gone and now that we have approached a certain status, which we had not approached them according to their view, now then is the time for us to make a beginning in our own way with such speed as we ourselves would like. Of course in determining the pace, there will be this Council sitting and another in the same place at different times, and the necessary repealing laws will have to be undertaken and agreed to. As each Act is brought up there will be somebody who will speak in its defence, I suppose, and somebody who will say something against it and all these things that deserve to be said will be said. I therefore propose without waste of time to do away with these Acts, because now I do not think there is anybody in the whole of India that has got a good word to say about this Press Act. It has absolutely done nothing. My friend tried to explain it by saying that it has not been much used because of the policy of leniency followed. My explanation is that it is one of those Acts which has defeated itself by its own severity. Sir Lawrence Jenkins said that there is no word you can speak that cannot be brought under it— even though it be by innuendo or suggestion or otherwise. So that you can bring almost any word within that Act. And it could not be administered because it was so severe. And wherever it was administered and an appeal made to a court of law, it could not succeed.....

The HONOURABLE THE PRESIDENT: The Honourable Member will pardon me for reminding him of another repressive law, the time-limit for speeches. Will he kindly bring his remarks to a close?

The HONOURABLE MR. G. S. KHAPARDE: Just two minutes, Sir. I was in my peroration. The fact is that this legislation—these five Acts—move in a kind of circle. It begins with curtailment of personal liberty; then it goes on to curtailment of liberty of speech; then it goes on to curtailment of the liberty of publication. Lastly, again, it goes back to the curtailment of

personal liberty. So it makes a complete circle, a wrong circle a sort of various circle. And so it is just as well to get rid of it as fast as we can, and then progress will be easy and complete. Further, there will be greater confidence in the country when they know that these restraints have been removed. There has been a great deal said up to this time. I would like to see something being done and these fetters being removed straight off. It will be easier to make progress hereafter. For these reasons I have endeavoured to move my amendment, namely, to repeal these laws—or rather to recommend to His Excellency the Viceroy that these laws be repealed. With these words, Sir, I move my amendment.

The HONOURABLE SIR MANECKJI DADABHOY: Sir, I rise to support the Resolution proposed by my Honourable friend 1-7 P.M. Mr. Sastri and to oppose the amendment moved by my Honourable Mr. Khaparde. At the outset, let me convey the congratulations of the Council for the very able, sober, and considerate manner in which my Honourable friend Mr. Sastri, with his long experience of public affairs, has placed this Resolution before the Council. Everyone of us, I feel sure, has been struck with the language of restraint, the language of moderation that he has adopted in placing the Resolution before us—at the same time pointing out the most important features of his case with all the earnestness that was open to him. So far as this Resolution is concerned, there is not the slightest doubt that no objection could be taken. His Resolution, in the first instance, has been introduced at a most opportune time and the Government ought to be congratulated also on allowing him to move this Resolution at the first sitting of the Council of State. It is the cordiality and spontaneity with which an opportunity has been given by Government at the first meeting to discuss such an important Resolution that will appeal to the country, and my friend Mr. Sastri was quite right in alluding to this.

Then, as regards the Resolution, it will be admitted that it is of a non-committal nature. It leaves the Committee, that may be hereafter appointed, full liberty to consider which measure ought to be repealed, which measure ought to be modified, which measures are unsuitable and inappropriate in the present temper of the public, and which cannot with reason or prudence be retained at this juncture. On the other hand, Mr. Khaparde's amendment by one summary act, without considering the gravity of the situation, seeks to repeal all these laws, and I hardly think this Council, with its past experience and in the present condition of things, approve it. My friend Mr. Sastri has very rightly remarked that it is impossible to strike off all the fetters by one stroke of the pen. The Government of the country is primarily responsible for the maintenance of peace and order, and we, as the representatives of the people of India, have a serious obligation and a responsibility, a responsibility to see that public peace is maintained, that order is kept, and that good government of the country is carried on with efficiency. Repressive Acts that have been passed during these few years have been many and some of them of a drastic nature. I acknowledge that some of these Acts are unsuitable at the present time and ought to be repealed. I unfortunately was a party to some of these laws. I supported some of these legislations in the years 1908–12. They were justified by the circumstances of the times. I need not reiterate here the circumstances under which many of these Acts were passed. They were in the first instance necessitated by the conditions of things prevailing in Bengal after the

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partition. Events that took place in the past have justified the passing of some of these measures. This is not the time to enquire whether there was any justification or not for passing those legislations. It cannot be said that all these legislations were framed and put into operation aggressively and without any cause. At the same time, we cannot ignore the fact that rightly or wrongly public feeling has been considerably aroused by the passing of some of these measures. As my friend Mr. Sastri has pointed out, the Rowlatt Act has caused a great deal of public resentment. It has engendered racial bitterness. The very fact that that Act was never put into operation is a positive proof that it was not required. That Act was passed in the teeth of public opposition, and against the advice of the representatives of the people, and I am sure the proposed Committee will give serious consideration to this and other measures. But the question should be approached in a proper and statesmanlike spirit. If a good, strong, competent and efficient committee is appointed, I have not the slightest doubt it will approach the task most carefully and judiciously, and their judgment will be one which will be acceptable to the public at large. The question now is, has the time arrived or not, to reconsider and revise these laws or at least to ascertain which measures should be repealed and which should be retained? I hope we must all co-operate with Government in this matter, and I also trust that Government will approach the whole question in a spirit of friendliness, fellowship and good-will. Let us all forget the past. Let bygones be bygones. Let us all approach this serious problem in a friendly spirit. The reformed Council have been started under the most auspicious and happy circumstances. Let us, officials and non-officials, combine to make these Councils a success, and let the first act of Government be to repair its mistakes, if any. I am sure the prestige of Government will not be weakened but enhanced by acting in consonance with public demands and meeting with the wishes of the general public. It is for these reasons I have no hesitation in supporting the Resolution.

As regards my friend, the Honourable Mr. Khaparde's amendment, I would take the liberty of stating that it ought to be summarily dismissed from your consideration. We cannot decide the question—the Council at the present state is not in a position to decide—which of these legislations should be immediately repealed and which should remain on the Statute-book. As my friend Mr. Sastri has pointed out, it will be essentially necessary for the Committee to consider from all aspects of view which Acts are absolutely unsuitable at the present time and which should be retained, and I entertain the hope that the Committee appointed for this purpose will go into the whole question impartially, thoroughly and in a right and earnest spirit. For the reasons I have given I support the main Resolution, and I have not the slightest doubt that the Council will unanimously accept it. I hope Government will also accept this Resolution and appoint a Committee to settle this much discussed question at an early date.

I wish at this stage to reserve my remarks, Sir, on my amendments.

The HONOURABLE MR. BHURGRI: Sir, I do not wish to detain the Council with anything like a long speech. My asking the indulgence of the Council is due to some remarks which fell from the Honourable Sir Dadabhoy. I at once confess, Sir, that I am not one of those who think that the Honourable Mr. Khaparde's amendment

deserves altogether to be summarily dismissed as the Honourable Sir M. Dadabhoy seems to think. I think there is great force in that amendment. I confess my heart is with the Honourable Mr. Khaparde, and I wish I could get up and support him with my vote. Unfortunately, I cannot do so. Sir, the Honourable Mr. Sastri, who is, as my friend said, very moderate in his views and the leader of the moderate party, himself says, there are certain Acts which should at once be struck out from the Statute-book—and I do not see why not—while having different other Acts to go by. Therefore, I do not see why the Government of India should not strike the imagination of the public outside by announcing now that at least some of these Acts—for instance, the Rowlatt Act—they are prepared to repeal. I think this is the only suggestion I have to make, and I feel that the Honourable Mr. Sastri's Resolution must be supported, and I am therefore unable to support the Honourable Mr. Khaparde.

The HONOURABLE MAHARAJA SIR M. C. NANDY: Mr. President, I rise 1-15 P.M. to give my cordial and whole-hearted support to the Resolution which has been so ably moved by my Honourable friend, Mr. Sastri. With a new angle of vision in India and in the first and the most promising stage in our constitutional development towards responsible government, it is quite in the fitness of things that we should review in a calm and dispassionate spirit the continuance or otherwise of the repressive measures which have been heaped on our Statute-book from time to time in the past. The time has indeed come when, in the best interest of the country, these repressive measures should be closely examined with the light of our subsequent experience. I do not for a moment believe that the present time is quite opportune for the repeal of all these laws, though I have my doubts if some of them, at any rate, could not be removed from our Statute-book with great advantage both to the State and the People. I do not think there is much justification in still retaining in our Statute-book a pre-Victorian Regulation that gives authority to deportation without trial, or, for the matter of that, an Anarchical or Revolutionary Act which was hatched in panic and has remained inoperative since it was passed nearly two years ago by the Indian Legislative Council against the wishes of the bulk of its elected members. Though these two measures may not any more be allowed to disfigure the Statute-book of a civilised country, I am not quite sure if the time has really come for the repeal of the Press Act and the Seditious Meetings Act. Whether these two Acts can be repealed with advantage now, I do not know. I have no doubt, however, that there has been considerable abuse of the powers exercised by several Local Governments in India in their administration of them, and it is high time that both these were amended. Speaking of the Press Act, you may be aware that the right of appeal to a High Court against the orders of the Local Governments as mentioned in the Act has been pronounced 'illusory' by one of the highest judicial tribunals in the land. As for the security under this Act, I can cite to you an instance of how this also has been greatly abused. In my Province of Bengal, there is a vernacular paper by the name of the *Sanjibani*, which is edited by one of the most respectable men that I know and which has always stood by law and order and on the side of moderate politics. A few years ago, its proprietor was asked to deposit the sum of Rs. 2,000 under this Act for no greater offence than that his old printer had died and a new printer had to make a declaration of having taken up that vacant place. Similar abuse of the powers under this Act has not been infrequent in my Province. I do

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not know much about the Seditious Meetings Act, for no part of Bengal has so far been proclaimed under it. But whether these Acts are wanted any more to maintain law and order, the time has certainly come to inquire and examine and review the whole situation so far, at any rate, as the public grievance regarding their administration is concerned. With that idea, I have very great pleasure in supporting Mr. Sastri's Resolution for the appointment of a committee to go carefully into them and see how many of them can be repealed, and, among those that cannot be repealed, how many need to be amended, if any amendments are at all thought desirable, and what lines these amendments should take. I cannot agree with the Hon'ble Mr. Khaparde's amendment.

The HONOURABLE THE PRESIDENT: The Council will now adjourn till 2-30 this afternoon.

The Council re-assembled at 2-30 P.M. after Lunch with the President in the Chair.

The HONOURABLE SIR UMAR HAYAT KHAN: Sir, we are to-day not discussing matters about youngsters like my friend the Honourable Mr. Khaparde, but about grown-up men. Since the very beginning history and also religion teach us that our own father Adam made a mistake and got the penalty for it. In the same way each man has got in him goodness and badness, and it is human nature that the good should be treated well and the bad should be treated according to their badness. It is for this reason that there have always been laws to punish all those who do badly. If people are going to ride ponies which are very fast and knock others down that is not right as my friend said. The whole thing is that we as a society ought to look after each other's interests, and it is for this that laws have been made. Of course a lot has been said about the laws which have been made for occasions, but it is all one law. Well, I can say this that I think the whole English law does not suit our country; there are many other things in it which do not suit us. It is for that reason that I support the Honourable Mr. Sastri that there should be a Committee, but I would rather like that the Committee should not only go through such laws as have been enumerated to-day, but also go through others too. I support the Resolution.

The HONOURABLE RAJA PRAMADA NATH ROY: Sir, I have much pleasure in supporting the Resolution so ably moved by the Honourable Mr. Sastri, and in doing so I only want to point out that it will be a fitting sequel to the message of peace that was delivered the other day to us by His Royal Highness the Duke of Connaught if the Government will be pleased to appoint a Committee of unbiassed men to review these repressive measures. It has been said in some quarters that Government always promises to do things and that practically it comes to nothing. Should Government be disposed to accept this Resolution, it will, I believe, go a long way to allay some of the bitterness that we see all around us. Of course, the duty of the Committee will be to examine all the repressive legislation, not one or two Acts, and I think that they should not also lose sight of the fact that there are storm clouds gathering and gaining in size almost every day and they should also think that by proceeding on proper lines they would be able to allay some

of these bitter feelings. I do not know if the irreconcilables will be reconciled but still an attempt to do that would not be out of place.

With these words I beg to support the Honourable Mr. Sastri's Resolution, but I am afraid I cannot support the Honourable Mr. Khaparde's amendment because I think it is too drastic.

The HONOURABLE NAWAB SIR BAHRAM KHAN: Sir, I rise to express the views I hold on this Resolution.
2-35 P.M.

I cannot repudiate all sympathy with the Resolution which has been so elaborately and eloquently introduced by the Honourable Mr. Sastri, but I venture to point out that no Government can effectively carry on the administration without the prestige that the Law confers.

Our Holy prophet with all his democratic views of Government felt the necessity of adopting severe punitive laws in regard to the commission of offences and these are still in vogue in some Islamic countries.

The Rowlatt Act too was passed on the same principles. The Press Act, XVIII of 1918, is a strong weapon in the hands of the Government.

We hold with public opinion so far as it tends towards counteracting all movements which undermine public peace and the authority of Government. In the disturbed atmosphere of the country we hold that the Government is justified in adopting these measures.

With these remarks I oppose the Resolution of the Honourable Member.

(The above speech is a translation of one in vernacular delivered in Council.)

The HONOURABLE MR. FROMM: Sir, in a few words, I should like to support the Honourable Mr. Sastri's Resolution which, I think will appeal to all the Members of this Council as the most correct method of dealing with a matter which admittedly has been a source of irritation and grievance to the people of this country.
2-36 P.M.

I congratulate the Honourable Mr. Sastri on his eloquent and able speech which was in complete accord with the dignity of this Council, a dignity which, I think, we are all agreed and anxious should be upheld.

In supporting the Resolution, I must of necessity disagree with the Honourable Mr. Khaparde's amendment. If I heard him aright, I think the Honourable Mr. Khaparde expounded the theory that if a man goes wrong, let him go completely wrong. Well, I appeal to the Members of this Council to save the Honourable Member from going completely wrong on this occasion by supporting the Honourable Mr. Sastri's Resolution, which I contend is the entirely correct method of dealing with a very difficult question.

The HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHARI: Sir, I beg to support the Resolution of Mr. Sastri and also to oppose the amendment of Mr. Khaparde. It is all very well for Mr. Khaparde to say give us freedom all at once and if we cannot manage we shall come to grief and suffer, but will it be right on the part of Government to do so and thereby allow us to run too fast and come to grief. By accepting Mr. Sastri's Resolution we will be in a better position to judge how far freedom can be given and taken and will also be better able to judge what Acts to repeal and what to amend. Government is undoubtedly aware of a widespread feeling that the repressive measures

[Maharaja S. K. Acharyya Chaudhuri.]

have been hastily enacted and harshly administered. I suggest that a suitable committee be appointed to go into the details thoroughly, and that something should be done to allay the discontent and restore public confidence in the good intentions of Government. It would moreover be a fitting sequel to the gracious mission of His Royal Highness the Duke of Connaught's—'to heal wounds and to re-unite those who have been disunited.'

With these words I beg to support the Resolution.

2-39 P.M. The HONOURABLE NAWAB ABDUL MAJID : Sir, I consider that there are two sides to this Resolution. The Members of this Council are a responsible body and they must consider both sides of the question before they come to any conclusion. We have people here who are experienced people. We know the difficulties which the Government has to face in administering the laws in the country. At the same time, we know what our duties to the public are. If we weaken the hands of Government practically we shall be allowing sedition, we shall be allowing mischievous agitation to spread in this country unharnessed and unchecked. Therefore it is absolutely necessary for us that we should not weaken the hands of the executive. But while I am of that opinion, at the same time, it is absolutely necessary that we should guard the public, that we should guard the safety of the public, and that we should guard the innocent people. There is a feeling no doubt in this country that these repressive laws have been administered harshly. When some of these laws were promulgated the idea was that they would be administered in such a way that people should not think they were being administered harshly. But this Council is well aware that the administration of laws is not in the hands of this Council. The administration of laws is in the hands of local officers, who are not present here and who do not know under what circumstances these laws were passed. They do not know for what reasons they were passed. Therefore it is absolutely necessary for us that we should reconsider these laws. We should provide safeguards for the public and for the people of this country, and the only method possible at the present time is that we should give our support to the original Resolution which has been moved by the Honourable Mr. Sastri. If we support the Resolution of my Honourable friend Mr. Khaparde, we shall be taking a leap in the dark. We do not know what the consequences of that leap may be. We must be cautious; we must look to the future; we must proceed step by step, after considering each step very cautiously. Sir, I support the original Resolution.

2-42 P.M. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Sir, as I cannot add anything more to what my esteemed friend the Honourable Mr. Sastri has so ably said in proposing his Resolution, I beg to give my whole-hearted support to it.

2-43 P.M. The HONOURABLE LALA SUKHBIR SINHA : Sir, I rise to give my support to the amendment of my friend the Honourable Mr. Khaparde only in so far as it relates to the repeal of the Rowlatt Act

The HONOURABLE THE PRESIDENT : The Honourable Member must confine himself to the amendment generally. The Acts mentioned in the amendment will not be put separately. The alternative proposal before the Council is for the appointment of a committee to examine all repressive laws. He cannot separate them in this manner.

The HONOURABLE LALA SUKHBIR SINHA : Sir, I would like to have all these repressive laws repealed as soon as possible, but when one looks at the difficulties of Government as to what Acts should be repealed and how much, I think it is not easy to suggest that all of them should be repealed at once, and therefore the proposal put forward by my friend the Honourable Mr. Sastri, for the appointment of a Committee, is most desirable. But the experience of all of us is that Committees and Commissions take a long time, and they always postpone matters that should be decided at once. Therefore, with due deference to the Honourable Mover, I would support his Resolution with the remark that some date should be fixed before which the Committee should be required to report.

The HONOURABLE THE PRESIDENT : I think there is an amendment on the paper to that effect.

2-45 P.M. The HONOURABLE MR. K. V. R. AYYANGAR : Sir, the printer's devil, through a mistake in the Agenda paper, had added to the grim humour of the Honourable Mr. Khaparde. In the printed copy it is said 'The following laws be *repeated*' and not *repealed*. I daresay the printer does not share the serious misgivings of my Honourable friends that if these laws are repealed the country will be thrown into a state of revolution. I suppose it was only a mistake.

We cannot minimise the difficulties of the Government if they should accept Mr. Sastri's Resolution. If a Committee is appointed that means practically admitting that the previous Committee that sat over the question did not advise the Government properly. That action on the part of Government will cast a slur on the past Committee, and I would not advise the Government to resort to that procedure. I think it was Mr. Sastri himself that went to the defence of Justice Rowlatt and Justice Kumarswamy Sastri, when Khaparde moved a Resolution at Simla two years ago to appoint a Committee

The HONOURABLE THE PRESIDENT : I must ask the Honourable Member when he refers to Honourable Members of this Council to refer to them in the ordinary manner, as 'the Honourable Mr.—.'

The HONOURABLE MR. AYYANGAR : Kindly excuse me. I stand corrected.

The HONOURABLE MR. BHURGRI : May I ask what Committee he refers to?

The HONOURABLE THE PRESIDENT : Perhaps the Honourable Member would state what Committee he refers to.

The HONOURABLE MR. AYYANGAR : It was when the Honourable Mr. Khaparde moved a Resolution two years ago at Simla to appoint a Committee of the Members of Council to consider the Rowlatt Committee's recommendations before the Government passed the Act. Now the Government knows what the views of the country are and what the Acts are to be repealed without the aid of a Committee, and it would also not be becoming to appoint another Committee.

The Right Honourable Mr. Montagu in the House of Commons said :—

'If they were going to rest their hold of India on the growing good-will of the Indians they would have to act in every department, Civil and Military, concomitantly upon the desire to recognise India as a partner in the commonwealth. They must safeguard their administration in this connection by the British Parliament; they must revise any obsolete ordinance or law infringing the principles of liberty which they had inculcated to the Indian leaders.'

[Mr. Ayyangar.]

From that speech of the Right Honourable Mr. Montagu in the House of Commons it is clear that he has proposed to revise the repressive laws. When the Government themselves have proposed to revise the repressive laws, I cannot understand why a Resolution from non-official circles should come in in the form it has been worded by my Honourable friend Mr. Sastri. The unanimous voice of the people is for the complete repeal of such Acts, like the Press Act, the Rowlatt Act, etc. Even such sober-minded gentlemen as the ex-Judge of the Madras High Court, Mr. Seshagiri Ayyar, M.L.A., and such moderate men as the ex-Judge of the Bombay High Court, Sir Chandaryarkar, are for the complete repeal of the Press law. The latter has expressed himself in clear terms in an article to the 'Servant of India' a year ago which I shall repeat presently, and the former who adorns the Assembly has given notice of a Bill in the Lower Chamber. I think this Resolution should come after his motion is disposed of there. The Government should have brought up the other motion of Mr. Seshagiri Ayyar's first

THE HONOURABLE THE PRESIDENT: The Honourable Member must not refer to matters that are going on in the other Chamber. He is now discussing what is going on in this Chamber.

THE HONOURABLE MR. AYYANGAR: Since the Government has ballotted for this Resolution of the Hon'ble Mr. Sastri, is this to be deemed as Government business in which case I have no objection to the Resolution going in as it is; but if it should be moved by the Honourable Mr. Sastri one of the non-officials I am for opposing it entirely and for accepting the Honourable Mr. Khaparde's amendment. For that alone would meet the express wishes of the people. The bitter experience of referring important matters to committees are not forgotten. The Rowlatt Act is the outcome of a Resolution in the Council to appoint a committee, and it has cast the country into deep gloom. Now, again we are asked to appoint another committee. I should emphatically protest against it; we do not want it; we want to repeal certain Acts, and the other Acts that the Government do not think it advisable to repeal might be amended, and for this purpose another committee is not necessary. All the Acts have been sifted thread-bare, and the Government knows which are the points to be repealed and which are to be amended. Let me bring before the Council what Sir Narayan Chandaryarkar has said in the Honourable Mr. Sastri's weekly the 'Servant of India':—

'My opinion that the Press Act should be repealed is not of to-day. It was strongly pressed in a memorial to Government addressed by the Bombay Presidency Association five years ago. It has been said that the ordinary law has been unable to get at 'veiled sedition'. What, I ask, is veiled sedition? In plain language it must mean sedition which works and spreads in secret, which is not open and therefore cannot be got at by ordinary means. It operates underground, hidden. But a newspaper's writing is open. It works in broad day-light; so if it is seditious, it cannot be said of it that the sedition is veiled. If by veiled sedition is meant covert attacks upon Government intended to overthrow it, I humbly affirm, having had judicial experience, that the ordinary law is sufficient to provide against veiled sedition. In a recent decision a well-known English Judge sitting on the Judicial Committee of the House of Lords to decide a case said in his considered judgment that words which are dangerous to society or social stability change their meaning as society changes with its views and ideals. They have no fixed import applicable to all times. Sedition is one of those words, and the definition of it in the Penal Code is so elastic as to apply to any seditious writing veiled or not. The real root of this matter in this term 'veiled sedition' used in support of the Press Act is a cover for the distrust of our Courts by the Executive. But it is said, the Courts have power under the Act to decide whether a newspaper's writing is seditious or not.'

Sir Narayan has a long article to prove his case and I should agree with him that it should be repealed and not amended; we think any amendment to it will not improve matters. It is conceived on distrust and suspicion. The obnoxious part of the Act is that it treats the Press as it treats confirmed criminals who are brought under security proceedings inasmuch as the Press is demanded security. This is against the principles of British conceptions of law.

Then coming to the Rowlatt Act, the judgments in the Midnapore Bomb case and in the other case where Mr. Norton brought before the judicial tribunal the glaring mistake of the prosecution that the cartridges shot did not fit in with the revolver that was alleged to have been recovered from the accused, would certainly have been otherwise had the Rowlatt Act been in existence. The judgments then would have been certainly unfavourable to the accused. We are urging only that the investigations often go wrong, and evidence in open Courts often reveal truths, and the present Penal Code is sufficient to grapple with the needs of the Government. By the passing of the Rowlatt Act at the dead of night in such hot haste many a tragedy has been unwittingly committed. Repression and agitation came in turn, and the whole country is seething with anti-British feeling. It is now open to the Government to undo the wrongs that have been already done.

I still believe that much can be done by openly discussing questions here and debating wrongs inflicted. Much against the wishes of my co-workers, I take part in the debates, as I can only understand withdrawal of help from framing objectionable laws and forging chains of enslavement, as it is against my grain to sit aloof in quiet at so important an attempt at doing away with repressive laws.

One word more, Sir, and I have done. There is an impression in popular circles that the repressive laws are only a gag for the crying mouth and they are preliminary to wholesale exploitation. On the other hand, there is the impression in some circles that our endeavours to repeal the Acts are only those preliminary actions for wholesale anarchy. I admit neither; I believe in neither. Now, with the ample powers of the Government to cope with any disorder, it is the duty of Government to erase the grave apprehension existing in the popular mind. With these words, I whole-heartedly support the Honourable Mr. Khaparde's amendment.

THE HONOURABLE SIR WILLIAM VINCENT: Sir, I may say at once that there will be no opposition from the Government to this Resolution, subject to minor reservations; which I do not think will be of a character, save possibly in one respect, to cause any apprehension to the Honourable Mover. I think one of the speakers here to-day rather twitted the Government with having rejected or opposed a Resolution which was moved last year by the Honourable Mr. Patel, on the same subject, but the reason for this is not far to seek. The Resolution at that time did not receive any support from non-official members. Eight members only voted for it, and there was therefore every reason why Government should not, in opposition to the wishes even of the non-official members, undertake an inquiry such as is now contemplated. If, however, the present Resolution is carried and it is obvious to me from the support which it has received from various shades of opinion that it will be carried—then a committee will be appointed by Government without delay to examine this subject. The view of Government on this question and indeed on other points, is to a great extent in accordance with the

[Sir W. Vincent.]

principles advocated by the Honourable Mover and for this reason Government also gave an early date for this discussion. The Government are anxious to act in the fullest degree up to the spirit of the reforms. They recognise that there has been a change in the administration, and they are desirous to allow this Legislature—both Chambers of the Legislature—to exercise their legitimate influence upon the Government, subject always, as necessary, to our responsibility to Parliament. An impression has been sedulously disseminated by certain enemies of the Government—and indeed in my judgment enemies of the welfare of this country—that the reforms are not a reality; that Government intend to refuse to allow these new Legislatures to exercise their proper influence. The motive underlying this suggestion is to promote disaffection to Government and to His Majesty, and also to discredit this great work of the reformed Government.

On the other hand it is the desire and the duty of Government by their dealings in this Council to give practical evidence that the suggestion is not true, to prove that those who make that assertion have no basis for it. We desire to promote the co-operation of the Legislatures in two ways. First of all, by securing their support and assistance for our administrative work, and secondly, by co-operation on our part in going, as far as we possibly can, to meet them in their legitimate desires.

It is in that spirit that the Government approach this Resolution. Government are aware that there is a great deal of feeling about these laws. Many believe that the principles on which they are based are unsound; others think that they are applied without reasonable consideration. I did not hear any specific instances of this given in this Council, but I think the Honourable Nawab Abdul Majid gave expression to that idea

The HONOURABLE NAWAB ABDUL MAJID: I simply said, Sir, that here was a feeling in the country about it.

The HONOURABLE SIR WILLIAM VINCENT: I gathered that was what he meant, but I am glad to learn that apparently he has no evidence to support it. Again, there is this to be said that the Government officer who applies these laws very seldom comes much under the influence of them himself, and that he is not in a position to know where the shoe pinches, and there is a great deal in that contention. On the other hand, the Government think that it could be to the advantage of all if they could have an opportunity of explaining to a committee their difficulties, showing their reasons for the use of the acts and the manner in which they have been applied, and they hope to be able to convince an impartial body that many of the accusations made against them are based on incorrect evidence. For this reason we are quite prepared to appoint a committee (and this statement, I think, will meet the question raised in some of the amendments) with a majority of two-thirds of non-official men of unimpeachable authority and experience whose names and judgments will carry the greatest weight and who, we hope, will realise their responsibilities not only to the Council and to the public, but also to the Government. I cannot of course promise that the report of this committee will be accepted by Government, and indeed I have not been asked to do so, nor would such a request be reasonable. But I can give this undertaking that it will carry the greatest weight with the Government when it is received. Nor can I promise in the meantime that the Government will necessarily refrain, during the pendency of the deliberations of this committee, from using the-

measures which it is within their power to use at present. Honourable Members are aware of the dangers of the situation with which we are now faced. Conditions are at least as dangerous as, if not more dangerous than, when many of these Acts were passed, and we must retain liberty to use the weapons we have. At the same time, I believe that it will be generally admitted that we have employed these measures as sparingly as possible in the last few months, and though I cannot undertake to say that we will not employ them during the pendency of the deliberations of this committee, yet I am quite prepared to say that we will only employ them in the last resort and when we are forced to do so. I know of course that there is a certain section of the press which delights in saying 'repression is rampant, and talking of repression in *excelsis*' and attacking the Government on false allegations of drastic repression, but the facts are well known. Every member of this Council must be aware that the Government has used the weapons, which it has, with extreme restraint and moderation. There are indeed times when I think the extremist press takes this line because it seeks to provoke us to use repressive measures more freely in order to make Government unpopular, to create difficulties for moderate politicians, and to enable themselves to pose as martyrs. The real facts are the other way, and we have been reproached sometimes, not altogether without reason, for not using these laws sufficiently in the interests of the public peace. Be that as it may, in the present situation when untoward developments may at any time take place, it is impossible for me to give any undertaking that the Government will not use these measures during the time that the committee is sitting.

I said just now that the Government would not object to the Resolution subject to certain reservations. In the time of the old Council, I should have said the Government would accept it. I deliberately abstain from that language now, because it is on this Council that the responsibility will lie. The Government has no power or desire to carry vote one way or the other. On the members of this Council will rest the responsibility for motion having regard to welfare of the country. They must consider the crisis with which the administration is faced and judge for themselves as to whether this committee should be appointed or not. If they do decide in the affirmative, then Government will accept the Resolution.

The minor reservations of which I spoke are as follows:—When a Government accepts a Resolution of this kind they must know the specific scope of the recommendation and state what their views on this point are. I cite below the Regulations and Acts which the Government intend to include, in the term of reference of the committee if appointed, Regulation III of 1818 and the analogous and ancillary legislative Act XI of 1857, XIV of 1908, which is one of the Acts referred to, I think, by the Honourable Mr. Sastri; Act X of 1911; Act IV of 1915, and my old friend Act XI of 1919.

On the Press Act, I propose to move in the Legislative Assembly a separate Resolution for the appointment of a committee, and so I will not deal with that subject here. There is, however, a difference in the position as regards that Act, in that we have examined the subject and received a number of valuable opinions on the policy we should adopt, and we are prepared to go ahead as quickly as possible, whereas, in the case of the other Acts, it will be necessary for us, in the first place, to consult Local Governments on various points.

[Sir W. Vincent.]

Taking up the laws included in the list I have given, I do not want to discuss the reasons which led to the enactment of the Regulations in the early days of the last century, but I ought to say that in recent years Regulation III was never used up to 1898 when two persons only were interned under it. In 1908 and 1909, nine persons were put up and they were released in February, 1910. It is interesting to see that the employment of the Regulation then had the support of such a determined democrat as Lord Morley, who, while indicating his dislike of repressive measures, declared that he would not hesitate to use any weapon in his armoury if, in his view, the situation demanded it. He was however definitely opposed to the general employment of the law or indeed to using it at all save in an emergency, and I only mention this to show that it was not merely sun-dried bureaucrats who thought that the use of this measure was justified. After that, the Regulation was not used at all till 1915, and from 1915 to 1918, I think 145 persons were put up altogether. From the moment that they were interned, however, efforts were made to reform them and to release them at the earliest possible opportunity when they were willing to give undertakings that they would not offend again. I am glad to say that at the amnesty a very large number were released, and subsequently, on the inauguration of the reforms, the last of the persons interned in Bengal under the Regulations was released. I have no time to go in detail into the reasons which led the Government to intern these men at the time. Honourable Members will, however, remember that the case of each individual person was carefully inquired into by two judicial officers on various occasions, and in every case, I think, but one, the action of the Government was justified. So that it cannot be said, I think, that we employed the Regulations rashly or extensively. It must also be remembered that at the time we were engaged in the greatest war in the world, that the men interned were revolutionaries many of them, in direct conspiracy with the King's enemies in America and elsewhere, and that it was absolutely necessary, in the interests of the Empire, to take drastic action against them. It was not a time when the Government could afford to take any risks.

I do not know that I need go into the details of the other Acts to which reference has been made, but I should like to make some attempt to disabuse Honourable Members' minds of the idea that these Acts were passed without due consideration. For instance, I turn to the Seditious Meetings Act. It is interesting to know that when that Act was consolidated, it met with little or no opposition from the non-official members of the then Council. I have here a quotation from Mr. Gokhale, who said that, from the standpoint of Government, we could not have introduced a milder measure, the more objectionable features of the Act of 1907 having been removed, and if, when need arises the Act is applied with reasonable care and caution, it is not likely to produce any serious hardship. I defy anyone here to say that the Government have, since the Act of 1911 was passed, applied it either rigorously or unjustly. As a matter of fact, from 1911 it was not applied at all till 1919 or 1920.

The Act of 1908 was another Act to which the Honourable Mover referred. The first part of that Act has not been used since 1911, and I quite agree that it would be a fit subject for investigation. The second part has only been used once since 1911, according to my information, and that was for restraining certain gangs of young ruffians here, in Delhi, associations created for

illegal activities and used to terrorise peaceful citizens in the exercise of their lawful rights, when this action was necessary to protect the civil life of Delhi, from the grossest form of hooliganism. Anyone who was in Delhi, or has taken the trouble to ascertain what happened in Delhi a few months ago, will, I think, support me in this statement. The activities of associations, be they Samitis or Volunteer Associations, or anything else, have however never been checked in any way so long as they were confined to social service or legitimate political work.

I cannot in the time allowed me deal adequately with the amendment of Mr. Khaparde, but may say at once that it is not fair to the Local Governments to make a proposal of this kind and to ask Government to undertake repeal of all the measures without consulting them, bearing in mind the fact that they are primarily responsible for law and order. Honourable Members know the dangers of the present position. They are aware that we may be faced with an outbreak at any time, and I want to ask them whether they think it is fair to ask the Government to deprive itself of all their means of dealing with sedition at such a juncture without any inquiry or examination of the administrative difficulties with which they are faced. Would it be fair to His Excellency the Viceroy to demand such an immediate change when the head of the Government—His Excellency—is about to leave India and a new Viceroy is about to take over office? Is it fair to him or to the Government to demand this sudden change in the law? As a matter of fact, Honourable Members must also know that the acceptance of such a proposal is impossible without a reference to the Secretary of State, and that legislation could not in any case be undertaken during the present Session. The Government are anxious to meet this Council in all possible ways, but they are entitled, also, to ask this Council to treat them with fair consideration, and that their administrative difficulties should be scrutinised before they are asked to accept such a proposal as that which the Honourable Mr. Khaparde seeks to force upon them. It is quite impossible for us in public debate to explain in detail the reasons for the enactments and employment of these Laws—some of them more than one hundred years old—all of them enacted after very careful consideration and used, as I have shown, sparingly and only whenever they were absolutely justified.

I have always understood that this Council was intended to be a body of elder statesmen, which would only move deliberately, after careful consideration and that they would avoid precipitate and ill-advised action. I shall be much surprised and indeed I should regret it if, in their first sitting, they support such a rash and ill-considered proposal as that made by Mr. Khaparde.

THE HONOURABLE THE PRESIDENT: Does Mr. Khaparde wish to reply?

THE HONOURABLE MR. G. S. KHAPARDE: No Sir. No arguments have been adduced to refute my arguments. I only request that these Acts may be put separately because I find that there are some Acts about which Honourable Members appear to have not made up their minds. I think, Mr. President, that you have the power to put the Resolution in separate parts.

THE HONOURABLE THE PRESIDENT: Yes, I have that power but I do not propose to exercise it on this occasion. The proposals now before the Council are alternative. We cannot sever your amendment.

The HONOURABLE MR. G. S. KHAPARDE : As I said before, the only reply I have to make, is that no arguments have been adduced to refute my arguments and I trust that Honourable Members will kindly accept my amendment.

The HONOURABLE THE PRESIDENT :—The original question was this :—

‘This Council recommends to the Governor General in Council that a Committee be appointed at an early date to examine the repressive laws now on the Statute-book and report whether all or any of them should be repealed, and in cases where repeal is not desirable, whether the laws in question should be amended and, if so, how?’

Since then an amendment has been proposed to leave out the following words ‘a committee be appointed at an early date to examine the repressive laws now on the Statute-book, and report whether all or any of them should be repealed, and in cases where repeal is not desirable, whether the laws in question should be amended, and if so, how?’ and substitute the following, namely :—

‘That the following laws be repealed, namely :—

1. Regulation III of 1818.
2. The Indian Criminal Law (Amendment) Act (Act XIV of 1908).
3. The Indian Press Act (Act I of 1910).
4. The Seditious Meetings Act (Act X of 1911).
5. The Anarchical and Revolutionary Crimes Act (Act XI of 1919).

I think the amendment is in such a form that I can put it to the Council as a single question, and the question now is, whether Mr. Khaparde’s amendment should be accepted or not.

The amendment was negatived.

The HONOURABLE THE PRESIDENT : We now have three more amendments* on the paper. Two of these amendments relate to the composition of the committee and one is in the nature of instruction to the committee. I think the most convenient way for the Council to deal with this would be for me to call upon the Honourable Sir Maneckji Dadabhoy to move his amendment and then, if the Honourable Mr. Bhurgri wishes to proceed with his amendment, to treat that as an amendment to the amendment proposed by Sir Maneckji Dadabhoy. The remaining amendment by Sir Maneckji Dadabhoy is on a different matter, it is purely instructional.

I would remind Members that the Council has now definitely approved the proposition that a Committee should be appointed and future discussion

* The Honourable Mr. Bhurgri (1) ‘That the following be inserted between the words ‘Committee’ and ‘be appointed’ :—

‘Consisting of an equal number of members of the Council of State and the Legislative Assembly under the Presidentship of the Law Member, of whom at least three-fourths shall be non-officials and shall include, in the case of the Council of State, the Honourable Sir William Vincent, the Honourable Mr. Sastri, the Honourable Raja P. N. Roy of Dighapatia, the Honourable Sir Rashbehari Ghose and the Honourable Sir Alexander Murray.’

The Honourable Sir M. Dadabhoy (2) ‘That after the word ‘Committee’ the following words be added :—

‘Composed of Members of the Council of State and the Legislative Assembly with an adequate representation of the legal element.’

The Honourable Sir M. Dadabhoy (3) ‘That after the word ‘how’ in the last line of the Resolution the following be added :—

‘That the Committee be directed to submit their report in time to enable action to be taken thereon at the ensuing Simla Session.’

must be directed strictly to the terms of the amendments which remain on the paper. Perhaps the Honourable Sir Maneckji Dadabhoy will move his first amendment.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I have heard the Honourable the Home Member and I am quite satisfied with his reply. If the Honourable Member gives me an assurance that some members from the Legislative Assembly will be also appointed on the Committee, I shall not press my first amendment.

The HONOURABLE SIR WILLIAM VINCENT : I understand the Honourable Member wishes from me an assurance that the intention of the Government is to appoint members from both Chambers to this Committee. I am prepared to give him that assurance, though I am not prepared at present to say that we will confine the membership to those bodies.

The HONOURABLE THE PRESIDENT : Is it the intention of the Honourable Sir Maneckji Dadabhoy to withdraw his amendment?

The HONOURABLE SIR MANECKJI DADABHOY : Well, Sir, in view of what has fallen from the Honourable the Home Member, I will not press my amendment.*

The amendment was, by leave, withdrawn.

The HONOURABLE MR. BHURGRI : My amendment introduces three things. In the first place, it raises the same point as Sir Maneckji Dadabhoy’s amendment raised, namely, that there should be a joint committee of both the Houses. I am glad the Home Member has given us an assurance that it shall be done. The second thing that it lays down is that the committee should be presided over by the Law Member. Thirdly, it lays down that at least three-fourths of the Committee should be non-officials. Further, in the case of this Council, it recommends its own committee—consisting of Members of this Council. Originally I wanted to move for a committee of both Houses, whose names I had put down, but unfortunately that proposal I had to abandon for certain reasons. Now, as to the last clause of my amendment, namely, the names of members, I am not very particular

The HONOURABLE THE PRESIDENT : I think the Honourable Member must first move his amendment. Will you read its terms?

The HONOURABLE MR. BHURGRI : The amendment which I have the honour to move is as follows :—

‘That the following be inserted between the words ‘Committee’ and ‘be appointed’ :— ‘consisting of an equal number of members of the Council of State and the Legislative Assembly under the Presidentship of the Law Member, of whom at least three-fourths shall be non-officials and shall include, in the case of the Council of State, the Honourable Sir William Vincent, the Honourable Mr. Sastri, the Honourable Raja P. N. Roy of Dighapatia, the Honourable Sir Rashbehari Ghose and the Honourable Sir Alexander Murray.’

That is the amendment, Sir. So Sir, the first point, namely, that the committee should be a joint committee of both Houses has been practically acceded. The second point is the Presidentship of the Honourable the Law Member, and I believe the Government will have no opposition to that. The third point is the proportion of the non-officials on the committee about

* See footnote No. 2 on previous page.

[Mr. Bhurgri.]

which my Honourable friend the Home Member differed from me, and instead of the three-fourths proposed by me he is willing to give me two-thirds. Well, Sir, beggars cannot be choosers, and I will be content with two-thirds offered. As for names proposed by me I do not mind leaving it to the House or, if the House desires, to leave it to the Government. With these remarks I move my amendment, and I await the reply of the Home Member.

The HONOURABLE SIR WILLIAM VINCENT: I rather hope that when the Honourable Member has heard me, he will not press this amendment. As to the personnel of the Committee which he mentions, he has not told us at all whether he has consulted these Honourable Members and whether they are willing to act on the Committee

The HONOURABLE THE PRESIDENT: I think we must assume that the Honourable Member would not have mentioned the names without previously consulting them.

The HONOURABLE SIR WILLIAM VINCENT: I am afraid the Honourable Member has not, because I have received information that he has sent in these names without consulting these gentlemen.

The HONOURABLE MR. BHURGRI: It is true.

The HONOURABLE THE PRESIDENT: I hope that in future, Honourable Members, before mentioning names in their Resolution, will always consult the Members.

The HONOURABLE MR. BHURGRI: I did not know that Sir.

The HONOURABLE SIR WILLIAM VINCENT: The difficulty about appointing any particular persons is that Members get ill—they are unwilling to serve—or they have to go away to England. I may assure the Mover of this amendment that we intend to put on men of real weight and authority, not necessarily confined—they may be confined to the two Legislatures—and I will consult him and the Honourable Mover before the Government finally selects the personnel. Our intention is that two-thirds of the members should be non-officials of the character to which I have referred. Government will go thus far to meet him in his amendment, and I trust in the circumstances he will not press it.

The HONOURABLE MR. BHURGRI: A word, Sir, before I close. My object really in proposing certain names was this. When the Honourable Mr. Sastri's Resolution came out in the press, there was a strong comment on our side that the Honourable Mr. Sastri's Resolution was too mild, and I wanted the appointment of such a committee that could command confidence of the general public and which would give a fair representation to all shades of opinion in the country. I therefore put down the names of those who, I thought, would carry weight with the country and the public at large, and who will command the confidence of the people. I am now prepared to withdraw the amendment after what the Honourable the Home Member has assured me. But I will ask him to bear in mind that, unless the committee consists of such men who can command confidence outside—whether they belong to this House or to the other House or they come from outside, that does not matter—unless he appoints a committee of that character, I am afraid the country will not be satisfied.

The HONOURABLE THE PRESIDENT: I understand the Honourable Mr. Bhurgri desires to withdraw his amendment.* Is it the pleasure of this Council to permit him to withdraw the amendment?

The amendment was, by leave, withdrawn.

The HONOURABLE THE PRESIDENT: There is another amendment† on the paper in the name of Sir Maneckji Dadabhoy which is in the nature of direction to the committee. Does the Honourable Member wish to move it.

The HONOURABLE SIR MANECKJI DADABHOY: I understood the Honourable the Home Member to say that he expects the report to be submitted in time to enable him to take action at the next Simla Session. If that is the case, there is no necessity to press my amendment.

The HONOURABLE SIR WILLIAM VINCENT: The intention of the Government of India is as follows: They propose to appoint a committee consisting of members as I have stated and to have a preliminary meeting here as soon as possible. At that preliminary meeting we shall settle the scope of the inquiries and ascertain on what points it is necessary to obtain opinion from Local Governments. Then the intention is that the committee should meet again in May in Simla, and having secured by then—if it is at all fortunate—the reports of Local Governments, should formulate their proposals and put them before the Government of India in ample time to enable the Government of India, if it so desires, to take up legislation in the September Session. I think that probably will satisfy the Honourable Member.

The HONOURABLE SIR MANECKJI DADABHOY: That satisfies me. I do not press my amendment.

The HONOURABLE THE PRESIDENT: I understand the Honourable Member wishes to withdraw his amendment. Is it the pleasure of this Council that the Honourable Sir Maneckji Dadabhoy be permitted to withdraw his amendment?

The President having ascertained the sense of the House, the amendment, was by leave, withdrawn.

The HONOURABLE THE PRESIDENT: There are now no more amendments on the paper and it now remains for me, unless the Honourable Mover wishes to reply, to put the motion.

The HONOURABLE MR. SRINIVASA SASTRI: Sir, I really feel that this debate has had a very useful end. I do hope that the committee that will be appointed will command the confidence of the country so that, when action is taken upon it, it will have the effect which we all desire.

* 'That the following be inserted between the words 'Committee' and 'be appointed':—
'Consisting of an equal number of members of the Council of State and the Legislative Assembly under the Presidentship of the Law Member, of whom at least three-fourths shall be non-officials, and shall include, in the case of the Council of State, the Honourable Sir William Vincent, the Honourable Mr. Sastri, the Honourable Raja P. N. Roy of Dighapatia, the Honourable Sir Rashbehari Ghose and the Honourable Sir Alexander Murray.'

† 'That after the words 'how' in the last line of the Resolution, the following be added:—

'That the committee be directed to submit their report in time to enable action to be taken thereon at the ensuing Simla Session.'

[Mr. S. Sastri.]

There is just one remark that I might make. I overlooked the Martial Law Regulation. I might have included it in my original remarks, but perhaps it is not too late. I make the observation, because I seem to remember that in the discussions that went on after the proclamation of Martial Law in the Punjab at a recent date, there was some question relating to the Martial Law Regulation under which the proclamation was made. If that could be brought within the scope of this committee's work, probably that particular enactment also would receive the necessary rectification.

With these remarks, I leave the Resolution in the hands of the Council.

The HONOURABLE THE PRESIDENT: Does the Honourable Member of Government in charge of the Resolution desire to exercise his right of reply?

The HONOURABLE SIR WILLIAM VINCENT: No, Sir.

The Resolution was carried unanimously.

The Council then adjourned till Wednesday, the 16th February, 1921, at 11 A.M. in the Assembly Chamber.

COUNCIL OF STATE.

Wednesday, the 16th February, 1921.

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

QUESTIONS AND ANSWERS.

SECURITIES UNDER PRESS ACT.

71. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

- (a) the number of cases in which security has been demanded from newspapers in the whole of India during the last five years;
- (b) the number of cases in which the security has been enhanced during the same period;
- (c) the number of cases in which the security has been forfeited during the same period?

The HONOURABLE SIR WILLIAM VINCENT: The information available in the Government of India is as follows—

- (a) 1917 26.
1918 30.
1919 37.
- (b) 1917 ...
1918 1.
1919 2.
- (c) 1917 1.
1918 4.
1919 2.

The information for the years 1916 and 1920 is being collected and will be supplied to the Honourable Member as soon as it is available. I will also get the figures that I have already cited checked and verified by then.

PUNJAB DISTURBANCES.

72. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

- (a) the number of officials connected with the last Punjab disorders whose conduct has been censured by Government and who are still retained in service;
- (b) the number of such officials who have been granted pensions;

(c) the names of such officials who have been retained in service, and who have been granted pensions, respectively ;

(d) the amount of the pensions granted ?

The HONOURABLE SIR WILLIAM VINCENT : (a) 11.

(b) 3.

Names of officers in service.

- (c) 1. Inspector Ashraf Khan.
2. Lieutenant-Colonel A. J. O'Brien.
3. Mr. Marsden.
4. Mr. S. M. Jacob.
5. Mr. E. A. Penhearow.
6. Mr. A. W. Kitchin.
7. Mr. Miles Irving.
8. Brigadier-General Campbell.
9. Captain Doveton.
10. Colonel Macrae.
11. Mr. Bosworth Smith.

The last named officer is on leave preparatory to retirement on proportionate pension.

Names of officers who have been granted pensions.

1. Khan Sahib Ahmed Jan.
2. Khan Bahadur Sultan Ahmad.
3. General Dyer.
(d) The amounts of pension awarded to these officers are, respectively,—
1. Rs. 75 per mensem.
2. Rs. 311-1 per mensem.
3. £900 per annum.

The HONOURABLE Mr. BHURGRI : Sir, in view of the debate which took place yesterday elsewhere, I do not wish to pursue the questions Nos. 73 to 75 which relate to the Punjab disturbances, and I beg leave to withdraw them.

Questions Nos. 73 to 75 were withdrawn.

EXPENDITURE ON REFORMS.

76. The HONOURABLE Mr. BHURGRI : Will Government be pleased to state the annual amount of additional expenditure, of a recurring and non-recurring character, respectively, incurred in respect of new appointments and departments created under the Reforms in each Provincial Government and in the Government of India ?

The HONOURABLE SIR WILLIAM VINCENT : The Honourable Member is referred to the statement* laid on the table in reply to a similar question by the Honourable Raja Promoda Nath Roy. The figures there shown represent the recurring expenditure involved. As regards the non-recurring expenditure likely to be incurred in the Government of India in connection with the building of Council Chambers and residences for members, the rough estimate is Rs. 1,12,20,000. There is no information available in regard to similar expenditure in the Prouinces.

FELLOWS OF THE UNIVERSITIES.

77. The HONOURABLE Mr. BHURGRI : Will Government be pleased to state—

- (a) the number of elected and nominated Fellows in each University in India, respectively ;
(b) whether Government propose to increase the elective strength ;
(c) if so, when and where ?

The HONOURABLE KHAN BAHADUR MIAN MUHAMMAD SHAFI :
(a) The numbers of elected and nominated Fellows in those Universities in which Fellows exist are to be found in the Acts dealing with those Universities, specially in the Indian Universities Act of 1904.

(b) and (c) The question of increasing the elective strength on the Senates of Universities has in recent years been considered by the Government of India, but was postponed in view of the appointment of the Calcutta University Commission. Under the Reforms, education is a Provincial subject and any proposals in this direction for existing Universities would suitably be made in the Provincial Councils.

The Honourable Khan Bahadur Mian Muhammad Shafi having, in the first instance, given the wrong answer to the Honourable Mr. Bhurgri's Question No. 77, the Honourable the President remarked as follows :—I would ask Honourable Members to wait till their names are called. When questions are asked and answers given, this should be done formally.

REMOVAL OF CONGESTION IN CITY.

78. The HONOURABLE Mr. BHURGRI : Will Government be pleased to state—

- (a) if it is a fact that the Municipality of Hyderabad, Sind, has proposed a scheme for the removal of congestion in the City by the shifting of the Cantonments and the transfer of the present Cantonment area to the Municipality ;
(b) if so, what orders, if any, have been, or are proposed to be, passed by Government in the matter ?

**Vide* pages 39—41 of Volume I, No. 3 of Council of State debates of 14th February 1921.

Government of India have ascertained the views of the Legislative Houses and communicated them to him.

ARMY ADVISORY COUNCIL.

85. The HONOURABLE MR. G. S. KHAPARDE : Will the Government be pleased to state if they have constituted an Army Advisory Council? If the answer be in the affirmative, will the Government be pleased to describe the functions and constitution of that Council, and also state if any provision has been made therein for any Indians being appointed to it?

The HONOURABLE SIR WILLIAM VINCENT : The Advisory Council has been in existence for the last fifteen years. Its functions are to discuss military proposals and advise the Commander-in-Chief thereon. It is presided over by the Commander-in-Chief, and the members are the Chief of the General Staff, the Adjutant-General, the Quartermaster-General, the Secretary in the Army Department and the Financial Adviser.

There are no non-officials on this Committee.

MESOPOTAMIA COMMISSION REPORT.

86. The HONOURABLE MR. G. S. KHAPARDE : Will the Government be pleased to state what action, if any, they have taken on paragraph 28 in page 116 of the Mesopotamia Commission's Report pointing out the desirability of restricting private communications between the Viceroy and the Secretary of State?

The HONOURABLE SIR WILLIAM VINCENT : Since the publications of the report of the Mesopotamian Commission communications dealing with matters which require decision by the Governor General in Council are official. When necessary they are supplemented by Private and Personal telegrams if His Excellency desires to place his personal views on any question before the Secretary of State.

INDIANS IN EAST AFRICA.

87. The HONOURABLE MR. G. S. KHAPARDE : Will the Government be pleased to state whether they have received any reply from the Secretary of State communicating the decision of His Majesty's Government on the last despatch of the Government of India relating to the position of Indians in East Africa?

The HONOURABLE SIR GEORGE BARNES : The Honourable Member will have read in the Gazette of the 27th December that the Secretary of State had telegraphed to us on the 24th December that the matter was still before His Majesty's Government.

On Saturday last we received a further telegram from the Secretary of State that the retirement of Lord Milner from the Colonial Office will necessarily cause some delay in the discussion of the question by the Cabinet. We are assured, however, that Lord Milner's successor, Mr. Churchill, fully realises the importance of the issue in East Africa.

PAY OF PROVINCIAL POLICE.

88. (a) The HONOURABLE MR. V. S. SASTRI : (a) Is it a fact that the revised scale of pay for the Provincial Police Service sanctioned by the Secretary of State (for being given effect to from 30th October, 1919) has not yet been given effect to in most of the Provinces?

(b) Is it a fact that they have protested against the inadequacy of the scale of pay sanctioned by the Secretary of State? If so, what action has been taken on these memorials?

(c) Is the delay in giving effect to the Secretary of State's sanction due to the necessity of revising the scale?

(d) Is it a fact that the Indian officers in the Imperial Police have not yet been given the benefit of the new rates of pay?

(e) Is it a fact that Diwan Bahadur P. Parankusam Nayudu draws a smaller salary than several European officers below him in his grade, and that both he and Rao Bahadur T. Venkoba Rao draw smaller salaries than some European officers in the grade next below theirs?

The HONOURABLE SIR WILLIAM VINCENT : (a) The revised scale of pay for the Provincial Police Service sanctioned by the Secretary of State was communicated to Local Governments on the 31st January, 1920. Government have no reason to believe that it has not been introduced, and the fact that memorials have been received from Provincial Police officers regarding the inadequacy of the new scale is an indication that it is already in force.

(b) Memorials have been received from the Provincial Police officers in several Provinces. These memorials are now under consideration.

(c) The Honourable Member is referred to the answer I have given to part (a).

(d) The Honourable Member is, I think, referring to the scale of pay for the Indian (Imperial) Police, applicable to European and Indian officers alike, which came into effect from the 1st January, 1920. This scale has been brought into force from that date for both Indian and European officers.

(e) The facts are as stated, but the reason for the differentiation is that the two officers mentioned, being of Indian domicile, are not eligible for overseas allowances, while the European officers in question are. I might add that the case of these two officers is now under further consideration.

SUKKUR BARRAGE SCHEME.

89. The HONOURABLE MR. BHURGRI : Will Government be pleased to make a statement as to what has been done in regard to the Sukkur Barrage Scheme?

The HONOURABLE RAO BAHADUR B. N. SARMA : The Sukkur Barrage and Canals Project was submitted to the Secretary of State in December, 1920.

The HONOURABLE SIR WILLIAM VINCENT : (a) Yes.

(b) No decision can be arrived at on this subject until the re-distribution of the Army in India is settled.

The HONOURABLE MR. BHURGRI : Sir, I should also like to withdraw Question No. 79.

The question was withdrawn.

INDIAN INDUSTRIAL COMMISSION.

80. The HONOURABLE MR. MARICAIR : Will the Government be pleased to state whether any programme of industrial development has been drawn up in view of the recommendations of the Indian Industrial Commission?

The HONOURABLE MR. A. C. CHATTERJEE : No definite programme of work has been framed by the Government of India who are proceeding, as quickly as possible, with the most important of the Commission's recommendations and such as are capable of being taken up immediately. I would, at the same time, remind the Honourable Member that the development of industries is now a transferred Provincial subject, so that it is mainly for Ministers in the Provinces to frame programmes of future development. Certain large schemes have been taken under their direct control by the Central Government and progress is being made with these as rapidly as circumstances permit. The most important of these schemes are the establishment of an Imperial Tanning Institute with a demonstration boot factory, a School of Mines and Geology, all-India Industrial and Chemical Services, a Central Chemical Research Institute, a Metallurgical Institute and the appointment of a staff of experts to visit and inspect technical and industrial schools and to advise Provincial Governments on technical problems.

EXPORT DUTY ON TEA.

81. The HONOURABLE MAHARAJA SIR M. C. NANDY : Do the Government propose to consider the advisability of taking immediate steps to remove the existing export duty on Tea?

The HONOURABLE SIR GEORGE BARNES : It is not possible at this stage of the Session to give any reply either in the affirmative or negative to any questions relating to taxation.

LEGISLATION FOR CALCUTTA UNIVERSITY.

82. (a) The HONOURABLE MR. G. S. KHAPARDE : Will the Government be pleased to state what final decision they have come to regarding the proposed legislation for the reorganisation of the Calcutta University?

(b) Will the Government be pleased to lay on the table complete correspondence which has passed between the Government of India and the Secretary of State and between the Government of India and the Provincial Governments on the subject?

The HONOURABLE KHAN BAHADUR MIAN MUHAMMAD SHAFI :
(a) The matter is under consideration.

(b) The Government of India are not in a position to lay the correspondence on the table.

MAHSUD AND WANA WAZIR EXPEDITIONS.

83. The HONOURABLE MR. G. S. KHAPARDE : What is the approximate cost of the Mahsud and Wana Wazir expeditions? Will the Government be pleased to state the causes which led to these expeditions and the dates on which the Secretary of State sanctioned them?

The HONOURABLE MR. DENYS BRAY : No separate record has been maintained of the cost of the Mahsud and Wana Wazir expeditions. The cost of the Afghan and Frontier operations in 1919-20 amounted to 24 crores. If the Honourable Member will kindly repeat at some date after the presentation of the Financial Statement his question regarding the cost of Frontier operations in the current financial year, I shall be happy to give him then the information he requires.

The expeditions were sanctioned by the Secretary of State in October 1919. The causes which led up to them were the open rebellion of these tribes during the Afghan war of 1919, their treacherous attacks on our columns during the temporary evacuation of certain of our posts, and their subsequent terrorising of the inhabitants in the adjacent administrative districts. Between May and November 1919 alone, the Wana Wazirs committed 82 serious offences, the Mahsuds over 100, causing numerous casualties and the loss of much valuable property. A statement giving statistics of these raids will be laid upon the table when complete. Chief among the Mahsud raids were attacks on Tank town and a murderous onslaught on a labour corps working on the Kalabagh-Bannu Railway in which 26 coolies were killed and 20 wounded. The chief Wana Wazir raid was the looting of Gumal village, the loss being estimated at between two to three lakhs of rupees. Military operations against the Mahsuds and the Wana Wazirs became thus imperative in the interests of our harassed border populations, but they were not undertaken before the tribesmen had been given an opportunity of complying with the Government terms, which had purposely been pitched as low as possible, and had rejected them.

ESHER COMMITTEE REPORT.

84. The HONOURABLE MR. G. S. KHAPARDE : Will the Government be pleased to state whether they have addressed the Secretary of State on the recommendations of the Esher Committee's Report and to give a brief summary of their views if they have expressed any?

The HONOURABLE SIR WILLIAM VINCENT : The Government of India have addressed the Secretary of State regarding Parts I and II of the Esher Committee's Report, in accordance with the Secretary of State's request for an early expression of their views. The Government of India cannot, at the present stage, communicate to the Council a summary of the views expressed in their despatch. As the Honourable Member is aware, opportunities are being afforded to both Legislative Houses to discuss the recommendations of the Esher Committee. If, as the result of these debates the Government of India have occasion to modify the views already expressed to the Secretary of State, they will inform him accordingly. In the meantime, they are asking him to defer a decision on the larger issues raised in the Report, until the

INDIANS IN NAVAL AND MILITARY ARMS.

90. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

(a) if Indians are admissible in the Cavalry and Artillery, and the Naval and Air forces of the Crown;

(b) if not, the reasons for their exclusion?

The HONOURABLE SIR WILLIAM VINCENT: (a) Indians are employed in various capacities in the Cavalry and Artillery, and in the Royal Air Force in India. No Indians are employed in the Royal Navy.

(b) The Royal Navy is not under the administration of the Government of India, and consequently it is not possible to give a reply to part (b) of the question.

MILITARY COLLEGES IN INDIA.

91. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

(a) if any Military Colleges exist in India;

(b) if so, whether they are open to Indians;

(c) if not, why Indians are not admitted?

The HONOURABLE SIR WILLIAM VINCENT: (a) The only Military College in India is the Staff College at Quetta.

(b) The Staff College is open to Indians holding King's Commissions.

(c) The question does not arise.

STAFF OF EASTERN BENGAL RAILWAY.

92. The HONOURABLE MAHARAJA SIR M. C. NANDY: Is it a fact that Indian Station Masters and Assistant Station Masters in the Eastern Bengal Railway have to undergo severer training and tests for employment in the service of that Railway than Europeans and Anglo-Indians employed on similar work?

The HONOURABLE SIR GEORGE BARNES: The only additional qualification required of an Indian Station Master or Assistant Station Master is a knowledge of telegraphy; as at unimportant stations he is expected to do telegraph work in addition to other duties.

ADMIRAL JELlicoe's REPORT.

93. The HONOURABLE SIR MANECKJI DADABHOY: (a) Has there been any correspondence between the Imperial Government and this Government regarding Admiral Jellicoe's Report on the Eastern section of the Royal Navy?

(b) Will such correspondence be laid on the table?

(c) Will this Council be consulted or will an opportunity be given to the non-official members of this Council and the Indian public to express their views regarding the apportionment of the cost of maintenance of the projected Eastern Navy between Australia and India?

The HONOURABLE SIR WILLIAM VINCENT: (a) Presumably the Honourable Member is referring to the Admiral of the Fleet Viscount Jellicoe's Report on his naval mission to India. The views of the Government of India on his recommendations have been recently communicated to the Secretary of State.

(b) The Government of India are unable to lay the correspondence on the table. The Honourable Member will realise that it would not be to the public interest to disclose the Government's views on strategical questions, such as the defence of Indian ports, etc.

(c) The Government of India are not aware of any project for the formation of an Eastern Navy, the cost of which would be shared between Australia and India.

MONEY ORDER SERVICE.

94. The HONOURABLE MR. L. S. MEHTA: (a) Will Government be pleased to say if their attention has been drawn to a Notification issued by the Post-Master General of the Colony of Kenya, East Africa and Uganda Protectorates, notifying that the service of money orders from India to the Kenya Colony and East Africa and Uganda Protectorates had been suspended?

(b) Is it a fact that the Notification was issued on 21st October, 1920, while payments were accepted by Post Offices in this country for transmission to Kenya, East Africa and Uganda Protectorates up to that date?

(c) What is the total amount of money orders received by the Post Offices in India for transmission and which have not yet been paid to the parties in the above mentioned countries?

(d) What is the loss likely to be suffered by Indian merchants in having the payment of their money orders thus suspended?

(e) Were the Government of India consulted on the subject previous to the issue of the Notification, and, if so, did it meet with their approval?

(f) Have the Government of India received any protests regarding this Notification, and, if so, what action have they taken or do they propose taking in the matter?

The HONOURABLE SIR GEORGE BARNES: (a) Yes.

(b) The Notification was issued in Nairobi on the 21st October, but applied to all money orders which had been advised from India on and after the 5th October. Telegraphic intimation of the notification was not received until the 23rd October by the Director-General of Posts and Telegraphs, who at once issued instructions to all Indian offices to refuse acceptance of money orders for East Africa. Intimation that the suspension was retrospective was not received until the 27th October.

(c) The total amount is reported by the Director-General of Posts and Telegraphs to be Rs. 9,71,000.

(d) At the worst the money will be refunded to the remitters, and has already been refunded by the Director-General of Posts and Telegraphs to any remitter who has applied for a refund. Remitters will, however, lose the interest on their money for the period during which payment has been suspended.

(e) The answer to both parts of this question is No.

(f) We received no protests until the 3rd of this month, when we received a letter dated the 29th January from the Secretary, Indian Merchants' Chamber and Bureau, Bombay. On the 2nd November, however, the Director-General of Posts and Telegraphs had already protested strongly against the refusal of the Kenya Administration to pay money orders which had been accepted and advised before the notice of suspension had been received, and pointed out that such action would cause serious public inconvenience and discontent. The Kenya Administration then offered to pay these orders, provided that we agreed to a special settlement on a sterling basis of two shillings as the equivalent of a rupee. The effect of this proposal would be that the Indian tax-payer would have to make good the difference between the current sterling value of the Indian rupee and to shillings. We were, therefore, unable to accept it, and informed the Kenya Administration that we should be compelled to return the money to the remitters in India, if settlement in rupees according to the terms of the arrangement made in 1896 for the exchange of money orders between the Post Office of British East Africa and the Post Office of India, was still refused. At the same time we entered a strong protest against the action of the Kenya Administration as being a breach of the arrangement and contrary to international postal usage. We have not yet received a reply to this.

For future transactions, the Director-General of Posts and Telegraphs has been instructed to arrange with the Kenya Administration for the exchange of money orders on a sterling basis.

The HONOURABLE MR. L. S. MEHTA: Sir, may I ask a supplementary question as regards (b)? The Honourable Member said that the retrospective effect will hold in connection with the Notification of the 21st October. Under the treaty is any Colony authorised to issue a notification with retrospective effect?

The HONOURABLE SIR GEORGE BARNES: I will be glad if the Honourable Member will give me notice of that question.

CUSTOMS DUTY ON ROAD MATERIALS.

95. The HONOURABLE MR. MARICAIR: (a) Are the Government of India aware that a Customs duty of 7½ per cent. is charged on the value of road materials imported from Ceylon ports to Indian ports?

(b) Do the Government propose to issue orders to allow these materials to land free of duty?

The HONOURABLE SIR GEORGE BARNES: (a) Yes.

(b) The Government of India regret that they cannot accept this suggestion.

GRANT OF KING'S COMMISSIONS.

96. The HONOURABLE MR. BHURGRI: Will Government be pleased to state the number of King's Commissions in the Army granted to Europeans and to Indians, respectively, during the last two years?

The HONOURABLE SIR WILLIAM VINCENT: The number of King's Commissions (both permanent and honorary) granted to Europeans since the 1st February, 1919, is 1,587.

The number of King's Commissions (both permanent and honorary) granted to Indians since the 1st February, 1919, is 348.

REPRESENTATIONS FROM INDIAN EMPLOYEES ON CERTAIN RAILWAYS.

97. The HONOURABLE MAHARAJA SIR M. C. NANDY: (a) Have the Government received any representations from the Indian employees of the East Indian Railway, the Bengal Nagpur Railway and the Eastern Bengal Railway with regard to the distinctions made between the pay, allowance and residences of these men and of those of the European, Eurasian and Anglo-Indian servants of those companies employed for work of the same character and description?

(b) Is it a fact that the pay of an Indian Station Master in the Eastern Bengal Railway is five times less than that of an European officer doing the same work, and that an European Assistant Station Master gets about eight times as much pay as an Indian Assistant Station Master gets for the same work?

(c) Is it a fact that Indian employees in the Eastern Bengal Railway have to work very often on Sundays and holidays without any extra payment for these services?

(d) Is it a fact that the quarters provided for the Indian Station Masters and Assistant Station Masters in the Eastern Bengal Railway are inadequate and insanitary; that the Railway quarters provided for Indian officers consist of no more than 2 small rooms, a kitchen, a verandah, a bathing-place, and a privy, and that the quarters of the type 'B' for senior European officers consist of one dining-room, one living-room, two bed-rooms, two bath-rooms, two verandahs, one godown and one pantry, besides an out-office of four rooms for servants' quarters?

The HONOURABLE SIR GEORGE BARNES: (a) The answer is No.

(b) All Station Masters and Assistant Station Masters, whether Indian or European, are paid in accordance with the class of station in which employed and the class of work involved. Government are aware of no instances such as those the Honourable Member refers to.

(c) Daily paid employees are paid for work on Sundays and holidays. Employees are on monthly scale of pay, and not specifically paid for work on Sundays and holidays. These rules apply equally to Indians and Europeans.

(d) Quarters on the Eastern Bengal Railway are provided on the basis of pay of the staff, the rent charged also varying. Type 'Z' which is meant for Indians drawing Rs. 125 to Rs. 250 consists of three main rooms, one godown, one kitchen, one bathing place, two privies and three verandahs and a court-yard, while type 'B' which is meant for senior Europeans drawing a salary of Rs. 350 and over includes four main rooms, two baths, two godowns (one of which is a pantry) and four outhouses (one of which is a kitchen) and a verandah. There is also a special type 'Z' for senior Indians drawing a salary of more than Rs. 250 per mensem. This type contains four main rooms, one godown, one kitchen, one servants' quarter, one bathing place, two privies and three verandahs.

These types are substantial improvements on the old types of accommodation given. The improvements include extra widths of verandahs and godowns and special attention has been paid to sanitation.

No complaints have reached the Government as regards insanitary conditions in Indians' quarters or as regards their inadequacy.

DUTY HOURS FOR RAILWAY STAFF.

98. The HONOURABLE MAHARAJA SIR M. C. NANDY: Is it a fact that Indian Station Masters and Assistant Station Masters on the East Indian Railway, Bengal Nagpur Railway and Eastern Bengal Railway have very often to work for twelve hours at a stretch, while European and Anglo-Indian Station Masters have much shorter and more convenient hours of work?

The HONOURABLE SIR GEORGE BARNES: Men whether Europeans, Anglo-Indians or Indians are given eight hours' continuous duty per day except at stations where work is light and intermittent when 12 hours is the prescribed hours of duty.

SCHOOLS FOR CHILDREN OF RAILWAY EMPLOYEES.

99. The HONOURABLE MAHARAJA SIR M. C. NANDY: (a) Is it a fact that the East Indian Railway, Bengal Nagpur Railway and Eastern Bengal Railway provide educational facilities for the children of the European staff, and that no such facilities are provided for the children of the Indian staff.

(b) Is it a fact that there is no proper arrangement for medical attendance for the Indian staff during their sickness, that the dispensaries and hospitals are not properly equipped, and only one Sub-Assistant Surgeon is placed in charge of an area of 70 miles, so that nearly 400 men are placed under the care of one man?

The HONOURABLE SIR GEORGE BARNES: (a) Educational facilities are provided for the children of both European and Indian staff on the three Railways mentioned.

(b) Every effort is made to make proper arrangements for the Indian staff during sickness, but if the Honourable Member will bring to the notice of the Railway Board any case in which he considers that the

arrangements made are insufficient, inquiries will be made into the matter by the Board.

RAW HIDES AND SKINS.

100. The HONOURABLE SIR ZULFIQAR ALI KHAN: Is Government aware of complaints that the export duty levied on hides and skins in 1919 has adversely affected the trade in these articles? If so, is Government contemplating removal of that duty?

The HONOURABLE SIR GEORGE BARNES: Government have received representations on the subject. It is not possible at this stage of the Session to give any reply either in the affirmative or negative to any questions relating to taxation.

TURKISH PEACE TREATY.

101. The HONOURABLE SIR ZULFIQAR ALI KHAN: Has Government addressed within the last two years any representations to the Secretary of State regarding the state of Muhammadan feeling in this country? If so, will Government be pleased to lay a copy of the representations so addressed on the table and the replies which have been received from the Secretary of State?

The HONOURABLE SIR WILLIAM VINCENT: It is presumed that the reference is to the state of Muhammadan feeling in regard to the Turkish Peace Treaty. Government have addressed numerous recommendations on this subject to the Secretary of State within the last two years, and during the last three months in particular they have sent ten telegrams. Five of these were from the Government of India and five were telegrams sent personally by His Excellency. It is not possible to lay copies of the correspondence on the table, because, irrespective of other reasons, this correspondence relates to matters which affect the relations of His Majesty's Government with a foreign power.

SUPERIOR REVENUE ESTABLISHMENT OF STATE RAILWAYS.

102. The HONOURABLE NAWAB SIR BAHRAM KHAN: (a) Will Government be pleased to inform this Council if revised scales of pay have been sanctioned by the Secretary of State for the Superior Revenue Establishment of Indian State Railways and, if so, what is the cause of the delay in giving effect to the sanction?

(b) Is Government aware that persistent rumours that the members of the Superior Revenue Establishment will not get the same pay and allowances that are sanctioned for Imperial Engineers is causing great discontent among officers of the Indian State Railways belonging to the Superior Revenue Establishment, and will Government give reasons for differentiation, if any, between the emoluments of officers of the different departments of Indian State Railways?

(c) Does Government propose to consider the desirability of approaching the Right Honourable the Secretary of State with the request that officers of the different Imperial Services on Indian State Railways should receive equal treatment as regards pay and privileges?

The HONOURABLE SIR GEORGE BARNES: (a) and (b) The Secretary of State has sanctioned the revised scales of pay for the Superior Revenue

Establishment of State Railways and I shall be glad to send to the Honourable Member a copy of the Resolution, dated the 3rd February 1921, which has been issued on the subject. From it the Honourable Member will be able to see what differentiation there is in the case of the several departments and the reasons why the differentiation is made.

(c) It is not proposed to reconsider the orders.

NON-CO-OPERATION ON THE NORTH-WEST FRONTIER.

103. The HONOURABLE NAWAB SIR BAHRAM KHAN: Will Government be pleased to inform the Council what steps, if any, have been taken to stop or counteract the non-co-operation and *anti*-British propaganda being conducted on the Frontier beyond the Indus and among troops?

The HONOURABLE MR. DENYS BRAY: In the administered districts of the North-West Frontier, the Chief Commissioner has enlisted in this matter the co-operation of the leading Khans and Raikes to whose staunch loyalty is due in large measure the general absence of disturbing propaganda. He has also excluded from the province the more violent agitators from outside whose presence would have the effect of exciting people who, loyal and contented when left to themselves, are credulous and excitable, and being peculiarly manly and high-spirited are apt to be carried into violent and deplorable action without forethought.

In the tribal areas no serious efforts have yet been made to introduce disturbing propaganda except among the Black Mountain tribes, who, at the instigation of certain agitators in British territory, rose in August last and attacked British territory. This rising was quelled by military force, and a complete settlement has been effected. In other tribal areas the situation is being closely watched, for, though the tribesmen are not likely to associate themselves with the non-co-operation movement, all political excitement and agitation in the frontier districts inevitably re-act on the tribal situation, increasing tribal lawlessness and the harassment of our law-abiding subjects in the more exposed villages.

2. Inquiries regarding the measures taken in the Trans-Indus areas of the Punjab should be made in the local Legislative Assembly.

3. In Baluchistan no steps have been taken to counteract these movements first, because they have gained no footing and, secondly, because the people could, in any case, be trusted to defend themselves without help against any influences likely to disturb their old-established tribal system. Indeed in Baluchistan as no one knows better than that authority on Baluch and Baluchistan matters, the Honourable Member himself, it is not so much a case of the people co-operating with Government as of Government co-operating with the people.

4. The necessity for counteracting disturbing propaganda among the troops has not been overlooked, but the Honourable Member will appreciate that the success of the measures taken is likely to be prejudiced by publicity.

PRICES OF FOODSTUFFS AND CLOTH.

104. The HONOURABLE NAWAB SIR BAHRAM KHAN: Do Government intend to consider the desirability of calling for suggestions from Local

Governments to fix maximum prices for different articles of daily use, including foodstuffs and clothing, and to take steps to ensure that people in rural areas are duly advised of the maximum prices fixed?

The HONOURABLE RAO BAHADUR B. N. SARMA: Government consider that it would be most undesirable to take any action in the direction suggested.

EMPLOYMENT IN HIGHER GRADES OF PUBLIC SERVICES.

105. The HONOURABLE NAWAB SIR BAHRAM KHAN: (a) Will Government be pleased to state, if any, and what, regard is paid to the claims of Zamindars and rural classes for employment in higher grades of Public Services, and is Government aware that a general impression prevails in rural areas that, to get a thing done by Government, one must go to some Vakil in a town, and that this impression is doing great harm to the confidence felt by rural classes in Government?

(b) Will Government pronounce a definite policy as regards the employment of rural classes?

The HONOURABLE SIR WILLIAM VINCENT: Employment in the higher grades of the Public Services, except the All-India Services, is a matter which falls within the jurisdiction of Local Governments. The Government of India have, however, no reason to suppose that the claims of the rural classes have been or will be overlooked by Local Governments. As regards the appointments with which the Government of India are themselves concerned, the qualifications and suitability of candidates must be the primary consideration; and it follows therefore that the extent to which the members of the rural classes can be employed in these posts must depend in the main on their progress in Education. Education is one of the subjects which have been transferred to popular control, and the other rural classes which are well represented on the Legislative Councils are therefore in a position to safeguard the interests of their members in this as in all other matters which come within the purview of the local Councils.

COAL TRANSPORTATION OFFICER.

106. The HONOURABLE SIR MANECKJI DADABHOY: (a) Is it a fact that the post of the Coal Transportation Officer is to be made permanent?

(b) If so, why?

(c) Will Government be pleased to lay on the table the correspondence, if any, and other papers on the subject, and to indicate why it is necessary to make the control system permanent in regard to transport of coal?

(d) Is it a fact that Government have all along promised to remove the control system at the earliest possible opportunity?

(e) Is control over movements of goods, minerals, etc., sought to be made permanent anywhere in Europe?

(f) If not, why is a different policy necessary in India?

The HONOURABLE SIR GEORGE BARNES: I can assure the Honourable Member that Government are as anxious as he can be to abolish

control over the transport and distribution of coal at the earliest possible moment compatible with safety. There is no question whatever of any permanent system of control.

POSTAL STRIKE, BOMBAY.

107. The HONOURABLE MR. L. S. MEHTA : Will Government be pleased—

- (a) to state the number of employés in the different departments of the Bombay Post Office before the recent postal strike and the number of men employed at present,
- (b) to give a list of the demands of the men who went on strike and the reply of Government to these demands,
- (c) to state the amount spent on salaries of employés of the Bombay Post Office before the strike and the cost month by month after the strike up to the end of December, 1920 ?

The HONOURABLE SIR GEORGE BARNES : I am sorry that all the information for which the Honourable Member has asked has not yet been collected. I will send him the information as soon as I have got it, that is, if the Honourable Member still requires it. He is no doubt aware that the strikers have returned to work.

POSTAL IRREGULARITIES IN BOMBAY.

108. The HONOURABLE MR. L. S. METHA : Have Government information to the effect that the Indian commercial community of Bombay is dissatisfied with the Postal irregularities consequent on the strike and, if so, do they propose adopting any measures to improve the Postal Service in the Indian mercantile quarter of the city of Bombay ?

The HONOURABLE SIR GEORGE BARNES : Complaints of postal irregularities in Bombay have been received from certain Indian commercial bodies in that city. The inefficiency of the service has of course been due to the recent strike. I am glad to say, however, that the strikers have now decided to return to their work, and the Post Office administration will at once replace as many as possible having regard to the fact that the Government of India cannot break faith with the new men who have been recruited. I have every hope that there will be great improvement in the Postal Service in Bombay in the immediate future.

DISCOUNTING OF BILLS.

109. The HONOURABLE MR. P. C. SETHNA : (a) Is it a fact that it is a rule with the Bank of England that there must be two British names on any bill offered to them for discount, and that for the purposes of this rule they decline to accept the name of any of the Indian Banks as one of the British names ?

(b) Is it a fact that for the purposes of the said rule the Bank of England accepts the names of some Australian and Canadian Banks, one Bank with its head office in Hong-Kong and other Colonial Bank ?

(c) Do Government propose to take any steps to have this disability of Indian Banks removed ?

The HONOURABLE MR. E. M. COOK : So far as the Finance Member is aware there is no discrimination by the Bank of England against Indian Banks as such, and part (c) of the question therefore does not arise. As regards individual Banks, the acceptance or non-acceptance of any particular Bank's name is purely a banking matter and one for the discretion of the Bank of England. Government have no information as to whether the fact stated in part (b) of the question is correct.

COAL TRANSPORTATION OFFICER.

110. The HONOURABLE SIR MANECKJI DADABHOY : (a) Is it a fact that on the abolition of the post of Coal Controller, a Coal Transportation Officer was appointed to deal only with cases of special emergency, and that it was not the intention of Government that the officer should control and regulate the ordinary wagon supply ?

(b) Is it further a fact that the Coal Transportation Officer has been doing the same duties as the Coal Controller and has been controlling and regulating the ordinary wagon supply and his duties are not limited to cases of emergency ?

(c) If the answers to questions (a) and (b) be in the affirmative, will Government be pleased to indicate the reasons, if any, for the procedure and practice followed by the Coal Transportation Officer ?

(d) Was it intended that the change in designation from Coal Controller to Coal Transportation Officer should indicate a substantial change in functions ?

(e) If so, will Government be pleased to state the nature of the change in functions contemplated by Government ?

(f) Will Government be pleased to lay on the table all papers relating to the appointment of the Coal Transportation Officer ?

The HONOURABLE SIR GEORGE BARNES : (a) and (b) The Honourable Member is mistaken. The Coal Transportation Officer deals only with Government necessities and cases of emergency.

(c) Consequently does not arise.

(d) and (e) On the abolition of the Coal Controller, it was recognised that it would be impossible to revert at once to the pre-war conditions and that it would be essential to introduce some form of intermediary control to ensure that the distribution of wagons for railways and Government coal should be continued in order to prevent dislocation of the services to the country. With this object the Coal Transportation Officer was appointed whose duties were to ensure distribution of wagons for this purpose and to assist consumers in cases of emergency.

(f) I do not think that it would serve any useful purpose to lay the correspondence on the table, but the Railway Board will be happy to show it to the Honourable Member should he wish to see it.

PRICES OF COAL AND COKE.

111. The HONOURABLE SIR MANECKJI DADABHOY : (a) Are Government aware that the prices both of domestic coke and industrial coal of

all classes have of late gone up very high, and the present rates are higher than the rates for the same classes of coal prevailing in pre-war days?

(b) Do Government propose at once to remove the existing control over transport of Bengal coal by rail?

(c) If not, what steps do Government propose to take in the matter?

The HONOURABLE SIR GEORGE BARNES : (a) The reply is Yes.

(b) and (c) The question whether the existing control over the transport of Bengal coal by rail should be modified is, as the Honourable Member is aware, being discussed with the interests concerned.

TRANSPORT OF BENGAL COAL.

112. The HONOURABLE SIR MANECKJI DADABHOY : (a) Is it a fact that in the present arrangements for transport of Bengal coal for the indigenous industries, the Jute Mills of Bengal alone have abundant supply through Super X and XA classes of supply of wagons, and that these classes are not sanctioned for the oil mills, rice mills, cotton mills, etc.?

(b) If so, what is the reason for this differential treatment between industry and industry?

(c) Is it further a fact that requisitions for Super X and XA supply from Jute Mills have been passed and sanctioned by the Coal Transportation Officer for months in advance?

(d) If so, how do Government propose to provide for other industries?

The HONOURABLE SIR GEORGE BARNES : (a) and (b) The supply of coal to the Jute Mills in Bengal is, I am sorry to say, far from abundant ; in fact, the stoppage of several mills has recently occurred on account of the shortage of coal ; requests are being made to the Coal Transportation Officer almost daily for emergency assistance in order to keep the mills from closing down. Supplies for the Jute Mills are placed in X class B, not X class A. Supplies for oil mills, rice mills, etc., are placed in a lower class because it is essential that the larger Industrial concerns, such as the mills in Calcutta, Bombay, Ahmedabad and elsewhere, should be kept working and are classed XB to prevent large numbers of Indian labourers being thrown out of employment.

(c), (d) and (e) A monthly programme in X class B is arranged for the Calcutta Jute Mills in order to prevent perpetual requests for emergency supplies. A monthly programme is also arranged for a number of Indian Depôt Holders in Calcutta and the vicinity with a view to assisting small consumers of soft coke and steam coal. Emergency supplies are asked for from every part of India and, so far as possible, given.

COKE FOR DOMESTIC PURPOSES.

113. The HONOURABLE SIR MANECKJI DADABHOY : (a) Is it a fact that in the classification of different classes of coal adopted by the Coal Transportation Officer soft coke for domestic purposes has been relegated to a position which impedes a regular supply of wagons for that class of coal and is opposed to the public interest?

(b) Is it also a fact that the Coal Transportation Officer has introduced new grades under X class supply?

(c) Will Government be pleased to indicate the authority under which this classification is made by the Coal Transportation Officer?

The HONOURABLE SIR GEORGE BARNES : (a) Wagons for soft coke for domestic purposes are classed as XC. Government do not consider that this classification is opposed to the public interest.

(b) and (c) It was found necessary to introduce new grades under X class supply to meet the increasing demands for special assistance from the various consumers. This classification was introduced by the Coal Transportation Officer under the general authority of the Railway Board.

SUPPLY OF BUNKER COAL.

114. The HONOURABLE SIR MANECKJI DADABHOY : (a) Is it a fact that Indian bunker coal was used both ways by the Mercantile Marine engaged in trade with the East and the West, and that there was not much difficulty about transport for want of wagon supply or dock accommodation?

(b) Has the supply of bunker coal been curtailed on the ground of insufficient dock accommodation and inadequate railway facilities? If so why?

(c) What was the average quantity of bunker coal stocked and handled in the course of a year at the Kidderpore Docks immediately before the war, and what was the quantity of bunker coal which passed through the same dock last year (1920)?

The HONOURABLE SIR GEORGE BARNES : I do not know to what period of time the Honourable Member is referring in the first part of this question. Presumably he wishes to ascertain the reason why restrictions have recently been put on the amount of bunker coal which steamers leaving India are allowed to take on board for use during the voyage. Owing to the comparative cheapness of Indian coal and the difficulty of obtaining supplies at foreign ports, steamers leaving Indian ports during the last few months of last year bunkered more liberally than was formerly the practice. They bunkered right up to the port of final destination and sometimes for part of the return journey also. At the end of last year it became evident that the demand for coal in India exceeded available supplies and, as one method of reducing the pressure on our coal supplies, it was decided to restrict bunkers. I am not quite sure what information the Honourable Member asks for in the third part of his question. If he wants to know how much coal passed through the Kidderpore Docks before the war as compared with 1920, the only information I have readily available is that in the first five months of 1914 the docks handled 265,000 tons a month against 143,000 tons a month in the first five months of 1920. Since June, however, the throughput of the docks has been much improved. If he wishes to know the consumption of bunker coal in Calcutta, the capacity of the docks is not in point since most steamers do not bunker in the docks.

BUNKER COAL OTHER THAN INDIAN.

115. The HONOURABLE SIR MANECKJI DADABHOY : (a) Is it a fact that, owing to curtailment in the supply of Indian bunker coal both

the Royal Indian Marine and the Mercantile Marine have been forced to use bunker coal, other than Indian, in larger and larger quantities?

(b) If so, is that conducive to Indian interests?

The HONOURABLE SIR GEORGE BARNES: The allotment of Indian coal to the Royal Indian Marine under the rationing arrangements now in force is 20,000 tons a month. As far as I know, the Royal Indian Marine is not using English coal, at any rate, to any great extent. As regards the Mercantile Marine, the Honourable Member will doubtless be interested to hear that in the nine months ending December last imports of coal, coke and patent fuel into India averaged just over 3,000 tons a month, in 1912-13 they averaged 54,000 tons a month, and in 1913-14 46,000 tons a month. In the circumstances, part (b) of the question does not arise.

— ENGLISH COAL.

116. The HONOURABLE SIR MANECKJI DADABHOY: (a) Is it a fact that some English coal is now for the first time after years imported into Bombay?

(b) If so, is there any causal connection between this fact and the diminished supply of Bengal coal through restricted wagons supply?

The HONOURABLE SIR GEORGE BARNES: (a) Yes.

(b) It is more probably due to the easier coal situation in the United Kingdom.

RESTRICTIONS ON EXPORT OF COAL.

117. The HONOURABLE SIR MANECKJI DADABHOY: (a) With reference to the following statement in the Government Communiqué of January 5th last, relating to restrictions on export of coal —

'There is at present an actual shortage of coal owing partly to poor raisings in the coal-fields and partly of railway transport difficulties in respect of Bengal coal. The available supplies of Bengal coal now fall short of Indian requirements and there is no possibility of effecting an immediate improvement in railway facilities.'

will Government be pleased to state if the poor raisings referred to therein have been at least partially due to the artificial difficulties in transport introduced by the control system?

(b) Is it a fact that a large number of wagons have been freed from war service and that owing to poor crops movements by rail of grains and agricultural produce generally have not been as brisk of late as before?

(c) Is it also a fact that the total number of wagons are now much larger than in pre-war days?

(d) If so, why is the wagons supply found insufficient?

(e) Is it a fact that the Howrah-Burdwan chord of the East Indian Railway system has been constructed of late at heavy capital cost for the sole purpose of facilitating movements of coal to the Calcutta port?

(f) If so, how have railway facilities diminished and have become more

The HONOURABLE SIR GEORGE BARNES: (a) The poor raisings referred to are not in any way attributable to the control system.

(b) and (c) The answer to both parts of the question is yes.

(d), (e) and (f) The increase in the transportation facilities that could be effected during the war was not in any way proportionate to the increases in the ton mileage over Railways during and subsequent to the war, with the result that the coal traffic is now restricted by the capacity of Railways to deal with it.

COAL FOR STATE RAILWAYS.

118. The HONOURABLE SIR MANECKJI DADABHOY: (a) Is it a fact that formerly for the purchase of coal for use on State Railways and on Government account generally tenders used to be invited, but the purchase is now made through two middlemen who are not brokers and who get the necessary quantity by private purchase from colliery proprietors and coal merchants?

(b) If so, will Government be pleased to state the reasons underlying the change in the procedure?

(c) Is this method economical and profitable?

(d) Do Government propose to revert to the old practice of making purchases direct in the open market?

The HONOURABLE SIR GEORGE BARNES: As far as State Railways are concerned, it is the practice to make purchases on tender. Only urgent or special purchases are made without tenders, and consequently (b), (c) and (d) do not arise.

ROLLING STOCK SENT OUT DURING THE WAR.

119. The HONOURABLE SIR MANECKJI DADABHOY: Will Government be pleased to state the total numbers of (a) wagons, (b) locomotives, and (c) other rolling stock and the total length of rails sent out of India during the war, the amount of compensation, if any, received from the British Government under each head, the procedure followed in making the valuation, and the basis of such valuation?

The HONOURABLE SIR GEORGE BARNES: The approximate quantities of rolling stock, etc., sent out of India during the war is as follows:—

(a) Wagons	5,502
(b) Locomotives	237
(c) Other stock	493
(d) Rails	1,836 track miles.

The proposed general basis of valuation of the above for the purpose of recovery from the War Office is the cost of replacement less an allowance representing the depreciation of the material before despatch. Pending settlement of actuals for determining the final valuation as above, interim payments have been authorised.

Information as to the total amount recovered as interim payments is not yet available.

ESHER COMMITTEE'S REPORT ON ARMY IN INDIA.

120. The HONOURABLE SIR MANECKJI DADABHOY: Do Government propose to appoint a Committee consisting of members of the Council

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of State and the Legislative Assembly with powers to consider the Report of the Lord Esher Committee on Army in India, and to report thereon, with special reference to the action to be taken by Government, and to suspend action pending such report?

The HONOURABLE SIR WILLIAM VINCENT: The Government of India are not prepared to appoint a Committee consisting of members of the Council of State and the Legislative Assembly to consider the Report of the Army in India Committee. Government propose to give the Legislative Houses opportunities of discussing the Report, and have asked the Secretary of State to defer a decision on the more controversial questions raised in that Report until these discussions have taken place and the views of the Council of State and the Legislative Assembly have been communicated to him.

REPORT ON ARMY AND NAVY EXPENDITURE.

121. The HONOURABLE SIR MANECKJI DADABHOY: Will Government be pleased to lay on the table the Report on Army Expenditure by the Nicholson Committee and the Report on Navy Expenditure by the Slade Committee?

The HONOURABLE SIR WILLIAM VINCENT: The report of the Nicholson Committee was not, as the Honourable Member's question implies, a Report on Army Expenditure. It dealt with many important issues relating to the numbers and constitution of the armed forces of India and its obligations. It would, in any case, be contrary to the public interest to make the Report public. Moreover, valuable though the work of the Committee was, circumstances have been materially altered, since their Report was written, by the Great War.

The Committee presided over by Admiral Slade did not deal with Navy Expenditure, but with certain questions regarding the services to be performed by the Royal Indian Marine, the administration of dockyards, and the system of marine accounts. This report was received in 1912, and the Government of India's views thereon were about to be communicated to the Secretary of State when the Great War broke out. Their despatch on the subject was therefore held over for further consideration in the light of the experience gained during the war. In these circumstances, Government do not think that any useful purpose would be served by now publishing the Committee's Report.

NAVAL DOCKYARDS IN INDIA.

122. The HONOURABLE SIR MANECKJI DADABHOY: (a) Is it the intention of Government to construct Naval dockyards in India?

(b) If so, will Government be pleased to make a full statement on the subject, indicating specially the extra cost chargeable to Indian revenues?

The HONOURABLE SIR WILLIAM VINCENT: (a) There is no scheme before Government for the construction of Naval dockyards in India. The question of the extension and remodelling of the Bombay dockyard has been mooted, but its consideration has been postponed owing to financial reasons.

(b) This part of the question does not arise.

IMPERIAL CONFERENCE, LONDON.

123. The HONOURABLE MR. L. S. MEHTA: Is Government in position to state whether the question relating to the status and rights of Indians will be discussed at the meeting of the Imperial Conference to meet in London this year?

The HONOURABLE SIR GEORGE BARNES: I am glad to be able to say that on the representations made by His Excellency the Viceroy, the Committee appointed by His Majesty's Government to consider the Agenda of the Imperial Cabinet have proposed that the position of British Indians in other parts of the Empire should be placed on the Agenda at the request of India as an item to be discussed.

MILITARY EXPENDITURE BEFORE WAR.

124. The HONOURABLE SARDAR JOGENDRA SINGH: (a) What was the military expenditure before the war?

(b) What is it to-day?

(c) If there has been an increase, what portion of this increase represents the provision of better salaries and houses for Indian regiments?

The HONOURABLE SIR WILLIAM VINCENT: (a) The net military expenditure of the year 1913-14 under the three heads Army, Marine and Military Works, amounted to Rs. 29,84,42,000.

(b) The Budget estimate of net military expenditure under the above heads for the current financial year was taken at Rs. 55,18,18,000, but the actual expenditure for the year will, owing to operations on the Frontier, exceed this figure.

(c) Of this increase, a sum of approximately 186 lakhs represents the provision of better salaries and houses for Indian regiments, Rs. 166 lakhs on account of salaries and Rs. 20 lakhs on account of housing. The present cost of maintaining an Indian soldier, excluding the cost of pensions and housing, is Rs. 411 per annum compared with a pre-war figure of Rs. 282, i.e., an increase of 46 per cent. over the pre-war cost. The annual cost of housing has risen from Rs. 18 lakhs (pre-war) to Rs. 38 lakhs.

WAGE IN THE PUNJAB.

125. The HONOURABLE SARDAR JOGENDRA SINGH: (a) What is the ordinary wage in the Punjab?

(b) What is the salary of a soldier?

The HONOURABLE SIR WILLIAM VINCENT: The Government of India are informed that the ordinary wage of an unskilled labourer in the Punjab varies from As. 14 to Rs. 1-4-0 per diem.

The pay of an Indian soldier varies according to his rank and to the arm of the service to which he belongs. The minimum pay of a sepoy of the Indian Infantry is Rs. 15 per mensem in addition to which he receives free rations,

free clothing, free accommodation, free medical attendance and in certain circumstances free transport while on leave; in addition he and his family have certain pensionary rights.

SIKHS IN THE ARMY.

126. The HONOURABLE SARDAR JOGENDRA SINGH: (a) What is the percentage of Sikhs in the army?

(b) How many Royal Commissions have been given to Sikhs?

The HONOURABLE SIR WILLIAM VINCENT: (a) Approximately 14 per cent. of the Indian Army is composed of Sikhs.

(b) Five Sikh Indian officers have been granted permanent King's Commissions.

Four Sikhs have been granted commissions as 2nd-Lieutenants on probation.

Eighty-four Sikh Indian officers have been granted honorary King's Commissions as Captains and Lieutenants.

The HONOURABLE SARDAR JOGENDRA SINGH: I beg to withdraw question 127.

The question was withdrawn.

ANNUAL COST OF EUROPEAN AND INDIAN SOLDIER.

128. The HONOURABLE SARDAR JOGENDRA SINGH: What is the annual cost of an Indian soldier and an European soldier serving in India, respectively?

The HONOURABLE SIR WILLIAM VINCENT: The annual cost of a soldier serving in India is:—

	Rs.
British	1,971
Indian	411

RELIEF TO INDIAN SOLDIER.

129. The HONOURABLE SARDAR JOGENDRA SINGH: (a) Is the Government aware that in consequence of postponement of suits against soldiers during the war interest has accumulated adding to the burden?

(b) Will the Government be pleased to state what relief, if any, it proposes to afford in hard cases?

The HONOURABLE SIR WILLIAM VINCENT: (a) The object of passing the Indian Soldiers' Litigation Ordinance, 1915, which was subsequently enacted as Act XII of 1915 and has been re-enacted as Act IX of 1918, was to protect the interests of Indian soldiers serving under war conditions in respect of civil and revenue litigation, so as to secure that cases to which such soldiers serving under war conditions were parties should not be proceeded with unless their adequate representation in such proceedings had been secured. The Act and the rules framed under it therefore usually provided that such cases should be suspended until three months from the time when the soldier ceased to serve under war conditions, or until the soldier was represented in the proceedings. It is true that this may involve an addition

by way of interest to the burden upon the soldier, but the soldier's creditor will have been prevented from using his money for the period of suspension and Courts have discretion in most cases under section 34 of the Code of Civil Procedure as to whether any, and if so, what rate of interest should be allowed from the date when a suit is filed until the date of the decree.

(b) The Government of India have so far received no specific complaint of hardship and they do not propose to take any further action at present.

SORTERS, RAILWAY MAIL SERVICE.

130. The HONOURABLE MR. G. S. KHAPARDE: (a) Will the Government be pleased to state whether it has received a memorial, submitted in January last by the sorters, Railway Mail Service, 'S' Division, addressed to His Excellency the Viceroy and Governor General of India, complaining of the withdrawal of local allowance of Rs. 10 from the sorters of Chandpur, Silchar, Mymensingh, Barisal Districts in 'S' Division?

(b) If the answer to (a) above be in the affirmative, is the said withdrawal contrary to Government of India (Department of Commerce) Resolution No. 6584, dated 29th September, 1920?

(c) If the answer to (b) above be in the affirmative, will the Government be pleased to state what action it proposes to take in the matter?

The HONOURABLE SIR GEORGE BARNES: (a) A memorial was received from the sorters in the Chandpur and Barisal but not from those in the Silchar and Mymensingh Districts.

(b) and (c) The 'S' Division of the Railway Mail Service is composed of 136 sorters, 59 of whom are employed in Assam. No local allowance was formerly given to the men of this Division. The Postal Committee accepted the recommendation of the Deputy Postmaster-General, Railway Mail Service, Eastern Circle, that the 59 sorters employed in Assam should be granted a local allowance of Rs. 10 a month each. Government accepted this recommendation, and in Resolution No. 6584, dated the 29th September, 1920, directed that a local allowance of Rs. 10 be granted to the sorters of the 'S' Division but, by mistake subsequently corrected, omitted to state that the sorters referred to were those employed in Assam.

MR. SCOTT, SUPERINTENDENT, POST OFFICES.

131. The HONOURABLE MR. G. S. KHAPARDE: (a) Is it a fact that Mr. Scott, Superintendent, Post Offices, was appointed as Assistant Post Master, Calcutta, in November last?

(b) If the reply to (a) be in the affirmative, was a representation sent in relation to the said appointment by the Secretary, All-India (including Burma) Post Office and Railway Mail Service Union, in his letter No. B. A.-1-49, dated the 26th November, 1920, to the address of the Honourable Member, Government of India, Department of Commerce, and if so, what action has been taken or do the Government propose to take to give effect to Resolution XV, clause (b) of the resolutions of the Conference of the said Union, a copy of which was submitted to Government with the Secretary's letter No. 611, dated the 6th October, 1920?

The HONOURABLE SIR GEORGE BARNES : The answer to (a) and the first part of (b) is yes. With regard to the latter part of (b) the Government of India propose to take no action. The matter was one within the competence of the Director General. Moreover, the vacancy in the cadre of Superintendents caused by Mr. Scott's transfer was filled by a Postmaster, Mr. Newbould.

POSTAL COMMITTEE'S REPORT.

132. The HONOURABLE MR. G. S. KHAPARDE : Will the Government be pleased to state what action is being taken on the recommendations of the Postal Committee of 1920 made in Chapter VIII of their report in relation to—

- (a) the creation of a reserve of 20 per cent. clerical establishment to serve as relieving officers ;
- (b) stoppage of the recruitment of outsiders as probationary postmasters ;
- (c) grant of allowance to the clerical establishment in post offices, required to perform split duties ;
- (d) revision of time-test ;
- (e) early hours for closing counter-work in post offices ;
- (f) grant of free uniforms (warm and cold) to postmen and menials working in small post offices ;
- (g) proper accommodation for Railway Mail Service sorters at out-stations ?

The HONOURABLE SIR GEORGE BARNES : (a) For the present Government have decided to ask for the Secretary of State's sanction to the creation of a reserve of 17 per cent.

(b) There are now 11 appointments of probationary postmasters. It has been decided to abolish 8 of these appointments as the present incumbents are confirmed. The question of retaining the remaining 3 will then be further considered.

(c) Instructions have been issued to avoid split duties as much as possible by means of additional establishment. The question of providing accommodation near the post office for those who are required to perform such duties, or, in the alternative, of granting conveyance allowances, is under consideration.

(d) The time-test is under examination. It has been found that practically no revision is required in the existing standards, but provision is being made, when necessary, for new items which have not hitherto been included in the test.

(e) and (f) are under consideration, and the recommendations of the Committee are being carried out as far as possible.

(g) There are rest-houses for sorters at all places where they go off duty or rest. All rest-houses are being provided free of charge with (1) cots, (2) cooking utensils, (3) lights, (4) water, and (5) attendance.

IMPROVEMENT OF PAY, ETC., OF POST OFFICE.

133. The HONOURABLE MR. G. S. KHAPARDE : Will the Government be pleased to state whether it has received a copy of Resolutions passed by the All-India (including Burma) Post Office and Railway Mail Service Conference, held at Delhi in September last ? If the answer is in the affirmative, what action has been or is being taken to satisfy the irreducible minimum demands detailed in its Resolution No. 13 ?

The HONOURABLE SIR GEORGE BARNES : Government has received a copy of the Resolution.

The irreducible minimum demands detailed in Resolution No. 13 refer to the pay of the subordinate staff. As the Honourable Member is aware, a strong Committee was appointed last April to make recommendations for the revision of the pay of the subordinate staff of the post office. The report of the Committee has already been published in the Press. The Committee heard representative evidence from all over India, and its recommendations have been accepted by Government practically as they stand, and have already been given effect to. This revision has increased the annual salary bill of the subordinate staff by no less than 1½ crores. I think that the Honourable Member will agree that the increase in pay already given this year is not only liberal, but is as heavy a burden as can justifiably be imposed on the general revenues of the country. We are willing to consider sympathetically any particular cases of hardship for which the general revision has not provided. But it is not reasonable to ask for a further general revision within a few months of the introduction of the present costly scheme, and we are not prepared to consider any such demand.

EXECUTIVE COUNCIL, BIHAR AND ORISSA.

134. The HONOURABLE MR. BHURGRI : Will Government be pleased to state—

- (a) if it is a fact that the Montagu-Chelmsford report recommended that the Provincial Executive Councils be composed of one official and one non-official ;
- (b) if it is a fact that the Bihar Executive Council alone is composed of two officials and one non-official ;
- (c) if so, the reasons for this departure from the recommendations made by the Montagu-Chelmsford report and from the practice followed in all the other Provinces in India ?

The HONOURABLE SIR WILLIAM VINCENT : (a) Yes.

(b) Yes.

(c) I would refer the Honourable Member to answer* I have given to the question asked on the 14th instant by the Honourable Mr. Phiroze C. Sethna.

* Vide p. 20 of Vol. I, No. 3 of Council of State Debates of 14th February, 1921.

The HONOURABLE THE PRESIDENT: With reference to the Resolution of this Honourable Council regarding the publication of the speeches of His Excellency the Viceroy and His Royal Highness the Duke of Connaught, I have received the following telegram which, I think, Honourable Members will be interested to hear :—

‘The Duke of Connaught deeply appreciates the Resolution passed yesterday in the Council of State regarding the translation and distribution of His ‘Royal Highness’ inauguration speech of February the 9th, and I am desired to thank you for the transmission of its terms.’

ADJOURNMENT OF BUSINESS OF COUNCIL.

The HONOURABLE THE PRESIDENT: Before we proceed to the business of the day, I have received from the Honourable Mr. Khaparde an application for leave to make a motion for an adjournment of the business of the Council for the purpose of discussing a definite matter of urgent public importance. I should like to thank the Honourable Member for his courtesy in giving me early notice, as the procedure is new to the Council. I think the matter proposed to be discussed is in order, and, therefore, I will read the statement to the Council. It runs as follows :—

‘To draw the attention of the Government to the closing of the shops in Delhi on the occasion of the opening of the Indian Legislature and to the necessity of steps being taken to appease popular dissatisfaction of which such manifestations are a symptom.’

While I think the motion is in order, I think it is certainly a matter on which I must take the opinion of this Council and, therefore, I will ask those Member who are in favour of leave being granted to rise in their places.

The HONOURABLE MR. KHAPARDE: One point I wish to ascertain. Unless it is objected to, is it to be taken as leave being granted?

The HONOURABLE THE PRESIDENT: Will the Honourable Mr. Khaparde kindly resume his seat. I have stated that I propose to take the opinion of the Council, for this reason that it is not desirable that on a non-official day the business of the Council should be obstructed unless the motion receives some support; and I intend to exercise my discretion to ascertain that fact. I will now ask Honourable Members who desire that leave should be granted to the Honourable Mr. Khaparde to rise in their places.

The HONOURABLE MR. KHAPARDE: I wish to ascertain one more point. I have expressed it rather tersely and briefly.

The HONOURABLE THE PRESIDENT: The Honourable Member is not entitled to speak on this matter and must resume his seat. I now again ask those Honourable Members who are in favour of leave being granted to the Honourable Mr. Khaparde to rise in their places.

The Honourable Member has no support. Leave is therefore not granted. We will now proceed to the business of the day.

RESOLUTION RE AYURVEDIC COLLEGE.

The HONOURABLE LALA SUKHBIR SINHA: Sir, it is my good fortune to have the privilege to open the first meeting of the non-official business of this Council and to move such a Resolution as affects the health of not less than 90 per cent. of the people of our country.

The HONOURABLE THE PRESIDENT: I am sorry to interrupt the Honourable Member, but he must comply with the Standing Orders. He must begin by formulating a motion and then read his Resolution.

The HONOURABLE LALA SUKHBIR SINHA: I will just begin, Sir. The Resolution relates to the indigenous system of medicine and runs as follows :—

‘This Council recommends to the Governor General in Council to recommend to every Provincial Government the desirability of (a) having an Ayurvedic and Tibbi Medical College in their Provinces, (b) taking measures to develop Indian drugs, and (c) appointing Vaidyas and Hakims in every dispensary to treat patients by indigenous methods.’

With the permission of the President I would beg to add these words at the end of clause (c) ‘wherever it may be practicable.’

The HONOURABLE THE PRESIDENT: Has the Honourable Member given notice of this? Will you kindly hand up the words which you wish to add?

The HONOURABLE LALA SUKHBIR SINHA: I have not given notice. The words are ‘wherever it may be practicable’ to be added to clause (c). If the President agrees, they may be added; otherwise I do not wish to press them.

The HONOURABLE THE PRESIDENT: There is no difficulty in the Honourable Member adding the words; but on the general question I must ask that Honourable Members who wish to add to, or alter the wording of, their Resolutions should come prepared with written copies of the words they wish to add.

The HONOURABLE LALA SUKHBIR SINHA: I do not press it.

The HONOURABLE THE PRESIDENT: I do not desire to prevent the Honourable Member from doing it on this occasion. I merely wish to point out what should be done in future.

The HONOURABLE LALA SUKHBIR SINHA: Sir, the subject to which I invite the consideration of this Council to-day is not a new one. Several times have Resolutions been moved by non-official members in the Imperial as well as in Provincial Councils requesting the Government to take some steps for encouraging and developing the indigenous system of medicine which for various reasons are more suited to the condition of our country and constitution and temperaments of the people, and if it has been thought necessary to move a fresh Resolution again on the subject, it is because the Government has so far shown no inclination to do anything positive in this connection.

As far back as the year 1911, I moved in the United Provinces Legislative Council a Resolution to the following effect :—

‘That having regard to the vast number of patients in India who are benefited by the Ayurvedic and Unani systems of medicine, this Council recommends that students of the Lucknow Medical College be given lessons in these two systems also along with those in the English system.’

But it is a matter for regret that although Sir James Latouche had expressed the hope before a deputation of leading Rajas and Taluqdars of the United Provinces that the students turned out by the Medical College, Lucknow, will ‘appropriate much that is valuable in the native systems of medicine and

[Lala Sukhbir Sinha.]

Again, Sir Pardey Lukis when accepting the Resolution of the Honourable Mir Asad Khan Ali on behalf of the Government of India, made the following remarkable statement in March 1916 :—

‘ The longer I remain in India and the more I see of the country and its people the more convinced I am that many of the empirical methods of treatment adopted by the Vaidas and Hakims are of the greatest value. I may say also that I do not recognise any fixed line of demarcation between the Eastern and the Western systems of medicine. The main difference between the two is that, whereas one has advanced, the other has remained stationary and that is why I am advocating for placing the ancient and indigenous system of medicine upon a scientific basis thus increasing their usefulness . . . This appears to be specially unfair when it is borne in mind that 90 per cent. of the Indian population live in rural areas where the Vaidas and Hakims are—and will be for many years to come—the chief attendants of those dumb millions alluded to in recent speeches in this Council. It was in view of this and in the hope that something might be done to raise the status and improve the education of Vaidas and Hakims, that I insisted on a definite standard of education for the new type of vernacularly trained village practitioners which it is proposed to create, for I am strongly of opinion that in the interests of the masses, the improvement of the education of those who profess the indigenous systems of medicine is quite as important as the invention of a lower grade of allopathic practitioner. Personally if I were ill, I say frankly that I would prefer to be treated by a good Vaid or Hakim rather than by a bad Doctor. I resent strongly that spirit of medical trades unionism which leads many modern doctors to stigmatise all Vaidas and Hakims as ‘ quacks ’ and charlatans, and I shall always be proud of the fact that I was privileged to have the friendship of two such learned men as the late Nawab Shafa-ud-dowla of Fayzabad and Kaviraj Vija Ratan Sen of Calcutta. I will not trouble a lay audience with all the evidence that exists to show that many of the so-called discoveries of recent years are merely ‘ rediscoveries ’ of facts known centuries ago to the ancients. I merely remark that I am not alone in my opinion as regards the value of the ancient systems of medicine. If I err, I do so in good company amongst whom I may mention my friend and former colleague Sir Havelock Charles, Colonel King of Madras, to whom India owes the magnificent research institute at Guindy, and that distinguished sanitarian Dr. Turner, the Health Officer of Bombay. For these reasons, Sir, it gives me great pleasure to be able to announce that I am authorised to accept this Resolution on behalf of the Government of India.’

This is what the late Sir Pardey Lukis said in the Imperial Legislative Council.

The advantages of the system cannot better be described than what Colonel Maclaren, Civil Surgeon of Allahabad, said to Vaidas and Hakims on the eve of his departure. ‘ When I first came to India I had no idea that your system of medicine has made such advances, but now I know better and I much regret that owing to busy life I had to lead during my service, I have not given it that attention and study which its importance deserves. I know that you can diagnose and treat all diseases and that your treatment of such diseases as asthma, ascites, insanity, diseases of the brain, spine and generating complaints is very successful under the climatic conditions of the country and the habits of the people.’ Again he says, ‘ as you know India is rich in medicinal products and herbs, many hundreds of which are incorporated in the Indian Pharmacopœia.’

Having said this much I however desire to express my belief that large numbers of countrymen and women, for various reasons, that is to say either from religious belief or owing to climatic conditions or differences in constitutions, temperament or habits of life, prefer indigenous drugs to English drugs. There can be no doubt that with some Indians English medicines do not agree. This shows there must be some unique merit in these two systems and that some people have great faith in the skill of our native physicians. Indeed, there appears to be a growing conviction that the excellence of our

Indian system of medicine has not been sufficiently recognised in the past, chiefly owing to the neglect of their study and the want of qualified professors. There has been, however, I am happy to say, a remarkable revival of Ayurvedic learning and practice within the last 25 or 30 years in Bengal; and we can also discern a healthy sign of a revival of Unani system in Delhi and Lucknow. It will not be out of place to make a mention of the noble efforts of Hakim Ajmal Khan and his friends who have started a Tibbi and Unani College in the Capital of India, which was opened a few days ago by Mahatma Gandhi. That College will serve as a central institution for education in the Ayurvedic and Unani systems on modern lines.

The Ayurvedic and Unani systems of medicine are not only the most ancient institutions of this country, but have fully justified their existence in the present day. In spite of the numerous institutions of the Western hospitals, dispensaries, medical practitioners and private practitioners, there are still very large numbers of people who resort to one or the other of these systems, and the results achieved in the way of alleviating human sufferings are by no means inconsiderable. There are many members present to-day who would readily recall cases which have been successfully treated by either of these systems after the more up-to-date science of the West has failed to give relief. That is a thing which cannot be doubted. There is no doubt that the Western medical system has made considerable advance in experimental methods owing to State patronage, but nobody can have the hardihood to challenge the efficiency of Ayurvedic medicine after the favourable verdict of so many eminent European allopaths. And if the experimental methods are not evident now it is because they have not been encouraged and given any help by the State. We note with gratitude that the Government of India is spending annually about 3 crores of rupees to provide medical aid on the Western system to the people, but still it does not meet the requirements of the people to the extent to which one would expect them. One of the chief reasons is the expensiveness of European medicines and the other is that the English medicines being meant for cold climates do not suit the inhabitants of the tropics. The best way to make the aid more effective would be to devise means by which people may get the medicines cheap and get them in a form suited to their temperament. With this end in view, we might look for help to the Ayurvedic and Unani indigenous systems. For centuries past, the Ayurvedic system has been practised in India. Even when the Muhammadans brought in the sixteenth century the Unani system with them, the Ayurvedic system was not neglected but was very much taken into the Unani system, and as such gave much relief to the people. But with the advent of British rule, the European system came into prominence and missing the Government support the Ayurvedic and Unani systems naturally fell into the background. Noting with what confidence and self-reliance various vaidas and hakims cure some of the most difficult and complicated cases, many practitioners of the Western system of medicine have realised that it would be a boon to the people of India if indigenous system of treatment was encouraged by the State by giving financial assistance and devising means for its development.

The number of allopathic doctors that we have is too small to meet the requirements of the country. Nor is it possible to have a sufficient number of trained doctors in the near future. This view is well supported by the remarkable statement made by my friend the Honourable Sir William Vincent who was in charge of the Medical Department last year. ‘ It is also quite clear’,

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combine the experimental knowledge of the East with the science of the West', the Government of the United Provinces in contradiction of these avowed expressions rejected this harmless and modest Resolution.

Later on in 1916, the Honourable Sir Manindra Chandra Nandy asked in the Imperial Council :—

'Is there in any existing University any Chair for the teaching or any facilities for the study and research of the indigenous system of medicine? If so, where? If not, do Government intend to remove this want by the establishment of such Chairs in the Universities of Madras, Bombay and Calcutta?'

The Honourable Sir Reginald Craddock replied :—

'There are no special facilities in any Indian University for the study of, or research in, the indigenous systems of medicine. As the Honourable Member is aware, the Government of India are giving their earnest attention to the matter of placing these ancient systems on a scientific basis and increasing their usefulness, but, as at present advised, they cannot see their way to establish Professorial Chairs for this purpose in the Universities of Madras, Bombay or Calcutta.'

Again, in the year 1917, I raised the same question in a different form by means of a Resolution in the United Provinces Council, which runs as follows :—

'That this Council recommends to His Honour the Lieutenant-Governor to be so pleased as to start an Ayurvedic and Unani College combined with a hospital and dispensary at Lucknow as soon as funds permit, and that a small committee be appointed to report on the lines on which the institution should run.'

The Honourable Mr. O'Donnell, the then Chief Secretary who spoke on behalf of the Government, said 'the Government is committed to the Western system, it is committed to developing and expanding it in every way.'

In the same year the Honourable Mir Asad Ali Khan moved a Resolution in the Imperial Council asking Government to place the indigenous systems of medicines on a scientific basis. This Resolution the Government had the grace to accept and promised the Honourable Member that inquiries would be addressed to the Local Governments. But as the inquiries were made through the Police and Executive Officers, Civil and Assistant Surgeons, the avowed rivals of the indigenous systems with their peculiarly hostile prepossessions, the result was very disappointing. Here are a few extracts from the official statement made by Sir William Vincent in reply to a question :—

'The opinion unanimously expressed by Local Governments is that it is practically impossible to place the indigenous systems of medicine on a scientific basis . . . To ignore the instrument of scientific investigations which have made modern medicine and surgery possible and the theories on which they are based are demonstrably unsound . . . To divert the funds available for the purpose to the encouragement of systems which they cannot but regard as unsound would in their opinion be a grave misuse of public revenues.'

Again, Sir, in March 1920, the Honourable Khan Bahadur Ebrahim Haroon Jaffer moved the Resolution :—

'That this Council recommends to the Governor General in Council that a grant of 5 lakhs be made to the Ayurvedic and Unani Tibbi College, Delhi, for building equipment, etc.'

The statement made at this time by the Honourable Sir William Vincent on behalf of the Government in reply to that Resolution seemed somewhat favourable. He says : 'I have myself heard a very high official of Government

say that he has known of as many cures effected by these practitioners as by any other class of doctors.' On the assurance then given by the Honourable Member in charge that a suitable grant would be made the Resolution was withdrawn.

It would not be out of place to give here a brief analysis of the official arguments and examine their soundness. In the first place, it is said on behalf of the Government that these systems being divorced from modern scientific experiments and instruments, the Government could not undertake to encourage or develop them. The answer to this curious argument is this that they are based on science, but for want of State patronage have been neglected; but supposing these systems are still in an imperfect and unscientific state it is the Government which is responsible for it. Granted that these systems are unscientific, what has the Government done so far to place them on a scientific basis? It is the Government and Government alone which is responsible for the undeveloped state of the indigenous systems. For while under the State patronage and encouragement, the Western system of medicine and surgery has emerged out of its old barbarous stage into full fledged and organised science, the ancient systems, on account of the lack of Government support, have not been able to come abreast of their modern rivals. Is it not a strange irony that the ancient science of healing, which has stood the test of so many centuries, would have now come in for so much condemnation?

Another argument flung into the face of the people is that the Government is committed to the Western system. It is committed to developing and expanding it in every way. This statement betrays a spirit of trades unionism and would easily lend colour to the impression that since the allopathic system is allied to these drugs and chemicals which are imported in large quantities from Europe, the Government of India does not encourage the use of indigenous drugs and medicines in order to safeguard the interest of European Chemists. It must be remembered that the value of medicine imported into this country is not less than two crores of rupees.

Again, Sir, it is said on behalf of the Government that to place the indigenous system of medicine on a scientific basis would be a grave misuse of public revenues. In spite of this apparent solicitude for the safety of public funds, has not the Government spent a lot of public funds in many utterly fruitless medical experiments? We may take, for instance, the research laboratory which Government has established in Bengal for conducting researches to find out the remedies for malaria. It would be interesting to know that those gigantic experiments resulted in nothing except finding out that the cause of malaria was mosquito. Besides when they spend a large amount of money on exhibitions, museums and other similar things, why should they refuse to grant money for the Ayurvedic and Unani systems which save many millions of lives?

Again, as regards the allegation of the officials that the Ayurvedic system of medicine is an unscientific jargon, I, a layman, would not bother this Council with the merits of the ancient system, but would simply call its attention to the opinions and observations of allopathic doctors in its favour.

Doctor Clarke, M.D., of America, observes that if the physicians of modern day adopt the method of treatment, as explained in Charak, a most ancient exponent of Hindu medicine, there would be less work for undertakers and few chronic diseases in the world.

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says he, 'that facilities for Medical Department that at present exist are very inadequate for the need of the country ; and it will be very difficult, if not impossible for many years, for the Government to train a sufficient number of persons in the Western methods of medical science'. The statement was made only in March 1920. And it is chiefly due to this remark that I hereby request the Government of India to recommend to every Provincial Government to take measures for the revival of the indigenous system of treatment, in that its study is far cheaper in comparison with that of the Western methods.

There is another aspect of the question which deserves the attention of the Government. If Government have to spend nearly three crores of rupees in providing medical aid for about 3 crores of people, it must spend nearly 30 crores in ministering to the needs of the whole country, but, on the other hand, if it adopts the cheap indigenous system of medicine, medical aid will be provided for the whole population at normal expense. It is too much to expect that the Government will be able to spend 30 crores on medical relief, having regard to its present financial position.

As I have said before the Indian Government spends about 3 crores of rupees annually on medicine. But not more than 10 per cent. of the inhabitants derive any appreciable benefit from the Western system of treatment, as stated by Sir Pardey Lukis, the Inspector-General of Hospitals. More than 90 per cent. of the patients are treated by the Vaidis and Hakims for whose training no arrangement has been made. Is it wise on the part of the Government to leave such a large majority of the people to be treated by 'quacks' who are not properly trained and educated. India's poverty is an admitted fact. The majority of the people of this country are too poor to bear the high expenses of English medicines and pay the exorbitant fees of doctors. Such a state of things is chiefly responsible for the high rate of mortality in India. Poor people who live from hand to mouth cannot afford to undergo the allopathic treatment. Many men die simply because they cannot get trained indigenous medical assistance which is within their easy reach. The allopathic, on the other hand, is very difficult for them, partly because it is not always available and partly because of its high expenses.

There is another aspect of the question to which I should like to draw the serious attention of the Council. The public opinion in favour of these systems is very strong. Again and again Resolutions have been passed by the All-India and Unani Conference and Provincial Conferences also pressing the claims of these systems on the attention of the Government and the public, and if measures to improve the indigenous system are not taken, agitation would grow in volume and intensity as time goes on. This strength of feeling was specially evident at the time when the Local Governments passed Medical Registration Acts. It would not be out of place here to give the Resolution recently passed by the Congress held at Nagpore in December last. It runs as follows :—

'This Congress is of opinion that having regard to the wide prevalence and generally accepted utility of the Ayurvedic and Unani system of medicine in India, earnest and definite efforts should be made by the people of this country to further popularise these systems by establishing schools, colleges and hospitals for instruction and treatment in accordance with the indigenous systems'.

It is not wise for the Government to shelve this very important question, but to adopt positive measures for improving and reorganising the science along with modern experimental methods. The latest statement of the Government view of this question as expressed by the Honourable Sir William Vincent in March last, shows that the attitude of the Government has changed a good deal for the better. But the main contention is that the Government should actively sympathise with the movement and patronise these systems.

It may be said that medical administration has been made the Provincial and transferred subject in which the authority of the Ministers and Provincial Legislative Councils would be supreme and hence the Government of India need not bother itself with these questions. But the difficulty is not solved as the Honourable Mr. Sarma remarked the other day. This question will come to the forefront in the immediate future and I therefore think some kind of definite policy must be pursued by the Government at any rate ; some indication must be given so as to guide the people as well as the Government in the near future. Sir, there is a strong volume of opinion in favour of encouraging Unani and Ayurvedic studies'.

These are the remarks made by my learned friend the Honourable Mr. Sarma.

What I want the Government to do is a clear declaration of policy that the Government is prepared to effect the development of indigenous systems and that it is going to issue the instructions and recommendations to the Provincial Governments for their consideration.

The Honourable Sir William Vincent has said, 'it was only a short time ago that I was speaking of co-operation between officials and non-officials. And I spoke of the necessity of this not being one-sided, i.e., while asking the assistance of non-officials we should show that we are anxious to work in with them and accept their recommendations when we can do so'.

I appeal now to the official and non-official members of this Council to give their full consideration to this important question and decide it with a spirit of co-operation.

Sir, I am not taking up the question of medical administration of any particular Local Government. My Resolution is about the general administration of Medical Departments all over the country, and if any reform for the revival of any art or science is desired to be effected for the whole of India, the proper place from where suggestions for that purpose should be made is the very hall where we are sitting to-day. The Government of India will by no means be going out of its jurisdiction in suggesting to the Provincial Governments the revival of the indigenous method of treatment. Why I persist in my Resolution is due to my personal experience, for as I said in the beginning, I requested the United Provinces Government twice to do something for the encouragement of the Unani and Tibbi treatment, but to no purpose. What I learn from my twelve years' experience of the United Provinces Legislative Council is that the United Provinces Government has no sympathy for these systems and no wonder if similar may be the attitude of the Governments of other Provinces. How to accomplish the revival of these ancient systems should no doubt be left to the discretion of the Local Governments. Let them achieve this object in their own particular ways. But they should take measures for the development of this science and should

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not hesitate in allotting a substantial sum of money for the study and encouragement of Ayurvedic and Unani systems in the budget.

In the face of Government statements made from time to time as mentioned above, and from the policy adopted by the Government up to this time, it will not be possible for the Local Governments or their Ministers to take any steps for the revival of these two systems of medicine, and therefore it is absolutely necessary for the Government of India to recommend to the Provincial Governments to take up this matter into their immediate consideration. With these few words I put forward this Resolution of mine before the Council for favour of their acceptance.

The HONOURABLE RAJA SIR HARNAM SINGH : Sir, I appreciate the good intentions of the Honourable Member in moving the Resolution. 12-27 P.M. The indigenous systems of medicine have received a good deal of attention in recent years. An Ayurvedic and Tibbi Medical College was opened not long ago in this Imperial City, and it has been doing useful work, I am told. Every institution that professes to give profitable knowledge, especially the science and art of healing, of alleviating human suffering, deserves the sympathy of every right-thinking man. But I do not see any point, I confess, in moving the Resolution in this Council. The Provinces with their Ministers should be left free to deal with such questions. The spirit of the reformed constitution is to make the Provincial Governments more or less autonomous, and I do not think that the initiative should come from without.

I should not like to pass a hasty judgment on such old systems of medicine as the Ayurvedic and the Tibbi; they are time-honoured, and they are practised with evident success. There is, however, large room for research and experiment in these fields, and in the interests of science our young graduates, especially those who are trained in Western medicine, should be encouraged in research work in this department. The development of Indian drugs is also a very useful subject. But in the matter of the appointment of vaidyas and hakims in every dispensary, as the motion proposes, I am not so confident of the result. Western medicine is a living and rapidly progressive science. Not only England and Europe, but the whole of the civilized world have been adding new discoveries and truths to its ever-increasing store; its practice has been successfully adopted in the remotest corners of the world. The indigenous systems, on the other hand, have only the old traditions to boast of; they are stereotyped, stationary, and hence behind the times. They are empirical in character, and are not truly scientific in methods.

However great the academic value of their study may be, I cannot so enthusiastically support their practical adoption as State institutions of healing, nor as rival systems to Western medicine which has been recognised as having a truly scientific basis, and professed and practised with such wonderful success in all the civilized countries of the world.

However, I should leave the proposal to the Ministers of the Provinces. It is for them to consider the worth and utility of the indigenous systems of medicine. If they are satisfied with the merits of these systems and can find the money for their cultivation and adoption in their respective Provinces, I have nothing to say against them.

The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU : It is 12-30 P.M. with pleasure that I rise to support the important Resolution of establishing the Ayurvedic and Tibbi Medical Colleges in the Provinces so ably moved by my Honourable friend Mr. Lala Sukhbir Sinha. Mr. Sukhbir Sinha must thank the Government for their having allowed a transferred provincial subject for being discussed in this Council of State. It shows the importance of the subject in question and the grace with which the Government has condescended to allow its discussion. He is more fortunate than myself.

This subject has come before this Government and Provincial Governments for their consideration in various Resolutions and interpellations. Hitherto the Government concerned were either giving encouraging replies or giving evasive statements. As most of the Indians are warm on the subject the Government will not, I trust, give a discouraging reply.

To say that the ancient science of healing, which has stood the test of many centuries, to be unscientific, passes the comprehension of many a patriotic Indian. The Government say that to place the indigenous system of medicine on scientific basis would be a grave misuse of public revenues. Although I do not agree with the Mover of the proposition that public money is spent on experiments relating to the cause of malaria, exhibitions, etc., yet considering that many millions of lives can be economically saved by following Ayurvedic and Unani systems of medicine, the Government would be well advised to spend money on the same.

The observation made by Sir Pardey Lukis when he accepted the Resolution of the Honourable Mir Asad Ali Khan on behalf of the Government of India in 1916, gives a lie direct to the charge that the systems of Ayurvedic and Unani are unscientific. Many doctors of eminence who occupied positions of trust and responsibility in India and whose opinion must be respected have given their verdict in favour of the efficacy of Ayurvedic and Unani medicines.

It is beyond contradiction that the Government, with all their good intention and with the large amount of 3 crores of rupees spent on medical aid, is unable to cope with adequate relief to the teeming millions of India when dire diseases, such as malaria, cholera, plague are devastating the whole country. The present number of hospitals does not meet the requirements of the people. It would be a wise thing to devise means by which people may get medicines cheap.

Indigenous dispensaries have been doing so much of real service to the poor of this country. The refusal to encourage these dispensaries by the aid of State funds is more or less due to the ignorance and prejudice entertained by the majority of the Indian Medical Service and practitioners of allopathic system of medicine. It is impossible at present to find one Englishman who is trying selflessly to devote his attention to the study of this hoary science as was done half a century ago by such great men as Drs. Wise, Oshangney, Dimurek, Hooper, Waring and others and all efforts made in trying to understand this science ended with those noble souls

The HONOURABLE THE PRESIDENT : I shall be glad if the Honourable Member will keep as close as possible to the subject under discussion.

The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU : Chemistry.—In the Vedic period chemistry began as Rasayana which was

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confined to fluid extracts and vegetable decoctions and became merged into alchemy when the vegetable drugs were supplanted by mercury and metallic preparations. As for applied chemistry, Megasthenes says that Indians were early skilled in the arts. With the aid of chemical arts and manufactures India was able to command for more than one thousand years the markets of the East as well as the West.

Pathology.—There were experts in pathology and surgery.

Anatomy.—The Hindus were the first to practise the dissection of the human body. Both Charaka and Susruta insist that the knowledge of practical anatomy is essential to a practitioner.

To give instances of their cleverness in brain surgery: King Bhoga of Dhar, who lived in 977 A. D., was suffering from a severe pain in the head which baffled all medical treatment. His condition became critical; it so happened that two physicians arrived in Dhar at that time. They, after careful examination, considered that operation was necessary. Accordingly, under the influence of anæsthetic they trepanned the skull, removed from the brain the real cause of the complaint, closed the opening and stitched the wound and applied a healing balm. The Royal patient was cured completely. The art of surgery began to be neglected after the death of Buddha.

The grand idea underlying the whole system of Ayurveda, namely, the conception of Tridoshas, is altogether unique in any system of medicine. It at once shows how keen and profound was the observation of the ancient Hindus even so early as the Vedic period. It is a pity that the practitioners of the English system of medicine do not understand it. If they understood it, it would be a great help to them in their diagnoses and treatment of constitutional diseases and changes in the body. Here even the degenerate Ayurvedic physicians of now-a-days have excelled them and cured cases given up by English doctors as hopeless. The charge laid against Ayurvedic science that it is unscientific is not a true one. If by unscientific, it means that its great truths have not been demonstrated by physical apparatus of modern design, it may be so, but none the less they are truths.

Let me conclude by quoting what the University Commission says about the system:—

‘Notwithstanding the introduction of the Western system of medicine, the ancient indigenous systems continue to exercise considerable influence over the people at large, and large masses of the population have recourse to what is known as the Ayurvedic system among the Hindus and Unani system among the Mussalmans’.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I am well aware of the interest which the Honourable Mover takes in this subject, and I have read with care the debate on the Resolution which he moved in the United Provinces Council in 1918 on this subject when he wished to promote the foundation of an Ayurvedic and Unani College at Lucknow. That motion failed as he was not successful in securing a majority of votes. The attitude of the Government of India towards the development of the indigenous systems of medicine has always been extremely sympathetic; we can produce ample evidence of this, and I think the Honourable Member has been a little ungenerous in attacking Government for its alleged want of sympathy, forgetting that he himself gave us evidence to the contrary, at any

rate, so far as the Government of India is concerned and I shall give further evidence of this.

Some Honourable Members will perhaps remember that a Resolution was moved in the Imperial Legislative Council some years ago by a non-official member for an inquiry into these indigenous systems of medicines and was very cordially received by Sir Pardey Lukis and accepted on behalf of Government. It is quite true that subsequently we received very unfavourable reports from Local Governments as to the possibility of placing the ancient and indigenous systems of medicine on a scientific basis; and when I was asked for information as to the result of the inquiries, I was so anxious to spare the feelings of Honourable Members that I had the replies paraphrased and more temperately expressed for the benefit of the Council, at the same time conveying the sense of the replies in language which, I think, was not likely to cause offence; but that is the sum total of our offence. Last year again, I had to meet a motion by an Honourable Member of the Imperial Legislative Council asking me if I could make a grant in support of the Ayurvedic and Tibbi Institute in Delhi.

I am quite sure that no one who heard me then can say that my attitude was unsympathetic. In fact, I promised them that I would seek to secure a substantial grant if they came up with the scheme properly framed; and I do not think that anyone who has dealings with Government funds could have asked for less than that. No application for this grant was, however, received though I understand that the Institute was opened the day before yesterday by Mr. Gandhi. I find it difficult to understand his opening of that Institute in view of his previous statements that medical science was a concentrated essence of black magic, and that quackery was infinitely preferable to what passes as high medical skill. However, that is a matter with which I am not concerned. I think I have now been able to show that our sympathies with this indigenous system of medicine have been clearly pronounced, and I wish that the Honourable the Mover had done us a little more justice in regard to the matter. At any rate, one of his complaints that his previous efforts have been turned down by an official majority can no longer hold good at any time in the future either in this Chamber or in any of the local Councils.

My objection to this Resolution is based not on any absence of sympathy, but on totally different grounds. The position has been very clearly put by the Honourable Raja Sir Harnam Singh. Medical administration is now a provincial subject, and it is not only a provincial subject but a transferred subject. The whole subject is a matter entirely for the Ministers; the powers of interference by the Central Government are extremely limited and they have been rightly and properly so limited. Ministers will have their own ideas on this question of systems; they are entitled, if they can secure support from the local legislature, to give full effect to their wishes and I submit to this Council that it is not their business to begin by teaching the Ministers their business. Leave it to them and they will do what is right and what the people of their Province demand. I think myself, also, that any interference or any attempt at interference would be very injurious to the growth of responsible government in the Provinces. Further, the Government of India, as an executive Government, ought not to intervene in such a matter, as their action would be liable to be misunderstood and if this line were taken generally in regard to provincial subjects, would jeopardise the basis on which the Reforms have been inaugurated. I am sure that every Members of this

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Council, if he just thinks for a moment, will realise that this is the correct position, and I feel confident that undue interference in provincial matters is the last thing which this Council wishes to countenance. But I hope that we may be able to meet the Honourable Member in some degree and I am anxious to do so. The Government will co-operate with him in his desire on this subject by forwarding a copy of the proceedings of this discussion to all Local Governments in order that Ministers may have the benefit of the valuable information and advice contained in the Honourable Member's speech. I hope this will meet his wishes.

On the merits of the indigenous system of medicine I can offer no personal opinion of any value. There are those who are hostile to it, who view it with mistrust, who allege, for instance, that the Unani which originates in the system of Hippocrates who lived about the fifth century B. C. and of Galen who lived in the second century A. D. has made no advance since. Similarly, it is said that the Ayurvedic system is based on the works of Charaka and of Susruta who lived about 100 and 200 A. D. respectively, and that there has been little advance or progress in the system since then; those who follow the allopathic system allege that the indigenous system parted company with Western methods about the 13th or 14th century since when it has remained stationary and I must admit that to the uninitiated person with no acquaintance with their methods at all, some of the precepts of the Ayurvedic system do sound a little curious. For instance, I see here a statement, that the ancient authorities propound the curious idea that a sinful woman may give birth to a snake or a scorpion. This may be true figuratively, but I do not think it can be accepted literally. Similarly, if I were to go into the disquisitions on Prognosis there are some startling propositions in the works of these authorities. But at the same time men have to be practical and it is no use theorising in these matters. We know that these systems are, in practice, of the greatest value, particularly in cases of chronic diseases, and, as I said in a previous speech which the Honourable Mover has cited, I have heard a high official of Government state that he had known as many cures effected by practitioners of the indigenous system as by allopathic doctors. I believe also that this is the common experience of many Indians.

As an instance of the value of indigenous drugs, I think Members of this Council will be rather interested to hear that Sir Leonard Rogers obtained the Gynocardic acid which he used with such success in the treatment of leprosy from chaulmoogra oil, and Dr. Chatterji of the Campbell Hospital, Calcutta, has obtained excellent results from the Margosic acid which he has succeeded in extracting from the Neem tree oil, with which everyone in this country is familiar.

Generally speaking our position is that we know that Indian opinion is very favourable to this system of medicine and we believe the practitioners do a great deal of good.

And if you once go into these superstitions about medicine you find much the same feeling in regard to European systems. Many Europeans for instance believe in faith-healing as much as in any system of medicine. If you have no confidence in a doctor, his skill counts for little only because you have no faith in him, though there may be no ground for your feelings.

The real fact, however, is (and here I agree with what the Honourable Member said), that the facilities for medical treatment in this country are

very inadequate at present, that we should do anything we can to increase them, that theoretical objections to any system of medicine should not avail where it is proved by practical experience that many suffering people of this country have received benefit from it. My objection, however, to the Resolution—and I hope on that point I shall secure the support of this Council—is that this is a provincial transferred subject in which it would be wrong for the Government of India as an executive body to interfere at all and that we should confine ourselves to forwarding this debate to Local Governments for such action as they think fit. I hope that that may meet the Honourable Member. If so, I offer no objection at all to this proposal.

The HONOURABLE MR. SETHNA: Sir, it is a strange coincidence that 12-53 P.M. the very first Resolution in the Council of State on the first day set apart for the consideration of Resolutions should be similar to one of the earliest Resolutions moved only a week ago in the new Bengal Council. There is, however, this important difference that, whilst the Honourable the Mover of this proposition would like the extension to the masses of this country of the benefit of Ayurvedic medicine, the Bengal Council—although public opinion, as he puts it, is very strongly in favour of the Ayurvedic and Unani system—have passed a Resolution to the effect that every thana in that province should hereafter have a charitable dispensary and in that charitable dispensary there ought to be three medical men trained in the Western schools of medicine. By this remark I do not want the Honourable Mover to infer that I deprecate Ayurvedic or Unani medicine. On the contrary, I am quite in agreement with those speakers who said that there is much good in it. The clinical experience and observations of ancient physicians which have stood the test of centuries are of immense value. Again, we cannot ignore the fact that the hymns in which the Ayurvedic medical works were written were sung in this country long before Homer put into verse the glories of the Trojan War or the first pyramid saw light in the Land of the Nile. But, Sir, my Honourable friend the Mover contended that, since the advent of the English, much has been done for the promotion of Western medicine and the indigenous systems have been allowed to be neglected. May I inquire of him why it was that Ayurvedic and Unani systems of medicine did not flourish to the extent that they might and should have done even before the arrival of the British, for, although the Honourable Sir William Vincent just now observed that Ayurvedic medicine has made material advance, I think it is generally, and perhaps rightly, believed that the drugs which are used to-day and the manner in which they are used by these schools of medicine are the same as were used in the days of Charaka and Susruta, the founders of Ayurvedic medicine. Further, Sir, Western science has made wonderful strides in one particular branch of the healing art—I mean surgery. I do not think the indigenous systems at any time in their history have claimed more than a nodding acquaintance with it. It is therefore for the country at large to say whether they should endeavour to promote the practice of medicine according to the Western schools or according to the indigenous systems.

As has been rightly urged by the Honourable the Home Member, medical relief is now a transferred subject and consequently in the charge of Ministers in the different Provinces, and, if as the Honourable the Mover says, public opinion is very strongly in favour of the indigenous systems, then the better course for him to adopt would be to prevail upon his friends in the different Provincial Councils to take up the attitude which he says he himself took up in

[Mr. Sethna.]

the Provincial Council to which he belonged before he was transferred here. Again the Honourable the Mover referred, I believe, to the advance that has been made by Homœopathy during the last 20 or 30 years in Bengal. If, therefore, he has brought forward this Resolution asking the Government of India to prevail upon the Provinces to introduce Ayurvedic and Tibbi medicine, why not also Homœopathy? This is a further reason why the question should be left entirely to the Provinces and not be taken up by us, for, again, as the Honourable Sir William Vincent put it, it will be resented by them and be considered as unnecessarily interfering with their powers and their authority.

My Honourable friend observed that if he unfortunately were to take ill he would sooner consult a hakim than a bad doctor. But, Sir, if a man is a qualified doctor, there are his qualifications to recommend him. In the present state of affairs, what is there to show, and how is my Honourable friend to know, that a man is a qualified hakim? There is absolutely nothing to prevent anyone from styling himself a hakim or vaid. It is because there is no proper qualifying system that ignorant and the illiterate suffer greatly in consequence of any one setting up as a practitioner of the indigenous systems.

It is not that the Provinces have done nothing in the matter up to now. I believe in Madras a Chair of Pharmacology has been endowed in one of its medical institutions with a laboratory attached where the medical virtues of Indian drugs may be scientifically tested and demonstrated. The Bombay Government has promised help in a similar direction. I may further inform the Honourable the Mover that, so far as I know, one municipality in the Bombay Presidency, namely Poona, has already one of its charitable dispensaries under an Ayurvedic hakim.

This Resolution interferes with the rights of the Provincial Councils—I mean parts (a) and (b) do. In regard to part (c) I would like to point out that either with or without the alteration the Mover proposes, it is absolutely unworkable. Part (c) says that this Government should recommend to every Provincial Government the desirability of appointing vaidyas and hakims in every dispensary to treat patients by indigenous methods. Now, Sir, the Honourable Member, it seems to me, with his close study of the question, would know that under the existing rules of the Medical Council it is not competent for any one registered under the Medical Practitioners Act to associate himself with a hakim or vaid and he could not work together in the same dispensary. Even, if the first two parts were accepted by this Council, I say, Sir, that part (c) is absolutely unworkable. I do hope that, after the recommendations made to the Honourable the Mover, he will be induced to withdraw the proposition and leave it to the Local Governments to do as they think best in the interests of the masses committed to their care.

THE HONOURABLE MAJOR-GENERAL W. R. EDWARDS: The question before us is a very serious one, and if the proposals now made are to be carried out, the expense will be extremely heavy.

The most important point to be considered is, whether doctors who intend to practise Unani and Tibbi medicine require a course of medical education which differs from that now prescribed throughout the civilised world.

The origin of Unani and Tibbi medicine corresponds in time to the medicine taught by the Greek physician, Hippocrates, who flourished some 2,500 years ago. Curiously enough the word 'Unani' has a

Greek derivation and Unani medicine is generally supposed to be identical with that practised in ancient times on the shores of the Mediterranean. One thing, however, is certain and that is, that science has made vast progress in the last 500 years and the curious lore which was taught in ancient times has generally, throughout the world, long been relegated to the historical past. For example, it is interesting historically to read in the Susruta Samhita that anatomy may be taught by brushing away the flesh of decomposing corpses, layer by layer, until the bones are bare. But no one in these days would advocate such a method of teaching anatomy. The anatomical descriptions based on this method are of course extremely inaccurate.

Similarly, the embryology and physiology of the systems, as then taught, are in the light of modern science fantastically wrong.

It is unnecessary, I think, to give examples of the old superstition had on the world in the days when Ayurvedic medicine flourished. To do so might be construed as a desire to cast ridicule on an ancient system.

An almost incredible gulf separates us from those primeval days. Countries such as those of Great Britain, Europe, and Australasia, America, North and South, Egypt, South Africa, Japan and China are agreed on a common system of modern scientific medical education. Indeed, throughout the civilised world, whatever remedial system a medical man may practise, the teaching of the diagnosis of disease by modern methods, based on present day knowledge and discoveries, is essential. A modern school physician who undergoes a training of 5 years, spends some 4½ on the study of the human body, its chemistry, physiology and anatomy, and its diseases; and about six months on materia medica, pharmacology, and methods of treatment; it being recognised that it is impossible to treat a disease without first accurately diagnosing it. It is perhaps not generally known that in all countries a doctor who is known as a 'qualified physician,' may make use of any reasonable form of treatment which he thinks will be beneficial. He can use hydropathic, homœopathic and Unani remedies, or he may employ hypnotism and faith-healing. The only thing that the law insists on, in modern times, is that he shall have been taught and trained in a well-equipped school, with an approved syllabus, and have passed such examinations as will guarantee that the knowledge he has acquired is sufficient to enable him to be entrusted with the medical care of human beings in health and sickness. This is what is meant by the words 'a qualified medical practitioner'. When speaking of diagnosis by modern methods, I am aware that Unani and Tibbi practitioners lay great stress on the pulse, and say that much can be learned from it. I entirely agree with this and would point out that modern medicine is here in complete accord with them. The most minute attention has been paid to the study of the pulse, as witness the inventions of instruments such as the Sphygmograph and Manometer, while X-rays have been utilised for the study of the heart-beat itself. It is obvious that the most skilful physician, who refuses these aids, must be hopelessly handicapped in diagnosis and subsequent treatment.

The question of remedies utilised by Unani and Tibbi practitioners is another matter.

There are a great number of such remedies. Unfortunately few of them have been scientifically examined; they have not been subjected to chemical analysis and physiological tests, nor have the preparations and doses been standardised.

[Major-General W. R. Edwards.]

One frequently hears Unani and Tibbi medicine described as *Eastern* medicine, in contradistinction to so-called *Western* medicine. I would like to point out that there is no Eastern medicine and no Western medicine. There is an ancient system of medicine surviving in India alone, which is sometimes spoken of as Eastern medicine, and there is modern medicine and surgery which is common to the whole of the rest of the civilised world, including Japan, China, and Eastern Russia, which is called by some Western medicine.

Before coming to any decision regarding the question of a separate educational system for Unani and Tibbi doctors, it seems to me to be very essential that good cause should first be shown. To this end I have two alternative suggestions to make. One is, that the Government of India should ask the Unani and Tibbi medical profession of India to select a small committee of their greatest experts. This committee should draw up a statement, setting forth the principles of Unani and Tibbi medicine, and, at the same time, clearly expressing the reasons which compel the exponents of this ancient system to demand a separate course of medical education. They should further show to what extent the education they desire should differ, and why it should differ, from the medical education now given throughout the rest of the world.

My alternative suggestion is, that a Chair for the study of the history of Unani and Tibbi systems of medicine should be founded, which would include also a scientific study of the remedies utilised in such systems.

If sufficient evidence can be adduced to convince the scientific world that within the compass of all that is known of the Ayurvedic and Tibbi systems, there exist advantages in their training and education hitherto unknown, then our present system of medical education must be revised. A separate and dissimilar system of medical education and training, apart from treatment, is entirely unnecessary. All that is valuable and for the good of mankind, in whatever system of medicine, should be utilised to heal the sick. This brings us to what I believe to be the crux of the matter. I do not think that the people of India find fault with the system of training given in Government and State-aided medical colleges, but I do think that they wish to have the medical practitioners, who are educated in such institutions, taught the remedies employed by Unani and Tibbi practitioners, *in addition* to other well-known remedies. Some of our most successful practitioners have already adopted this course.

It is, therefore, quite feasible that, while the present modern form of medical education is retained, the remedies of the indigenous and ancient system of Unani and Tibbi medicine should be made available for the use of all 'qualified medical men.'

To this end it is essential, and here I cordially agree with the Honourable Lala Sukhbir Sinha, that a scientific investigation of drugs peculiar to India, whose properties are unknown to the world, should now be carried out. This, I am glad to say, is being arranged for. The schools of Tropical Medicine and Medical Research are about to be opened, one in Calcutta and one in Bombay, and a proposal is on foot to found subsequently a Central Medical Research Institute for all India. In these Institutes we propose Chairs of Pharmacologists, with trained staffs for the examination of indigenous drugs. We hope to see a thorough investigation made of drugs indigenous to India. The

results obtained will be published throughout the world, and I trust may prove to be of great benefit to mankind.

Reverting again to medical education, I am aware that many think that Unani and Tibbi practitioners require a cheaper and shorter course of medical education than is required for those whose qualifications are registrable in India, and that in consequence they will be cheaper to employ.

This is not so, Sir. The moment Government recognise Unani and Tibbi qualifications, they will have to insist on a course of medical training, which will be a guarantee that the medical man in question may be entrusted with human life. Unless a medical man is educated and trained sufficiently well to be able to make a correct diagnosis, he should not be allowed to use potent drugs, or indeed to advise and treat patients at all. A half educated doctor is worse than no doctor.

For these reasons, I am of opinion that there can be only one form of medical education, and that is the best we can afford, irrespective of the system of treatment the doctor may ultimately elect to take up, for without accurate diagnosis no system of treatment can be safely adopted. All great Governments are unanimous in this opinion.

I am opposed therefore to a separate form of education being given to those who wish to practise the treatment favoured by Unani and Tibbi practitioners. I am also opposed to placing Unani and Tibbi practitioners in charge of State, or State-aided dispensaries, unless, or until, they have passed a State examination, which will guarantee that they possess such knowledge of the human body and its diseases as may be deemed sufficient to warrant Government entrusting the care of its subjects to their hands.

The HONOURABLE MR. E. L. L. HAMMOND: Sir, as has already been recognised by the Honourable Mover, the Resolution proposed 1-12 P.M. involves an entire reversal of policy, and if, as the Honourable Home Member has suggested, our proceedings are to be sent down to Local Governments for information so that the Ministers may benefit by our advice, I put it to the Honourable Mover that it is inevitable that the whole of the proceedings will go including all the criticisms that have been made, and that he should, therefore, in his reply, meet some of those criticisms. He himself has impugned the inquiry that was made. He said, if I remember rightly, that it was made by laymen who were ignorant, and if not by laymen, then by doctors, who were biassed. Exclude your laymen and exclude your doctors, and there would be only the gentleman himself and those associated with him who are to be judges of their own cause. For my part I can vouch that the inquiry was conducted in the same sympathetic spirit in which Sir Pardey Lukis accepted the Resolution moved in 1916. Where any schools or any places of education in the indigenous system existed they were visited, the syllabus, the status of lecturers, the accommodation, apparatus and the rest of it were all examined, and the opinions of the leading vaidas and hakims and kavirajes were also sought. From all those sources there came a consensus of opinion, showing that what I might call the orthodox conservatism of the past resents any admixture of modern science or any attempt to engraft modern science on the ancient systems. The Honourable Mover can tell us whether or not, when these Unani and Ayurvedic schools are started, they would welcome any admixture of modern science. That is the first point.

[Mr. E. L. L. Hammond.]

The second is the expense of the proposal. The Honourable Mover has given us no indication of the class of hospital, or the class of medical college he would like to have or of their cost. I can supplement in part this deficiency from what occurred on Saturday last when the Tibbi College here was opened. I see it was stated then that this college had already cost five lakhs of rupees, that there was an income of Rs. 50,000 a year and that still another twenty lakhs would be wanted to complete it! Does the Honourable Mover suggest that we should send a message to the Local Governments suggesting that expenditure on that scale should be entertained?

The inquiry also shewed that the main claim advanced by the Ayurvedic and Tibbi systems was their antiquity. The Honourable Mover said 'they have withstood the test of centuries. That, Sir, is perfectly true. Not only have they stood the test of centuries, but they have stood still all these centuries, and it rather seems to me that, unless there is to be some advance, it would be a waste of money to start any medical colleges.

The absence of any research connected with these institutions is also somewhat marked. Has there been any discovery in these systems, such as, for example, the saline treatment of cholera, or anything that would enable us to deal with epidemics? As far as I am aware, there is no such discovery.

Then, if one goes further and takes the third proposal, namely, that the professors of modern and ancient institutions should gather together on the verandah of the mofussil dispensary in friendly rivalry in the relief of human suffering, we come to a very difficult situation. I believe there is a proverb, 'who shall decide when doctors disagree?', and I put it to the Honourable Mover if he found himself in a mofussil dispensary, suffering from the pangs of toothache, and there he found two practitioners, one ready to use the hateful forceps and the other prescribing the application of warm oil on the nape of the neck, he might find it difficult to make his choice, and at any rate both of the practitioners would be put in an awkward position. It seems to me that so long as the claim is one based mainly on antiquity, this Council might just as well say to the Local Governments, 'you have got your railway trains. They do not meet all your requirements. They are expensive at present. The price of coal is going up. There are large portions of the country which they cannot reach. But there is one conveyance which has withstood the test of time. It is cheap and will go anywhere. It is precisely the same to-day as it was when Alexander the Great came to Attock. Therefore, do not spend so much money on your railway development, but divert it to the bullock cart.'

The HONOURABLE MR. L. S. MEHTA: Sir, may I begin by congratulating General Edwards on the very sympathetic and correct tone which he used in replying to the debate. The use of such sympathy and of such a tone is one that will lead to our working together in co-operation for the good of the country. In the same way, may I also congratulate the Home Member for having spared our feelings by not reading the reports of the Local Governments.

The Honourable Mover of this Resolution said that he would better like to be treated by an Unani hakim or an Ayurvedic vaid than by a bad doctor. Speaking for myself, Sir, I beg to say that I would very much like to be treated by a fresh graduate of the present day universities than by any of the hakims or vairs, and that is for the same reason that was given by

General Edwards. Here I know definitely that this man has got training for five or six years in the science in which I personally believe,—I mean the people who have got modern education,—while we do not know, at least I do not know for certain, whether the man who comes to me has received sound education, whether he is a good vaid or not. Therefore, I personally would like to be treated by a fresh graduate from our universities.

At the same time, I do think that the old Ayurvedic system does require to be carefully examined. I daresay that when General Edwards used the words 'Unani and Tibbi' he meant Unani and Ayurvedic, because Unani and Tibbi are practically the same, and he wanted to say Unani and Ayurvedic, or Ayurvedic and Tibbi. Much ridicule has been tried to be thrown on the Ayurvedic system remaining still. If it has stood still, it has been doing good work which has been recognised by the Honourable Home Member and many medical men.

If it has not made any progress it is for two reasons. One is, as the Honourable Member has said, that the Government have not come forward to help it as they ought to have done. The second is probably also one of the reasons, that the men themselves thought that the system was so perfect that it did not want to have any further research being made. But at the present time, we cannot stand still; we must move on, because, where there is no progress, it means retrogression. Therefore, I think it is necessary that Government should take steps to have some sort of Ayurvedic and Tibbi education given either in our colleges or start separate schools for the purpose. The difficulty would be in deciding the sort of education to be given. General Edwards suggested one alternative, namely, that Government should ask learned hakims or learned vaidyas to prepare their scheme, tell the Government what they want, prepare a syllabus also and then see whether it is possible to find money for that purpose. Of course the Provinces will, as the Honourable the Home Member said, have to find it. It is a transferred subject, and we cannot do it, but we can pass a pious Resolution on this subject and then send it on to the Provinces to consider and find the money for it.

The most important thing, Sir, however, is about (b), taking measures to develop Indian drugs. General Edwards said, I think, that they are going to have two schools, one of Tropical Medicine in Calcutta and a Research Institute in Bombay. When a similar question came up before the Bombay Provincial Council, the Bombay Government then expressed a very sympathetic attitude and said that they were prepared to find money for a Chair for making inquiries into the possibilities of the drugs that have been used until now by Ayurvedic vaidyas or Unani hakims. What I understood General Edwards to say is that along with the study of the present advanced anatomy and physiology, Ayurvedic medicines should be examined, and an attempt should be made to see how far that can be used in place of English drugs or drugs imported from England. In this connection I want to dissociate myself from the remark made by the Honourable Mover who said that possibly this system was inaugurated to help chemists in other countries. I think that is a charge that is not at all fair to Government. But I do want that we should be able, either with the help of research institutes or with the help of chemical departments, to manufacture medicines from indigenous materials in this country. That will go a long way to help the solution of the problem which is that the masses, 90 per cent. of the people who live in the villages, do

[Mr. L. S. Mehta.]

not get any medical help. If we are going to help them, if we are going to face the problem, in the correct way we must train up men who will not charge as high fees as the present day medical men, whose education will not cost so much as the education of the present day medical students costs, and who will go into the villages to help the poorer people.

When this Resolution first came to me, I wondered why it was admitted by you, Sir. I thought, Sir, it would not be admitted because it was a provincial concern and one more for the Provinces, but, when it was admitted, I thought the idea was that you, Sir, wanted this Resolution to be discussed in the Council of State and then, perhaps, without any vote being taken, it might be passed to the Provincial Governments for their opinion.

With these remarks, and with the assurance given by the Honourable the Home Member, I hope the Honourable Mover will see his way to withdraw his Resolution and allow all the proceedings to be sent to the provincial Governments.

THE HONOURABLE THE PRESIDENT: I should like to point out to the Honourable Member, with reference to what he said, that the power of disallowing a Resolution on the ground that it is not primarily the concern of the Governor General in Council is not vested in me.

THE HONOURABLE SIR UMAR HAYAT KHAN: I will begin with Persian poetry, which, if translated, runs as follows:—

1-25 P.M.

'The Angel of Death went to God. He said "Either tell me to do something else or tell the hakim to do some other job, because whenever I go to take the life of a man, I find that the hakim has killed him before I reach".'

This hakim was asked 'Have you ever treated a man?', He said 'Well, go and see the graveyards; all these new additions are mine'.

However, Sir, since the ignorant public for a long time to come has to seek the aid of hakims, it is much better that their system should be brought up to date by teaching them something new, and for that purpose I would support the suggestion that the Provincial Governments should spend some money to bring them up to date in medicine and science.

THE HONOURABLE MR. G. S. KHAPARDE: I think myself, Sir, that this

Resolution has been to some extent misunderstood. I do not

think the Honourable Member intended that this should be in substitution for European medicine that is being administered now. He meant it to be supplementary and supplementary for this purpose that, notwithstanding the initial character of this Ayurvedic medicine and perhaps even what is called the unscientific character of it, I find in this twentieth century in my own family that I had the aid of nine very highly paid doctors—it cost me a good deal—and they said that my daughter-in-law's case was hopeless and that she was very near her death. Then I put her into the hands of an Indian hakim and he cured her, and she is there in my family now. So that, whatever the scientific reasons may be, whatever the theories may be, many poor patients given up by European practitioners are cured by Indian physicians. If that is so, and I am satisfied that it is so, then it stands to reason that this Indian system should be investigated and should be systematically studied. It is systematically studied in its own way, but the modern world requires it to be studied in a different way. The modern world believes a great deal in chemistry, but

they forget that in analysing elements some of the elements escape and the analysers are not able to reproduce them; the test of it being that they cannot reproduce the weight. I give them a substance to analyse, and I say reproduce that substance. They cannot reproduce it for me except in the case of water and a few other small things. That means that the analysis is incomplete and that many of the substances have escaped and they cannot be brought back again to form the original substance. That being so, I do not propose to go into the scientific aspect of it much, but the practical part of it is what I know by personal experience. I know that my daughter-in-law, whose case was pronounced hopeless by ten of the most eminent medical practitioners in Bombay, by M. Ds., by F. R. C. Ss. and everything else, was cured by an Indian physician.

Another fact which I wish to bring to notice and on which I believe some stress ought to be laid is this. It has been said that this is a Provincial subject and also a transferred subject and, therefore, a subject not fit to come in here. I humbly submit that this is not the right view to take. It is an important subject. It has twice, as the learned Mover pointed out, run the gauntlet of being discussed in the Provincial Councils, and it has also been discussed here. Therefore, it is all right that it should come here as well as go there.

Its being entertained here does not prevent its being discussed in the Provinces; nor does its being discussed in the Provinces prevent it from being discussed here. It is a general policy that we want to lay down here, and a good policy would be that along with these allopathic dispensaries that are maintained by the Government, we might maintain a few Ayurvedic dispensaries also. In addition to Poona, we have in Amraoti tried to start one, and it is prospering. At Ellichpur there is another which also prospers, and probably there are many other places unknown to me where these dispensaries are doing well. And I believe, if I remember aright, that there was a good deal of newspaper discussion in Bombay at one time as to whether the municipalities have the power to support Ayurvedic medicine. They questioned the legality of spending money on Ayurvedic medicine, and then I believe the conclusion reached was that it was a matter which they had to refer to the Local Government. Each municipality, if it wanted to support Ayurvedic dispensaries, had to apply to the Local Government for permission to do so and with permission of the Local Government it could do it. But that is a legal matter with which I do not feel concerned now. What I am concerned with is, that I do not think the Honourable Mover means that this should be in substitution. What he means is that alongside of these dispensaries which are maintained at considerable expense some money may be set apart for investigating indigenous medicine also, and for proving its efficacy by actually curing patients. There is, I believe, one man in Calcutta—I met him there—who cures diseases which have been pronounced to be incurable by Western medicine. He has set up there and he prospers. So there is a great deal to be said for this indigenous medicine. Nothing is bad merely because it is ancient, just as nothing is good merely because it is new. New and old have to be put together, to be examined carefully, and the best of both has to be taken. Ayurvedic medicine may be very old, but that does not matter. The circumstance of its being ancient does not make it bad. That which is good in it deserves to survive, and in the interests of humanity, I think it necessary that it should survive, and in order that it may survive it must be taught and practised and demonstrations allowed to be made in the dispensaries and

[Mr. G. S. Khaparde.]

hospitals that are maintained by the Government. That is the point, I believe, of this Resolution, and that is the point which I support heartily. I am entirely in agreement with the Honourable Mover on that point. With regard to these old things there is something like what may be called intellectual bias and, oftentimes people who have studied one science and gone on one line generally, are unwilling to examine impartially the claims of rival or older sciences and systems. Therefore I submit that we should rise superior to this prejudice and allow—we do not of course want to lay down the law for anybody, we only recommend a policy; and we might send out as a recommendation to the Provinces that whenever possible and wherever they can do so, they should along with these English medicines try indigenous medicines also and put facilities in the way of their being administered and pronounced upon.

With these words, Sir, I heartily support the Resolution that has been moved by my Honourable friend.

The HONOURABLE LALA SUKHBIR SINHA: Sir, some Honourable Members have said that there is nothing scientific in these two systems of medicine. I beg to point out to them that up to this time no scientific investigation has been made into them, and therefore it is not right to say that there is nothing in them scientific. That is the reason why I strongly recommend to the Government to take some practical steps for their development. I admit that they are not up to date. I admit that they are not developed; that they have not developed as they ought to have. But all this, Sir, is due to the lack of attention on the part of the Government and to the people also. Of course, as I said before, the people have come forward and they are taking steps to develop these two systems of indigenous medicine at the present time. But until and unless Government comes forward, I do not think that the unaided efforts of the people will be able to compete with the Allopathic system on which Government spends so much money.

The Honourable Mr. Sethna has said in his speech that Homœopathy also must claim the same help from the Government. But I beg to point out to him that it is not an indigenous system, and my Resolution deals only with indigenous systems and not with foreign systems. As regards the co-operation of doctors with these hakims and vaidyas, I would point out that under the Medical Practitioners Act it has been laid down that no allopathic doctor has a right to co-operate with them, and if he does so, his name will be struck off the register. When this matter was under consideration in the United Provinces Council, a committee was appointed, some members of which pointed out that it was not right, and these hakims and vaidyas were excluded from the operation of the Act. But in other Provinces the Act still applies and if any allopathic doctor associates himself with one of them his name is liable to be struck off the register.

I quite agree with my Honourable friend Major-General Edwards that some investigation has been made with regard to Indian drugs and some of them have been adopted in the materia medica. But, Sir, the question is about medical education. If you have some system of medical education for these hakims and vaidyas, then they will be able to make their own enquiries and investigations. It is not enough that investigations may be made into these

drugs by doctors who take of them as much as they like and find nothing good in them'. It is also necessary that the hakims and vaidyas may have proper education and be able to make researches themselves into the nature of these drugs and render them up to date.

The Honourable Mr. Hammond has remarked that the last investigation was made in 1919 on the acceptance of the Resolution of Mir Asad Ali, and the Government were not in favour of the development of these indigenous systems. But, Sir, I may point out that that investigation was made through the police. Well, I may ask what right the police have to make such an investigation? When laymen have no right to investigate into a matter as this, the police is by no means competent for that. The right course would have been, as I pointed out to the United Provinces Government at that time, to appoint a competent commission for inquiring into it, and then something good might have been found out. But the investigation was made confidentially without giving any information to any public men to come forward. It was made by the police and by Civil and Assistant Surgeons who were biassed against the system. The result was that the Local Governments reported to the Government of India that there was nothing in these indigenous systems to take and it was not worth while to spend any public money on them. Therefore, Sir, without going into the various opinions on these systems, I would point out very strongly to this Council that public opinion is greatly in their favour.

The HONOURABLE THE PRESIDENT: The Honourable Member is replying. He will confine himself to the criticisms which have been made on his Resolution in his reply. He must not re-argue his case; he has already spoken once.

The HONOURABLE LALA SUKHBIR SINHA: I only want to point out this fact that much of public opinion is in favour of the course I suggest. It is also a fact that 90 per cent. of the population are treated by these systems. It is also a fact that very little money is spent now by the Government on these systems, and therefore I request this Council to accept this Resolution. It is not an order or an instruction to the Ministers; it is only a recommendation to the Local Governments of the desirability of having Ayurvedic and Tibbi Medical College in their Provinces and of taking measures to develop Indian drugs and appointing vaidas and hakims in every dispensary to treat patients by indigenous methods. The Resolution is clearly worded. There is no instruction or direction in it to the Local Governments; it is only a recommendation by this Council to consider the desirability of developing these systems. Therefore, I appeal to this Council to accept the Resolution.

The HONOURABLE SIR WILLIAM VINCENT: I only wish to say this, Sir, that if it is a recommendation of this Council, we have no objection to forward the proceedings of this debate to the Local Governments. It is the recommendation by the executive Government of India by the Governor General in Council, to make certain proposals to the Local Governments that I object to. I have no objection if the Honourable Mover would like us to forward the recommendation of this Council. We are quite prepared to do this, but we are not prepared as an executive Government to take the line that we are entitled to direct the Provincial Governments on the matter. This Council can only recommend to the

[Mr. Maricair.]

country with a view to help them in supplying them with the boiled rice they have been usually getting from India. My endeavours in this direction with the Local Government have proved a failure. Now, Sir, I have been given an opportunity to represent the grievances of the commercial public before this Council. It is all well and good for Government to restrict exportation of rice out of India when India itself is wanting rice for its own consumption. I do not see any reason why any restrictions should be imposed when India has a surplus to spare. To prove my statements, I beg to be permitted to read the two telegrams I received from the President, Import Grain Merchants' Association, Karachi, and rice merchants and zamindars of Sind and a letter received from the Rice Merchants of Calcutta. The telegram from the President, Import Grain Merchants' Association, reads thus :—

'My Association most humbly pray for immediate abolition of restrictions on export of rice to Ceylon, Zanzibar, East Africa and all other Persian Gulf Ports in view of normal conditions prevailing and prices fallen all round. The present allotment system has hit hard on poor farmers, cultivators, zamindars and stockholders; since our Deputation at Simla last August old rice heavy stocks lying undisposed and decaying; pray very careful consideration of all matters and absolute freedom of rice export as Sind suffering very heavily.'

The next telegram from the zamindars and rice merchants of Sind, Larkana, reads thus

The HONOURABLE THE PRESIDENT: Could not the Honourable Member state the substance of the telegram? That will shorten the matter.

The HONOURABLE MR. MARICAIR: There was a similar telegram which I received and the Council will be interested to hear what it says.

'Fifty thousand tons lying undisposed and rotting; new crops abundant' and so on.

I presume Honourable Members of this Council have received a similar letter to the one which I have received referring to the relaxation of restrictions.

The Honourable Members of this Council are well aware that the Government of India have created the offices of Director of Civil Supplies in all the important Provinces, and I have had the honour of being one of the members of the Committee in Madras. When the question regarding the relaxation of restriction on export of rice was brought to the notice of the Committee last year, it was I who opposed the proposition as it was not the proper time for us to take such action when the import of Burma rice was not allowed freely. Now, Sir, as the import of Burma rice is allowed freely and that a large stock is available in India, I took the liberty of bringing this Resolution before this Council, appealing on behalf of several thousands of Indian subjects under His Majesty's Indian Government, domiciled in those Colonies. Perhaps it may be said that there is no representation made by any foreign Governments as was done by the Ceylon Government. I may say that the foreign Governments are not so much interested in Indian subjects as we are. Finally, I may mention that if the Government still insist upon the retention of the restriction, it will not only be great hardship to the Indian people domiciled in those parts, but it will also be a serious loss to the various classes of people

in India. It will be a loss to the cultivators; it will be a loss to the labourers; it will be a loss to the mill-owners who have invested millions of rupees in erecting the rice mills in various parts of India. It will be a loss to the boat owners; it will be a loss to the ship owners; and on the whole it will be a loss to the commercial public. Why should the Government be the cause of all these losses? Why should the Government stand in the way of people having their own free trade? As a matter of fact the Government in their Communiqué issued in the year 1918 establishing Ship Building Committees in all the Provincial Governments I had the honour of being one of the members of the Committee in Madras. The Committee induced in various ways private persons to build more ships and accordingly a large number of sailing ships was built by merchants relying upon the Government's support. At this stage the Director of Civil Supplies came in the way by issuing an order that no rice should be brought by sailing ships from Burma to India except by steamers. This order of prohibition has caused a great commotion among the merchants and ship owners and put them to a serious loss. I may say in one word that all these losses are due to the creation of the offices of the Director of Civil Supplies and his orders prohibiting the export and import of rice, etc. Under these circumstances, it is high time, Sir, that the Government should remove these obstacles and allow India to take up its own free trade. With these few remarks I commend my Resolution for the acceptance of the Government.

The HONOURABLE THE PRESIDENT: I think it would be convenient to Honourable Members, in considering this Resolution, if I call upon the Honourable Mr. Chettiyar to move the amendment which stands in his name.

The HONOURABLE MR. A. CHETTIYAR: Sir, I beg to move an amendment to the Resolution just now moved by my Honourable friend Mr. Maricair. The amendment that stands in my name runs thus :—

'That for the words from 'India' to the end of the Resolution the following be substituted :—

'South India to the Straits Settlements and the Federated Malay States be relaxed so as to allow of an export of 15,000 tons per quarter to the Straits Settlements and the Federated Malay States.'

The object, in controlling foodstuffs, is to help the poor of the country by keeping as much home-grown produce as would suffice for its needs. But interference with the right of the agriculturist to reap the profits of his trade is tolerated only in times of famine. This interference, however slight and however small it might be, would not be desirable and public confidence would be lost if a temporary measure is to be continued without end. I may here be permitted to read an extract from Dr. Gilbert Slater, Professor of Indian Economics of the Madras University. He says :—

'It is right Government should prohibit export when there is famine, but crops were good last year, and promise pretty well on the whole for this year. High prices are much more due to increase in the quantity of money circulating than to deficiency of grain. I believe it is a fatal policy for India to prevent export in normal non-famine years. Grain will not be produced unless it is wanted, and the affect of stopping export is to diminish production in good years, so that when a bad year comes the country is starved.'

But, by permitting export Government encourage production of surplus quantity, so that if the crop fails there is a margin; further, the money and purchasing power the country gains by exporting in good years is available for bad years'.

[Sir William Vincent.]

executive Government of India to take certain action and the executive Government of India are not prepared, and I hope this Council will still not ask them, to exercise undue interference with the Provincial Governments. We are quite prepared to forward the proceedings of this Council to Local Governments for such action as they think fit, but as an executive Government it is beyond our duty and beyond our power to interfere in a matter of this kind.

The HONOURABLE THE PRESIDENT: Before I put the question will the Honourable Mover say if he wishes to add the words 'as far as practicable'?

The HONOURABLE LALA SUKHBIR SINHA: Yes, Sir, I would like to add them at the end of sub-clause (c).

The HONOURABLE THE PRESIDENT: The question is that the Resolution, as amended, reproduced below, be adopted:—

'This Council recommends to the Governor General in Council to recommend to every Provincial Government the desirability of (a) having an Ayurvedic and Tibbi Medical College in their Provinces, (b) taking measures to develop Indian drugs, and (c) appointing vaidyas and haidins in every dispensary to treat patients by indigenous methods *as far as practicable*.'

AYES—11.

Abdul Majid, Nawab M.
Keshava Prasad Singh, Maharaja
Bahadur.
Khaparde, Mr. G. S.
Maricair, Mr. A.
Moti Chand, Raja.

Nandy, Maharaja Sir M. C.
Nayudu, Mr. V. R.
Rameshwara Singh, Maharajadhiraja Sir.
Rampal Singh, Raja Sir.
Ram Saran Das, Mr.
Sukhbir Sinha, Lala.

NOES—32.

Achariya Chaudhuri, Maharaja S. K.
Altaf Ali.
Amin-ul-Islam, Khan Bahadur.
Bahram Khan, Nawab Sir.
Barron, Mr. C. A.
Bhurgri, Mr. G. M. K.
Cook, Mr. E. M.
Dadabhoy, Sir M. B.
Edwards, Major-General W. R.
Elliott, Lieut.-Colonel A. C.
Froom, Mr. A. H.
Hammond, Mr. E. L.
Harnain Singh, Raja Sir.
Jha, Dr. Mahan Chopadhayaya.
Jogindra Singh, Sardar.
Kale, Mr. W. G.

Lloyd, Mr. E. S.
Po Bye, Maung.
Richey, Mr. J. A.
Roy, Raja P. N.
Samaldas Mehta, Mr. L.
Sarma, Mr. B. N.
Sastri, Mr. S.
Seddon, Mr. C. N.
Sethna, Mr. P. C.
Shafi, Mr. M. M.
Smith, Mr. H. M.
Umar Hayat Khan, Colonel Sir.
Vincent, Sir W.
Wacha, Sir D.
Zahir-ud-din, Saiyid.
Zulfikar Ali Khan, Sir.

The Resolution was rejected.

The Council adjourned till 2-45 P.M. in the afternoon.

The Council re-assembled at fifteen minutes to three of the clock. The Honourable the President in the Chair.

The HONOURABLE THE PRESIDENT: Before I call on the next Honourable Member to move his Resolution, I should like to draw the attention of Honourable Members to the fact that we have a lengthy Agenda which we hope to finish this evening.

RESOLUTION RE EXPORT OF RICE.

The HONOURABLE MR. MARICAIR: I beg to move the Resolution
2-48 P.M. that stands in my name:

'This Council recommends to the Governor General in Council that the restrictions imposed on the export of rice from India to Ceylon and the Straits Settlements be removed forthwith.'

In doing so, I wish to make a few observations. This is a matter that affects a large number of British Indian subjects who are domiciled in the Colonies of Ceylon and the Straits Settlements. They have been habituated to eating boiled rice grown in India and which was allowed to be shipped to these Colonies freely. Since the restriction imposed by Government on the shipment of rice for the last two years Indians in these Colonies have undergone a great deal of suffering by eating Burma rice and other inferior kinds of rice. As a matter of fact they have had a great deal of difficulty in getting a sufficient quantity even of this inferior rice. Several of them have starved and died. Well, Sir, they have experienced enough of troubles for the last two years when the Government imposed such restrictions on the shipment of rice on account of failure of crops in India. Now that normal conditions prevail and a surplus of grain is available, I do not see any reason why there should be any restriction of shipment at all. I may mention for the information of the Honourable Members of this Council that the Government of India have recently removed the restriction on importation of rice from Burma, and merchants have consigned a large quantity of rice to all ports throughout India, and I may add that a large stock of that rice is lying undisposed in all the ports. This clearly shows that India has a large and surplus quantity than is required for its own consumption. I am not unmindful of the fact that the Government of India have recently issued Press Communiqué to allow shipment of 15,000 tons of rice to Ceylon from the Ports of Negapatam, Tuticorin and Dhanushkodi during the quarter ending 31st March, 1921. The shipment of rice and the selection of shippers were left with the Ceylon Government, and that Government have not done anything in the matter until the beginning of February and I may say that no shipment whatever has yet been made as the Government of Ceylon have only recently issued permits. I may further mention, for the information of the Honourable Members of this Council, that the Government of India have taken the responsibility of importing rice from Burma and selling it in foreign countries for a high price. I do not know whether the Government of India or any Local Government are justified in thus interfering with the trade of the country which is open to all merchants. This is the position so far as Ceylon is concerned.

Now I shall go into the question of Indian subjects domiciled in the Straits Settlements and the Federated Malay States. The situation here is so grave that no concession whatever has been allowed in this part of the country. I have been getting several representations from the people of this

[Mr. A. Chettiyar.]

The Honourable the Revenue Member the other day informed this Council that the present conditions would not permit the Government to remove the restrictions; and I think the Honourable Member based the statement on facts and figures. I therefore take his authority for it. I am not here to ask you to vote for the wholesale removal of restrictions on exports of rice from this country. All that I want is a licensed export of a small quantity of rice for the consumption of our own people, Indians resident in the neighbouring countries and from an area where there is no sign of famine nor prices high. This year I must say, is not bad. Prices have not soared high as we feared they might. In the Tanjore district in Southern India the price of paddy ranges according to the latest information from Rs. 2-6 to Rs. 2-10 per *kalem*, which works out to Rs. 5 to Rs. 6 a maund. Even at this price the complaint is that there are no buyers and stocks might remain unsold.

That there is a surplus of rice in the Madras Presidency or at least in the south of Madras is also proved by the fact that the Government of India have a few weeks ago permitted the export of 15,000 tons of rice to Ceylon for this quarter. Ceylon is only one of the many countries in the East to which Indians emigrate in large numbers. Perhaps as popular, if not more, are the Federated Malay States and the Straits Settlements.

There are about 300,000 Indians in those countries and most of them happen to be South Indians. Accustomed to South Indian rice in early life they are longing for it. Sir, in South India there is a curious situation. The price is low, the demand is very little. As the Honourable the Mover of the Resolution has just now pointed out, there are about two to three hundred rice mills in that district alone. Practically all of them are idle. Yet the export is not permitted. Across the seas there is a dearth of rice. The demand is high. The people are looking forward—our own people there are looking forward to the export of rice from their homeland. After all, the demand is not for much and yet even a licensed export is not permitted. Ceylon has been granted its needs. The inter-provincial restrictions have been withdrawn. In spite of all these the price in South India has not gone high, and therefore it may be taken that the grant of justice to Indians in the Federated Malay States and the Straits Settlements by allowing an export of 15,000 tons per quarter would not at all enhance the price. We may perhaps be told here that this is the first time the Government of India hear of the demand for South Indian rice from those countries. It is because of the discreet silence of the Indians there, who know that one reason or another—war this time, insufficient production a second time, want of shipping facilities a third time—has withheld from them their supplies. Their wisdom which prevented them from being noisy in times of war and famine must not earn them the penalty of a permanent stoppage of supplies from their own country. They shall be told that the non-noisy child also shall get its share by their being granted their quota of the Indian produce. If petitions were wanted, I guarantee the Government a large number of them every month. Before we are flooded with petitions, it is best that their needs are supplied.

With these words, Sir, I would urge upon this Council the necessity to export at least 15,000 tons of rice per quarter to serve the bare needs of the Indian population in the Federated Malay States and the Straits Settlements.

The HONOURABLE MR. E. J. HOLBERTON : Sir, I feel sure that like myself, all of us present here will have been moved by the urgent call for help from Madras. We have heard of mills being shut down and a starving populace in spite of the surplus rice, and I must confess that on the face of it, their case seems a very good one, and I should like to support it. But, on the other hand, we ought to remember that the system of export from Madras must be settled by the Government in consideration of the whole scheme of control. Food control came to us as one of the many evils of the war, and it has remained with us as one of its aftermaths. Until it is possible for us to get rid of control altogether, we cannot look upon the case of one Province without considering the case of the whole of India. In the definition I must definitely include Burma. In making the new control settlement for the Province of Burma, free export was allowed to India and export was allowed to other places under licence. But a condition of it is that an amount of 1,100,000 tons of Burma rice is definitely reserved for India. Now, either it is necessary that this amount of Burma rice should be reserved for India or it is not. If it is necessary, if, that is to say, the whole quantity of rice available in India for India is not sufficient for their needs, then Burma is perfectly willing and anxious to say not one single word against this reserve. If, on the other hand, as we are now told, there is a glut of rice in Madras, if there is any amount to be exported, than it seems unnecessary that there should be any sort of control still retained over the Burma rice crop, and a perfectly free leave should be given to the Burma rice miller and exporter to send his grain wherever he pleases. Therefore, Sir, if I am to support this Resolution to the full, I should desire to hear from the Member in charge whether he is prepared to couple it with a release of Burma from her obligation to hold 1,100,000 tons of rice at the disposal of India during the present year.

As an alternative to this, Sir, as we are perfectly well aware that the fact of the case is that the Ceylon and the Straits coolie likes par-boiled rice in preference to other sorts, for reasons which are perfectly well known to everybody connected with the rice trade or the planting industry, and as we are also aware that in the past this requirement was very largely fulfilled from Madras, it would not, I am sure, be the desire of Burma to stand in the way of the supply at all events of a quantity of par-boiled rice from Southern India. If, therefore, the Resolution could be so amended as to limit it to such quantities of par-boiled rice as are consumed on the plantations in the Straits or in Ceylon, again I should have no objection. But I find myself unable to accept the Resolution exactly as it stands, and I hope we shall be able to get from the Honourable Member in charge some idea as to whether he is able to recede from the position at present taken up by Government that the embargo on the export of rice is definitely not to be removed, and whether he is prepared to accept either of the changes which I have indicated, namely, either that the export from Madras shall be allowed freely in consideration of Burma's obligation being cancelled, or that the export from Madras should be limited to the qualities of par-boiled rice which the coolie community in the Straits and Ceylon have been accustomed to get from Madras.

The HONOURABLE THE PRESIDENT : Does the Honourable Member wish to put forward a formal amendment?

The HONOURABLE MR. E. J. HOLBERTON : No, Sir, not at this moment.

The HONOURABLE RAO BAHADUR B. N. SARMA : Sir, if I intervene at this stage to explain the position of the Government with regard to this Resolution, it is in the hope that further discussion on an elaborate scale may be rendered unnecessary by giving the Council an idea as to what the difficulties of the Government of India have been during the last few months in connection with this rice question, and why they have not been able to remove all restrictions on exports.

I may assure the Honourable Member who has moved this Resolution that the Government of India are perfectly at one with him that the true interests of the country would be served by releasing and relaxing all restrictions on free trade with regard to foodstuffs at the earliest possible date. We realise much more than anybody else can realise, that if we continue these restrictions upon exports indefinitely there would be a danger that the margin which at present is already very narrow and very small—the margin of production over consumption in India may be still further narrowed by driving agriculturists to grow crops—productive commercial crops, instead of food crops. We know that. We realise also that no Government machinery can ever advance the interests of the country by tinkering with trade. We realise also that the country is losing a large amount of mobilised capital which might have come into it if only India and Burma were in a position to export to foreign countries foodstuffs in the same manner as they were able to do before the war. Well, I may assure Honourable Members and the outside public that, if the Government have not been able to relax restrictions in the manner desired by the Honourable Mover, it is because they have felt it to be their duty to protect the consumer as well as the manufacturer; that it would be wise to be cautious at the present moment, and not to release restrictions which have worked comparatively well during the last two years, until they know exactly that the foodstuffs position is much better than they apprehend it is likely to be during the next few months.

There is a good deal of misconception outside that the Government are free traders for the benefit of other countries, which certainly is not the case that a policy of restrictions on exports is a wise policy and that, therefore, the Government ought to be supported to the fullest extent possible if they should conserve stocks in India for the benefit of the consumer. I know that there is that feeling, but it is not because we consult that feeling that we have been compelled to resort to these restrictions, but because the information at our disposal, which we hope may prove incorrect but which we have no reason to believe to be incorrect, shows that the food position is not what it has been depicted to be by the Honourable Mr. Maricair. The whole of his speech and the speech of the Honourable Mover of the amendment proceed upon the assumption that India has enough for herself and to spare for foreign countries, that there are huge stocks here awaiting export and that, therefore, it is meaningless to continue restrictions which might have been for the benefit of the consumer and the general public at a time when there was scarcity, when there was famine

The HONOURABLE MR. MARICAIR rose to a point of order.

The HONOURABLE THE PRESIDENT : The Honourable Member must confine himself to a personal explanation. Is it a personal explanation ?

The HONOURABLE MR. MARICAIR : Yes; I refer only to the districts south of Madras. I confine myself to the southern districts of Madras.

The HONOURABLE MR. B. N. SARMA : I shall deal with that. I am glad to be told that the Honourable Member does not include in his general optimistic survey the whole of India. These proposals proceed upon the assumption that there is enough food in the country, and that, therefore, there is no reason for any anxiety whatsoever, and that these restrictions are meaningless. On the other hand, Honourable Members will find from a reference to the forecast reports which have been published from time to time that the picture is by no means so rosy. Prior to 1918-19 the Government of India did follow a policy that famine or no famine, there should be no restriction upon trade. In 1918-19, the Government, owing to abnormal conditions outside India, were obliged to intervene and placed restrictions upon the free export of foodstuffs including rice, and the event proved that they were wise and that they did not take that step lightly or too soon owing to the world conditions outside and the unfortunate period of acute distress which prevailed all over India in 1918-19. In 1919-20, the Government of India tried their level best to see as to whether they could revert to the condition prior to 1918, and slowly and gradually removed restriction after restriction, until the only restriction that is now placed upon free trade is that India should be permitted to export certain quantities to countries which have been relying upon her and to the extent which has been permitted in the past that Burma should be permitted to export to India as well as to outside countries her surplus, with this proviso that Burma should conserve for India, if she should need it, one million and one hundred thousand tons and with this further proviso that the Government would intervene and impose restrictions if, unfortunately, it should prove that the prices rise much higher than at a fixed definite level, but that the Government were not otherwise going to interfere with the trade and indeed would not interfere with it further except subject to the conditions announced in the Press Communiqué issued on the subject.

You will naturally ask me why these restrictions either? The answer is simple. In 1920 notwithstanding a very good crop in 1919-20, and the prohibition of exports except to a limited extent India imported 800,000 or a million tons from Burma. We inquired as to whether the conservation of foodstuffs which was our immediate object was accomplished. We had no satisfactory answer on that point from the Local Governments, and the fact that imports from Burma were necessary throughout the whole of last year to the extent I have mentioned made us hesitate as to whether our policy of conserving foodstuffs for the benefit of this country has been fulfilled in the manner we desired. Well, assuming that there was no conservation of stocks with another good season we might still have reverted to our established policy of not interfering with trade. But what has happened? Unfortunately for the country the monsoon stopped at a very early date. Several Provinces have reported to us acute distress; scarcity and famine have been declared in some. We asked the Local Governments to give us reports as what, according to their estimate, was likely to be the outturn of the rice crop during the year 1920-21. I do not wish to be an alarmist, and I sincerely trust that the forecast made errs on the side of being extremely conservative. But on the position as it was and as there was no alternative but to apprehend that the outturn of foodstuffs and of rice during 1920-21 may be far from sufficient for the needs of the people during the coming year. The average for the

[Mr. B. N. Sarma.]

five years ending with 1917-18 was roughly 27.6 million tons. In 1919-20, we had a good crop, as I told you, and it was 30 million tons; and our forecasts for 1920-21 do not exceed 24.9 million tons. That will show that far from there being any surplus in the country for export, if this should unfortunately prove to be a correct estimate, we shall be far short of the necessary supplies for the country. That was the reason why we had to conserve the Burma stock for the sake of India. We found that on an average in a bad year India imported from Burma more than a million tons. Therefore we felt that it would be wise not to exceed that limit, but to conserve that 1,100,000 tons for the benefit of India and to permit Burma, which always produces a surplus, to export to any country it likes one million tons. Well, Sir, that is our justification for continuing the embargo on the export of rice from India. If we prevent Burma from selling her rice to any country she pleases because we fear that the stocks in India are not superabundant and may not be sufficient and the more so if unfortunately we should have another bad year, what justification is there for the Government to permit India to export to foreign countries for the benefit of her manufacturers or farmers? There is absolutely none, and consequently we were driven to the conclusion that if we conserved the rice stocks from Burma for the benefit of India, there was no justification for India to export her stocks, if any, to outside countries freely. But we did make an exception in the case of those countries which had an Indian population, and we have not prohibited the usual quantities which have been rationed in the past to those countries. We did more. The Ceylon Government represented to us that if they were compelled to buy only from Burma there might be various difficulties and that they should be permitted to buy from Madras also. The Madras Government also were anxious to help Tanjore merchants and manufacturers and rice-millers, and have represented to us that with safety some stocks might be allowed to go from Southern India.

The Ceylon Government to the best of my recollection asked for 60,000 tons from Southern India during the whole year. Divided by four, it would be 15,000 tons per quarter and we did allow 15,000 tons to Ceylon, and therefore we fulfilled all the requirements which the Ceylon Government placed before the Government of India on behalf of the Indians there to the fullest possible extent, and if any further representation should be made to us that those quantities required revision, they would receive the most sympathetic consideration.

Then coming to the Straits Settlements and the Federated Malay States, the first time we heard of any inconvenience caused to the Indian settlers there was from the Honourable Mover of the amendment. He depicted to us a picture of people who suffered in silence, and that we should not turn the whole country into noisy agitators. I quite appreciate the full force of that argument. But it is rather curious that no representation has been made hitherto from Southern India, from the Straits Settlements, the Federated Malay States or from anybody concerned to the Government of India that there was any inconvenience caused. I find the Honourable Member asks for 15,000 tons. What is it I find? I find that the exports, previous to the restrictions being placed, to the Straits Settlements were only 2,753 tons on the average, and the exports to the Federated Malay States were only 921 tons? so that these two countries took from India only 3,600 tons, a very small quantity,

and they found that they were not inconvenienced at all by the stoppage of these small quantities, because they were getting

The HONOURABLE MR. MARICAIR: May I know the year that the Honourable Member is referring to?

The HONOURABLE MR. B. N. SARMA: This was the average of the three years ending 1916-17, that is for the years 1914-15, 1915-16, and 1916-17, prior to the imposition of restrictions. The Honourable Mover of the amendment asks for 15,000 tons per quarter or 60,000 tons per annum. That is evidently because he did not have the statistical information which the Government of India have in their possession. But I take it that his point is that whatever quantity used to be exported from India to these countries which have a large resident Indian population should be allowed to be exported there. Well, my point is that Burma has been supplying them, and there has been no complaint there. It would be time enough for us to consider and review the position if there should be any representation made by the people themselves or by the Governments concerned. But at the present moment surely the Honourable Member will realise that there is absolutely no case for us to re-open the question with regard to the Federated Malay States and the Straits Settlements.

Apart from this there is another point. It is not these three countries alone which have a resident Indian population. We have Mauritius, we have Seychelles, we have South Africa, we have many other places which have been receiving supplies under the rationing scheme to a certain extent, which are exactly in the same position as the Federated Malay States and the Straits Settlements. I do not see what justification there would be for the Government of India to draw a distinction between the Straits Settlements and the Federated Malay States on the one hand and the others on the other; and if we throw open exports freely to those countries, what guarantee would there be that there would be no re-export? Even assuming there are guarantees that there would be no re-export, the result would be that we would have to export more than 300,000 tons from India, a proposition which cannot be entertained for the reasons that I have mentioned that we apprehend a shortage of supplies in the coming year for India's consumption. Well, Sir, there is one point I should like to refer to with regard to South India. It is rather curious that in South India prices of rice have always soared up much higher than in the rest of India. I have not been able to understand the reason clearly, unless the figures relate to different quantities and I asked for the figures this morning and I find that in Tanjore rice was selling at Rs. 8-12-0 - I hope the gentleman in charge of these figures has not misinformed me. This does not show that there are stocks there which are rotting for want of export. The prices in Madras were Rs. 6-15-0; in Tanjore Rs. 8-12-0, as against Rs. 5-6-0 and Rs. 5-8-0 in Calcutta, and Rs. 6-4-0 in Bombay and Rs. 7-1-0 in Nagpur, which is famine stricken

The HONOURABLE MR. MARICAIR: Is the price of Rs. 8-12-0 just stated, per maund?

The HONOURABLE MR. B. N. SARMA: Yes, per maund, as per figures, on the 12th February. Therefore, the assertion that there are plenty of stocks requires a little re-examination. I hope what I have said is sufficient for the purpose of convincing Honourable Members of this Council that there is not much difference between the Mover and ourselves on the general question

[Mr. B. N. Sarma.]
of principle. We will only be too glad if we can withdraw ourselves from the position which we were obliged to take up for the benefit of the consumer here in the past and to which we are obliged to adhere at the present moment. There is no question of the office of the Director of Civil Supplies controlling movements as heretofore or any more of those restrictions, because we have removed completely all internal restrictions. It is no use referring to ancient history. The present case has been very well put from the point of view of the Tanjore Mirasdar. But we have to remember that even the Tanjore Mirasdars may find some market for their stocks in the areas which seem to be devastated by famine, the Ceded districts, Hyderabad and other places. If they cannot find a market and if they make a representation, we shall see what can be done, but Government are not in a position unfortunately for the reasons I have given to help the Honourable Member by agreeing to his suggestions at the present moment.

The HONOURABLE SIRDAR JOGENDRA SINGH: Sir, the Honourable the Revenue Member seduced me to a lunch, and I did not hear 3-39 P.M. the speech which the Mover made in moving his Resolution, so I do not know what arguments he advanced. But I have heard very carefully what the Honourable the Revenue Member has said. His argument is that on principle he is fully convinced that restriction of exports is wrong. But he says that the stocks in the country are lower than they ever were before, and that restrictions are necessary; which even in the worst famine years were not considered necessary. I should have liked him to produce facts to show what the stocks in past years were when we had famines and when we had free export of foodstuffs. He has not answered that. But what he has said is simply this; that stocks are low now and that millions of tons of rice are imported from Burma. I should like to know what the normal import of rice is from Burma in normal years. The whole argument is based on the fact that restriction of exports is necessary in the interests of the consumer. The Honourable the Revenue Member has ignored the fact that in India the producer is also the consumer. Perhaps 90 per cent. of the population which consumes food stock is also the producer, and this population has greatly suffered by the restrictions which have worked more for the benefit of the exporter than of the producer. I remember reading an article in the *London Times* pointing out the exports that were made during the war and the prices at which they were made. The prices were regulated by the Government of India through a Wheat Commissioner who was then appointed. It is impossible for me to calculate, but I think the Honourable the Revenue Member will admit that the loss to India runs into millions.

If these millions had come to the country, India to-day would have had a very large trade balance and would not have been in financial difficulties, needing sales of Reverse Council Bills which have drained our finances dry. The question before the Council now is, whether we are justified in continuing a policy which will inevitably lose us the markets of the world. We, the producers of India, after many years were able to establish relations with other markets, our produce was in demand and we were able to export freely. For the last three years our exports are restricted. We can only sell to the Wheat Commissioner or whoever is the controller, at prices which are fixed by the Government of India. The result is that we are every day losing the markets of the world; and when in the ripeness of time the Revenue Member awakens

to the need of removing the embargo, we may find that we have no markets for our produce.

Another matter to which I want to draw attention.

The HONOURABLE THE PRESIDENT: I wish to draw the Honourable Member's attention to the fact that the matter under discussion relates to rice. I hope he will keep as close to rice as possible.

The HONOURABLE SARDAR JOGENDRA SINGH: I am sorry, Sir, that I mentioned wheat.

The HONOURABLE THE PRESIDENT: Please keep to rice.

The HONOURABLE SIRDAR JOGENDRA SINGH: Another matter to which I want to draw attention is that the producer of rice has to spend much more than he used to spend before. He pays at least three times as much as he did before the war for his ploughing oxen and the cost of production has doubled. For his own produce he cannot get the price that is his due.

I think the Honourable the Mover of the Resolution was absolutely right in pointing out that the Government of India is moved by the fear that the articulate classes, who have been talking about restricting the exports of food-stuffs and fixing of prices, would be disturbed. I think there is more reason to fear the disturbance in the villages. We, who live in the villages, know that people are finding it difficult to pay their rents; the prices of cotton and other goods are falling, world prices have fallen also, and they can hardly meet their demands. Under these conditions, I do not think the Government of India would be well advised to continue the embargo on the export of rice for any length of time.

I know that the Honourable Revenue Member laid great emphasis on the forecast which his Department prepared. I wonder if the Honourable Member knows how the material for these forecasts is provided. Some *patwari* in the village is asked to report; he sits down and makes a rough estimate, which has generally no relation to the produce that is growing, and sends it in. This is again boiled down in the Office of the Revenue Officer somewhere, put into shape in the Office of the Provincial Director, till the information reaches the heights of Simla or Delhi, and this forecast, so far as I am aware, has really no relation to facts. If in the worst possible years we were able to export foodstuffs, such as rice, I do not know that in the present year we are not in a position to go back to normal conditions. The Honourable the Revenue Member said that in 1918, 1919 and 1920 the stocks were abnormally low. Can he point out that the stocks were lower than in the worst famine year in the United Provinces? (I have no memory, and I cannot point out the year, but it is well known.) In 1918 and 1919, so far as I am aware, in the worst affected Provinces it was not necessary to open any large famine relief works: that state was never reached. Under these conditions, I am not prepared to accept the Honourable the Revenue Member's statement that the stocks to-day are abnormally low. In the present year, the conditions, I must admit, are not very favourable. Rain has failed in many places, and it is not possible to say what the *rabi* crop is going to be. But without fear we can depend on the laws of supply and demand. The producer generally always saves up his food and only puts in the market the surplus of his produce: and I think we might leave it to his discretion even now. He would not sell what he needs for himself.

[Sirdar Jogendra Singh.]

In these circumstances I would very earnestly draw the attention of the Council to the very serious situation that is arising, so far as the agriculturists are concerned, with the restriction on rice and other things. The agriculturist is losing the market and he is the backbone of the country. If he loses the market then a very serious situation will arise. With due deference to the Government of India and the Revenue and Agriculture Department, I must say that we are not in a position to interfere with the country's trade. I was on the Foodstuffs Board. The very first thing that some Provincial Governments did was to stop free trade between the Provinces. It took many months to clear up the muddle. I say again that I think the time has arrived when we should remove the embargo and allow the people a free market.

The HONOURABLE DR. JHA : Sir, like the last Honourable Member who spoke, I also come from the villages and the point of view of the villager is that much of their trouble with regard to foodstuffs is due to what they call the 'wicked' policy of the Government encouraging unrestricted trade. They do not of course understand the law of free trade or the law of supply and demand, and they think that it is the unrestricted export of foodstuffs that is responsible for the high prices.

The HONOURABLE MR. KALE : Sir, from the speeches we have heard up to now, I am afraid that Honourable Members have been placed in a very awkward situation. We have had various views put before us in regard to the condition of the cultivators, merchants and other classes of the community. On the one side we are told that the price of rice is going down and that millions are suffering. On the other side, we are told that cultivators look with horror upon the idea of the removal of restrictions on the export of rice. We know that figures have been placed before us by the Honourable Member in charge of the Revenue Department. The accuracy of those figures has, however, been doubted on the other side. If there are such differences with regard to the vital question of the conservation of the food supply of the country, I do not know what is the conclusion at which the Members of this Council are expected to arrive.

Many conflicting things are said about the cultivator; when prices are high, it is the poor cultivator who suffers. He also suffers under low prices. In regard to Southern India, I have read the newspapers from that part of the country and I find that much of the agitation in favour of removing the restrictions on export of rice is agitation led by merchants. It is a middlemen's agitation and it is very difficult to understand how the high prices of foodstuffs and the profits of trade will go into the pockets of the poor producers. We know under what conditions ryots sell their produce and what the advantage of dear rice will be, and we know that it will not go into the pockets of the helpless cultivator. Most of the advantage is taken away by the middlemen. In the Madras Presidency itself I have seen that there is a controversy going on in the newspapers on this subject, and the consumer's point of view has been placed before the readers of some of them. And, therefore, if the responsible Department of the Government tells us that there is the danger of a shortage of foodstuffs in the coming months, I think every effort must be made to provide safeguards against such a contingency. During the last few years, on account of the increase in prices, so many evils have crept into the country. There has been so much discontent and unrest in the country, we have been told, on account of

the rise in prices. Are we not going to conserve our food supplies as far as we can? On the other side agitators have been telling us that the Government has been deliberately encouraging export of foodstuffs, that the poverty of the country, and the prevailing discontent are all due to the policy of the Government. In these circumstances, I do not think that the Government will be well advised in removing the restrictions at the present moment. If, however, Government really finds that Indians in Ceylon and other places do want a reasonable supply of rice, I hope it will take immediate steps to provide that supply. But subject to this, I do not think that at this stage it will be wise on the part of the Government to remove all restrictions, and therefore I do not see my way to support the Resolution.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I am entirely in agreement with what has fallen from the Honourable Mr. Sarma that this embargo on rice should be maintained till the conditions obtaining in the country improve and we are distinctly in a better position. Speaking for my province, I must point out that we had for the last two seasons very poor harvests. The province is suffering on account of the scarcity of the last rainfall, and the result has been that not only the price of rice has gone up considerably in the whole of the Central Provinces and Berar, but in some parts of the province it is almost impossible to obtain the ordinary requirements of rice. In view of these circumstances, it is only necessary and proper that this embargo on rice should be maintained. Some of my Honourable friends have spoken about the principle, and have pointed out that it is a wrong policy of Government to interfere with the liberty of the people and to maintain a control over foodstuffs. So far as bare principle is concerned we are all agreed. All of us are of opinion that at the earliest possible opportunity the control of all foodstuffs should be promptly abolished by Government, but we have also to look to the exigencies of the case, and, so far as the present situation is concerned, I think no case has been made out for the export of rice. Charity always begins at home. Let us first look after our own internal affairs, let us provide sufficient food for the population of India, before we think of allowing foodstuffs to go out of the country. I am there in entire agreement with what has fallen from my Honourable friend Dr. Jha. One or two remarks were made by the Honourable Sirdar Jogendra Singh about our losing the markets of the world and our agriculturists being placed in an awkward predicament by the control system. I have not been able to follow his argument. I do not see how we can lose the foreign markets once we have got our surplus stocks. If there is a demand in other countries there will always be a market for our Indian rice or for Burma rice. As soon as we are in a position to supply rice our old markets will be restored to us. I do not therefore think that for the mere fact that for a temporary period we have to lose our foreign markets, we should carry on the trade with such foreign markets at a sacrifice of Indian interests. I cannot appreciate that point of view, and I am sure Council will agree that the position taken up by my Honourable friend is altogether unmaintainable. I agree with my friend Mr. Kale when he stated that this agitation is carried on by the merchant classes and the middlemen who benefit by these exports. It is this class of people who make large profits, who profiteer when there is scarcity of crops, and who are directly benefited by the removal of this embargo. It is this class which sets up agitation, and I am of

[Sir D. Wacha.]

severe of the 19th Century in India, the Government of India appointed a Famine Commission with Sir James Lyall as its President. In his report a remark was wisely made, that as new railways had been built here, there and everywhere, one of the uses of such railways particularly was to greatly utilise them in times of famine. It may happen that foodstuffs were very cheap in one province while there might be none in the other province. Railways would go a great way to help to bring the surplus of one province and pour it into another where there was a famine. In that way railways would not only prove a beneficent agency for the conveyance of foodstuffs but also help to equalise the prices in the different provinces. That is a very important point which Honourable Members at this stage ought also firmly to remember. Sir James Lyall's statement was very wisely endorsed by the Government of India at the time. So, here are two different instances to be borne in mind, one of the Orissa famine and the results of it, and the other of the famine of 1899, and what Sir James Lyall had said as to the uses of railways and how the surplus of one province should be diverted to the other province where there was a famine. That being the case, I think all Members of this Council will agree with the very careful exposition of the rice statistics which the Honourable the Revenue Member had made. I heartily concur with him. I am a student for several years past particularly of foodstuffs I myself have got statistics from my friend Mr Shirras, the Director of Statistics, over two years ago, which go a great way to corroborate the statement which the Revenue Member has made to this meeting to-day. Therefore, I do say that the Government are right in conserving the foodstuffs of the country. The population is also increasing. In all probability the census which will take place next month will tell you exactly how we are situated, and you will possibly find that the Revenue Member will have something more definite to fortify his statement than now, that the population has increased and that whatever margin of rice there may be in the country, even that will not suffice for the increased population which the Census may disclose. Therefore, taking everything into consideration, I think a wise Government in any part of the world would certainly deem that foodstuffs were such a commodity that, whatever free-traders or other economists may say, they must be conserved where the margin is narrow. Under the circumstances, I think the Government of India are doing the right thing and very wisely in putting an embargo on rice for a time. I do not go into the other question of the middlemen and the agitators and one thing and another mentioned by previous speakers. I do not think I would be in order if I were to do so. But I will give only one analogy. On the outbreak of the war, cotton merchants in Bombay were greatly alarmed because the price of cotton went down from Rs. 400 and Rs. 500 to Rs. 150 per candy. The middlemen and the cotton dealers rushed to the Government of India to come to the aid of the ryots. In substance they said: 'Oh, the cotton cultivators will be ruined,' just as some people are now saying that: 'The rice cultivators will be ruined if there are no exports.' But what happened eventually to the cotton dealers? The Government of India very wisely, very cautiously sent down Mr. Howard to Bombay to ascertain on the spot independently of all interests what the real position was in the cotton-growing districts.

He made a report to Government, and what was the report? That all the cry was an alarmist agitation of the middlemen; and the deputation

which went to Simla returned to Bombay with heads bowed down because they were very properly told that there was no foundation for their allegation. Exactly the same thing is happening now. I recall all these facts because oftener than not past history is forgotten in these days. But it is better to remember it when similar questions come to be considered by this Council. Starvation or no starvation of a whole class of people is the vital question for their consideration. Therefore I heartily express my agreement with the statement made by the Honourable the Revenue Member that for the present the embargo on rice should be continued till better times are in prospect.

The HONOURABLE MAHARAJA SIR M. C. NANDY: Sir, from past 4-12 P.M. experience we know that India cannot produce her foodstuffs regularly throughout the year. Under these circumstances, we have to bring our foodstuffs from Burma; so I think it is not proper to remove the restrictions which have been put by the Government on rice.

The HONOURABLE MR. A. CHETTIYAR: Sir, with regard to the 4-13 P.M. middlemen's agitation, I should like to say that I am not here to agitate on behalf of middlemen or on behalf of the cultivator or on behalf of the millowners. The object of my bringing in this amendment is to supply the needs of Indians resident in the Federated Malay States and Straits Settlements, and especially of those who are accustomed to South Indian rice. In the earlier part of my speech I said that after hearing the Honourable the Revenue Member the other day with regard to the conditions prevailing in India, I am not here to ask you to vote for the wholesale removal of restrictions on the export of rice. So I say the remarks made by several Honourable Members of this Council do not apply to me.

Then with regard to the remarks made by the Honourable the Revenue Member that there is much difference between the quantity actually exported from this country to the Straits Settlements and the Federated Malay States and the quantity asked for in the amendment, I must say, as the Honourable Member himself pointed out, that I have not got the figures which the Government have. I am now prepared to reduce the figure from 15,000 tons to 5,000 tons. But with regard to this I should like to say that the figures that the Honourable Member quoted referred to the years 1915, 1916 and 1917. In 1914 the war broke out. I should like to have the figures for the three years before 1914.

Then with regard to his remarks that the representation should come from the people themselves or from the Government of the Straits Settlements, the Indian population in those two countries is very small when compared to the other local population of those countries, and it will be too much to expect the Government at Singapore to ascertain what particular kind of rice the Indian population there would like and send up a requisition to the Government of India here. Then the Honourable Member said that the representation should come from the people. It is natural for a people to endeavour to get their wants supplied through their representatives rather than take the tedious and irksome process of approaching Government. I think we from the Madras Presidency may be considered as the representatives of the people, especially those from South India who are settled in those countries. I have received several letters from responsible men in those countries that the Indians there are anxious to have South Indian rice; and it is that that made

[Sir Maneckji Dadabhoy.]

opinion that so far as the interests of India are concerned, till we are assured of a proper surplus, every possible attempt should be made to conserve our resources and to stop the export. My friend the Sirdar has also mentioned something about the forecasts which are presented for public information from time to time, and he has challenged the position taken by the Honourable Mr. Sarma. He has rightly stated that these forecasts are always not trustworthy. But Government has to go upon some principle. They have to go on some basis of calculation, and the present system, which has been adopted, seems to be the only method by which some sort of approximate figures could be arrived at. My friend has also challenged the statement that there are no stocks in the country. But he has not pointed out where the surplus stock is or from what part of India the surplus stocks could be obtained. In view of these circumstances, I am of opinion that the attitude taken by the Honourable the Revenue Member on behalf of Government is correct, and as long as Government feels that the interests of India will suffer and her large population will not have ample foodstuffs for their maintenance, the present policy of Government should be vigorously continued. I, therefore, hope that the Council will not accept the Resolution as well as the amendment.

The HONOURABLE MAUNG PO BYE: Sir, the export trade of the Indian Empire, as far as rice is concerned, in the year 1918-19, shows 2 million tons, out of which Burma's share was 1,600,000 tons, or three-fourths of the export belongs to Burma. During the war and during the period of famine the export from Burma was restricted in order to supply rice to consumers in the other provinces of India. So, Burma, as far as rice is concerned, supplies direct to the Indian consumers, and she would like to do it quite willingly at whatever price the Government thinks fit to fix with due regard to the open market price. But Burma objects to the middle people making money between the growers and the consumers. The exporter from any province should not draw any quantity of rice from Burma for the purpose of export again from his province, and I hope the Government would safeguard Burma's interests from existing restrictions in order not to give advantage to the middleman for making money out of the trade.

The other provinces should buy from Burma in open market, whereas for the last three years the Government of Burma have fixed the prices by restrictions. In 1918 it was Rs. 105 for 100 baskets of paddy, in 1919 it was Rs. 120 for 100 baskets, and in 1920 it was Rs. 180. These prices are fixed in order to supply at a low rate rice to India from Burma. I, therefore, Sir, want to ask this Council to do justice for Burma and not to take the supply from Burma for the middleman to make money out of Burma.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: Sir, I have been rather uneasy in my seat till now. This is a free fight really between the villager and the paid man in the cities, and I can with truth say that this is a fight between ninety-five per cent. on one side and five per cent. of the population on the other. All the zamindars who produce rice, even if they have got one bigha, have to pay revenue on it, while others, the middlemen, or whoever they may be, though they might get Rs. 2,000 as income, have not got to pay a single pice. We are unfortunately

subject to the settlements which are called *Bandobasts*, which in other words mean putting one to trouble. After every twenty years Government revenues go up; on the other hand they go and stop export for internal consumption and naturally the price of rice goes down. So where are we to get money to pay Government? I hope we shall not be forced to suffer for that five per cent., so that people may not think of going towards Mahatma Gandhi and say that they will not pay revenue at all.

The HONOURABLE THE PRESIDENT: The Honourable Member must keep to the Resolution.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: I appeal to the Council through you, Sir, and to all those who are zamindars to stick to this, as if we do not form a majority to carry it out it will not be our fault, but perhaps the fault of the Reforms.

The HONOURABLE SIR D. WACHA: Sir, I think my friend the Honourable Mr. Kale was correct in crystallising the debate.

4-4 P.M. There are two sides to the question. One side is represented by the Revenue Member who gave us a very convincing statement to prove that the foodstuffs of the country, so far as rice is concerned, are not so great as to permit the Government to release the embargo on rice urged by the other side.

The first question about all foodstuffs of the country, whether it is wheat, rice or any other article, is this:—whether they are enough for the population to consume, or whether there is a margin. If the margin is very great, then, of course, we can justify exports of any kind of foodstuff, whether wheat, rice or bajra, or any other grain. But if the margin is not so very wide, and if another monsoon fails to give us the necessary produce, where will the country be? That is a question of a most important character.

That is, I repeat, a question of a most important, nay vital, character, and I think any Government, not only the Government of India, but any civilised Government, will be wise to take into consideration the actual agricultural products of each year, and see whether there is enough to suffice for the population or not, and whether there is a surplus, and, in that case, whether the surplus should go abroad or not. Free trade policy inculcates that exports of all kinds of commodities must be freely allowed to go out; but I believe there are limitations even to such a policy of free trade. I myself am a strong free-trader, but in spite of that, I believe that, as far as foodstuffs are concerned, the Government of India are right in still keeping an embargo on rice. I will relate to the Council some ancient history. It goes back as far as 1874 when there was a very severe famine in Orissa. Lord Northbrook was then the Viceroy. He was a strong free-trader. Mr. Robert Knight was a strong economist, and from time to time he wrote telling the Government that the famine in Orissa was so great that the Government would act wisely in not allowing exports of rice to go abroad. Lord Northbrook and his Government, on the other hand, thought 'Never mind, whatever may happen, the exports ought to go freely forward'. What was the result eventually? A very severe famine in Orissa of a most disastrous character occurred carrying off lakhs and lakhs of people. That was the lamentable result of having allowed free exports at a time when there was not sufficient rice in the country to feed even the people of Orissa. We have grown wiser and wiser every time after a famine has taken place; and we now know exactly when we must put an embargo, even a temporary one, on the export of foodstuffs and when we should not. When the famine of 1899 took place, the most

[Mr. A. Chettiyar.]

me approach the Government. I hope the Honourable Member, even though he is not prepared to accept the amendment, will give us an assurance that such quantity of rice as is required according to his own estimation will be supplied to those who want it. In conclusion, I must say that the Indians in those countries are really very anxious to have South Indian rice.

In South India, as I have already said, the price of paddy, has not gone high. The quantity that is required for Indians resident in these two countries can be safely exported.

The HONOURABLE THE PRESIDENT: I call on the Honourable Mr. Maricair to reply.

After a pause as there was no immediate response, the Honourable the President said: Does the Honourable Mr. Maricair wish to reply or not? If Honourable Members wish to speak, they must rise in their seats, so that I can see them. It is impossible for me to see members if they do not stand up.

The HONOURABLE MR. MARICAIR: Sir, I heard the very interesting 4-22 P.M. speeches made by a number of non-official members, and if I say much more about my experience of the trade, Honourable Members will perhaps think that as a merchant myself I am trying to make a business over it. I am on the spot, and I really understand the situation of the Indians domiciled in the Straits Settlements, the Federated Malay States and in Ceylon. I am in close touch with them, and so I mentioned about the representations which I have been receiving from various parts of the country which the Honourable the Revenue Member said that this was the first time that he heard of these representations from the Straits Settlements. As my Honourable friend Mr. Annamalai Chettiyar said, if the Government will kindly make a reference to the authorities in the Straits Settlements, surely our statements will be found to be correct.

With regard to the figures, the Honourable Member referred to the actual quantity of cargo shipped during the three years from 1914—1916. Well, as my friend Mr. Annamalai Chettiyar said, it was during war time when the steamship companies were not able to run their steamers regularly. Those were the years when we were not able to find steamers to carry our cargo, hence the figure is so small. As has already been pointed out, if the figures previous to 1914 are taken into account, Government will see that the quantity is much larger than 3,600 tons.

With regard to his remark, though we are interested in the people who are resident in Southern India, we have no objection to Government allowing the export from all the ports of India. My Resolution refers to the export of rice from India and not from Madras alone.

The fact of the telegrams and letters I have received—and I am sure other Members and the Government also would have received—which distinctly shows that there are surplus amounts available in the Provinces. After all, as some of the non-official Honourable Members said, it is only those who are interested, and the middlemen who want to profiteer, agitate for this kind of arrangement. It is the merchants who realise the situation thoroughly, and not lawyers, big millionaires and some such people. It is the merchants, the

cultivators and the zamindars who realise the situation. The zamindars do not get their crops sold and the cultivators do not get a sufficient price for their paddy to meet their expenses and the payment of taxation. As the Honourable Members of this Council are aware, the expenses of cultivation have gone so high on account of increased wages and many other things, that the cultivators are finding great difficulty in maintaining their crops. As the Honourable Member for Government properly expresses it, if this kind of restriction is continued any longer, those paddy cultivators will surely turn to something else, i.e., cotton cultivation. This may probably be very interesting to the Honourable Sir Dinshaw Wacha for the export to England and to other places.

I am here to look after the interests of the people who are actually starving over the other side and the paddy cultivators of India, and I am so sorry the Government could not see its way to accept my Resolution. I am also sorry that some of the Honourable Members of this House are finding it difficult to accept it and to support my motion.

As regards the remark made by the Honourable Pandit Ganga Nath Jha, I do not know how he is justified in saying that the villagers will be ruined if this is allowed

The HONOURABLE DR. JHA: I did not say they would be ruined. I said that they would view the removal of this restriction with horror.

The HONOURABLE MR. MARICAIR: Well, if it is not so, it will be in the interests of all concerned that export on a certain scale should be allowed. As a matter of fact, it is the first time in our lives that the Government ever interfered with such restrictions, and there have certainly been heavier famines than this time. Even in those times the Government never thought of imposing such heavy restrictions. It is most disappointing that the Government feel they must continue the restrictions for some more time. If it is continued, I do not know what will happen.

With regard to the price the Honourable Member mentioned in Tanjore, i.e., Rs. 8-12-0 per maund of rice we have no such system in our district and there are no bags of maunds like what is in vogue in Calcutta. Our bags contain 195 lbs. and are equal to 2½ maunds. The price at present is Rs. 17 per bag, i.e., for the superior quality, and so I hope I may be permitted to say that the figure quoted by the Honourable Member is somewhat inaccurate. On the whole, therefore, the situation as it stands at present is uncertain. With regard to Ceylon, some of the non-officials and officials of Ceylon had a deputation with the Government of India some time ago and they have applied for 60,000 tons, and I can say that it was very kind of the Government to allow them 15,000 tons.

If the Government of India, however, think that the deputation sent up by the Government of Ceylon and by the people of Ceylon was genuine, could not the Government of India see its way to increase this allotment by a further 15,000 tons and bring it up to a total of 30,000 tons, because the present allotment, as we all know, is insufficient? Another important point which I wish to make, for the information of this Council, is that the allotment made by the Government, is to import one million and one hundred thousand tons of rice from Burma to India. I do not think such a heavy import is needed and I may at once say that the Government of India are well aware under

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the orders issued last year that a large quantity which has been landed by Best and Company and Walker and Company and one or two Indian firms is lying undisposed of. At this stage, the new cargo is imported, I may say that the Government of India would no doubt have received information that those importers have sustained a serious loss. These imports were unnecessary and I believe that a large quantity has already arrived. I ask the Honourable Members of this Council not to mistake me, for I am not speaking from the point of view of selfishness or self-interest. Last week I consigned by a steamer called the 'Torilla' from Akyab to Tuticorin a cargo of 64,515 bags of paddy, and this cargo is still lying undisposed of. There is no demand for it and I can say that there is a great deal of slackness in that business especially as regards Burma rice and paddy. This is due to Southern India having so much surplus in the country, both of last year's and this year's crop and consequently Southern India could have easily allowed a certain quantity to go abroad. And so, Sir, I request once more that due consideration may be given to the matter. I am sure that my motion will be rejected if I insist upon it, and so I have no other course but to withdraw it. I may say one thing : I hope that the Government will consider my Resolution and see what it can do. Since the Government itself is satisfied that our statement is correct, I hope the Government will do the needful in allowing a certain amount of rice to go abroad. With these few remarks I withdraw my Resolution.

The HONOURABLE THE PRESIDENT : Do I understand the Honourable Member, having argued the Resolution at length, now desires to withdraw it ?

The HONOURABLE MR. MARICAIR : Yes, Sir.

The HONOURABLE THE PRESIDENT : Is it the pleasure of the Honourable Council that the Honourable Member be permitted to withdraw his Resolution ?

The Resolution was, by leave, withdrawn.

The HONOURABLE THE PRESIDENT : We have now made so little progress with the business this afternoon that I think I must give an opportunity to the next Honourable Member to move his Resolution if he so desires. Does the Honourable Member desire to move his Resolution ?

The HONOURABLE SIR ZULFIQAR ALI KHAN : I think, Sir, I will take my chance of priority when non-official business comes up next time.

The HONOURABLE THE PRESIDENT : In these circumstances it will be useless to go on with the other business and I propose to adjourn the Council till Monday, the 21st, in this Chamber at 11 A.M.

The Council stands adjourned till Monday, the 21st February, at 11 A.M.

COUNCIL OF STATE.

Monday, 21st February, 1921.

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

QUESTIONS AND ANSWERS.

FINANCIAL CONTRIBUTIONS.

139. The HONOURABLE MR. MARICAIR : (a) Will Government be pleased to state what action they have taken in the matter of financial contributions between the Central and Provincial Governments ?

(b) Has the Secretary of State for India been addressed in the matter ?

(c) If so, what is the final decision arrived at ?

The HONOURABLE MR. E. M. COOK : The Financial Relations Committee was appointed by the Secretary of State to inquire into this question, and their report, together with the views of Local Governments and the comments of the Government of India, was forwarded to the Secretary of State and laid before the Joint Select Committee. The final decision arrived at by the Joint Select Committee is contained in rules 17 to 20 of the Devolution Rules, a copy of which will be supplied to the Honourable Member.

Questions Nos. 140 and 141 were not asked.

EXECUTIVE COUNCIL OF GOVERNOR GENERAL.

142. The HONOURABLE MR. BHURGRI : (a) Will Government be pleased to state if they have recently considered the question of redistribution of portfolios in the Executive Council of Governor General ?

(b) If so, what decision have they arrived at ?

(c) When, if at all, is a redistribution to take place ?

(d) Is it a fact that Sir Llewellyn Smith has submitted a report to Government on the subject. If so, will Government be pleased to lay on the table the report along with any orders they may have passed on it ?

The HONOURABLE SIR WILLIAM VINCENT : (a) and (b) The question is one for the personal decision of His Excellency the Viceroy and Governor General, and the Government of India understand that the issue of final orders has been kept pending for the decision of Lord Reading after his arrival in India.

(c) The attention of the Honourable Member is invited to the answer given by me to a similar question asked by Sir Debaprasad Sarbadhikari at the meeting of the Legislative Council held on the 16th September, 1920. The Resolution embodying the orders of the Government of India on the Report of Sir Llewellyn Smith's Committee was published in the Gazette of India of the

18th September, 1920. I shall be happy to send a copy of the Resolution to the Honourable Member, if he so desires.

BOY SCOUTS ASSOCIATION.

143. The HONOURABLE RAJA MOTI CHAND : In reference to the recent visit of the World's Chief Scout to India, will the Honourable Member for the Education Department be pleased to state if the Government proposes to take any steps for encouraging scouting amongst Indian school-boys ?

The HONOURABLE KHAN BAHADUR MIAN MUHAMMAD SHAFI : The Boy Scouts Association is a private organisation. The Government of India regard such movements with favour, when they are organised on sound lines. The Honourable Member's attention is invited to the Government of India (Education Department) Circular letter No. 260, dated the 22nd March, 1917, which was published at the time and was subsequently laid on the table of the Imperial Legislative Council, along with other papers, in reply to a question by the Honourable Mr. V. J. Patel on the 18th September, 1918.

SLAUGHTER OF CALVES.

144. The HONOURABLE RAJA MOTI CHAND : Will the Honourable Member for the Department of Revenue and Agriculture be pleased to state—

- (i) If it is a fact that calves born at Government Military dairy farms are ordinarily killed soon after their birth ?
- (ii) If so, the approximate number of calves thus killed within the last three years ; and
- (iii) If the Government propose to take necessary steps for the protection of the lives of such calves ?

The HONOURABLE RAO BAHADUR B. N. SARMA : The answer to the first part of the question is 'No'. The second and third parts therefore do not arise.

WAR LOAN, 1929-47.

145. The HONOURABLE RAJA MOTI CHAND : Will the Honourable Member for the Finance Department be pleased to state—

- (i) If the 5 per cent. War Loan of 1929-47 and the 5 per cent. loans of 1945-55 were issued at Rs. 95 with an undertaking that the Government will set aside annually one and a half per cent. of the amount of the loan to form a Depreciation Fund in order to buy in the loan when it falls below the issue price ?
- (ii) Has the attention of the Government been drawn to the present nominal quotations of these loans at about Rs. 76 and Rs. 79 ?
- (iii) Do the Government propose to come into the market to buy in the loans to protect the interests of investors, or to allow their conversion at Rs. 95 with any fresh loans or bonds at a rate higher than 5 per cent.

The HONOURABLE MR. E. M. COOK : (i) and (ii). The answers are in the affirmative.

(iii) I refer the Honourable Member to the answer which I gave to an almost identical question put the other day by Sir Maneckji Dadabhoy. Government are not prepared to give any such guarantee as is implied in the suggestion regarding conversion rights.

ARMS ACT.

146. The HONOURABLE RAJA MOTI CHAND : Will the Honourable Member for the Home Department be pleased to state if the Government will consider the advisability of exempting Honorary Magistrates and Government Pensioners from the operation of the prohibitions and restrictions contained in the Indian Arms Act, 1878 ?

The HONOURABLE SIR WILLIAM VINCENT : The Honourable Member is referred to the Home Department Resolution No. 2125-C., dated the 21st March, 1919, from which he will see that the policy of the Government is to confine exemptions within the narrowest limits practicable. They are therefore not prepared to extend the list of exemptions in the manner proposed.

BUSINESS FOR MARCH, 1921.

The HONOURABLE THE PRESIDENT : I understand Honourable Members are anxious to learn the probable course of meetings in March as early as possible, and therefore I think the announcement I am about to make will suit their convenience. There will be a meeting of the Council on the 1st and 3rd of March; the ballot for these days has already been taken; they will be days for non-official business. The Council of State will sit thereafter on the 8th and 9th March, which will be non-official days. The ballot for these days will be taken on the 25th of February, and the lists will be open on the 23rd and 24th.

There will be a meeting of the Council of State on the 17th for official business. It will thus be seen that, as far as can be predicated now, members will have the days between the 9th to the 17th to themselves except in so far as they may have any committees to serve on. There will be a meeting of Council on the 21st for the disposal of official business. There will be a meeting of the Council of State on the 24th for non-official business. The ballot for that day will be taken on the 10th of March, and the list will be open on the 8th and 9th. The Council of State will meet for the disposal of official business on the 28th of March and, if necessary, on the 29th. In announcing these dates Honourable Members will understand that the arrangements are largely contingent on the progress of business in another place.

BUSINESS FOR 28TH FEBRUARY, 1921.

The HONOURABLE THE PRESIDENT : Does any Member of the Government desire to make a statement as to the course of business on the next official day, the 28th of February ?

The HONOURABLE SIR GEORGE BARNES : Sir, it is proposed on the 28th of February to refer to a Joint Committee the Bill further to amend the Code of Criminal Procedure, 1898, and the Court Fees Act, 1870. The following Bills will probably be taken into consideration and passed :—

1. A Bill further to amend the Code of Civil Procedure, 1908 ;

2. A Bill to facilitate the enforcement in British India of maintenance orders made in other parts of His Majesty's Dominions and Protectorates and *vice versa* ;
3. A Bill to amend the Indian Tea Cess Act, 1903.

The following Bills will also be introduced :—

1. A Bill to incorporate Boards of Trustees appointed for enemy mission property
2. A Bill to amend the Land Acquisition Act, 1894.

MOTION FOR ADJOURNMENT.

THE HONOURABLE THE PRESIDENT : Before we proceed to the business of the day, I have to intimate to the Honourable Council that I have received notice from the Honourable Mr. Bhurgri of his desire to move the adjournment of this Council for the purpose of discussing a definite matter of urgent public importance. The Honourable Member has also forwarded to me a statement of the matter which he desires to discuss. I have given it my most serious consideration, more particularly with regard to the rule against anticipation. I have decided that the statement in the form in which he has given it to me is in order, and therefore it becomes my duty to read it to the Council. It runs as follows :—

'To call the attention of the Government to recent statements in the public press that representatives of Muhammadan opinion are being sent to London almost immediately to represent the views of that community in a matter of vital importance.'

As I have held that the terms of this statement are in order, it now becomes my duty to ascertain if this Council is prepared to afford the Honourable Member the necessary support to enable him to bring his motion. I would ask those Honourable Members who are in favour of leave being granted to Mr. Bhurgri to rise in their places.

(All the Members with the exception of one or two rose in their places.)

The Honourable Member has the necessary support, and the motion will be taken at 4 o'clock to-day.

THE HONOURABLE SIR WILLIAM VINCENT : May I inquire, Sir, whether if the other business of the Council is over before 4 o'clock, the Council will adjourn till 4 or this motion will be taken up at once ?

THE HONOURABLE THE PRESIDENT : Under the rules in the event of the other business being over, I have no option but to adjourn the Council till 4 o'clock. We cannot proceed with the motion according to the rules until 4 o'clock.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

THE HONOURABLE SIR WILLIAM VINCENT : Sir, I move for leave to introduce a Bill further to amend the Code of Criminal Procedure, 1898, and the Court Fees Act, 1870. This Bill has had a somewhat chequered career. It was introduced originally by my predecessor, Sir Reginald Craddock, in the Legislative Council in March, 1914. It was circulated to Local Governments for opinion and we received so many criticisms on it that we thought it advisable to have the whole matter examined further by a very competent committee including a number of lawyers. On that Committee Sir George Lowndes, Mr. Justice Piggott, Mr. Justice Kumarswami Sastri,

Mr. Sinha (now Lord Sinha) and Sir James Walker served. They submitted a report which is now annexed to the Bill in regard to which I make the present motion. On the 26th September 1917 I introduced a new Bill modified to meet the report of the committee, but owing to other pre-occupations it was impossible to proceed further with it. In the meantime certain other minor amendments were suggested to the Government of India. The present Bill incorporates those minor amendments in the Bill as originally framed on the report of the Committee. I need not discuss the minor amendments, the reasons for which are fully stated in the Statement of Objects and Reasons and the Notes on Clauses. The reasons for the main amendments are explained in the Report. Generally speaking, the Bill is designed to remedy defects found to exist in the law and involves no new principle of importance and is not capable of condensed explanation. The revision of the Code at certain intervals has been a feature of our administration. Twenty-two years have passed since the last main revision was undertaken, and I think that this Council will admit that it is time that we re-examined the law. There is a general consensus of opinion, I may say, in favour of the amendments now proposed, though of course some of them may meet with criticism. At a later stage I propose, if the present motion is carried, to ask that this Bill be referred to a Joint Committee consisting of both Houses when all the criticisms on the measure can be examined in detail. I can only say again that the Bill involves no new principles, as far as I am aware, of substantial importance, and I think at this stage I need not detain this Council with a further discussion of it.

The motion was adopted.

THE HONOURABLE SIR WILLIAM VINCENT : Sir, I introduce the Bill.

INDIA TEA CESS (AMENDMENT) BILL.

THE HONOURABLE MR. H. MONCRIEFF SMITH : Sir, I have to inform the Council that the Legislative Assembly at a meeting on the 19th February last passed a Bill to amend the Indian Tea Cess Act, 1903. The Bill is now laid on the table in accordance with rule 25 of the Indian Legislative Rules.

THE HONOURABLE THE PRESIDENT : The Council will now proceed to the consideration of the Resolutions.

RESOLUTION *RE* WASHINGTON CONFERENCE—HOURS OF WORK IN INDUSTRIAL UNDERTAKINGS.

THE HONOURABLE MR. A. C. CHATTERJEE : Sir, I move that—

This Council recommends to the Governor General in Council :—

- (a) that he should ratify the draft convention, limiting the hours of work in industrial undertakings, adopted by the General Conference of the International Labour Organization of the League of Nations convened at Washington on the 29th October, 1919 ;
- (b) that steps should be taken to introduce in the Indian legislature the legislation necessary to give effect to this convention as applied to British India by article 10 thereof.

Sir, this Resolution arises out of the first meeting, held at Washington, of the International Labour Conference. I shall not detain the Council with a detailed history of the International Labour Organization. Honourable Members will recall that in the early months of 1919, when the peace terms

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for the amendment of the Factories Act comes up before Honourable Members, they will be debarred from proposing that the maximum hours of labour during a week should be less than sixty hours.

The Council will perhaps permit me here to make an observation of a general nature. The International Labour Organization is a part of the organization known as the League of Nations. Opinion is not quite unanimous with regard to the utility or the effectiveness of the League of Nations.

Personally, I should like to echo the sentiments recently expressed by such an acute thinker as Lord Grey of Falloden when he said that merely two courses were open to the world. We can either prepare for another world war which would mean the destruction, the utter annihilation of the civilisation that mankind has built up in several thousand years, or we can attempt to conserve the best that that civilisation connotes with the help of some organisation like the League of Nations. Whatever opinion may be held with regard to the other activities of the League of Nations, it is quite clear that the International Labour Organization has already established itself as a powerful factor in the comity of nations. Before the Washington meeting took place there were many who were sceptical about its success. But no one who took part in the deliberations of that meeting or was present at it as a spectator—and I am sure my Honourable friend opposite will bear me out when I say this—had any doubt about its great success. For the first time in the history of the world, representatives from nearly every civilised state in the world met together to discuss questions that are among the most important in the world, questions affecting the mutual relationship between the State, the employers and the work people. The representatives came from all these three interests and there were many differences to begin with, differences with regard to points of principle as well as with regard to points of detail. But this common meeting and discussion enabled each party to obtain a correct comprehension of the views of others, and all the Conventions and Recommendations were in the result adopted almost unanimously. The success of the Conference was a happy augury for the prospects of the peaceful adjustment of international differences in economic and industrial matters.

I now come to the particular Resolution that I submitted just now for the consideration of Honourable Members. The effective article of the Convention so far as it applies to India is article 10. This article runs thus:—

‘In British India the principle of a 60-hour week shall be adopted for all workers in the industries at present covered by the Factory Acts administered by the Government of India, in mines, and in such branches of railway work as shall be specified for this purpose by the competent authority. Any modification of this limitation made by the competent authority shall be subject to the provisions of articles 6 and 7 of this Convention. In other respects the provisions of this Convention shall not apply to India, but further provisions limiting the hours of work in India shall be considered at a future meeting of the General Conference.’

I may also read articles 6 and 7 which have been referred to in article 10:—

Article 6.—‘The regulations made by public authority shall determine for industrial undertakings:—

- (a) The permanent exceptions that may be allowed in preparatory or complementary work which must necessarily be carried on outside the limits laid down for the general working of an establishment, or for certain classes of workers whose work is essentially intermittent.
- (b) The temporary exceptions that may be allowed, so that establishments may deal with exceptional cases of pressure of work.

These regulations shall be made only after consultation with the organizations of employers and workers concerned, if any such organizations exist. These regulations shall fix the maximum of additional hours in each instance, and the rate of pay for overtime shall not be less than one and one-quarter times the regular rate.’

Article 7.—‘Each Government shall communicate to the International Labour Office:—

- (a) A list of the processes which are classed as being necessarily continuous in character under article 4;
- (b) Full information as to working of the agreements mentioned in article 5; and
- (c) Full information concerning the regulations made under article 6 and their application.

The International Labour Office shall make an annual report thereon to the General Conference of the International Labour Organization.’

The acceptance of the Convention will therefore mean three things. In the first place it will mean that we accept a 60-hour week as the maximum in India. Secondly, we accept the principle that the maximum will be fixed by regulation, according to the interest of the trade, of overtime hours, and thirdly, we accept the principle of a minimum proportionate rate of pay for overtime.

Honourable Members are aware that under the existing law there is a 12-hour limit only in the case of textile factories in India. There is no limit of hours of work in the case of any other class of factories. This was the decision in 1911 because the abuse of long hours was most in evidence in the case of textile factories. It was thought at the time that other classes of factories already worked only reasonable hours and did not require regulation. We have travelled far in this direction since 1911. The ten hour day or a shorter day is practically the rule now in all factories throughout the country. This practice has been arrived at in most large industrial centres by agreement between employers and the workpeople. The ratification of this Convention and the consequent legislative measure will merely give effect to the considered wishes of the vast majority of the parties directly interested. It will protect the humane employer from unfair competition and it will protect the worker in centres where there is no organised body of employers.

The subject has been widely discussed throughout the country during the last three or four years, indeed, ever since the Industrial Commission went round the country. I know of no person or body whose opinion deserves any weight, who has objected to this proposal. I am aware that some ardent reformers are anxious to go even further. But I would suggest for their consideration the fact that it will be no mean achievement for the time being to establish a 60-hour week for all adult workers. I therefore commend this Resolution for the unanimous acceptance of this Council.

The HONOURABLE MR. HOLBERTON: Sir, I desire in the first place to congratulate the Honourable Member in charge on the very lucid way in which he has put before us all the facts of the case. I also desire to express my own personal thanks—in which I hope will be associated those of the whole of this Council—for the great and valuable labours which have been accomplished at Washington on India's rights. There is to my mind no need for discussion on the first motion which has been put before the Council. It has been discussed fully in all the Chambers of Commerce, and I am sure its principles have been accepted by everybody. I only rise now to give my hearty support to the measure.

The HONOURABLE SIR D. WACHA: Sir, I welcome this proposition, particularly as a member of Bombay Millowners' Association of the committee of which body I am a member. They have already adopted the ten-

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hours' day system since 1st November, 1919. As a matter of fact I was one of the first for years together to urge that industrial fatigue required for the purposes of industrial physiology ten hours' labour as more suitable than 12. The consummation has now been reached and I am very happy to see it; and I congratulate the Honourable the Mover on having brought forward this Resolution for general acceptance by the country.

The HONOURABLE SIR ALEXANDER MURRAY: Sir, I need only say that I heartily support the Resolution brought forward by the Honourable Member. This matter was discussed in great detail at Washington. All the evidence that was available from either the Government point of view, the employers' point of view, or the workers' point of view was laid before a Committee, presided over by the Right Honourable George Barnes, formerly one of the Labour Leaders at Home, and every consideration was paid to all the delegates from India. Their evidence was carefully listened to, the merits and demerits of their arguments were carefully gone into, and as a result of a free interchange of opinions the committee decided to recommend that in India the hours of labour might usefully be reduced from 72 to 60. I heartily support this and therefore support the Resolution brought forward by the Honourable Member.

The HONOURABLE MR. L. S. MEHTA: Sir, I heartily support this Resolution. I join with Mr. Holberton in congratulating the Honourable Member in charge who moved this Resolution for his admirable exposition of it and also India's representatives for the good work they have done at Washington. My only remark is that I believe this Resolution is, if anything, too late. We ought to have begun earlier. One word more and I have done. The Honourable Member in charge said that one of the measures which is not likely to come before this Council for the present is regarding the employment of women before and after child-birth. He said that it had reference to a maternity benefit and that it is a question which has not been raised in India till now. The Government of India are, the Honourable Member said, making inquiries on the subject. I hope they will be able to take some action in this direction and arrange with the employers to grant some benefit during the time of unemployment before and after child-birth. With these words, I heartily support the Resolution.

The HONOURABLE MR. BHURGRI: Sir I also join the chorus of congratulations expressed in favour of my Honourable friend by the various Members of this Council, but I want to say that, when I read this Resolution for the first time, it occurred to me that the hours of work should be reduced from 10 to 8. Now, Sir, if you look at Europe, you will find 8 hours is really the maximum even there. I believe in some countries it is even 7. But knowing the interests that are represented very strongly in this Council,—I mean the factory owners', of which I am one,—I do not want to create difficulties for my Honourable friend and I will therefore be content with warmly supporting his Resolution, while expressing a hope that he will by and by come round to my view.

The HONOURABLE SIR UMAR HAYAT KHAN: Sir, I am sorry for introducing a discordant note into the discussion. I think that labour is wrecking the West while this Resolution may wreck the East. Hitherto labour has been cheap in India and we have worked longer hours and this has been our only salvation. But as this Resolution has come up and everybody is supporting it, I have no option but to support it.

The HONOURABLE SIR MANECKJI DADABHOY: Sir, I wish to associate myself with my Honourable Colleagues in what they have said in support of this Resolution. I give this Resolution my unqualified support. I quite agree with my Honourable friends, Sir Dinshaw Wacha and Mr. Lalubhai Samaldas, that legislation in this direction ought to have been undertaken earlier.

The Conference at Washington was no doubt forestalled by the Bombay Millowners, who, as the Council is aware, are a very sensible body of men and who have adopted very fair and humane means for the employment of labour. However, there is one thing to be said and, as we are now adopting this Convention, namely article No. 10, I would like to say just a word or two on the scope of that article. Honourable Members must have noticed that in article 10, which we are now asked to support, there is a concluding sentence that further provisions limiting the hours of work in India shall be considered at a future meeting of the general Conference. My friend, Mr. Bhurgri, has given expression in support of a statement that instead of a 12 hours' or 10 hours' day, an 8 hours day would be more welcome. So far as we are asked to adopt this Convention, it is essentially necessary that I should sound a note of warning. Let it not be understood by Government that in supporting this Convention this Council commits itself in any way to further reduction of labour.

The HONOURABLE THE PRESIDENT: I think it is clear that the Honourable Member is not correct in assuming that.

The HONOURABLE SIR MANECKJI DADABHOY: I hope my Honourable friend Mr. Chatterjee will give some assurance on that point. As you, Sir, are aware, the history of factory legislation in this country shows that when the factory legislation was undertaken in 1891, Lord Lansdowne gave a clear and distinct assurance to the Council that there would be no further restrictions placed on the hours of adult labour, and the minimum hours of juvenile labour were also then definitely fixed. That assurance was given away by the subsequent factory legislation of 1911 and there was a great deal of opposition to that measure. At present, too, outside the country there is a divergent feeling and opinion. There are many who are in favour of shorter hours of work. There are many who are opposed to shorter hours of working. The action which the Bombay Millowners took in advance was not dictated by the urgency of the measure, in fact it was not suggested, as far as I am aware, by the employees themselves. Of course, a few strikes had taken place, and some political agitators as usual were busy and had instigated the ignorant workmen to go on strikes. It is rightly urged that reduced hours of work means more strenuous exertion for the men, because in those reduced hours they have to do the day's work in order to earn a fixed wage, so that the hours of labour become more burdensome and strenuous. I am only referring to this matter, Sir, as India is now entering upon a very important era—an era of development of the industrial resources of the country. India is now having a race with other nations and building up her national industries and making herself a self-supporting nation. We cannot compare India with other nations of the world whose activities are enormous—where the training of labour and the general education of the people puts them in a far more advantageous position to India. And, as one who is deeply interested in the welfare of the Indians and the development of the Indian industries, I make it clear—and I want Honourable Members to support me in this conclusion—that if you wish to see India fully developed and taking her

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rightful position with other nations in the race of industries, this sort of constant tinkering with hours of labour will not be of any service to you. Though, therefore, I warmly support this Resolution, and give my unqualified support to it, I sound a note of warning and say I object to the latter portion of Convention No. 10, and I hope that this will be the last limit of restriction which will be put on adult labour.

The HONOURABLE MR. A. H. FROMM : Sir, I merely wish to express my cordial support to this Resolution which has been so ably and lucidly placed before us by the Honourable Member.

The HONOURABLE MR. W. G. KALE : Sir, I am not quite surprised at the remarks which have fallen from the Honourable Sir Maneckji Dadabhoy. This is not the first time that he has given expression to the views which he has expressed to-day. He wants an assurance from the Honourable Member in charge of the Resolution that there will be no further tinkering with the hours of work in India. I do not think that the Government will be in a position to give any such assurance. We do not know what will be the conditions which will develop in the near future in India as well as outside India and which will necessitate a further reduction of the hours of work. The Honourable Sir Maneckji has told us that India's industrial development requires, and India's competition with foreign countries requires, that we should not meddle with the hours of work of the working population. But we must bear in mind the fact that all the world over there is labour unrest. The strenuous work that the workmen have to do in factories tells on their health, on their efficiency, and therefore upon the efficiency of the nation as a whole. This question is being discussed in all the countries of the world, and we cannot have industrial development or industrial prosperity in India at the expense of the health of the nation. The claims of labour for better conditions of work and reduced hours of work have not met with that sympathetic attention which they deserve for a very long time. It is only because of the pressure that is coming from outside, the pressure of the labour movement in the various countries of the world, that we are moving faster than hitherto. I am quite aware that, in the opinion of many Honourable Members of this Council, the world is moving rather too fast. Some Honourable Members would like the world to move as slowly as it had been moving in the past. But we must all realise that we cannot expect the world to move as fast or as slow as we want in social, economic, as well as political matters. We are all moving very rapidly, and India cannot be left behind in the matter of labour legislation. In the matter of the improvement of the conditions of work in factories, India cannot afford to be left behind other countries of the world, and, if conditions of work in factories give rise to the idea that the hours of work should be further reduced, if in the light of experience we realise that a further reduction of the hours of work is necessary and is not likely to prove detrimental to the economic condition of the country, I do not see any reason why we should be alarmed at the prospect. I do not therefore think that any assurance of the kind can be given, and I do not think that such an assurance should be demanded. On the other hand, I sympathise with the view which was expressed by the Honourable Mr. Bhurgri that we have only made a beginning in the way of the reduction of the hours of work, and the time may come when the hours of work may have to be further reduced, and we may then find perhaps that, with the reduction of the hours of work, efficiency of production is not lost. I do not want to lose sight of the fact that we cannot go on

indefinitely reducing the hours of work. We cannot go on doing it independently and irrespectively of the productive capacity of our factories. That is a consideration which has always to be borne in mind no doubt. But that is not a consideration which can be advanced against any improvement that is found to be necessary in the interest of labour, which after all is the interest of the whole nation.

On account of these reasons, I give my very strong support to the Resolution which has been placed before the Council.

The HONOURABLE MR. C. N. SEDDON : Sir, as one of the Provincial official representatives I should like to add one word in support of the chorus of congratulation which has arisen upon the Honourable Member's proposal, and I should like further to say, with regard to the point of view put forward by my Honourable friend, Sir Maneckji, that what India wants, I am quite sure, is not so much a greater amount of labour but an improvement in it, and we shall not get an improved supply of labour until we give the labourers a decent life and until we educate them. I think further that there is no need to give any expression to the fears which Sir Maneckji has put forward.

With these few words, Sir, I should like to add my support to the general feeling of the Council.

The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU : Sir, I quite well endorse the opinion expressed by the Honourable Mr. Kale. He has said, what seems to me, the best view, and his views are not quite against the opinion of the learned people. I quite endorse his opinion.

The HONOURABLE MR. G. S. KHAPARDE : Sir, I had originally intended to move an amendment to this proposition, and when I heard that these hours that are now mentioned are the maximum, and that it is permissible for this Council to fix fewer hours, that is to say, that it is practically open for us to say that the labourers will work only for 8 hours, it was on this consideration that I did not press my amendment further. But now that these warnings are coming in and my Honourable friend sitting on my right is rather keen about it—so it appears to me—I think it is necessary that I should make my position clear, and it is this. I have always thought that 10 hours a day was too long for any human being to go on with. I had intended to move an amendment that we should adopt only eight hours a day. And now that there are warnings, it leads me to the consideration which originally had induced me to send in my amendment, and that consideration was that our delegates to the Washington Conference were very estimable, learned and good people, but not one of them had worked with his own hand, except Mr. N. M. Joshi, who is a Member of the other House now. He also was a social worker, and there was nobody really, therefore, who actually had worked with his own hand. Employers as a rule are better educated, more able, and have more money, and, as it happened, nearly everybody there was an employer and not one single man was a labourer. Therefore, I viewed this Convention accepted at Washington with some amount of hesitation, and I did not like entirely to go in for it, and I therefore intended to move an amendment.

But I believe that legislation is coming, and it will then be open, as I believe the Honourable Mover pointed out, for us to fight for shorter hours and for improvements that we speak of, and therefore I did not press my amendment. So I support this Resolution as far as it goes, because it is in the right direction, and yet my Honourable friend on the right may know that I mean moving for eight hours a day when the Bill actually comes up for consideration.

The HONOURABLE MR. V. S. S. SASTRI : I move that the question be now put.

The HONOURABLE THE PEESIDENT : The question is that the question be now put.

The motion was adopted.

The HONOURABLE THE PRESIDENT : I now proceed to put the Resolution.

The question is that the following Resolution be accepted :—

‘ This Council recommends to the Governor General in Council :—

(a) that he should ratify the Draft Convention, limiting the hours of work in industrial undertakings, adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October, 1919 ;

(b) that steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to this convention as applied to British India by Article 10 thereof ;

The motion was adopted.

The HONOURABLE MR. A. C. CHATTERJEE : Sir, will you kindly permit me to move at the same time the next two Resolutions that stand in my name, because they relate more or less to the same subject of unemployment and that will save the time of the Council ?

The HONOURABLE THE PRESIDENT : The Honourable Member need not necessarily speak on both. He can move the other Resolution without a speech. I would suggest that the speech on the other Resolution need not be of any length.

RESOLUTION *RE* CREATION OF EMPLOYMENT AGENCIES.

The HONOURABLE MR. A. C. CHATTERJEE : Sir, I rise to move that—

12 P.M. ‘ This Council recommends to the Governor General in Council :—

(a) that he should ratify the Draft Convention concerning unemployment adopted by the General Conference of the International Labour Organization of the League of Nations convened at Washington on the 29th of October, 1919 ;

(b) that he should, after such investigation regarding unemployment in India as he may think fit, take steps to create regular public employment agencies in so far as the same may be necessary to facilitate the migration of labour ;

(c) that such agencies, when created, should be provided with Advisory Boards representative of employers and workers.’

May I read . . .

The HONOURABLE THE PRESIDENT : I think it will be convenient if you confine yourself to your first Resolution. It may not be necessary to speak on the second Resolution, but we cannot have more than one Resolution at a time.

The HONOURABLE MR. A. C. CHATTERJEE : I also move that ‘ This Council . . .

The HONOURABLE THE PRESIDENT : The Honourable Member will make the motion separately.

The HONOURABLE MR. A. C. CHATTERJEE : I have not much to say on these two Resolutions. The question of unemployment has not the same immediate importance in this country as it has in the West. Frankly speaking, none of the Delegates from India were able to take any active part in the deliberations at Washington on this subject ; they were too much preoccupied in other committees discussing other subjects that were in the Agenda there. We had, therefore, no opportunity of bringing into relief the Indian point of view. But, although for the moment we do not suffer from the terrible consequences of industrial unemployment, it will be rash to predict that we shall never suffer from it. As our industries develop and as a larger and larger proportion of the population engage in industrial employment, any depression in industries, temporary or isolated, or may be widespread and lasting a fairly long time—such a depression will affect employment, and it is perhaps desirable that we should concert measures forthwith to meet such future contingencies.

There is the further question of agricultural unemployment or of famines, to which we shall be subject so long as we do not perfect our machinery for counteracting the effects of natural phenomena, such as a shortage or a superabundance of rain. Our system of famine administration has been improved after every famine or scarcity in the last two generations, and as has been claimed in the Government of India's despatch to the Secretary of State, is capable of dealing economically with unemployment on a scale for which few Western countries can offer a parallel. But in the agricultural tracts there are many areas where the pressure on the soil is great and the agricultural labourer has not contact with agencies that will secure him suitable or adequate employment in areas where labour is in demand. The equalisation of supply and demand is desirable in the interests of the whole country. The Government of India are considering the desirability of creating regular public employment agencies to meet this difficulty. The only further obligation that the acceptance of this Convention will impose on us is that we have to keep the International Labour Office supplied with certain information. This is a burden which we can undertake without hesitation.

The position is not quite so easy with regard to the acceptance of the recommendation as distinguished from the Draft Convention on unemployment. The recommendation consists of four parts. In the first part each country is asked to prohibit the establishment of employment agencies which charge fees or which carry on their business for profit. There may not be very much difficulty in accepting this recommendation. In the second part we are told that the recruiting of bodies of workers in one country with a view to their employment in another country should be permitted only by mutual agreement between the countries concerned, and after consultation with employers and workers in each country in the industries concerned. Here, also, there may not be any serious difficulty. But then the third part of the recommendation goes on to suggest that each State should at once establish an effective system of unemployment insurance. This is a subject which has not yet been properly studied or examined in this country. Honourable Members will realise that there would be many practical difficulties apart from the question of finance. In the fourth part of the recommendation, each Member of the Organization is asked to co-ordinate the execution of all work undertaken, under public authority with a view to reserving such work, as far as practicable, for periods of unemployment and for districts most affected by it. To a certain extent this is already done in India in connection

[Mr. A. C. Chatterjee.]

with the preparation of famine programmes; but, as Honourable Members will realise, this principle cannot be carried into effect with regard to all public works. There is a further difficulty now, that to a certain extent these works are under the control of Local Governments and of local authorities, and the Government of India have no full control over such works. Therefore in the Resolution it is suggested

The HONOURABLE THE PRESIDENT: Which Resolution are you moving?

The HONOURABLE MR. A. C. CHATTERJEE: I am referring to No. 3. *

The HONOURABLE THE PRESIDENT: Would it not be better to dispose of † No. 2 before we get on to No. 3?

The HONOURABLE MR. A. C. CHATTERJEE: I move the second Resolution that stands in my name, and I hope the Honourable Members will pass it unanimously.

The HONOURABLE SIR A. R. MURRAY: Sir, I beg to support this Resolution. I have studied the question carefully, and would recommend that it be adopted as it stands, in its entirety.

The HONOURABLE MR. L. S. MEHTA: I rise to support the Resolution.

The Honourable Mover in moving this Resolution said that as regards agricultural labour Government had made arrangements which were far superior to any that have yet been made by any Western country. That is quite correct, and we can congratulate the Government on their Famine Policy and their Famine Codes. But it was the famine of 1899-1900, the greatest famine of the century as Lord Curzon called it, that opened the eyes of the Government. So we need not be quite self-satisfied, and we had better be prepared for other difficulties ahead.

My Honourable friend said, and the Resolution puts it, that the chief object of public employment agencies will be to facilitate the migration of labour. Just now there is a paucity of labour, and I do not think that there is any question of unemployment for the present. Perhaps, for years it may not arise, but it is much better to be prepared.

My friend, Mr. Joshi, tells me that in certain localities, even in Bombay, there is some difficulty for men who are thrown out of work in our mills to obtain work and in getting into touch with other mills. He says for such men it is necessary to have a public employment agency. I think, therefore, that what Government propose doing, namely, the making of proper investigations as regards unemployment and also creating regular employment agencies is a step in the right direction, and I hope that, as a result of it, we shall have public employment agencies assisted by advisory boards in those parts of the country where they are needed.

* This Council recommends to the Governor General in Council that he should examine the recommendation concerning unemployment adopted by the General Conference of the International Labour Organization of the League of Nations convened at Washington on the 29th October, 1919, in order to determine to what extent it is desirable to give effect thereto.

† Vide second Resolution printed on p. 164.

The HONOURABLE MR. E. L. L. HAMMOND: Sir, I have no wish whatever to strike a note of discord, but I rather feel that the Council would be wise to accept the note of warning already uttered by my Honourable friend on my left. The proposal is that regular public employment agencies should be created. I had the honour for a year to occupy a post in an official employment agency and I discovered during that year that, in point of fact, in India capital is endeavouring to attract labour rather than labour having to look for work. That is the position in India to-day and—I speak subject to correction by my Honourable friend opposite—I believe that will be the case for many years to come. Capital will have to try and compete for labour rather than labour try to get employment. The fear of unemployment does not exist in India to the same extent as it does in England. It is the great dread of unemployment that is the root and foundation of English labour legislation, and the point that I would urge for consideration, Sir, is whether that legislation has not already gone too far in England. I was there a few months ago and had occasion, for example, to employ a gardener. There is a minimum wage and I had to pay that man eighteen pence an hour. The result is that, to-day, partly due to that no doubt, there is a terrific amount of unemployment, and the medicine prescribed has increased the malady. You have these various employment bureaus; you can go and ask them for your employees, but you have to pay them a certain wage. That will be a necessary corollary to the establishment of bureaus out here. That is one objection. The second is, Sir, the expense. All these various bureaucratic developments cost a lot of money. England at present is suffering from them and, if we are to have in every district an employment bureau, it must mean people to run them, and that costs money. Distress in India does not come from unemployment; it comes from the failure of the monsoon in nine cases out of ten, and I do not think that any number of employment agencies or any number of advisory boards will do anything to bring down the rain of God upon earth.

The HONOURABLE SIR D. WACHA: Sir, with reference to this question of the migration of labour from one province to another, I am to say, I am afraid, it will not do. I had the honour to represent the firm of Messrs. Tata and Company some years ago in connection with the Swadeshi mills; and the question arose whether we could not get the cheap labour of Allahabad to come down to Bombay. We had a long correspondence, Sir, with Sir Auckland Colvin, the then Lieutenant-Governor of the United Provinces. Sir Auckland Colvin fully supported the arguments with which we appealed to him and tried to help us. Unfortunately, with all his efforts, he could not succeed, and so we could not succeed in obtaining labour from those Provinces. We next tried to get labour from Broach, from Surat and from Nagpur. What happened? A few men came only, but ran away within 30 or 20 days, notwithstanding the fact that we gave them small chambers to live in without any rent, and in addition more liberal wages than those we used to pay our ordinary operatives in Bombay. That is my experience, and I do not think even since those days the experience of any mill agent in Bombay has been different. At any rate they would not consider this question as advisable. That equalisation of labour, as the Honourable Mr. Chatterjee calls it, is very unlikely to be realised in India for years to come. The fact is, that we have to take into consideration the unwillingness of the operatives or labourers to move miles away from their domicile. They are unwilling to move even 50 miles from their own places or *gaun*. That is where the difficulty arises.

[Sir D. Wacha.]

Whether you establish employment agencies or not, so far as this migration question, *viz.*, labour going from one province to another, is concerned, it will remain the same what it was 30 years ago.

Then, as to the institution of Advisory Boards, I do not know what they will do. Of course, the Advisory Boards, it is suggested, should consist both of employers and employees. But where are those employees who will be able to advise the Board at all? The employees are not yet in a position to be real advisers. They have not yet got the least grasp of the questions of labour and employers one way or another, and I am afraid they will in no way be able to influence whatever the Advisory Board. It is possible to conceive that the Advisory Boards may become simply Advisory Boards of employers instead of employees and employers. That is the danger, and, therefore, I think, it would be rather futile to even suggest these Advisory Boards at this stage.

Lastly, so far as India is concerned, I agree with the Honourable Mr. Hammond that at present there is no general scarcity of labour. Labour is not so unemployed at present as to require these registering agencies contemplated by the Resolution. Even in Bombay to-day, with all those large recruiting grounds at Ratnagiri and other places, what we find is that there is no scarcity of labour to speak of. We are always looking out in Bombay here and there and everywhere for adequate supply of labour, and we do not find any difficulty in obtaining it, with increased wages and other privileges.

My friend the Honourable Mr. Lalubhai Samaldas said that an operative from one mill does not find occupation in another mill. That is not correct. The real situation is this. Sometimes there are budmashes of operatives in one mill who want to go to another mill, but there is a long-standing agreement among the cotton mills to the effect that operatives who behave badly or disloyally or seditiously in one mill should not be employed by another mill. It is a measure of self-protection. That is the reason why the turbulent and dismissed, who are known to be at the bottom of strikes or other mischief, do not find employment. With these words I do say in conclusion most emphatically that, so far as this migration of labour from one province to another and the creation of employment agencies are concerned, they are not practicable.

The HONOURABLE MR. L. S. MEHTA : May I rise to a personal explanation? I said that I had this information from Mr. Joshi who has been doing social service work in all the mills. He said that the difficulty was about jobbers. The jobbers will not allow these men to be brought into touch with the manager. If there was a public employment agency, the labourers would be able to go direct to them and would not have to approach them through the jobbers.

The HONOURABLE SIR D. WACHA : May I also rise to give a personal explanation if I may be allowed to offer one? Mr. Joshi has not that experience of 46 years that I have.

The HONOURABLE MR. C. N. SEDDON : Sir, I should like to associate myself to a certain extent with the remarks made by the Honourable Mr. Hammond. In the first Resolution proposed by the Honourable Mr. Chatterjee there was a definite suggestion, the usefulness of which was perfectly apparent, and, therefore, it received universal support from this Council. But here I must confess that the exact use of these public employment agencies is not so clear, and I feel that, before they are constituted, it would be well that a very careful investigation should be made. I think it

would be useless to start a bureaucratic institution of this sort unless it was clearly seen what purpose it was to serve. Therefore, I think this Resolution is not so clearly advisable as the first one moved by the Honourable Mr. Chatterjee.

The HONOURABLE LALA SUKHBIR SINHA : Sir, from the agricultural point of view, I have to oppose this Resolution. The experience of the past is that, on account of military recruitment, we have had very little labour left for agriculture and, if these agencies of Government are established, the result will be that labour from agricultural areas will go to the factories for work. If Government have to look after factories, they have to look after agriculture as well. Sir, this country is an agricultural country and about 80 per cent. of the population live on agriculture. Therefore, if labour goes to the factories, I do not know whether it will be better for the country, and that is why I am sounding this note of warning. I beg to oppose this Resolution because I think that no employment agencies should be appointed by Government to recruit labour. Labour should be left to itself. If there is unemployment labourers can seek their own employment. I therefore oppose very strongly the suggestion that Government agencies should be appointed to recruit labour for factories.

The HONOURABLE MR. E. J. HOLBERTON : Sir, with reference to (b) of this Resolution, I am inclined to think that the wording is not quite as clear as it should be. I myself was inclined to read it at first as being obligatory rather than permissive on Government to set up such public employment agencies. Nor does the clause carefully differentiate between different areas. I am informed that the intention of the clause is that individual examinations of the position should be made in each Province, and that on the results obtained in each different area decisions as to the appointment of these agencies should be come to. I think myself that it would be exceedingly desirable if this were made a great deal clearer than it has been made up to date. It may be that in some areas some useful purpose will be served by setting up these agencies; but it is beyond question that in other areas no such useful purpose will be served—at all events at the present time. If it were possible I should like to recommend the amendment of the wording of this clause; but I do not know whether I should be in order at this late stage of the debate in venturing to put it forward

The HONOURABLE THE PRESIDENT : Certainly, in view of the Honourable Member's remarks, I would take an amendment in that form.

The HONOURABLE MR. E. J. HOLBERTON : The object of my amendment, Sir, which you are kindly going to accept, is to lay stress on the necessity for investigation, and also on the fact that no action is to be taken unless this investigation proves the necessity for it.

The HONOURABLE THE PRESIDENT (After naming the amendment). This is not quite the amendment I contemplated from the Honourable Member's speech that he proposed to move; but, subject to a copy being handed to the Government Member in charge, I have no objection to taking it, although it is not quite the amendment which he adumbrated in his speech.

The HONOURABLE MR. E. J. HOLBERTON : I must apologise, Sir, that I have spoken otherwise than to my own amendment.

The HONOURABLE LALA RAM SARAN DAS : Sir, I rise to support what the Honourable Mr. Hammond has said in connection with parts (b) and (c) of this Resolution.

The HONOURABLE KHAN BAHADUR AMIN-UL ISLAM: Sir, I beg to associate myself with what the Honourable Mr. Hammond has said. The Indian labourer is a very conservative person, and does not want to move out of his own environment. In my opinion, therefore, public employment agencies and Advisory Boards will not serve any useful purpose.

The HONOURABLE MR. W. G. KALE: Sir, though the second part of the Resolution appears to be rather indefinitely worded, I think there are sufficient safeguards in that part of the Resolution. We find in that clause the words:—

‘He should, after such investigation regarding unemployment in India as he may think fit, take steps to create regular public employment agencies in so far as the same may be necessary to facilitate the migration of labour.’

From these expressions it will be clear that the Government is requested, first of all, to investigate the whole question and, wherever it may be found necessary, to provide these organisations which are proposed. Only in those cases are the organisations to be created. So far as I can see, there is no reason to be alarmed at the creation of a new bureaucratic department.

Then with respect to the objection which was taken to the migration of labour from one part of the country to another, the only remark I have to make is this: that it may be found necessary, when there is scarcity of work, when there is no work to be had and when trade is dull—on such occasions it may be found necessary to facilitate the migration of labour from one part of a district to another. I think that is the kind of migration which is contemplated in this Resolution. In certain seasons of the year trade is very dull and industries cannot be carried on to the same extent, or with the same intensity, as they otherwise are. If there is unemployment at such seasons it may be necessary to facilitate migration. On such occasions the migration of labour is very useful, and as a matter of fact the population does migrate from one part of a district to another, or from one district to another. It is a very useful duty that the Government performs, and might perform, in helping such migration of labour where better work is likely to be obtained. Therefore, I do not see that there is any ground for apprehension; and the Resolution as it stands, I think, ought to be supported by the Council.

The HONOURABLE MR. C. N. SEDDON: Sir, I rise to a point of order. Is there any amendment before the Council?

The HONOURABLE THE PRESIDENT: There is an amendment before the Council. I will read it out as soon as I have received a copy. I understand you did move your amendment, Mr. Holberton.

The HONOURABLE MR. E. J. HOLBERTON: I did, Sir.

The HONOURABLE DIWAN BAHADUR V. RAMABHADRA NAIDU: Sir, as an agriculturist I am against the creation of public employment agencies. The agriculturist is already handicapped by the dearth of labour. If the Government is going to encourage the establishment of employment agencies, the agriculturist will be put at a greater disadvantage. I agree with the observations made by the Honourable Lala Sukhbir Sinha, and for the same reasons, am opposed to the establishment of public employment agencies.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: Sir, are we speaking on an amendment or on the original Resolution?

The HONOURABLE THE PRESIDENT: The Honourable Member is well aware that there is an amendment now before the Council. Had he not stood up I should have read it out. Now that he has sat down, I will do so.

The amendment is:—

‘That for clause (b)* the following be substituted, :—namely, (b) that he should undertake investigation with regard to unemployment in India with a view to deciding whether it is necessary to create regular public employment agencies to assist in the migration of labour.’

It would be convenient if the Honourable Mr. Chatterjee spoke on that amendment.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I think there has been a certain amount of misapprehension in the minds of Honourable Members of the Council with regard to the scope of my Resolution. As the Honourable Mr. Kale has already pointed out, the wording of section (b) of the Resolution is ‘that the Governor General in Council should after such investigation regarding unemployment in India as he may think fit take steps to create regular public employment agencies in so far as the same may be necessary to facilitate the migration of labour.’ The Honourable Mr. Hammond, I think, drew a red herring across the whole discussion by referring to conditions in England, where there is a minimum wage and various other paraphernalia. There is no question of a minimum wage in this country at all. The Honourable Mr. Hammond is perfectly aware that even in his own Province employment agencies are at work. Employment agencies from Assam planters, from Bengal jute mill-owners and other people are at work in Bihar, and they do a good deal of work. There is no reason why public employment agencies should not perform the same functions, with probably greater benefit to the employers as well as to the employees. The question is, are we going to have an industrial development in India or not? If we look forward to industrial development in this country we must have labourers. Nobody will deny that in many agricultural areas there is a profusion of labour, labour which does not get an adequate wage. My Honourable friend, Lala Sukhbir Sinha from the United Provinces, fears that if this Resolution is carried there will be a scarcity of agricultural labour in his own district. I can assure him that no such thing will happen because in his district agricultural labourers are paid adequate wages; but there are many districts in India—and I think the Honourable Mr. Hammond is just as well aware of that as I am—there are districts in North Bihar, districts in the eastern parts of Oudh, districts in the eastern parts of the United Provinces, where agricultural labourers do not always get an adequate wage because the pressure on the soil there is very great. There is no reason why public employment agencies should not provide agricultural labourers in such areas with facilities for migration to areas where labour is wanted. The Honourable Sir Dinshaw Eduljee Wacha has referred to some correspondence that he had with Sir Auckland Colvin over the migration of labour from the United Provinces to Bombay

The HONOURABLE SIR D. WACHA: It is on the file of the Government of Allahabad.

The HONOURABLE MR. A. C. CHATTERJEE: I think the Honourable Member did mention Sir Auckland Colvin. Well, that correspondence took place, I take it, over 25 years ago. India has moved since then. If he will look up the Census Tables he will find that there are at present a very large number of labourers from the United Provinces in the Bombay mill areas. There are large numbers of labourers from the United Provinces, from Bihar, from Madras and the Central Provinces working in the jute mill areas in Bengal. People migrate from the eastern districts of the United Provinces as far east

* Of the second Resolution printed on p. 164.

[Mr. A. C. Chatterjee.]

as Sylhet and other districts in Assam. They go to Burma, and I am sure that the Honourable gentlemen from Burma would welcome some employment agency to be established which would regulate the migration from those districts to Burma in order to facilitate the development of the immense industrial resources of Burma

The HONOURABLE SIR D. WACHIA: Sir, may I ask one question of the Honourable Mr. Chatterjee? What is the percentage of outside people who are working in Bombay as operatives?

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I am not prepared with statistics. I was not prepared for a reference to correspondence which took place 25 years ago; but the statistics will be available to the Honourable gentleman if he only takes the trouble of reading through the Census Tables. I think the Honourable Mr. Holberton is under a misapprehension regarding the object of Government. All that is suggested, is that an inquiry should take place, and that, if such an inquiry suggests that a public employment agency would be useful in any particular district, it may be established there. That is the intention of Government. I think the intention of Government is exactly what the Honourable gentleman has suggested. Under these circumstances I hope he will not press his amendment.

The HONOURABLE THE PRESIDENT: I should like to get the Honourable Mr. Holberton's amendment* out of the way, if possible.

The HONOURABLE MR. E. J. HOLBERTON: If the Honourable Member in charge of the Resolution, Sir, thought fit to word his clause (b) as now worded in his speech, I fancy there will be very little controversy about it at all in this House. If by any chance he himself would be prepared to adopt the wording of it which he has now put forward, I shall immediately withdraw my amendment. He now says that the object of his amendment is that inquiries should take place regarding unemployment in India and that as a result of those inquiries, such steps should be taken in districts where it is necessary to create agencies. Now that would meet the whole point, Sir. It is the continuance of the wording in (b)

The HONOURABLE THE PRESIDENT: The Honourable Member presses his amendment, as I understand?

The HONOURABLE MR. E. J. HOLBERTON: It is really a question of words, Sir.

The HONOURABLE MR. A. C. CHATTERJEE: I am prepared, Sir, to accept the addition of the words 'in such districts where they may be considered necessary' to clause (b) of my Resolution.

The HONOURABLE THE PRESIDENT: I must treat that as an amendment to an amendment, then?

The HONOURABLE MR. A. C. CHATTERJEE: No, Sir, I was merely suggesting this to the Honourable Mr. Holberton as a sort of way out of the difficulty.

The HONOURABLE THE PRESIDENT: There is a perfectly definite amendment before the Council, and I suppose I must put it if Honourable Members are not prepared to come to terms about it.

The HONOURABLE MR. E. J. HOLBERTON: I am only too willing if the Honourable Member would have been willing to re-draft his motion.

* Printed on p. 171..

The HONOURABLE THE PRESIDENT: The question is that the following amendment by the Honourable Mr. Holberton be adopted, namely:—

'That for clause (b) the following be substituted:—

(b) that we should undertake investigation with regard to unemployment in India with a view to deciding whether it is necessary to create regular public employment agencies to assist in the migration of labour.'

The Council divided as follows:—

AYES—15.

Abdul Majid, Nawab M.
Altaf Ali, Mr.
Amin-ul-Islam, Mr.
Dadabhoy, Sir M. B.
Froom, Mr. A. H.
Hammond, Mr. E. L.
Holberton, Mr. E. J.
Jha, Dr.

Keshava Prasad Singh, Maharaja
Bahadur.
Moti Chand, Raja.
Nayadu, Mr. V. R.
Po Bye, Maung.
Ram Saran Das, Lala.
Seddon, Mr. C. N.
Umar Hayat Khan, Col. Sir.

NOES—20.

Ayyangar, Mr. K. V.
Barron, Mr. C. A.
Bhurgri, Mr. G. M. K.
Chatterjee, Mr. A. C.
Chettiyar, Mr. Annamalai.
Cook, Mr. E. M.
Edwards, Major-Genl. W. R.
Elliott, Lt.-Col. A. C.
Harnam Singh, Raja Sir.
Kale, Mr. W. G.

Lloyd, Mr. E. S.
Maricair, Mr. A.
Mehta, Mr. L. S.
Murray, Sir A. R.
Sarma, Mr. B. N.
Sastri, Mr. V. S. Srinivasa.
Smith, Mr. H. Moncrieff.
Sukhbir Sinha, Lala.
Wood, Sir J. B.
Yachendruvaru, Raja V. S. G. K.

The Amendment was negatived.

The HONOURABLE THE PRESIDENT: The question is that the Resolution as set out below be accepted.

* This Council recommends to the Governor General in Council:—

- (a) that he should ratify the Draft Convention concerning unemployment adopted by the General Conference of the International Labour Organization of the League of Nations convened at Washington on the 29th of October, 1919;
- (b) that he should, after such investigation regarding unemployment in India as he may think fit, take steps to create regular public employment agencies in so far as the same may be necessary to facilitate the migration of labour;
- (c) that such agencies, when created, should be provided with Advisory Boards representative of employers and workers.'

The motion was adopted.

The HONOURABLE LALA SUKHBIR SINHA: I ask for a division.

The HONOURABLE THE PRESIDENT: The Council will now divide by show of hands. Twenty-one Honourable Members raised their hands in favour of adopting the original Resolution and three against and it was declared carried.

RESOLUTION RE RECOMMENDATIONS CONCERNING UNEMPLOYMENT.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I rise to move that—

'This Council recommends to the Governor General in Council that he should examine the recommendation concerning unemployment adopted by the General Conference of the International Labour Organization of the League of Nations convened at Washington on the 29th October, 1919, in order to determine to what extent it is desirable to give effect thereto.'

[Mr. A. C. Chatterjee.]

I have already referred to this subject on an earlier occasion, and I do not want to inflict another speech on the Council.

The HONOURABLE MR. MARICAIR: Sir, in supporting this Resolution, I wish to say a few words. The action now proposed to be taken is absolutely necessary, because, as we all know, labourers in Presidency-towns have not been getting adequate employment. In the agricultural districts there is only a certain season when these labourers are employed, and even then it is an admitted fact that the wages of these labourers are very inadequate, and a large number of them remain unemployed. It is therefore absolutely necessary to take such steps as Government think proper in the interests of the labourers. I therefore support this action on the part of Government which is a very wise one.

The HONOURABLE THE PRESIDENT: The question is that the Resolution be accepted.

The motion was adopted.

RESOLUTION RE DISINFECTION OF WOOL.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I rise to move that—

‘This Council recommends to the Governor General in Council—

- (a) that he should make inquiry into the possibility of making arrangements for the disinfection of wool infected with anthrax spores as suggested in the recommendation concerning the prevention of anthrax adopted by the General Conference of the International Labour Organization of the League of Nations convened at Washington on the 29th of October, 1919;
- (b) that steps should be taken to introduce in the Indian Legislature such legislation as may be necessary to enable him to give effect to the recommendation if, after due inquiry, he is satisfied as to the necessity for so doing.’

The Washington recommendations regarding anthrax suggest that arrangements should be made for the disinfection of wool infected with anthrax spores either in the country exporting such wool or, if that is not practicable, at the port of entry in the country importing the wool. Anthrax is a germ disease that occurs among cattle, and investigation has shown that it is also contracted by human beings who come in contact with infected wool or hair removed from the bodies of animals or from skins. The wool or hair can be disinfected, but it is a costly process. In this country we have to look at the matter from two different points of view. We have a growing industry in wool and also we have many tanneries. There are no detailed particulars available regarding the incidence of anthrax among our workers, but it cannot be asserted that the disease is entirely unknown. Indeed, in many factories, notably in jails, various precautions are already taken. We have, therefore, to consider what precautions, if any, the Government should prescribe for safeguarding in this respect the health of our workers. Again, India exports a large quantity of wool. It has been asserted that some of this wool is infected, and steps have been taken in Great Britain, for instance, to disinfect wool imported from India. The subject is down for consideration at the meeting of the International Labour Conference which will be held at Geneva at the end of October next. We have, therefore, to decide whether we should let our wool go abroad and be subjected to disinfection in other countries, or whether, in order to facilitate our trade, we should make arrangements for disinfection before export. The present information at the disposal of the

Government of India is that such disinfection will be extremely expensive and almost impracticable. Clearly, however, the subject requires further investigation, namely, whether disinfection is necessary or feasible, and that is what I suggest in the Resolution that I place before Honourable Members.

The HONOURABLE THE PRESIDENT: The question is that the Resolution be accepted.

The motion was adopted.

RESOLUTION RE LEAD POISONING.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I rise to move that—

‘This Council recommends to the Governor General in Council that he should give effect to the recommendation concerning the protection of women and children against lead poisoning adopted by the General Conference of the International Labour Organization of the League of Nations convened at Washington on the 29th of October 1919, and should take steps to introduce in the Indian Legislature the legislation necessary to that end.’

The recommendation concerning the protection of women and children against lead poisoning is not of great immediate importance to us in India. At present we have not many industries where there is serious danger of lead poisoning to the operatives, but such industries are likely to develop in the near future, and it is considered desirable that the law should give Government power to make rules against the danger. It would be easier to make these restrictive rules in the very incipient stages of the industries rather than when the industries have established themselves along certain definite lines.

The HONOURABLE THE PRESIDENT: The question is that the Resolution be accepted.

The motion was adopted.

RESOLUTION RE GOVERNMENT HEALTH SERVICES.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I rise to move that—

‘This Council recommends to the Governor General in Council that he should examine the possibility of giving effect to the recommendation concerning the establishment of Government Health Services adopted by the General Conference of the International Labour Organization of the League of Nations convened at Washington on the 29th October 1919.’

In this recommendation the Washington Meeting has suggested that each State should establish, as far as possible, in addition to a system of efficient factory inspection, a Government Service specially charged with the duties of safeguarding the health of the workers. The recommendation was the outcome of the deliberations of a sub-committee of the Conference which considered the special question of the protection of workers in unhealthy processes. We have very few industries involving unhealthy processes in this country, and it was not, therefore, considered particularly necessary to take immediate action on this recommendation. At the same time, I should like to state, for the information of the Council, that the Government of India fully recognise the importance of the inspection of factories from the health and sanitary points of view. They intend to draw the attention of Local Governments to this aspect of the question, and to suggest that to start with, at any rate, women inspectors might be employed, some of whom might have the requisite technical qualifications. The question of a medical branch of Factory Inspectors will also be taken into consideration. But as Honourable Members are aware, the

[Mr. A. C. Chatterjee.]

administration of the Factories Act is a Provincial subject, and the cost of any such staff will have to be borne by Local Governments. It is not possible, therefore, either for the Government of India, or for the Indian Legislature, to lay down hard and fast rules on the subject.

The HONOURABLE THE PRESIDENT : The question is that the Resolution be accepted.

The motion was adopted.

RESOLUTION *RE* FIXING MINIMUM AGE OF CHILDREN.

The HONOURABLE MR. A. C. CHATTERJEE : Sir, I beg to move the following Resolution :—

‘ This Council recommends to the the Governor General in Council—

(a) that he should ratify the Draft Convention fixing the minimum age of admission of children in industrial employment adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October, 1919, subject to the following reservations :—

(i) that it shall not apply to factories employing more than 10 but less than 20 persons unless the Local Government so direct ;

(ii) that transitional regulations shall be made regarding children between the ages of 9 and 12 already lawfully employed in factories ;

(b) that steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to the Draft Convention as applied to British India by Article 6 thereof and subject to the reservations above stated.’

At present the minimum age of employment of children in factories is 9 ; between 9 and 14 children work as ‘ half timers.’ If this Resolution is accepted no child under 12 will be eligible for employment in factories, in mines and in certain transport services. So far as our information goes, there are very few children actually employed in transport services, and the adoption of this Resolution will make very little difference there. In mines the work is to a large extent underground. Even at present children form only a very insignificant fraction of the labour force in mines. The Government of Bengal have recommended that children under 12 should be excluded from mines. The Government of Bihar is even more liberal ; they would fix the age of children in mines at 12 years above ground and 14 below ground. I hope therefore Honourable Members will readily agree as to the necessity of the limit of 12, so far as mines are concerned. In factories, it is true, there will be a considerable advance from the present limit if the Council accepts the Draft Convention.

I should like to put forward before Honourable Members the main considerations involved. In the general principles enunciated in the last article of the labour part of the Peace Treaty, India has already agreed that among the methods and principles for regulating labour conditions which are considered to be of special and urgent importance, is the abolition of child labour. The principle has already been conceded. It is only a question of detail about the exact age. The next principle that Honourable Members will no doubt remember is that factory laws are enacted, not merely for the benefit and protection of the employees, or through them for the benefit of the employers, but in order to secure the general well-being of the entire community. We have to see at what age it would be safe for the nation as a whole to allow its children to enter industrial employment. Now so far as modern industries, factories, power machinery, and all the concomitants of modern industrial

life are concerned, we are still a young nation. The number of persons employed in modern power industries is as yet only a small fraction of the total Indian population. But we are all looking forward to a large development in our industries. Where there are only a few millions employed in such industries at the moment, it is possible that in another generation the number will become ten-fold. We have the great advantage, in enacting our Code of factory laws, of profiting by the example of countries which have had a modern industrial organisation for a very much longer time.

In the West the dangers arising from the employment of children in mills and factories were not realised at the beginning, and progress in the enactment of protective legislation was consequently slow. But all civilised countries have now woke up to the urgent necessity of protecting child-life. The laws regarding the minimum age of employment of children have been progressively stiffened, and at Washington every country with the exception of India accepted 14 as a suitable minimum age for this purpose. Should we not profit by the example of countries which have a much longer experience, and adopt a suitable age forthwith ? Perhaps it will be argued that there is no special virtue about the age of 12. Why should you not accept 11 ? It may also be suggested that in fixing the age of 12 we are merely slavishly carrying out the wishes of the International Conference. But I do contend that there is a certain definite period of child-life in India, which may be said to terminate at 12. There is, for instance, the provision in the Indian Penal laws where a demarcation is made at the age of 12 regarding responsibility for any acts that may be committed by a child. Similarly, our Mines Act distinguishes between children under 12 and adolescents above that age.

So far as I am aware the main arguments that are usually put forward against reform in this respect are three-fold. The first argument is that the parents of the children and the children themselves will object to the reform. It is difficult to refute a statement of this description ; for the statement as a rule is based merely on personal opinion. I do not think that it can any longer be claimed that the working classes of India are entirely inarticulate. Indeed, I should think that during the last 12 months or so they have learnt pretty well to voice their opinion. It is one of my daily duties to scan the pages of the newspapers to study the utterances of Indian labour, organised or unorganised. These proposals with regard to the raising of the age-limit for the employment of children have been before the country for many months past. But I have not come across a single instance of any protest by any individual or association claiming to represent labour opinion in any part of the country. Indeed, I do remember seeing in an account of one of the Bombay strikes, that the raising of the children's age was one of the main planks in the platform of the strikers. Even, however, if it be true—I repeat that I do not concede that it is true, but admitting for argument's sake that it is true,—that the parents of the children will object, we have first of all to remember that no child already employed in factories will be excluded under our proposals, and secondly, that if the gentlemen, who have as a rule assumed for themselves the position of the spokesmen of the parents, if these gentlemen had always been taken at their word, there would have been no factory laws in India, or for that matter in any country. Another argument which is usually advanced against any reform in this direction, is that until educational facilities are provided for the children there is no advantage—on the other hand, there may be considerable harm—in preventing the children from working in factories. It

[Mr. A. C. Chatterjee.]

is said that the task set to the children in the factories is easy and light; they learn discipline and they secure all the advantages of an early apprenticeship in their trade. I confess I used to have considerable sympathy with this argument, but after careful thought I have come to the conclusion that the argument is based on fallacious grounds. At present we have a number of compulsory Education Acts in different Provinces, but these Acts cannot be enforced without the provision of funds. The funds can be secured only by taxing the wealthier classes of the locality, in other words, it is the industries of the locality which will have to pay, indirectly if not directly, for the compulsory education of the children. So long as the industries find that they can employ children in the factories, they will always resist the imposition of any taxation for the provision of compulsory education. Thus, we travel for ever in a vicious circle. We must take action somewhere. I am confident that once employers find that, whether there is compulsory education or not, a child of a tender age cannot be employed in factories; they will soon see the advantage of securing that their young employees should start training in the factories with a modicum of education, and they will fall in with any project for the provision of compulsory education. I have seen another, and a third class of argument advanced. That argument is that the earnings of the children form a substantial item in the family income, and there will be considerable distress if such employment was prohibited. This argument has merely to be advanced in order to be condemned. I do not think any nation ought to be satisfied with this condition of things if it does exist at all. There must be something radically wrong with the wage system of a country if adult workers have to depend for the maintenance of their families on the earnings of children below the age of 12. I am certain that the Honourable Members of this Council, who may happen to be large employers of labour, will never admit that the wages they pay to their work people are not sufficient for the maintenance of their families without child-slavery. I am afraid I cannot call it by any milder name.

In casting their votes on this Resolution, I hope, therefore, that Honourable Members will remember not only the children, whose future will be affected by their decision and who have no special representatives in this Council, but I hope they will also take into consideration the well-being of many future generations in India, for a larger and larger proportion of the Indian population will seek industrial employment in the future, and although at the present moment it may not make a substantial difference whether the age is fixed at 11 or 12, the difference will be very great in times to come.

During the discussions that have taken place on this subject in the Provinces, it has nowhere been argued that there will be any serious dislocation of any industry if the change that is now being proposed is affected. Indeed, we are guarding against any possible dislocation by the express reservation we are making with regard to transitory regulations.

I hope Honourable Members will bear with me while I draw their attention to a consideration of a more general nature. The question before them is the ratification of a convention of the International Labour Conference.

Now I do not think I shall be wrong if I say that the first tangible result of India's entry into the League of Nations as a full member was India's participation in the discussions at Washington. In framing this Convention, the Conference fully recognised the importance of special treatment for India

in the spirit of the special provision inserted in the Treaty to which I made reference in an earlier speech to-day. A corresponding obligation rests on us. We are equally bound to consider carefully the recommendations so far as they apply to us, and we should reject only such proposals as are totally incompatible with our true interests. In our deliberation we should not lose sight of the passage in the Treaty to which India's representatives have already subscribed. I refer to the statement that the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries. We have just entered upon a new constitutional era in this country. The eyes of the world, of the democracies of every country in the world are at the moment on us. Our decisions on the Resolution that is now before the Council are eagerly awaited and will be carefully scanned as soon as the cables convey the news. I am confident that the Council has a full sense of its responsibility for the good name, the dignity of India in international counsels. We do not want to be considered a backward nation always and for ever.

The Council then adjourned for Lunch.

The Council re-assembled after Lunch with the President in the Chair.

The HONOURABLE THE PRESIDENT: I think it will be convenient for 3 P. M. Honourable Members if I call upon the Honourable Sir Alexander Murray to move his amendment at once.

The HONOURABLE SIR ALEXANDER MURRAY: Mr. President, I beg to move the amendment, which stands in my name, *viz.*—

'(a) That before clause (a) (i) the following be inserted, *viz.*—

(i) that it shall apply only to children under 11 years of age;

(b) that clause (a) (i) be re-numbered (ii);

(c) that clause (a) (ii) be re-numbered (iii), and that for the figures 12 in that clause, the figures 11 be substituted.'

In plain language, Sir, this means that I am in favour of recommending the ratification of this Draft Convention under discussion, only on condition that the minimum age-limit should be fixed at 11 instead of at 12, and subject to the other reservations as to transitional regulations and size of factories.

Before proceeding to give my reasons for moving this amendment, I desire to express regret that it should be directed against a motion put forward by my Honourable friend Mr. Chatterjee. I have been closely associated with him in the study of labour problems now for the past 18 months; and the longer I know the Honourable Member, the more I appreciate the qualities which have helped to place him in the high position he now occupies in the Government of India. As a rule, we generally manage to find a common meeting place between our different points of view—for, we do not always agree on the difficult problems that labour conditions present in these changing times—but on this question of minimum age-limit for children, I am extremely sorry I cannot follow the Honourable Member. I agree with him that the present age-limit should be raised. We differ only as to the extent. In my opinion, the Government of India are not justified in asking us to recommend the ratification of this Convention which raises the age of employment of children in factories from 9 to 12 years at one step.

[Sir A. Murray.]

If Honourable Members will bear with me for a few minutes, I will explain my point of view. To do this, I must go back to the proceedings of the International Labour Conference at Washington. The Government of India sent their delegates to that Conference with instructions to vote against any increase in the age-limit of children. In their written statement the Government expressly said they did not propose to raise the age-limit, and that no change was then contemplated, although the Local Governments had been consulted on the general question of the amendment of the law.

When the question of the age of admission of children to employment came up for discussion in the Conference at Washington, a special Commission was appointed to consider it. The first thing they did was to appoint a Sub-Committee to report on the modifications necessary because of climatic conditions, imperfect development of industrial organization, or other special circumstances which make the industrial conditions substantially different in Oriental countries, as provided for in Article 405 of the Versailles Treaty of Peace.

The Honourable Mr. Chatterjee, Mr. Joshi and I represented India on that Sub-Committee. At one of our meetings Mr. Joshi representing the labour party proposed that the Sub-Committee recommend the desirability of raising substantially the minimum age for the employment of children in India in the immediate future, and of urging upon the Government of India to make effective provision for the compulsory education of children in the country immediately, and to place their definite proposals regarding the matter before the next Conference.

After much discussion the Sub-Committee by a vote of 7 to 1—Mr. Joshi alone dissenting—adopted another recommendation which was submitted to, and accepted by, the main Commission on employment of children and appears in their report as follows:—

'In the case of India and other Oriental countries the Commission regret that they have not been able to submit a final recommendation. The Indian Government delegates stated that the Indian Government was at the present moment considering the question which was closely bound up with the introduction of an educational system into India and had not arrived at a decision. * * *

In these circumstances it was proposed that the question of the application of the Convention should be deferred until the International Labour Conference of 1920, with a view to the Conference being placed in possession of the proposals of India and the other Governments and a supplementary report being then adopted.'

A counter proposal was put before the Commission to the effect that in Oriental countries the age of admission should be fixed at 12, but this was not accepted, and the recommendation just read by me was accordingly submitted to the Conference.

When the report containing this recommendation came up for discussion in the Conference, one of the advisers of the Labour delegate from Great Britain, Miss Margaret Bondfield, proposed an amendment to the effect that children under 12 should not be employed in factories working with power, employing more than 10 persons, in mines and quarries, on railroads or on docks. Miss Bondfield in the course of her argument said—let me quote her own words:—

'We submit this amendment in all seriousness. We recognise that, just as the main convention would have to be considered by the Indian Government and would probably be turned down, it is quite possible that the Indian Government will consider this if you would embody

it in the Convention and will turn it down. There is nothing to prevent them from turning it down. There is nothing to prevent them, if this is carried to-day, from bringing forward their own proposals at the next convention alternative to this proposal. But what I feel might be accomplished by carrying this proposal in the open conference is, that it might give the Indian Government some idea of the world opinion on this matter, which would help them to make up their minds to really do something in time for the next conference.'

The amendment was supported by the Workers' Delegate from India, and by the Workers' Delegate from Italy, and on the closure of the debate being moved by the Workers' Delegate from Canada, was carried by a vote of 39 against 21, and now appears as Article 6 in the Draft Convention.

Sir, I have considered it advisable to go into all these details in order to inform the Honourable Members of the circumstances under which Article 6 of this Draft Convention has been forced upon India. That is to say, it was introduced into the Convention against the wishes of the special Sub-Committee that had considered the case of Oriental countries, and against the wishes of the main Committee on employment of children. The members of these committees had made a special study of the subject, had heard all that the delegates from India had to say, and had recommended that the question of the application of this Convention should be deferred until the Government of India was in a position to place their proposals before the Conference. In spite of all this, the Conference, at the instance of the delegates of workers in other countries besides India, without hearing any evidence, and without having any knowledge of the special conditions obtaining here, forced upon India Article 6 of this Draft Convention, providing for raising the age of children at one step from 9 to 12. And this is the Article the Honourable Mr. Chatterjee wishes us to ratify, partly for the simple reason that the General International Labour Conference choose to pass it. It was indicated in the Conference as quite possible that the Indian Government would turn down the proposal. But what do we find the Indian Government doing?

Sir, I have already mentioned that that Government instructed their delegates to vote against any increase in the age-limit for the reason that they were not proposing to raise that limit

The HONOURABLE MR. L. S. MEHTA: Will the Honourable Member read the Government of India's instructions?

The HONOURABLE SIR ALEXANDER MURRAY: I am only going by what is in the Report

The HONOURABLE THE PRESIDENT: The Honourable Mr. Lalubhai will have an opportunity of speaking later on. It would be better if he refrained from interrupting the speaker now.

The HONOURABLE SIR ALEXANDER MURRAY: Immediately on the receipt, however, of the Draft Convention, the Government of India, as in duty bound, proceeded to obtain the views of the Local Governments and of public bodies in India as to the advisability of raising the age-limit. In a letter issued by the Board of Industries and Munitions in May of last year, Government said that they recognised it would not be possible for any considerable time to maintain the minimum age for the employment of children at 9 years. But they further remarked that, if educational facilities do not exist, or are not likely to be provided in the near future, there are obvious dangers in depriving Indian children of the advantages of training which they receive in a factory.

[Sir A. Murray.]

Sir, this Council has not been favoured with copies of the views of Local Governments or of the public bodies consulted, but we have been favoured with copies of the Despatches to the Secretary of State for India, dated 25th and 26th November, 1920. From the first of these Despatches we learned that the Government of India intended recommending the raising of the minimum age of children from 9 to 12. They say they are to do this, although judging by the opinions collected by the Local Governments, whilst there is a general willingness to accept a minimum age of 11, there will be strong opposition to the adoption of 12. In the Despatch dealing with their proposals for the revision of the Factory Act, Government frankly state they anticipate opposition to this particular reform. They go on to say :—

‘ All Local Governments and most public bodies recognise that the present minimum age can be raised with advantage. At the same time we must admit that there are few opinions in favour of raising the minimum age to 12 years; but our international obligations make it impossible for us to advocate any lower age, and we believe that the change we propose is in itself not merely beneficial but urgently required.’

Sir, it is true that the Government of India here for the first time indicate their belief that the change they propose in the age-limit is beneficial and desirable. But I submit with all respect that their decision to recommend raising the age-limit to 12 has been influenced more by their anxiety to meet international obligations than by any material benefit that is likely to accrue to the children or to the country from raising the age-limit to 12 instead of to 11.

Sir, in view of the facts which I have now placed before this House, I maintain that it will be a mistaken policy on the part of the Government of India to ratify Article 6 of this Convention. It was never expected that this Article would be accepted by the Government of India. Indeed it was indicated that they would likely turn it down. And I am of the opinion that they should turn it down, if for no other reason than to bring home once and for all to the members of the International Labour Conference that they cannot with impunity ignore the recommendations of expert committees, and impose upon India Conventions of any description, without first hearing and considering the evidence that is necessary for due consideration of difficult and intricate problems.

Having had my say on the treatment meted out to India by the General Conference in connection with this Convention, I would like in the few minutes still at my disposal to make a few observations on the merits of the question whether the age-limit should be raised to 11 or to 12. Speaking quite frankly, and having behind me the experience of 22 years of factory conditions in India, during seventeen of which I resided in mill compounds and was inside the mill premises daily, I maintain that an increase of two years more than covers all the requirements of the case. It must be kept in view that under our present Factory Act, children are allowed to work only six hours in textile factories and seven in others; and when the present Act is amended, I see it is the intention to make the working hours six only in all factories. Children are engaged in light work only, and I am firmly of the opinion that it is much better for boys, and even for girls of 10 and 11, to be learning a trade in well ordered factories than being left to find employment

elsewhere. For it is almost certain that under present conditions boys of that age will be compelled by force of circumstances, if not by their parents, to do work of some description or other. All our mill workers are drawn from the agricultural classes, amongst whom, as Honourable Members are well aware, it is the practice for boys to help their parents at times of sowing, weeding and harvesting. If they are not allowed to work in the mills, they will certainly have to remain a burden on the land or go out as herdboys or take up odd jobs, all leading to blind alley occupations.

It has been suggested that, if children between 9 and 12 are not allowed to be employed in factories, this will help the cause of compulsory and free education in this country. I cannot help smiling at this suggestion, as if the addition of 20,000 to 30,000 children to the present uneducated millions, will make the slightest difference! Further, the average duration of the school life of children now attending schools is only about 4 years. That is to say, the average boy goes to school at 5 or 6 years of age and is finished with his education at 9 or 10. Even where the recent Education Acts provide potential opportunities for education in municipal areas in certain provinces, the age, highest age suggested for compulsory education, is 10 or 11. What is to become of the child after he reaches this age-limit?

Sir, I think I have said enough to satisfy Honourable Members that 11 is a more suitable age than 12 to fix for the minimum age of employment of children, and I hope they will support the amendment put forward by me. It will still be for us to increase the age above 11 at any time our Factory Act comes up for amendment.

May I further suggest, Sir, that they should not be influenced by what passed in another place on Saturday?

THE HONOURABLE THE PRESIDENT: I am sure the Honourable Member may rest assured that the Council will decide the question without being influenced by what happened in the other House.

THE HONOURABLE SIR ALEXANDER MURRAY: Sir, in the words of His Royal Highness the Duke of Connaught, is this House not a Senate whose functions will be to exercise a revising but not an over-riding influence, for caution and moderation and to review and adjust the acts of the larger Chamber?

By all means let us give to the Resolutions of the International Labour Conference the consideration that in our opinion they deserve, but in doing so let us be guided, not so much by a ‘natural desire to avoid alienating opinion abroad,’ however advisable that may be, but by an earnest desire to do what we consider right by the children and the people of the country whose interests are entrusted to our care.

Sir, I beg to move the amendment standing in my name.

THE HONOURABLE THE PRESIDENT: I may just remind Honourable Members, before I call on the other speakers, as several Honourable Members were not here when proceedings commenced; that the Council is on Sir Alexander Murray's amendment, and I shall confine the debate for the moment strictly to that amendment.

THE HONOURABLE RAI BAHADUR LALA RAMSARAN DAS: Sir, I rise to give my hearty support to the amendment put forward by my Honourable friend Sir Alexander Murray. He has so ably and exhaustively dealt with his motion that further comment seems unnecessary.

The HONOURABLE MR. E. S. LLOYD : Sir, I desire to support this amendment.

It seems to me that in a matter like the one at present before the House our attitude should be one of considerable caution. I do not say that we should be reactionary or ultra conservative. But I presume we are a somewhat conservative House. I do not say that we should resist new proposals simply because they are new, but I do think that we should, when we consider new departures, be satisfied not only that the advance suggested for our acceptance is either imperatively urgent, or important, or, at any rate, intrinsically reasonable, but also that there is a real effective demand for it from amongst those directly concerned. I have not been quite satisfied that in this case there is either an effective demand for the change proposed, or any sufficient reason for so sudden a jump from the age of nine to that of twelve. It is quite certain that the parents of the children employed will not like it. Their view, no doubt, is simply one of the family budget. The employers, I take it, are against it, and I cannot say that there is any very pronounced demand amongst the more enlightened public opinion in this country. Then I cannot see that there is any question of finality on the subject. Admittedly, educational facilities do not exist, or at any rate, need development. If we vote for a moderate move to-day, say from the age of 9 to 11, we may, if found necessary, vote for 12, five or ten years hence. Until and unless those who propose the higher age make out an overwhelming case, I personally am in favour of going slow, and I cannot say that an overwhelming case has at present been made out. I think it might conceivably be possible while fixing the statutory minimum at 11,—it might, when we come to consider the Act, be practicable to give Local Governments power, perhaps by rules under the Act—to raise the age gradually, in certain trades, and possibly not in other trades, from 11 to 12, and possibly even to 14 if required. That, no doubt, may be considered at the time of the revision of the Act.

I may say that in Madras in the course of last year the Commissioner of Labour took a considerable amount of trouble to ascertain what was the age of children employed in the various mills and the larger industrial concerns. It was found that in the Madras Presidency the number of children employed is at present certainly small, but the figures which I have seen show that the age of those returned between 11 and 12 was approximately one-fourth of the whole—a little more than one-fourth I think—the whole inquiry being concerned with the ages between 9 and 13.

I think this is some answer to those who say that the question of the particular age which is fixed as a minimum is possibly an unimportant detail. I can hardly think that it is an unimportant detail whether the child should be given his right to begin to earn his living and help his parents at the age of 11 or 12. If a very large or proportionately large number of children of the age of 11 are already employed in the factories, is there any particular reason why, even if industrial concerns develop, children of that age in a country in which children are admittedly more precocious than they are in the West, and, I think, not altogether physically unfit, should not be allowed to earn their own living? I do not say that I am in any way against a certain advance. India, of course, must advance with the rest of the world, and I think there is undoubtedly a case for a moderate advance from the age of, we will say, 9 to 11, but, for the present, I would certainly advise the House to remain at that limit, and I intend to give my vote for this amendment.

The HONOURABLE MR. CHETTIYAR : Sir, I have only a few words to say on this question. The minimum age at present under the Act is 9. To jump up to 12 at once may perhaps be too much. I am not unaware of the great necessity to safeguard the health of children by not putting them to hard work in early life. At the same time, the interests of the poor parent must also be considered. To him it is burden enough to feed his children, to clothe them and also to educate them if he can afford it. The sooner he is relieved of his duty of feeding his children the better for him. By fixing the minimum age at 11, we would relieve him one year earlier and also help him with the earnings of his son. The Honourable Mr. Chatterjee spoke about compulsory education in the country. I should like to know how many of our boys are receiving education in the country under that system. Sir, I do not think that serious harm will be done to the physical development of children by fixing the minimum age at 11 and the employers might get a longer time to educate the children in the rudiments of the machinery. The question of the age of admission to factories is closely linked up with the question of education. Unless free and compulsory education is given, the labourer might be hard put to it. The other day my Honourable friend Sir Maneckji Dadabhoy told me that in his parts practically all the children in the factories are given education free of cost. I wish the same was the case in all the factories in India. If possible, it is essential that provision should be made for free education of all workmen's children by inducing employers to undertake that responsibility.

With these few words, I support the amendment of the Honourable Sir Alexander Murray.

The HONOURABLE MR. A. H. FROMM : Mr. President, at the outset of the few remarks which I have to make on this important question, I wish to say that I have no direct interest in the employment of children in factories. I merely refer to this because I come from the city of Bombay which bristles with the mill industry, and it might be thought perhaps that I was interested in mills. Unfortunately, I do not even hold any shares in mills—I wish I did. In the factory in Bombay with which I am connected, we do not employ children, the reason being that after skilled labour the work that we do in our factory is of a heavy nature, and it requires the strength of a man and is not suitable to children. I think, therefore, that I may claim to be in a position to discuss this matter free from any *ex parte* view of it.

To my mind the whole question of the minimum age which children must attain before being allowed to work in factories in this country is closely wrapped up in, and chiefly dependent on, the question of their education. And I must here differ from the Honourable Mr. Chatterjee. Were the legislation in this country such as to afford free and compulsory education, say up to the age of 12, then I would at once agree that the minimum age of 12 was a fitting one for the purposes of the Factory Act. However, we have no compulsory education; so we cannot look at this question from that point of view. I have heard it stated that the best way to secure compulsory education is to exclude as many children as possible from the factories and to let them run about the streets wild until presumably the unhappiness of their lot is such as to call forth a big shout from the public for compulsory education at any cost. This suggestion was sufficiently ingenious, but I do not think it is a practical one. You might as well try and force compulsory vaccination on the people of India by introducing an

[Mr. A. H. Froom.]

epidemic of, say, small-pox in a virulent form. As I have said, had we compulsory education in this country, I would support the Resolution introduced by the Honourable Member. But we have not any such thing; so the question must be looked at from another point of view.

It occurs to me there are at least four points of view to be considered. First that of the Government who are anxious to ratify the draft Convention of the Washington Conference. Then we have that of the employers. Then we have the parents of the children, and lastly, we have the children themselves.

I will take the case of the employers first. The proposal to raise the minimum age of children from 9 to 12 must of necessity cause considerable inconvenience in the large factories, and I am not at all surprised at Government finding, as they apparently expected to find and say they have found, strong opposition to the proposal. I will go further and say that I am astonished to find that the employers were ready to meet them more than half way by agreeing to the age of 11, and I think that Government might well be advised to accept this compromise which comes two-thirds of the way to meet them.

Next, I will take the point of view of the parents of the children. This, I think, might at once be summed up in the word 'money'. The children earn fair wages in the mills in which they are employed, and their earnings go to assist the incomes of their parents. I am not putting this forward as a right argument for the employment of young children in factories, and I fully agree with the Honourable Mr. Chatterjee's remarks in this connection, but I feel sure that it will be the view of the parents and that there will be considerable dissatisfaction felt at this increase of the age minimum from 9 to 12, and on that account I think that a compromise at 11 would not be disadvantageous.

Next I will take the point of view of Government, and their point of view appears to be chiefly influenced by a desire, as a Member of the League of Nations, to ratify the draft Convention of the Washington Conference. The Honourable Member moving this amendment, my friend Sir Alexander Murray has dealt fully with this point and has explained clearly how Article 6 of the draft Convention has been introduced in spite of the recommendation to the contrary of the special sub-committee appointed to deal with the minimum age of child labour in Oriental countries, and I do not propose to discuss this aspect of the question further. I will merely ask that Honourable Members of this Council should weigh fully the remarks of the Honourable Sir Alexander Murray in this connection. It appears to me that the Washington Conference did not expect the Government of India to accept the minimum age-limit of 12 years without previously ascertaining that it was agreeable to the people of India generally.

Lastly, we come to the point of view of the children themselves, and I think this is the one which should carry most weight with us. I do not mean that we should call for an expression of opinion from the children, but that we should see where their best interests lie in this matter. If there were compulsory education facilities all over the country, I should at once plump for the minimum age of 12, provided that the educational facilities held good up to the age of 12. But there are not and for that reason chiefly I

give my support to the compromise age of 11. I feel sure that in the absence of healthy school dwellings children in the industrial districts of this country are better off employed in light work than in being allowed to run about the streets unchecked and under no discipline, or to remain during the monsoon months of the year in their homes, the hygienic conditions of which leave very much to be desired. I heard yesterday a reference made to the prevalence of phthisis among the mill hands in Bombay, and it was suggested that this was due to the employment of children at an early age. Well, I am not a doctor or a medical man, but I very much doubt whether in the modern and up-to-date mills of Bombay, and of Calcutta too for the matter of that, children suffer as much harm working in them for 6 hours a day as they do by remaining in their own, in many cases, insanitary dwellings. In adopting the minimum age of 12, Government will have against them the employers, the parents of the children and very likely the children themselves; and I would strongly advocate the *via media* of 11 years. We can say to the Washington Conference that we are not sufficiently advanced as regards matters of education in this country to adopt the recommendation of 12 years, but are prepared to agree to 11, and further to undertake to re-examine this question when the educational facilities which must come in this country are further advanced. Sir, I earnestly recommend to the Members of this Council the acceptance of the Hon'ble Sir Alexander Murray's amendment.

The HONOURABLE MR. G. S. KHAPARDE : Sir, I wish to oppose this amendment and for this reason that our social habits and our modes of thought have not been taken into consideration by the previous Honourable speakers. In India, at any rate, we divide life into periods of 12 years—12 years infancy and childhood, the next 12 years youth and so forth. Another argument that has been put forward is, that children do help their fathers in the field. I quite agree; but helping a father in agriculture is very different from helping a father in work in a mill or factory. The atmosphere of a mill is hotter than usual. I have some experience in this matter, because as a Magistrate I had to inspect some mills at one time. That is all the experience I have of mills, but I know that the atmosphere of a mill is very warm, is very crowded and there is a certain amount of what you call special attention, necessary, when you are moving about, otherwise you put your finger into a wheel and get killed very soon. So children working under these conditions are very different from children working in the fields, where they draw water, cut the corn, stack it and so on. I submit that their habit of helping their fathers in agricultural work does not help us here at any rate to decide this question. I agree that the Washington Conference was not quite right in arriving at this conclusion, but this is one of those cases in which people arrive at the right conclusion by a wrong process. They did a good thing in a bad way. But so far as I could read the papers, I was myself inclined to argue that 14 years would be the proper age for our children to begin; but as 12 has been proposed and as that is an advance also and has the merit of being a *via media*, as the Honourable Member who spoke last said, I thought 12 was about the best, though my own inclination had been towards 14.

A further reason I would put forward is that the physique of our boys in India is not the same as that of European or Italian boys. Another thing is that the general poverty of the Indian family and such things have a very adverse effect upon these children. The fact that the little income which these boys earn goes to help the father is of course true. On the

[Mr. A. C. Chatterjee.]

All I said was that if the argument was adduced that children under 12 should be employed in order to enable their fathers to maintain their families, then I consider that system to be slavery.

The HONOURABLE THE PRESIDENT: I rise to point out to the Honourable Member that we are on the amendment. He will have an opportunity of getting back to the main question if he wishes to, but for the present he must confine himself to the amendment relating to the age question which has been brought forward by the Honourable Sir Alexander Murray.

The HONOURABLE MR. E. J. HOLBERTON: My point is that if this age question is insisted upon, many of us will be forced to oppose the whole Resolution, otherwise with a slight alteration we are prepared to accept it.

The HONOURABLE MR. L. S. MEHTA: Sir, it was a disagreeable surprise to me to see my Honourable friend Sir Alexander Murray moving an amendment to this Resolution.

We have always looked upon Englishmen, Sir, as knowing a great deal of labour conditions and upon English industrialists and capitalists as being more in sympathy with labour than our own industrialists and capitalists, and I was really surprised that a gentleman like Sir Alexander Murray should have come in the way of improving the condition of young children. Sir, I tried to listen to his arguments, I tried my best to find out what he had to say about reducing the age from 12 to 11, and it may be due to my dense intellect or whatever it is, but I did not find that he brought out anything to show why the age should come down from 12 to 11. He did say that it was one great jump from 9 to 12; well, if that is so why 9 to 11 and why not 9 to 10 or why not 9 itself? or why not go down and reduce it from 9 to 8? No arguments were used to show why and how the figure 11 was arrived at. But my Honourable friend Mr. Froom, I believe, in a way gave away the whole case. He said it was a compromise suggested by the employers to the Government. That means that after all the Government is to be ruled by the employers as a class. They say practically, we have come forward here, we are prepared to meet you two-thirds—those are, I believe, the exact words used by Mr. Froom. If you do not accept it, Mr. Holberton said, we are going to oppose the whole Resolution. Is that the attitude going to be taken up by employers? I think that employers all over the country have now changed their angle of vision. They now see that unless they go and make terms with labour—at least we in Bombay feel that—labour will force us to do so. Are we going to that stage and force labour to use their strength against us? I think it is much better to be forewarned and to make all these alterations before the demand comes from them.

Mr. Chatterjee said, and I think he rightly said, that if we are going to wait till compulsory primary education is introduced in all the provinces to raise the age, we are moving in a vicious circle. The only point before us at present is, whether the age should be 12 or 11. Before voting, I tried to put myself in the place of the father of a child who is to be employed in the mills or industries; and I think I would prefer my child—I am answering Mr. Holberton—to loaf about the streets and be stronger physically than to go and wreck his health in a mill. I ask Honourable gentlemen to put their hands on their hearts and then vote on the Amendment, and tell us what they would do in the case of their own children.

The HONOURABLE SIR MANECKJI DADABHOY: Sir, It will be superfluous to make any lengthy observations at this stage after the most illuminating and convincing speech of Sir Alexander Murray and the most convincing arguments advanced by the Honourable Mr. Froom, the Bombay representative in this Council. I notice that there has grown a fashion now in this Council to loosely speak of moral sympathy, the sympathy for one class or the other, without considering the responsibilities of the employers of labour or the difficulties under which they have to act.

In the case before us I have not been able to appreciate the position of Government. When our representatives were sent to the Conference they went with a mandate to the effect that Government was not going to alter the age-limit of juvenile labour. They went there with a further mandate that the industrial conditions of the country, local conditions, climatic and tropical conditions, were to be respected; and any decision arrived at in opposition to these mandates will not receive the support of our Government. For some mysterious reason the attitude originally taken up by Government has been altered. On the report of the Washington Commission, I understand that Local Governments have been consulted, and the unanimous opinions of Local Governments were that the question of the extension of the age-limit to 12 was an indefensible position to take up. I have had the pleasure of listening to the speech made by my Honourable friend Mr. Chatterjee, and Honourable Members must have noticed that at the end of his speech he made a statement which is of great importance, and which knocked the bottom out of his case. He himself had to admit that there was no substantial difference whether the age-limit of 11 or 12 was adopted

The HONOURABLE MR. A. C. CHATTERJEE: I never made that statement. What I said was that there may not be to-day any very great substantial difference between 11 and 12, but it would make a tremendous difference in time to come.

The HONOURABLE SIR MANECKJI DADABHOY: I will accept that statement of the Honourable Member, but even then for many reasons I request Honourable Members to vote for the amendment. You may take it from me that employers of labour are not pressing the matter from the point of view of personal interest. In fact, the employers of labour in the Bombay Presidency have shown their sympathy by adopting the recommendations of the Washington Conference. They have moved in the matter voluntarily and without any outside pressure. They have readily and willingly acceded to the demands of Government that a reasonable reduction in the working hours of adult labour should be made; and they have likewise shown their willingness to agree to the reduction of juvenile labour.

Here we have to-day an amendment brought before us by the Honourable Sir Alexander Murray who has served on the Washington Conference, and who has taken a very important part in the deliberations of that body. We have his considered and weighty opinion that by adopting his amendment, namely, raising the age-limit to 11 and not to 12, you will not only be considering the interests of Government, but also the interests of parents and the children themselves in whose interests this legislation is sought to be introduced. I hope, therefore, that all Honourable Members will accord their vote in favour of this amendment. There is another aspect of the case that has not been taken into consideration. We have heard a great deal about

[Mr. G. S. Khaparde.]

other hand, the Honourable Mr. Chatterjee put it in a very poetical manner when he said that the employers would not agree. People who go in for trade—I am sorry to have to say so, I do not wish to give any offence—do not do it from philanthropic motives. We always think that we are developing the country and so on; but the primary idea is to earn something for ourselves. I may be wrong in saying that, but there the thing stands and employers, as a rule, would like quite naturally to have as great an outturn on their money as they possibly can. And as I said myself in a speech I made earlier, on this delegation—it was a very good delegation with some very able people on it and so on; but unfortunately there was no working man on it and the workingman's views were never placed before it. The labourer would like to see his boy grow up healthy and strong, playing about and even helping in agriculture, but not in these mills where the atmosphere is altogether artificial and not conducive to good health. It has been said that we have no compulsory education here. But that does not mean that we are not going to get it to-morrow or the day after. Education is a Transferred Subject, and, in so far as I know the feeling in the provinces, they are very keen on introducing primary education for everybody and making it compulsory as far as they can.

That being so, I believe it would be right in deciding this question to take the question of education also into consideration and not leave it over until it is introduced. For all these reasons, Sir, though I am personally in favour of increasing the age-limit to 14, I entirely support the original proposition for 12 years and oppose the amendment.

The HONOURABLE DIWAN BAHADUR V. R. RAMABHADRA NAIDU: Sir, after what I have heard from Mr. Chatterjee, I was surprised to hear Sir Alexander Murray and Mr. Lloyd. Mr. Chatterjee's speech was marked by wisdom; especially the concluding portions of it must appeal to every Indian. It will be a retrograde step for us to go behind the decision arrived at by the Legislative Assembly to fix the age at 11. What Mr. Chatterjee has said is a golden mean in my opinion. I know what the difficulties are in working in a factory. I come from Madura, where a cotton mill exists. It is popularly known as Harvey's Mill; and it is a sorry sight in the evening when children come out of the mill quite exhausted. The stuffy atmosphere and the physical exertions they undergo are terrible. Moreover, as my Honourable friend Mr. Khaparde has said, there are avaricious and unbending parents who want to make a large income out of their children's exertions in a factory. I know, as a matter of fact, a servant who was working under me and who employed his children in the Madura Mills. He had nearly 9 children ranging between the ages of 14 to 5. He employed almost all of them in the factory with the result that he lost many of them in an epidemic of cholera. Many children are physical wrecks. So I commend the Resolution to fix the age at 12 years to this Council's consideration, and I think it will not be consistent with our Council alone to fix the age at 11. I therefore strongly support the proposal to fix the age at 12.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: I have got, Sir, another argument to put forward. I am not a doctor, but I have heard it said that people in the Orient come of age earlier, and in the same way they get older before the people in the West. So I think in reality if 12 was the

proper age in Europe, 11 would be very much nearer it here, and it is for this reason that I give my support to the amendment moved by Sir Alexander Murray.

The HONOURABLE MR. A. C. CHATTERJEE: May I rise to make an explanation, Sir? I think I mentioned that 14 was the age which had been accepted in Europe and not 12.

The HONOURABLE MR. E. J. HOLBERTON: Sir, in rising to support most strongly the amendment moved by the Honourable Sir Alexander Murray, I do not think it is necessary for me to bring forward many more new arguments. Practically the whole field of argument has been covered by him and his supporters. But there are one or two peculiar features of this debate on which I find it impossible not to express an opinion. To begin with, here for the first time as it appears to me, we find the Government of India taking an independent line. We have not heard that they have had any support at all for their selection of the age of 12. As far as is generally known, the advice which they have got has been for a lower age. Again, we find when we listen carefully to this debate, that the Honourable Mover has for the first time found it necessary to appeal to his audience to remember the special consideration that has been given to India to-day. He has told us that the eyes of the world are on us. In fact, it appears to me that he has been himself a little nervous of his subject and he has tried to draw our attention in his direction by various ways which are not unknown to all of us. In addition to this, I find it necessary to support that down-trodden class, the employers of labour. In several of the Honourable Mover's remarks, he has treated us very badly. Some of us think that a child is better cared for in a factory than if we allow him to run about in streets with the alternatives probably of selling newspapers or sweeping them for a living. We are told, however, that this is not so. And that he is better doing nothing, although the Government is absolutely unable to offer him at the present moment, as a class, anything in the way of education.

Again, we are told that the employers as a class are going to oppose this Resolution on the ground that they have always been against factory legislation. Gentlemen, I desire to oppose that point of view most strongly. There are very many enlightened mill-owners and managers of mills in India and Burma, and no one has been more forward in bringing forward and supporting factory legislation than they.

Again the point of apprenticeship has been entirely ruled out by him. Apprenticeship does begin in a factory, and if, as I strongly maintain the majority of factories in India now-a-days are well run, the chances of a boy who begins young of rising to something entirely out of his own class in life are enormous. The later you delay the application to the trade of which he is going to make his life study, the greater you put off his chances of attaining success.

Again, the dreadful word 'slavery' has been used. Gentlemen, as an employer of labour, as a man in whose saw-mill in Rangoon a large number of children are employed, I may tell you that I feel this very strongly. I object to the whole class of employers of labour being thrown into one class of men who use slaves

The HONOURABLE MR. A. C. CHATTERJEE: May I rise to make a personal explanation, Sir? I never said that all employers were employing slaves.

[Sir M. B. Dadabhoi.]

the strain and fatigue to which boys and girls are exposed at the age of 9 in connection with their employment in factories. Some of my Honourable friends have said that young boys when employed in fields find life good for their health. But there is another aspect of the case. If these boys are allowed to start life in factories at the age of 11, at that impressionable age, their character is moulded and shaped, they obtain longer time of apprenticeship, about 5 years, and after the period of apprenticeship they jump into good berths in the particular trade which they are following.

You will be depriving children of these prospects in search of something very illusory. There is no doubt—and everybody is agreed—that free primary education should be given to children and all possible opportunities should be placed before them to acquire primary education. But despite the fact that the major Provinces have adopted compulsory Education Acts, they are not in a position to do much. They are not able to provide primary education except in urban areas, and that to a very limited extent. On the other hand, what is done in manufacturing concerns such as big textile factories? The employers look after the education of their juvenile employees. They supply them with free primary education. They get this education *gratis* and you will be depriving a large number of these youngsters of it by raising the limit of age from 9 to 12. Further, the Council is aware that, if any change is to be brought about, it should be gradual, slow and progressive. All catastrophic changes are dangerous. They are dangerous to the employer, they are dangerous to the worker. I hope, therefore, that Honourable Members will pass this amendment. I appeal to the influential Members of this Council to support this reasonable amendment. I appeal to them not to defeat this amendment by the block of official vote. This is a very important measure requiring your dispassionate consideration. Do not for a moment think that we are pleading in the interests of the employers. We are pleading for the children in whose behalf many of my friends have displayed so great a solicitude. I therefore commend this amendment to the Council's acceptance.

The HONOURABLE MR. A. C. CHATTERJEE : Sir, at the outset I hope the Council will permit me to express my infinite regret that my Honourable friend opposite has thought fit to bring this amendment before the Council.

The HONOURABLE LALA SUKHBIR SINHA : Sir, I should like to say a few words in favour of the original Resolution.

The HONOURABLE THE PRESIDENT : The Honourable Member will have an opportunity later. The Honourable Mr. Chatterjee has not spoken on the amendment yet.

The HONOURABLE MR. CHATTERJEE : I join with the Honourable Mr. Lalubhai Samaldas in my admiration for the Honourable Sir Alexander Murray's breadth and generosity of views on all labour questions and, as he has himself put it, we have laboured together for the last eighteen months and I was hoping that we should be able to come to an agreement on this point also. But it has been otherwise. Sir, the Honourable Member has referred to the discussions at Washington and has taken the Government to task for what he calls a change of front. Sir, I think he will recall that throughout the discussions in Washington the Government delegates there never expressed any opinion about any particular age as being suitable for the employment of children in India.

All that they asked for was that the discussion of the question should be postponed until the Government of India had an opportunity of obtaining the views of the country on this question.

Sir, the Honourable gentleman himself, about six months ago or even less, signed a document on behalf of the Bengal Chamber of Commerce in which he said that there ought to be no change whatever

The HONOURABLE SIR ALEXANDER MURRAY : Sir, I rise to a point of order. I signed no document.

The HONOURABLE MR. A. C. CHATTERJEE : Well, Sir, the document that I saw stated that it was the unanimous opinion of the Bengal Chamber of Commerce that there should be no change whatever in the age-limit now fixed by law. Sir, I have great hopes of the Honourable gentleman. In the atmosphere of Delhi, the sturdy North British radicalism of the Honourable gentleman has been reasserting itself, and I am still hoping that when the Bill comes before the Council, the Honourable gentleman's radicalism will have gone a step further and that he will probably accuse the Government for its timid and cautious move in this matter.

Sir, the only point in the Honourable gentleman's address to which I should like to make a reference here is, when he said that the children, instead of going to the mills, will only be employed on objectionable forms of employment during the period between 9 and 12

The HONOURABLE SIR ALEXANDER MURRAY : I never used the word 'objectionable'.

The HONOURABLE THE PRESIDENT : I do not wish to intervene in this matter as long as speakers are prepared to give way to allow these interjections. But, as a matter of fact, the proper time for explaining alleged misstatements of this nature is at the end of a speech.

The HONOURABLE MR. A. C. CHATTERJEE : Well, Sir, the boys, instead of going to the factories will be working in the fields. That is quite a different proposition. Even in the Honourable gentleman's factories and in the other mill areas in Bengal, I should think the atmosphere is not quite as wholesome as in the open fields of Bengal or of Bihar whence the boys are recruited.

The Honourable Member from Madras has suggested caution. He thinks that there is no effective demand on behalf of the parents for the reform that has been proposed. He is quite positive that parents are not in favour of any reform. I think I have alluded to this point in my opening speech. He has further suggested that in the Bill we might fix the age at 11 with powers to Local Governments to raise it to 14. I am not at all certain that the Honourable Sir Alexander Murray will thank him for this suggestion. In view of what the Honourable Sir Alexander Murray now suggests, I do not think I need pursue this suggestion of the Honourable Mr. Lloyd.

Then, he has also stated that children in India are very precocious, and therefore the age of 11 will probably be just as suitable as the age of 12.

I think I have already stated that in every other country the age fixed is 14. I am quite sure that very few Honourable Members here would like to assert that an Indian child of 11 is physically as fit as a European child of 14.

The Honourable Mr. Chettiyar has referred to the old argument of relieving parents of responsibility for their children a year earlier. I have dealt with

[Mr. A. C. Chatterjee.]

this question in my opening speech. If this argument were carried further, we would probably have proposals that the State should entirely take over the care of children from the day they are born.

The Honourable Mr. Froom, I was surprised to find, has said that there is no law for compulsory education in this country. There are already several Acts in the Statute-books of the different Provinces. I alluded to this point in my speech, and I said that these Acts could not be brought into force on account of the difficulty with regard to the provision of funds, and these funds can only be provided by the wealthier classes of the community, that is to say, by the industries.

I could not quite make out, Sir, from the speech of my Honourable friend Sir Maneckji Dadabhoi whether he still stuck to the age of 9, the age that was recommended by the Bengal Chamber of Commerce

The HONOURABLE SIR MANECKJI DADABHOY : I made it quite clear, that it was the age of 11 that I was pressing for.

The HONOURABLE MR. A. C. CHATTERJEE : I am sorry if I misunderstood him, but I thought he referred particularly to the age of 9, and I took it down as the age when the boys have a plastic mind and can enter factories in order to be trained in their trades. Then also, Sir, he has referred to the benevolent activities of employers in giving elementary education free to the children. I think, Sir, most employers in India will disclaim any responsibility for giving free elementary education to children employed either in factories or outside; at least, that is the position which the Government understand employers have always taken

The HONOURABLE MR. L. S. MEHTA : Quite right.

The HONOURABLE MESSRS. DADABHOY AND MURRAY : No, no.

The HONOURABLE MR. A. C. CHATTERJEE : Then, Sir, the Honourable Member from Burma has suggested that it is a good thing for children to be employed in factories at an early age in order to get a long apprenticeship in the trade, and therefore trade will flourish and industry will flourish. I suppose, Sir, all the representatives of employers who were in Washington did not really know their trade, otherwise they should not have accepted the age of 14 as the minimum age of employment for children. I suppose that the argument that applies in Burma applies also in European countries.

I think, Sir, there is really no vital force in Sir Alexander Murray's amendment. I have a sort of suspicion that he will not be particularly disappointed if his amendment is negatived. As I said

The HONOURABLE SIR ALEXANDER MURRAY : I rise to a point of order. Is he justified in interpreting

The HONOURABLE THE PRESIDENT : I think the Honourable Member will allow the Honourable Mr. Chatterjee to proceed.

The HONOURABLE MR. A. C. CHATTERJEE : As I was going on to repeat, Sir, the Honourable Member has made a wonderful progress from the age of 9 to the age of 11 in three months' time, and I am still looking for further reform in him, specially when we are closely associated together in the framing and discussion of the Bill. I have nothing further to say.

The HONOURABLE SIR D. WACHA : Sir, I may tell the House this much, that I have always taken a detached view on the question of labour, particularly Indian labour, and during the last thirty years I have always advocated the better welfare of labour from all points of view, sanitary, economic, social and so on; and my own speeches will bear evidence to my statement. When I speak here, Mr. Lallubhai will say that he is 'disagreeably surprised' to see that Wacha is differing from him. But I do say this that the question, whether it should be 11 or 12 appears to me to be somewhat like 'Tweedle Dee and Tweedle Dum'.

What is the fact? Whether you keep the minimum age at 11 or at 12, the number of children employed in all the factories in India—and there are 3,241 factories which, I believe, are more or less inspected under the present Factory Act—are not more than 60,000 against a total working population of nearly 11 lakhs. So practically in these 3,241 factories you have got 60,000 children of the present Factory Act age. That is only six per cent. What is it? It is indeed negligible as far as children are employed. Then, why all this bother about protecting children, and inconsequential talking about parents and education, this, that, and the other thing? I cannot understand it, and I cannot understand why the Government should bother themselves with this petty piece of prospective legislation? There is a serious kind of evil which the Government ought first to tackle, and that is, the prevention of thousands of mill operatives who are killed by the drink traffic. In Bombay, Sir, to-day, because they are getting more wages, the operatives are drinking hard. Millowners have appealed more than once to Government to see that the drink shops were closed. When Lord Willingdon came to our Association some three or four years ago he talked about the same thing. I asked whether he was willing to shut up the drink shops. His reply was that it was a political problem. That shows clearly how Government in one breath try to go forward and forward without serious thought, and in another place even though the legislation may be right it will not carry it out. Here, I say, we are rather asked to be in advance of the popular view of the question. As a matter of fact, I will say this. I find that, since the Factory Act was re-enacted in Bombay in 1911, there are less number of children employed in the mills than before. Why? Because I believe—at least that is my impression—I may be wrong—that the parents themselves thought it was of no use putting their children in factories when the Government was putting a strict limit of age. Far better to withdraw their children and let them go and find work elsewhere. Even in the Bombay factories to-day there are not more than 13,000 children, boys and girls, together. What is that number? A bagatelle. A great bogey is set before us that it is very good that children should not work in the factories till 12. I have seen children of lower age in Bombay working from 6 in the morning till 6 in the evening, and not getting more than 3 to 6 annas per day, and their number far exceeds the 1,300 in 80 mills. Government seem to be going blind in matters of social legislation. At one time they seem to go straight into the quandary; at another time they shut their eyes and say they can do nothing! That is how Government behave in the matter of legislation. In cases where legislation is overripe they will not move their little finger. In other cases where legislation is unnecessary, they will go in advance by 25 years of public opinion!

Sir, for five years past, as my Honourable friend Mr. Shafi will bear me out I have been asking the Government to spend money to find sanitary houses for the working classes. In England; they have been spending some millions

[Sir D. Wacha.]

sterling for housing such classes. Last year, after my persistent interpellations I was able to see them sanctioning 30 lakhs for the dwelling houses of operatives. What is that? A mere flea bite in comparison with the millions spent in other directions! Then there is the question of sanitation, a larger question than legislation for the age of some 60,000 children employed in all India in 3,240 factories. I leave it, Sir, to the common sense of all the Members of this Council to say whether this legislation is necessary at all or not. I am not going to appeal to the Council, like my Honourable friend Sir Maneckji Dadabhoy or like my Honourable friend Mr. Chatterjee, who, of course, to-day, was in a rather rhetorical mood and frightened us with his bogey 'eyes of the world' were upon us and goodness knows what will happen.

Sir, I will not say more. I have a great deal more to say, but my friends remind me that time is pressing. I do think, however, Sir, on the whole that the facts and figures and the arguments brought before us by the Honourable Sir Alexander Murray are convincing.

The HONOURABLE SIR L. S. MEHTA : Sir, I move that the question be put.

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is—

'This Council recommends to the Governor General in Council :—

(a) that he should ratify the Draft Convention fixing the minimum age of admission of children in industrial employment adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th October 1919, subject to the following reservations.

I do not think it is necessary for me to read those reservations to the Council because the effect of the Honourable Sir Alexander Murray's amendment is to substitute yet a further Resolution.

The HONOURABLE THE PRESIDENT : The question now is that in the Resolution, which runs as follows :—

'This Council recommends to the Governor General in Council :—

(a) that he should ratify the Draft Convention fixing the minimum age of admission of children in industrial employment adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October, 1919, subject to the following reservations :—

(i) that it shall not apply to factories employing more than 10 but less than 20 persons unless the Local Government so direct ;

(ii) that transitional regulations shall be made regarding children between the ages of 9 and 12 already lawfully employed in factories ;

(b) that steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to the Draft Convention as applied to British India by Article 6 thereof and subject to the reservations above stated.'

the following amendments be adopted, namely :—

'(a) That before clause (a) (i) the following be inserted, viz. :—

(i) that it shall apply only to children under 11 years of age ;

(b) that clause (a) (i) be re-numbered (ii) ;

(c) that clause (a) (ii) be re-numbered (iii), and that for the figures "12" in that clause, the figures "11" be substituted.'

The Council divided as follows :—

AYES—13.

Abdul Majid, Nawab
Amin-ul-Islam, Mr.
Chettiyar, Mr. Annamalai.
Dadabhoy, Sir M. B.
Froom, Mr. A. H.
Hammond, Mr. E. L.
Harnam Singh, Raja Sir.

Holberton, Mr. E. J.
Lloyd, Mr. E. S.
Moti Chand, Raja.
Murray, Sir A. R.
Ram Saran Das, Lala.
Umar Hayat Khan, Colonel Sir.

NOES—24.

Barnes, Sir G.
Barron, Mr. C. A.
Bhurgri, Mr. G. M. K.
Bray, Mr. D.
Chatterjee, Mr. A. C.
Cook, Mr. E. M.
Edwards, Major-General W. R.
Elliott, Lieut.-Col. A. C.
Jha, Dr.
Kale, Mr. W. G.
Keshava Prasad Singh, Maharaja
Bahadur.
Khaparde, Mr. G. S.

Maricair, Mr. A.
Mehta, Mr. L. S.
Nayudu, Mr. V. R.
Po Bye, Maung.
Richey, Mr. J. A.
Sarma, Mr. B. N.
Seddon, Mr. C. N.
Shafi, Mr. M. M.
Smith, Mr. H. Moncrieff.
Srinivasa Sastri, Mr. V. S.
Sukhbir Sinha, Lala.
Vincent, Sir W.

The Amendment was negatived.

The HONOURABLE THE PRESIDENT : The Council having granted leave under Standing Order 22, the business of the Council is now interrupted, and I call upon the Honourable Mr. Bhurgri to make his adjournment motion.

KHILAFAT MOVEMENT.

The HONOURABLE MR. BHURGRI : Mr. President, my intention in troubling the members of the Council is to call the attention of the Government to the recent statements in the Public Press that representatives of Muhammadan opinion are being summoned to London, almost immediately, to represent the views of that community in a matter of vital importance. You will see, Sir, the matter is so important and so urgent that I need make no apology for taking up the time of this Council in this manner. Before I deal with the personnel of the delegation proposed I will, with your permission, say a few words about events in India which have led the Government to take this wise and far-seeing step.

The relations of my community with the Government of this country are too well known to be reviewed here. If there was a community more friendly to Government than any other, it was the community to which I have the honour to belong. There were days when my community believed, and rightly believed, that England was the only friend of the only Muslim Empire in Europe and consequently of their faith-Islam. The glorious stand of England by the side of the Sultan of Turkey against Russia enraptured the Mussalmans of India and convinced them of the true friendship of England towards their Khalif. It made their hearts beat with profound gratitude. The right of the Sultan of Turkey to be the rightful Khalifa of Sunni Muslim world and custodian of their holy places was not in dispute then, as it is being disputed by some now. The Mussalmans of that period believed, as the

[Mr. Bhurgri.]

Mussalmans of to-day believe, that their rightful Khalifa was and is the Sultan of Turkey. The fact of their praying for their Sultan and recital of his name as their Khalif in prayers is conclusive proof that the claim of the Sultan of Turkey is not a new one. Nor is it concocted now to suit the exigencies of the present political situation. As a matter of fact, this belief of Mussalmans was indirectly recognised by Lord Beaconsfield, the Government of India and Sir Richard Temple by blessing the mass meeting of Mussalmans held in Calcutta at the time of the outbreak of Russo-Turkish War in 1876. In fact from that time onwards almost every Englishman in this country persisted in declaring himself and his nation as the only true friend of our Khalifa and our faith. And therefore they argued that the Mussalmans of India should not participate in any national movement which they thought was against British interests. It was in vain that a few nationalist Mussalmans tried to interest their community in their home affairs more than the affairs of other countries. But the blandishments of our English friends for a long while succeeded in keeping the community away. When the Great War broke out, Mussalmans of India stood to a man for Britain. The unfortunate participation of Turkey in the War on the other side, though painful to Mussalmans, did not make any difference in their attitude towards the British Government. The Mussalman soldiers went on fighting in different theatres of War, and even fought against Turkey herself, relying fully on the assurances given that it was not a religious war. Then came Peace. The hearts of the Mussalmans of India stood still and expectant to see how their old friend, England, would redeem the promises given on her behalf and treat the only Muslim Empire in Europe. I would not take up the time of the Council by going through the pledges given by the Prime Minister of England. They are too well known. Suffice it to say that the subsequent attitude of the British Government towards Turkey in the question of Thrace and Asia Minor, which according to Mr. Lloyd George himself were predominantly Turkish in race, and her proposed acceptance of mandate for Arab Provinces impaired the trust of the Mussalmans of India in England's good faith towards them.

What they expected England to do was at least to let Turkey have the rich and renowned lands in Asia Minor and Thrace

The HONOURABLE SIR WILLIAM VINCENT: May I rise to a point of order, Sir? Is the Honourable Member in order in referring to the relations of Great Britain with foreign countries?

The HONOURABLE THE PRESIDENT: He is not out of order in referring to them. He would be out of order in discussing them.

The HONOURABLE MR. BHURGRI: What I was referring to, Sir, was what they, namely, Mussalmans of India, expected England to do for them. What they expected England to do was at least to let Turkey have the rich and renowned lands in Asia Minor and Thrace which were predominantly Turkish in race and grant full autonomy to Arab Provinces by setting up Arab Government there. They did not ask that those provinces should be put under Turkey or any body else's control. They pleaded for a full autonomy of these provinces without any control by any non-Muslim power. That there should be no non-Muslim control over these provinces is a matter of faith with them, and is based on the last will and injunction of the Holy Prophet. They also asked that the holy places of Mecca and Medina should be placed under the suzerainty, however nominal, of their Khalif. The Council will see that

the demands put forward by Mussalmans as described above are not at all unreasonable. Whatever may have been the decision of the Peace Conference it was an irony of fate to see England, who has a greater number of Mussalman as her subjects than any other power in the world, adopting a hostile attitude towards the Khalifa of Islam and the religious sentiments of Mussalmans while France and Italy showed themselves friendly to Turkish interests. This is the cause of arousing the bitter feelings of Muslims which are more intense to-day than they had ever been before. The intensity of the feeling can be gauged only by those who have attended some of the Khilafat Conferences. I think I have said enough about the unsympathetic and hostile attitude of the Cabinet in England towards the sentiments and demands of the Mussalmans of India. I will now turn to the Government of India and the part they have been playing in this matter. I will be failing in my duty if at the outset I did not express my appreciation of the powerful efforts of Lord Chelmsford's Government, the Secretary of State for India and some of the Provincial Governors in the direction of pressing upon the attention of the British Cabinet the strong views held by my community on the subject. If my community has not acknowledged these efforts adequately, it is not because they were unwilling to acknowledge them, but because the Government of this country have not taken them into their full confidence. The Government of India is too much given to wear a Purda, and I do hope that to-day at least they will discard it and come out with a full and frank statement of what they have done in the past and what they propose to do in the future. I see from criticisms in the Public Press that they are sending a deputation to England to represent the Mussalman views before the coming Peace Conference. So far as the despatch of a deputation is concerned, it is a move in the right direction as indicating a laudable anxiety on their part to have the views of the Indian Muslims brought home to the Peace Conference. But I cannot help entering my protest against the procedure of Government taking upon itself the selection of the personnel of that deputation. This procedure is open to more objections than one. In the first place, it is wrong in principle and creates a dangerous precedent. It is the Muslims of India themselves who should have been left to choose their own representatives. But if the time necessary for doing this was not available, an alternative could have been resorted to by asking the Muslim representatives on the Councils now present in Delhi to choose them. In the next place, the Khilafat problem being a purely Sunni problem the composition of the deputation should have been in main Sunni. I am bound to say, however, that personally I have every confidence in my friends His Highness the Aga Khan and Mr. Hussan Imam and Mr. Chotani. But the Khilafat question being a Sunni problem it will be more satisfactory to the Public if the Government were to send one or two Sunni Muslims on the deputation. Furthermore, I am strongly of opinion that the presence of an eminent Moulvi on the deputation is essential to present the religious aspect of the case. I was pressing the Home Member for the last few days to add the name of Moulana Abdul Bari. I would have still pressed him for the same with all the force at my command, but for the reason that Moulana Abdul Bari himself does not consent to go. I would still press the Government to have one Moulvi on the deputation, and I would suggest the name of Moulvi Saddruddin of Woking Mosque to be added to the list.

Mr. President, let me assure this Council that nobody is more anxious to have peace than the Mussalmans of India. Nobody is more anxious to acquire the old good-will and friendship of Great Britain than my community.

[Mr. Bhurgri.]

Peace is the great need of India, it is a greater need of England and the greatest need of the world. That peace can be achieved by Great Britain showing magnanimity by forgiving and forgetting the past, and by extending the hand of real fellowship towards Turkey in her hour of trial and need, and thereby reconcile not only the Mussalmans of India, but of the whole world. Will British statesmen rise equal to the occasion? That is a question which is uppermost in the mind of every Mussalman of the world.

The HONOURABLE MR. D. BRAY : Sir, the attitude of the Government of India towards this discussion has already been demonstrated by the alacrity with which members of the Government ranged themselves in support of the Honourable Member's motion for the adjournment of the House. Indeed, it is no secret that the Government felt not a little disappointed and somewhat embarrassed at the crowding out, at the last meeting, of the Resolution which stood in the name of the Honourable Sir Zulfikar Ali Khan. For, studiedly general though the wording of that Resolution, no one, I take it, failed to realise that it was designed as an appeal for the further representation of the views of that great religious community to which he belongs on the particular matter which is now, and has for long been, stirring it deeply.

The Government of India were disappointed at the crowding out of that Resolution because it robbed them of an opportunity of clearing up certain misunderstandings that appear to have gathered round the Government's attitude towards this question—misunderstandings which have sprung from the loyal manner in which the Government have interpreted their duties as a Government subordinate to His Majesty's Government. The Honourable Member has given us that chance to-day. To all he had to say I listened with the closest interest. And, speaking as one who has spent his manhood in the congenial environment of our Islamic frontiers, and as a humble student of Islamic thought and feeling and practice as manifested amongst our virile frontier tribesmen, I listened to his speech, may I say, with deep sympathy. Here and there it is true, he rushed on to ground where I for one would fear to tread. For the public discussion of matters affecting foreign countries and foreign policy is a delicate business. And I do not doubt that this Council in building up its traditions will seek herein to mould itself on the traditions of reticence and restraint which have grown up in the Houses of Parliament around all discussions on foreign affairs. We are indeed—as you, Sir, have just reminded us—already restricted in this matter by the Rules of the Council which have been framed with Parliamentary sanction.

I do not propose to traverse the speech of the Honourable Member for this very reason. For I myself propose to deal with the question primarily in so far as it affects India's foreign affairs. But I can say this. As the Honourable Member himself has recognised, not only have the views of Moslem India on the momentous question he has at heart been represented by the Government of India from the outset with all force and fulness to His Majesty's Government, but those views have inspired and coloured reference after reference made by the Government of India in matters of foreign policy affecting India.

It could not be otherwise. There is a great belt of Islamic countries stretching unbroken from South of the Straits of Gibraltar far away into Northern China. One block of India itself stands within that belt—that great frontier buttress on the north-west made up of the North-West Frontier

Province and Baluchistan. But it is even more relevant to my present purpose that within that Islamic belt are included nearly all of the foreign countries with which India is most closely concerned. It is thus palpable that from an external point of view alone the welfare and good-will of Islam must in the very nature of things be of paramount importance to India and the British Empire. This fact is in itself a powerful reinforcement of the cause which Moslem India has at heart. The Government of India in their references on matters of foreign policy have lost no opportunity of urging it on His Majesty's Government on every possible occasion.

In drafting a reply the other day to a question put in the other House on a matter closely touching the question now before us, I wrote that no further opportunity for representing Moslem India's views offered itself for the moment. I was wrong. An opportunity lies before this Council here and now for it to make or mar. Let us make the most of it. Let us, combining depth and sincerity of feeling with sobriety and sanity of expression, furnish the Government of India in to-day's proceedings with yet further material wherewith to fortify that cause which in essence, if not in detail, the Government of India share with the Honourable Mover and Moslem India at large.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN : Sir, it is gratifying that this opportunity has been given to us to discuss this difficult subject which is hanging fire. As a representative of Muhammadans I give vent to their feelings which are very strong on the subject. I must remark at the same time that I have been a party to taking various deputations to the heads of departments on the subject. Their attitude towards the subject has been always favourable. As far as I know, the Government of India have done their very best to help us, and I am sure that they are ready in the future to do everything in their power, and it is this that we ask of them now to do. Speaking personally, I think all such questions like the Rowlatt Act are used more or less as red rags before a bull. Irresponsibles who have got no stake in the land, and many of whom are undoubtedly in foreign pay, want to bring chaos into the country. I hope my countrymen will keep mindful of this. Government is doing all in its power to remedy everything which is put forward as a wrong, like the modifying of repressive measures, regret at the Punjab happenings, though some persons were rightfully convicted; and by similar action. All this may tend to snatch away the weapons from the enemies of India who are out to work mischief.

In the end I venture to predict that they will never pacify them, but if the press helps me to make my voice heard, all the sober elements in my country will take a cue from me in this matter. I strongly support my friend.

The HONOURABLE RAJA SIR HARNAM SINGH : Sir, I support the Honourable Mr. Bhurgri's motion. We all know that the Government of India have done their best to represent the Indian Muhammadan views in the Council of the Allies. Owing to the international character of the correspondence it has not yet been published. We hope that the Muhammadan public opinion will be satisfied when it is published. Mr. Bhurgri has done well by calling the attention of this Council to this important question, especially at a time when the Near East Conference is about to meet in London. The sense of this House is well known, and this should be communicated to the British Cabinet. I have seen a press report to the effect that the Government of India have sent a strong delegation under the chairmanship of His Highness the Aga Khan to London. The Government should now take the House into confidence. Speaking for myself, also, I venture to think, for this House, the

[Sir Harnam Singh.]

Government can rely on our wholehearted support in getting just redress for the grievances of our Muhammadan brethren over the Khilafat question.

The HONOURABLE MR. MARICAIR: Sir, we are not unmindful of the fact that the Government of India have taken so much interest in the welfare of Indian Muhammadans and that they have done their best to pacify the feelings of the Muhammadan subjects of India. I am not here, Sir, to speak anything about non-co-operation. I am here to express the feelings that the Muhammadan public of India have towards the present situation. Well, Sir, we all know that Italy and France are in favour of revising the peace terms, and we have not forgotten the assurance given by the Prime Minister in the matter. The only point I wish to place before this Council, for the information of the Government, is this, that the feelings of Muhammadans who go to Mecca and Medina on pilgrimage will not be fully satisfied unless those religious places are to be entirely left in the hands of Muhammadans. The feeling of the Muhammadans of India is that there should be no sort of control over these places by non-moslem subjects. That is the point that is engaging the minds of Muhammadans in India so greatly. As every Muhammadan is bound, as a religious duty, to perform the pilgrimage and become a *Haji*, he could not perform this duty if any such interference is put in. If this were assured, the Muhammadans will be well pleased.

As you know, Sir, the feelings of the Muhammadans are divided into two. One as to the governing of pilgrim centres by Turks, and the other as to government by the Arabs. There are two differences of opinion. I am not here to say which is good and which is bad. The only thing I can say is that there should be no non-Muhammadan interference with the religious places, such as Mecca and Medina and other places, and I am very glad that there is going to be a deputation to reconsider the whole question of the Peace Treaty, and that a certain number of Muhammadan gentlemen are to be chosen for the deputation. As the Honourable Mr. Bhurgri has fully explained, a large number of Muhammadans are Sunnis, and so it is in the interests of the Sunnis sect of Muhammadans of India, who are the subjects of Great Britain, that one of the members of the deputation should be selected from among the Sunnis.

With these few words I beg to support the motion.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I will deal as shortly as I can with this motion, and I hope to be able to convince this Council that in the past we have done, and at present are doing, everything that is possible to secure the fullest and most adequate representation of Indian Muslim opinion on the question under discussion. The Honourable Mover has himself acknowledged, I am glad to say, our efforts in this direction, and as I understood him his real criticism was directed to our failure to publish to the world all we have done.

Sir, the Government of India believe that the Muslims of India have had ample opportunity of knowing what efforts have been made on their behalf in this matter. Abundant evidence has been published of the genuine sympathy of the Secretary of State and the Government of India with them on this question. They have been repeatedly assured that full representation of their views was as much a matter of concern to us as to themselves. This point was brought out, if I may say so, very clearly in the speech of His Excellency the Viceroy when he received a Muhammadan deputation in this

City of Delhi last year. The address of the deputation and His Excellency's reply were published widely. I should, however, like to read to the Council some extracts from that reply. His Excellency said: 'At this juncture I desire again to assure the Muhammadans of India that no effort has been spared, no stone left unturned, to place before those with whom the decision will rest, the plea of Indian Muslims for the most favourable possible treatment of Turkey.' A little later I find the following statement: 'Not only have the Government of India placed the views of Muslim India with strong emphasis before His Majesty's Government, our delegates voiced those views before the Peace Conference, and that nothing might be left undone to lend weight to their evidence, it was reinforced by three Muslims of distinction who had been specially delegated to attend the Peace Conference with them. I should like also to draw your attention to a recent utterance of the Secretary of State cabled to India a few days ago, when he said, that whatever decision the Allies arrived at, India might rest assured that the views of India were being voiced by India's representatives at all the deliberations in Paris and London. His Highness the Maharaja of Bikaner, Lord Sinha, His Highness the Aga Khan and he himself had emphasised the wishes and earnest plea of the Indian Muhammadans with regard to the importance to them and therefore to Imperial interests of the Turkish terms of peace.'

Another passage runs, 'Shortly after the armistice I represented to the Secretary of State that feeling in India was most disturbed over the question of the Turkish Peace terms and particularly with regard to the Holy Places in the Hedjaz and the future of Constantinople, and steps were taken to ensure that the views of Muslim India should be fully placed before the Conference by the representatives of India. The Indian delegation, as you know, was composed of the Secretary of State, the Maharaja of Bikaner, and Lord Sinha, and I can assure you that they pressed the case for the favourable treatment of Turkey with an earnestness of purpose and force of argument which could not be surpassed. They had before them the memorial, dated the 1st January 1919, which was signed by prominent Muhammadans resident in Europe including among others, His Highness the Aga Khan, the Honourable Mr. Ameer Ali, Sir Abbas Ali Baig and Mr. Yusuf Ali and they made full use of all the arguments which were adduced by these distinguished gentlemen for the lenient treatment of Turkey and the consideration of the sentiments of Indian Muslims * * * The delegation received a hearing from the Peace Conference, and as a result of the representations of my Government and the efforts of the Secretary of State it was accompanied on this occasion by three prominent Indian Muslims—His Highness the Aga Khan, Sahibzada Aftab Ahmad Khan and Mr. Yusuf Ali. In the same month my Government again cabled to the Secretary of State urging upon him the importance, in any settlement of the Turkish peace terms, of considering the effect of this upon Muhammadan opinion in India. I may add that ever since the armistice I have been unceasingly in private communication with the Secretary of State, and have never failed to urge upon him, though this was hardly necessary as his views coincide so closely with my own, that Muslim feeling in India must be taken into most serious account in coming to a final decision.' The whole of that speech contains a fairly complete exposition of what had been done by the Government up to that date, and I believe I am right—I have not the speech before me at this moment—in saying that His Excellency the Viceroy in a recent speech at Sylhet, which received wide publicity, again explained the efforts that he had made on behalf of Indian Muslims. I say, therefore,

[Sir William Vincent.]

that this accusation of secrecy or this suggestion—I will not say accusation—that we have not given sufficient publicity to our efforts is hardly warranted by the facts, though if we have been guilty in this respect I can only express my deep regret for it. After receipt of that deputation we gave, as Honourable Members are aware, every facility to a delegation of Indian Muslims to proceed to Europe. It was well known throughout India that they had gone and that we had done this. All their efforts were widely published, in fact they themselves took the opportunity, very properly, of advertising their activities as widely as possible. Further, we have never ceased making representations to the Secretary of State on this matter. We have literally bombarded him from time to time with communications by telegram. There is no aspect of this case, foreign or domestic, that we have not placed before him, and I do not believe that, if the Honourable Member had been in the Government of India himself, that he could have done more to put the views of Indian Muslim opinion before the Secretary of State and His Majesty's Government. We know very well what Muslim feeling on this matter is. We know how deeply it has been exercised. Indeed we believe that in some respects it has been more sincerely moved than Muslim opinion in other parts of the world. Whatever was the origin of this movement, whether it was in its inception religious or not, there is no doubt whatever that now it is a movement of a deeply religious character which touches the feelings of nearly all good Muhammadans. We are well aware too of the general feelings of Indians on this subject. They feel rightly or wrongly—I think rightly but that is a personal opinion—that Indian troops, including Indian Muslim troops in particular, having done so much for the Empire in the war with Turkey, are entitled, and that Indian opinion is entitled, therefore, to receive special consideration in this matter, and that the greatest regard should be paid to Indian Muslim opinion. They know also that Muslim India always regarded Great Britain as a friend of Islam, and they hoped that when the foe was beaten, and the war over Great Britain and the Allies would deal with her generously and liberally. That was, I believe, the feeling of all Indian Muslims; that feeling has been communicated to His Majesty's Government. We know also the strain to which loyal Indian Mussalmans have been put by the Turkish peace terms. None of these points, I ask the Members of this Council to believe me, have been overlooked by us. The question has been a matter of constant anxiety and concern to us and to His Excellency personally. In answer to a question the other day, I said that we had sent, I think, ten or eleven communications to the Secretary of State on this subject within the last few months. Finally, when we heard a few days ago of this Inter-Allied Conference which is going to take place in London, before even we got any official information on the subject, we at once took steps—with the sanction of His Excellency the Viceroy of course—to secure once again the representation of non-official Indian Moslem opinion at that meeting. I inquired from one or two Local Governments as to suitable persons who might wish to undertake the duty. We had no time to do more and His Highness the Aga Khan, Mr. Hassan Imam and Mr. Chotani have gone to England on this mission. Mr. Chotani is, I am informed, taking with him Dr. Ansari and it may be possible later to include him as one of the delegates, but this is a matter on which we must be allowed to consult His Excellency and the Secretary of State. The objection is now made that two of the delegates are Shias. I have always been told, however, that Shias and Sunnis felt alike on this matter, and for that reason we sent a mixed deputation.

Mr. Chotani is also a gentleman who, I understand, has always headed the Khilafat movement in Bombay. He is an orthodox Sunni of the most rigid character according to my information, and I believe it is correct. As for Mr. Hassan Imam, I know of no more able advocate of the Muhammadan cause than himself. Whether he is a Shia or a Sunni, he is certainly not a Government man or a person who always sides with Government. He is a personal friend of mine, but I suppose there is no man from whom I have from time to time differed more in politics though I have every respect for his ability.

We tried to get these gentlemen off from Bombay on the 11th. That was the earliest date we could arrange, and we made every effort to get them passages as we knew that the Conference was meeting to-day. They were, however, unable to get off by the 11th, but sailed by the mail of the 19th, and we have telegraphed to the Secretary of State urging upon him that it is most important that no final decision should be reached by this Conference until these non-official representatives of Muslim opinion have had an opportunity of placing their views before them. More than this we cannot do. Whether we shall be successful or not in securing this we do not know. The Honourable Mover suggested the addition of another gentleman to this deputation—Maulana Abdul Bari. I may say that for various reasons the deputation of that gentleman was not possible. Another gentleman whom I had thought of approaching was Maulvi Suleiman Shah of Phulwari, a great Mussalman leader in my own part of the country; but the final conclusion we came to was that if the people who left on the 19th were not certain of arriving in time, there was very little use in sending another delegate on a wild goose chase a week later; and I think the Council will support us in that conclusion. If, however, there is any other method that Honourable Members can suggest by which we can secure more adequate representation for their views, the Government of India will be glad to adopt it, for on the question of securing the fullest representation of their views, we are entirely at one with them

The HONOURABLE MR. BHURGRI: I suggested Maulvi Saddr-ud Din.

The HONOURABLE SIR WILLIAM VINCENT: The Honourable Member did suggest the name of this gentleman, and that is a matter we will take into consideration. He, and the Council also, will realise that that is not a matter on which I can make a declaration at present, though I can promise the most sympathetic consideration to the Honourable Member's proposal.

The only other suggestion I can make is, that the Moslem Members of both Chambers of this Legislature should formulate their views in some definite shape not *qua* Members of the Legislature but *qua* leaders of Moslem opinion. If they do so in a reasonable document which I can cable Home, I will have it cabled Home to the Secretary of State without delay as we are as anxious as they are to do everything possible to promote the cause they have at heart. I have very little to add on the points raised in the speech of the Honourable Member. He said, however, that no one was more anxious for good feeling than the Muhammadans. I am sure it is true of him, but I wish I could say that I felt the same about some of those who are organising anti-Government movements at this juncture.—I hope that it is true, however, of most Muhammadans

The HONOURABLE MR. BHURGRI: Yes, of all men.

The HONOURABLE SIR WILLIAM VINCENT: The Honourable Member accepts a very grave responsibility in making that statement, if he speaks for every Muhammadan in this country.

income, but merely convenient ways of stating the results of calculations as to the total quantity and value of agricultural produce. Even so, the calculations included many elements of uncertainty and possible inaccuracy. I may mention, however, that a further attempt made on similar lines in 1911 arrived at the result that, if Rs. 27 and Rs. 30 were correct estimates in 1880 and 1901, then in 1911 the correct figure would have been Rs. 50. A somewhat more elaborate method gave for 1911 the figure of Rs. 80. I give these figures merely for what they are worth, more for purposes of comparison than because Government consider them reliable in themselves. It is highly probable that there has been a substantial increase in average income since the days of Lord Curzon. It is not possible, however, to state with any confidence the extent to which such increase has been counterbalanced by a decrease in the purchasing power of money, or, as the Honourable Member puts it, by the depreciation of the rupee. I may add, that if it becomes clear that there is a public demand that steps should be taken to make a calculation of the income of India on a true statistical basis, we shall endeavour to arrange for this being done by a small body of experts.

INDUSTRIAL COMMISSION REPORT.

149. The HONOURABLE SARDAR JOGENDRA SINGH : (a) What steps have been taken to give effect to the Industrial Commission Report?

(b) Has any practical programme of work been arranged for the next five years?

The HONOURABLE MR. A. C. CHATTERJEE : The Honourable Member is referred to the* answers given by me on the 14th and 16th February 1921, respectively, to questions on the same subject put by the Honourable Mr. G. M. Bhurgri and the Honourable Mr. A. K. G. Ahmedthamby Maricair.

LAND REVENUE ASSESSMENT.

150. The HONOURABLE SARDAR JOGENDRA SINGH : (a) What portion of agricultural income does the payment of land revenue absorb?

(b) How is agricultural income determined for the purposes of the assessment of land revenue?

(c) Is the incidence of land revenue demands uniform all over India?

(d) What relation do taxes ordinarily bear to incomes in India?

(e) What is agricultural income per head per province?

(f) Have the Government of India any information as to the agricultural wage per head per province?

The HONOURABLE MR. B. N. SARMA : (a) and (b) It is quite impossible to give to parts (a) and (b) of the Honourable Member's question a comprehensive reply that would be applicable to the whole of India, and the Settlement Codes and Manuals of the different Provinces may be consulted with advantage. Where land revenue is assessed, more particularly with reference to ascertained agricultural assets, as in the temporarily settled zamindari areas, it may be said very broadly that the rents received, with the addition of the

*Fide pages 46 and 82, respectively, of Volume I, Nos. 3 and 4, of the Council of State Debates.

rental valuation of land cultivated by the zamindar himself, are the assets on which the land revenue is assessed, but here it must be observed that the proprietor's cultivating profits are ordinarily much in excess of the rental valuation assumed. On the assets ascertained or assumed, as explained above, a share is assessed as land revenue.

(c) The answer is in the negative. I need only point to the permanently settled areas, where the land revenue remains unchanged irrespective of any increase in profits or rise in the price of produce; but even in temporarily settled areas the incidence of land revenue is not uniform throughout India.

(d) The only taxes which bear any relation to income are the income-tax, the rates of which will be found in Schedule I of the Income-tax Act and the Super-tax, the rates of which will be found in the Schedule attached to the Super-tax Act.

(e) Agricultural income depends on the value of agricultural produce, and the value of agricultural produce in India is being examined by the Government of India in consultation with the Local Governments. The Government of India are not yet in a position to give an estimate of agricultural income per head per province.

(f) The last censuses of wages were held in some provinces in the year 1916, and in others in 1917. The information then obtained is now quite out of date.

IRRIGATION PROJECTS.

151. The HONOURABLE SARDAR JOGENDRA SINGH : (a) How many Irrigation projects are now under consideration of the Government of India, and how long have they been under consideration?

(b) Of those sanctioned how many are likely to be started in the coming three years?

The HONOURABLE MR. B. N. SARMA : (a) Four projects, for the Sarda Canal in the United Provinces, for the Sukkur Barrage and Canals in Sind, for the Damodar Canal in Bengal, and for the Sutlej Valley Canals in the Punjab are under consideration; the three first by the Secretary of State, and the fourth by the Government of India. They were received from the Local Governments concerned between August and November 1920.

(b) Once a project is sanctioned, the commencement of its construction is a matter which rests entirely with the Local Government concerned.

MILITARY DAIRY FARMS.

152. The HONOURABLE LALA SUKHBIR SINHA : (a) Will His Excellency the Commander-in-Chief be pleased to state whether it is a fact that in military dairy farms most of the calves of the cattle are killed as soon as they are born, in order to get more milk from the milch animals; and if so, to state the number of calves that are so killed every year?

(b) Does His Excellency propose to consider the question of putting a stop to this practice?

HIS EXCELLENCY GENERAL LORD RAWLINSON : The answer to the first part of the question is in the negative. The rest of the question does not therefore arise.

[Sir William Vincent.]

There is only one other question to which I wish to refer, namely, this question of the Khilafat. I will deal with it very briefly, because it is a religious question on which I am not competent to speak with any authority. But I can assure this Council that it never has been the intention of the Government of India or His Majesty's Government to interfere in any degree in that matter. It has always been recognised to be a question for Muhammadans themselves, and the Government of India and His Majesty's Government repudiate any suggestion that they have exercised or will exercise any kind of interference in a religious matter of that kind.

The question of the Holy Places of the Hedjaz I will leave for a subsequent speaker to deal with in more detail; but I believe that they are absolutely under a purely Muslim domination, and that no non-Muslim power exercises any control over them; but it is not really a subject on which I am qualified to speak.

I have now explained the whole attitude of the Government of India on this matter, and I hope that at the conclusion of this debate the Honourable Member will, in virtue of what I have told the Council, find himself able to withdraw his present motion.

The HONOURABLE MR. BHURGRI : Sir, after this statement from the Honourable Sir William Vincent I beg to withdraw my motion.

The HONOURABLE THE PRESIDENT : Is it your pleasure that the Honourable Mr. Bhurgri be granted leave to withdraw his motion?

The motion was by leave withdrawn.

The HONOURABLE THE PRESIDENT : The Council will now resume the consideration of the business interrupted by this motion. I will call upon the Honourable Mr. Bhurgri to move his amendment in regard to the Resolution moved by the Honourable Mr. Chatterjee.

The HONOURABLE MR. BHURGRI : Sir, an amendment of this very same nature was moved in the other House the other day, and in view of what took place there, I beg leave to withdraw my amendment, namely, 'that sub-clause (c) of clause (a) of the Resolution* be deleted.'

The Amendment was by leave withdrawn.

The HONOURABLE THE PRESIDENT : If the Council does not desire to resume discussion of the principal question I shall now put it to the Council.

The question is that the Resolution as set out below be accepted :--

'This Council recommends to the Governor-General in Council :--

- (a) that he should ratify the Draft Convention fixing the minimum age of admission of children in industrial employment adopted by the General Conference of the International Labour Organisation of the League of Nations convened at Washington on the 29th of October, 1919, subject to the following reservations :--
 - (i) that it shall not apply to factories employing more than 10 but less than 20 persons unless the Local Government so direct;
 - (ii) that transitional regulations shall be made regarding children between the ages of 9 and 12 already lawfully employed in factories;
- (b) that steps should be taken to introduce in the Indian Legislature the legislation necessary to give effect to the Draft Convention as applied to British India by Article 6 thereof and subject to the reservations above stated."

The motion was adopted.

The Council adjourned till Wednesday, the 23rd February at 11 A.M., in the Assembly Chamber.

*Printed on page 196.

COUNCIL OF STATE.

Wednesday, the 23rd February 1921.

The Council met in the Assembly Chamber at Eleven of the Clock on Wednesday, the 23rd February 1921. The Honourable the President was in the Chair.

MEMBER SWORN :

The Honourable Khan Bahadur Nawab Muhammad Muzammil-ullah Khan, O.B.E.

QUESTIONS AND ANSWERS.

IRRIGATION SYSTEMS.

147. The HONOURABLE SARDAR JOGENDRA SINGH : Do the various Irrigation systems notify to the villages the amount of water to which every 500 acres are entitled? If not, do the Government propose to order that this should be done?

The HONOURABLE MR. B. N. SARMA : As regards the first portion of the question the Government of India have no information. As regards the second portion, the distribution of water is a matter which rests entirely with the Local Government concerned, and the Government of India do not propose to issue any orders on the subject.

The HONOURABLE SARDAR JOGENDRA SINGH : May I put a supplementary question, Sir?

The HONOURABLE THE PRESIDENT : Certainly, but it must arise out of the answer given.

The HONOURABLE SARDAR JOGENDRA SINGH : Does the Government know what area each cusec irrigates?

The HONOURABLE MR. B. N. SARMA : It varies in each province and from tract to tract, and no general answer can possibly be given to that question.

INCOME PER HEAD IN INDIA.

148. The HONOURABLE SARDAR JOGENDRA SINGH : What is the income per head in India? Has there been any increase since the days of Lord Curzon? If so, what part of the increase is due to depreciated value of the rupee?

The HONOURABLE MR. E. M. COOK : Government cannot commit themselves to any estimate of the present average income per head in India. The Honourable Member is no doubt referring to the calculations mentioned by Lord Curzon in his speech in the Legislative Council in March 1901. Those calculations, however, only took into consideration a portion of the relevant factors, and in fact were not in any true sense estimates of average

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The HONOURABLE LALA SUKHBIR SINHA: May I put a supplementary question, Sir?

The HONOURABLE THE PRESIDENT: If it arises out of the answer.

The HONOURABLE LALA SUKHBIR SINHA: Will His Excellency say whether any calves are drowned or destroyed in any other way?

The HONOURABLE THE PRESIDENT: I hardly think that arises out of the answer. The Honourable Member should give notice.

RELEASE OF KATARPUR PRISONERS.

153. The HONOURABLE LALA SUKHBIR SINHA: (a) Has Government received any memorial through the United Provinces and Punjab Governments for the release of Katarpur prisoners?

(b) Does the Governor General in Council propose to order the release of Katarpur prisoners in honour of the visit of His Royal Highness the Duke of Connaught?

The HONOURABLE SIR WILLIAM VINCENT: (a) Yes.

(b) The cases of these prisoners have already been very carefully considered by Government, and in each case in which any possible ground for clemency could be made out the sentence has been considerably reduced. The persons who are still in jail were found guilty of offences of the gravest character, 30 Muhammadans having been murdered, some of whom were burnt alive. The Government of India have decided, after consulting and being in full agreement with the Local Government, that no further releases can be made.

RAILWAY MAIL SERVICE OFFICES.

154. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Honourable Member for Commerce and Industry kindly explain to this Council—

(a) The reasons which led Government to transfer the sorting of mails from the ordinary Post Offices to the Railway Mail Service Offices?

(b) Whether this new arrangement led to any curtailment in the staff of ordinary Post Offices, and a corresponding increase in the staff of Railway Mail Service Offices, and if so, the extent of such curtailment or increase in case of the different grades of the staff, superior, subordinate, clerical, as well as menial?

(c) Whether the new arrangement has led to an increase in expenditure, and if so, to what extent?

(d) Whether the Railway Mail Service Offices are for purposes of sorting still very much under-manned.

(e) The reasons why the staff in Railway Mail Service Offices has been strengthened in the North-Western Frontier tracts of the country, and not elsewhere?

(f) Whether the sorting work cannot be more economically and efficiently administered by reverting to the old system?

The HONOURABLE SIR GEORGE BARNES: (a) In the year 1910 it was found necessary to curtail the sorting work in travelling sections of the Railway Mail Service by opening sorting offices at the larger centres. The sorting of letters posted in the post offices at some of these places was then transferred to the Railway Mail Service.

(b) The answer to the first part of the question is in the affirmative. The decrease in the post office establishment was approximately equal to the increase in Railway Mail Service establishment. The transfer of work was effected gradually, and exact figures at any particular date cannot be given.

(c) and (d) The answer is No.

(e) The staff of the Post Office and Railway Mail Service is continually revised according to necessity. During the military operations in the North-West Frontier, the staff of the Railway Mail Service had to be largely increased owing to increase of work in that area.

(f) The answer is No.

NEW SYSTEM OF SORTING.

155. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Is the Honourable Member for Commerce and Industry aware that the new system of having sorting work done in the Railway Mail Service Offices is causing great inconvenience to the public, inasmuch as, as a matter of frequent occurrence, letters are not delivered at their proper destination in time in the Punjab? If so, will he kindly inform this Council what steps are being taken or proposed to be taken by Government to remove the existing inconvenience to the public?

The HONOURABLE SIR GEORGE BARNES: There is no new system of sorting. It was found necessary in 1910, as I have already said, to curtail the work of travelling sections of the Railway Mail Service by opening sorting offices at or near Railway Stations. The sorting of letters posted in the post offices near such sorting offices is generally done at the Railway Mail Service Offices. The system has been in force for many years; and as I am not aware that it is causing inconvenience to the public, no change is proposed.

POSTAL SYSTEM IN THE PUNJAB.

156. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: In view of the postal strikes that have taken place in different parts of the country, will the Honourable Member for Commerce and Industry kindly inform this Council:—

(a) What is the sanctioned strength of the postal staff in the Punjab in all its grades, superior, subordinate, clerical as well as menial?

(b) Whether on account of the recent postal strike in the Punjab the present staff is short of its sanctioned strength, and if so, the extent of shortage in all the grades of the staff?

(c) What arrangements are being made or proposed to be made to meet this shortage?

(d) Whether the work in ordinary post offices has during recent year considerably increased?

- (e) Whether steps have been taken to revise the sanctioned strength of the postal staff, and if so, the extent to which such revision has taken place for each grade, superior, subordinate, clerical as well as menial?

The HONOURABLE SIR GEORGE BARNES: (a) The sanctioned strength of the whole-time permanent staff in the Punjab and North-West Frontier Circle is now 11,191.

(b) and (c) There is no shortage.

(d) Yes.

- (e) The staff is continually being revised from year to year to meet the increase in traffic. The additional appointments created in 1919-20 were:—

Superior	3
Subordinate	9
Clerical	109
Menial	109

CLERICAL AND MENIAL POSTAL STAFF.

157. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Honourable Member for Commerce and Industry kindly state whether in the Punjab, in the recent revision of salaries, increase has been given to the clerical and menial postal staff in proportion to the rise in prices and cost of living?

The HONOURABLE SIR GEORGE BARNES: The recent revision of salaries followed the recommendations of the Postal Committee. If the Honourable Member has read the Committee's report he will be aware that their recommendations were based primarily on the rise in prices and the cost of living.

REPORT OF POSTAL INQUIRY COMMITTEE.

158. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Honourable Member for Commerce and Industry kindly lay on the table the Report and recommendations of the Government Committee appointed to consider the revision of salaries of the postal staff?

The HONOURABLE SIR GEORGE BARNES: A copy of the Report has been placed in the Library.

GRIEVANCES OF POSTAL STAFF.

159. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Honourable Member for Commerce and Industry kindly explain what steps have been taken, or are proposed to be taken by Government to consider the alleged grievances of the postal staff on strike and to remove causes of discontent?

The HONOURABLE SIR GEORGE BARNES: I must refer the Honourable Member to the answer* already given in the Legislative Assembly to the Honourable Rai Bahadur Pandit Jawahar Lal Bhargava.

I am glad to inform the Honourable Member that none of the postal staff are now on strike.

LAHORE TELEGRAPH OFFICE.

160. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Honourable Member for Commerce and Industry kindly explain the reason why, while some of the smaller Telegraph Offices close to the public at 9 P.M., the Lahore Telegraph Office has from some time past been made to close for ordinary messages to the public at 8 P.M. Does not the Government intend to revert to the old practice of keeping the Lahore Telegraph Office open for all the 24 hours?

The HONOURABLE SIR GEORGE BARNES: There is no telegraphic office in India at which ordinary messages are accepted between 8 P.M. and 8 A.M. The Lahore Office, however, is open all night for express traffic.

I may explain to the Honourable Member that this restriction on the acceptance of ordinary traffic was first introduced in the summer of 1919, when there were serious blocks in traffic, in order that the operators might be sure of a lull in which to work off the arrears which had accumulated during the day. The restriction has been continued in order to reduce night-work and allow the staff as much rest as possible.

PROCEDURE RE QUESTIONS.

The HONOURABLE THE PRESIDENT: A point has been brought to my notice as to the action to be taken where an Honourable Member, who has put down a question on the question paper, is absent when the question is called. I have given the matter my consideration, and I have also taken the opportunity of consulting the Honourable the President of the Legislative Assembly. I think that the proper course to be taken is for the answers to be sent to the Member and printed in the proceedings of the day, unless the Member of the Government desires to exercise his right under Standing Order 18.

BILLS AS PASSED IN LEGISLATIVE ASSEMBLY.

The HONOURABLE MR. MONCRIEFF SMITH: Sir, I have received certain Bills which were passed by the Legislative Assembly at its meeting yesterday and, as required by rule 25 of the Indian Legislative Rules, those Bills are now laid on the table. They are:—

- (1) A Bill to determine the salary of the Deputy President of the Legislative Assembly;
- (2) A Bill to amend the Indigo Cess Act, 1918, and
- (3) A Bill further to amend the Import and Export of Goods Act, 1916.

The HONOURABLE THE PRESIDENT: With reference to the Bills which have been laid on the table, I desire to invite the attention of the Council to rule 26, which may have escaped its attention.

* Vide page 128 of the Legislative Assembly Debates, Volume I, No. 4.

RESOLUTION *RE* GOVERNMENT STOCKS.

The HONOURABLE SIR MANECKJI DADABHOY : Mr. President, I beg to move the following Resolution that—

‘This Council recommends to the Governor General in Council that a Committee consisting of members of this Council or of members of this Council and the Legislative Assembly be appointed with powers to take evidence to explore the possibilities of improvement in the position of the existing Government stocks, and to advise Government on the question of future loans, both for State purposes and for Railway and Irrigation purposes.’

The Resolution must appeal to Honourable Members. It is justified by the present depressed condition of the market, which, as is patent, is in regard to the securities with which this Resolution deals more the result of want of confidence among investors than of continued stringency in the money market. That scarcity of money is one of the powerful operative causes is undeniable, but loss of public faith in the old 3 per cent. and 3½ per cent. stocks as good investments is, in the opinion of many experts, even more responsible for the present alarming depreciation than mere contraction in the volume of capital seeking remunerative employment. To all in touch with the Indian market the fact is clear that, not only have the permanent stocks lost in value, but they have ceased to be freely negotiable. And this is the most serious aspect of the case. Towards the close of the last month the price declined several points, but even at the low rates quoted the sellers were far more numerous than buyers. Indeed, not to speak of 3 per cent. Government Paper, even 3½ per cent. Government Paper was unsaleable at any rate. The notes were almost unmarketable. There has not been any marked recovery since then, either in the tone of the market or in the volume of transactions. During a good part of last year 3½ per cent. changed hands at 50 or even a few annas less, and that too with some difficulty. The formation of the Imperial Bank imparted a slight tone to the market for a time which was marred by the vigorous propaganda of non-co-operation in view of His Royal Highness’ visit. The fall in the rates was immediate. The rates now quoted are more or less nominal, the business done at those rates being small and negligible. It is significant that even the long-term 5 per cents. of 1920 are nowhere in demand. The rate is nominal. And, moreover, according to the reports of the Controller of Currency on the Loans of 1919 and 1920, the response to these officers was poor. The public have evidently lost confidence in these Loans. There have been altogether three issues of long-term 5 per cent. Loans,—one in 1917, again in 1919 and the third in 1920, the first of these being liable to the income-tax. The quotations on February 10 for these different Loans were 76, 79—and nominal, respectively. The first long-term 5 per cents. were issued at 95 per cent. under a guarantee that Government would maintain a Sinking Fund, would maintain the rate at 95 per cent., and would make purchases out of the Fund whenever the market sagged. The public do not know what efforts have been made to redeem the Government promise, but they have noticed, with regret and alarm, that the Government guarantee has failed to support the market. And, if such is the position of the 5 per cents., it does not require a stretch of imagination to realise that the permanent stocks—the 3 and 3½ per cents.—are hopelessly neglected. The report in *Capital* on the 26th January last was : ‘The market for 3½ per cent. Paper is *very weak*, with a considerable drop in prices’. The truth is, it is not easily negotiable. 3 per cents. are nowhere, and the 4 and 5 per cents. too share to a greater or smaller degree the fate of the premier stock.

I have so far referred to the price of these securities in the Indian money market. A very queer story is disclosed by the quotations of these in the world’s money market, London. What are the facts of the situation there? In the last week of January, the latest date for which detailed statistics are available, India 3 per cent., which stood at the end of July 1914, *i.e.*, before the outbreak of war at 73½, were quoted at 48½, India 3½ per cent. (quoted at 86½ in July 1914) were down to 56½. Compare these quotations with Colonial Government Inscribed Securities and what do we find? None of these are quoted so low as our India 3½ per cents. Even a small island like Tasmania has its 3½ per cents. quoted at 67, New Zealand 3½ per cents. were quoted also at 67, Cape Colony (3½ per cent.) at 60½, and Natal (3½ per cent.) at 61½. The Dominion Governments, however, are, as the quotations of their securities show, more in touch with the market than is the Indian Government. The rate of interest is, it must be admitted, more attractive, and the quotations are correspondingly higher. Victoria 5½ per cents. were quoted at 93, New South Wales 5½ per cents. at 94 and Australian also 5½ per cents. at 94. I may also mention that these Australian Government Securities appear to be more steady than are the corresponding Indian Securities. One reason of this is the popularity of these loans among investors. I admit that comparisons are sometimes odious, but I do not admit that the Indian Government has taken all the steps that might have been taken in popularising Indian Government Securities in our own and in the world’s money markets. As I shall presently show our Indian Public Debt compares most favourably with any other country in the Empire and indeed with any country, the United States perhaps alone excepted.

On March 22nd, 1909, the Finance Member, Sir Guy Fleetwood Wilson, in commending to the Council this scheme of conversion of the 3 per cent. Rupee Loan, observed :—

‘There is not a natural market for the Stock, and whatever popularity it enjoyed has wholly disappeared. We had cases in which our own officers, acting as trustees of charitable funds, were unable to realise holdings of 3 per cent. paper without delay and resultant hardship. The unmarketable condition of the stock gave rise to much discontent; and it was clearly undesirable that any class of our public securities should fall into such general discredit.’

The position of the whole permanent stock of 3 per cent. and 3½ Government Paper is far worse to-day than the position of the 3 per cents. in 1909; and the remarks of the Finance Member apply to the present situation with much greater force. If it was undesirable then that the 3 per cent. Paper should be discredited, it is positively dangerous now to allow the whole permanent stock to fall into such utter disrepute. The consequential discontent and heartburning is greater by far both in volume and intensity. A much larger section of the people are seriously, and in many cases ruinously, affected by the present fall in prices and the great difficulty in negotiating Paper. The danger to the credit and the financial interests of the State is greater in proportion to the number and the volume of the loans concerned. Sir Guy Fleetwood Wilson, in the course of the same speech, referred to the representations received from the various Chambers of Commerce and remarked : ‘The movement was a reasonable one in the peculiar circumstances, and a rigid adherence to our legal rights would be inexpedient and ungracious.’

This was undoubtedly a sound view which has lost none of its force in the light of subsequent events. On March 1, 1916, the then Finance Member,

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Sir William Meyer, reviewing the prospects of exclusive Rupee Borrowing, observed :—

‘The position of 3½ per cent. paper is also a very relevant factor in this connection. I referred last year with legitimate satisfaction to the strength of that paper, but since then it has fallen greatly.

That is, of course, a very serious matter for the holders of Government paper, and various suggestions have been made, in the press and otherwise, that we should assist them by the conversion of the whole of our 3½ per cent. debt, which at present stands at about £92 million, into a 4 per cent. security. This would involve a very considerable burden to the general tax-payer, which I am certainly not prepared to impose upon him. Nor can I admit that the Government can be held responsible for such unforeseen falls in securities, Government or other, as have taken place by reason of the war and the higher rates of interest which it has brought about. On the other hand, the Government cannot look with indifference on a large depreciation of the price of the premier security of India or ignore the grave difficulties which such depreciation, if unremedied, will place in the way of their own future borrowing, especially in the coming year.’

Unfortunately Government did not handle the situation with necessary courage and forethought. Conversion terms were offered, it is true, but the merit of the offer was discounted by the conditions imposed. Government policy was dominated too much by mathematical calculations. The realities and the necessities of the position were not duly realised. The natural result followed. The opportunity was not availed of to even an appreciable fraction of the extent anticipated, and as a restorative the conversion scheme failed to effect a wholesome change in popular attitude towards the permanent stocks. The fate which overtook the 4 per cent. issue of 1915-16 shortly after helped to destroy what little still remained of public confidence in permanent loans, irrespective of the rate of interest. The position has gone from bad to worse. In 1916-17, Government had to abandon all idea of a permanent issue, and at first long-term Loans and then short-term Bonds came into vogue with most mischievous results upon the existing stocks and the public feeling. And not only that : People were disinclined to take up even Loans with a currency of 26 to 36 years. In March 1918, Sir William Meyer left the Council in no doubt about the popular attitude in the following passage of his speech ; ‘Having regard to the relative amounts obtained this year on the long-term loan and from the short-term war bonds, we are at present disinclined to issue a further long-term loan in 1918.’

In 1919, an effort was made to revive public interest in long-term loans by tacking on to the issue of that year the important privilege of exemption of the interest from assessment to the income-tax. The public response was liberal, indeed far more liberal than had been anticipated. Government operated for 15 crores, but actually got 19½ crores of new money, exclusive of subscriptions through Cash Certificates. But the common fate overtook this Loan too in a short time. In 1920, a repetition of the experiment proved the inherent weakness of the position. The 6 per cent. Loan repayable in 1930 was fairly a success, more than 11 crores of cash flowing into the Treasury and 17 crores of 5½ per cent. War Bonds repayable in 1920 and 1921 being liquidated by conversion. For the time being the loan placed the Government in funds, but the fact cannot be ignored that the arrangement was more in the nature of a makeshift than anything else. The net result was a heavy addition to the temporary liabilities of Government. The day of reckoning is only delayed, with clear indications of public unwillingness to tie up their money in investments, which, however safe, involved the serious imminent and sure risk of heavy loss in capital value. This unwillingness

was reflected in the poor returns of the alternative 5 per cent. income-tax free Loan repayable in 1945-55. It is impossible to miss the trend of public feeling.

Mr. President, one result of this loss of public faith in even long-term notes is a large accumulation of the temporary and floating debt of Government. The short-term Bonds account for a total temporary debt of a little over 125 crores which will have to be repaid within 1930. There are also the Treasury Bills. The total outstandings including by the way those held in the Paper Currency Reserve on 7th February was 100½ crores. And these Bills mature within 6, 9 or 12 months. Between these two classes of loan the total debt of Government is 225½ crores. It may be safely assumed that all this money will have to be found exclusively in India, the London Market in the existing abnormal conditions not providing facilities for loan operations on account of the Government of India, as also the existence upon rupee loans. This is a sufficiently alarming prospect before us. The heavy outgoings and commitments during the financial year about to close do not encourage the hope of even a temporary immunity from fresh loans. The important problem of raising money for capital expenditure will only grow in extent and intensity with years. The increasing difficulties and insistent claims of administrative and military efficiency might and probably would entail additional expenditure which may not all be met from revenue sources. Considerations of prudence and expediency would suggest the conservation in full strength of the only source of supply open to Government. Measures must be taken to ensure the success of permanent Rupee Loans. Last March the Finance Member impressed upon the Council the urgency of reducing ‘our floating debt to more manageable proportions’. In my opinion, and I am sure the entire Council will agree with me, this only touches the fringe of the problem. Our aim should be not only to reduce the floating debt, but its extinction along with the replacement of the temporary debt by a permanent issue. And this can only be attained by restoring public confidence in the old permanent stocks. The possibilities of the process by which this can be effected should be carefully explored. This can best be done with the help of a committee of experts and investors such as is recommended in the Resolution.

Mr. President, I am fully aware that Government always take some expert advice as regards flotation of loans. I am equally cognisant of the existence of a considerable body of opinion that the old stocks have found their natural level of prices which is incapable of improvement through Government effort. But it is possible to hold a different view. A succession of adverse circumstances has produced the present depression, the first in point of time and the most important among which was the action of the Home Government in placing upon the Indian market more attractive loans than any Rupee Loan then existing. This was under stress of the War. During the War the details of our Loans were determined to a large extent by the Loan policy of the Home Government. The issue of short-dated loans at higher and higher rates of interest in a country like India was by itself enough to effect detrimentally our 3 and 3½ per cents., and this being so more attention should have, even in the stress and strain of War, been given to safeguard the market for these securities. The policy does not appear to have been adopted in clear recognition of the peculiar temperament of the Indian investing public. It was also unfortunate that through heavy and continuous sales of Reverse Councils every encouragement was given for the exportation of a large amount of accumulated

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capital. The sudden withdrawal of so much capital could not fail to have upon the Indian money market a most depressing effect. The consequential stringency operated simultaneously with large sales by merchants to produce a slump. Under the impetus of an abnormally high exchange even Home investors found it to their advantage to send back to India large holdings of Enfaced Rupee Paper. The total amount of their present holdings is slightly over six crores. The issue by the Bombay Government of a 6½ per cent. Loan of unlimited amount was to some extent equally unfortunate from the point of view of the Government of India loans. The investing public, while certain of future and repeated Loans by Government, naturally are in doubt about the terms and conditions, and they have reasons to believe that these will be more and more favourable at each successive issue. Apart from the loss of confidence, such a conviction cannot predispose them to subscribe liberally to the loans of one particular year.

Mr. President, this review of the depressing circumstances will suggest some remedies which might well be tried. The short-dated Bonds and increasing rates of interest should be discontinued, and reliance must be placed upon permanent stock carrying a reasonably high rate of interest. In India there is a class of investors who strongly favour Government Promissory Notes, and who would not think of other investments, provided they are assured against loss in capital value and of negotiability. Negotiability can be best ensured if heavy loss in capital value is prevented. For sometime past this loss in capital value has been the greatest bane from the investor's point of view. Every new loan floated has entailed within a very short time heavy loss upon the subscriber, notwithstanding Government promises of support to the market and notwithstanding more attractive rates of interest. Even the 6 per cent. short-dated Bonds were at a discount shortly after issue. A mere *non possumus* is not statesmanship in such circumstances. The view is entertained by many investors and large sections of the public that the conversion of the whole stock of 3 per cent., 3½ per cent. and 4 per cent. Government Paper into a uniform 5 per cent. or 4½ per cent. stock, with the privilege of exemption of the interest from assessment to the Income-tax, is necessary to restore completely public confidence, and to enable Government to gradually wipe out the whole temporary and floating debt. I would unhesitatingly recommend, in the first place, the consolidation of all old Government Stocks in such a manner that the new loans may bear an uniform rate by a well-considered system of conversion. Secondly, exemption from assessment under the Income-tax Act is very necessary, in view of the fact that a large proportion of the small holders are poor, illiterate people, minors and *pardanashin* ladies who are ignorant of their rights and are incompetent to enforce them. Many of these investors have to suffer the greatest hardship under existing arrangements in that Income-tax is deducted at the maximum rate at the source in disregard of the fact that most of such holders are entitled to complete exemption. A higher rate of interest has been necessitated by monetary conditions all the world over, but even more by the fact that the Indian investor has become accustomed to higher rates during the past few years. The competition of new industrial companies and of Port Trusts, large Municipal Corporations and Provincial Governments is another highly important factor in the consideration. I may point out in this connection that the Director of Statistics has in the Review of Trade shown that if 100 be taken as a basic figure, *i.e.*,

to represent the prices of securities on 29th July 1914 the price of Government Securities had fallen to 74 at the end of March 1919 and to 62 in March 1920. At the latter date (March 1920) Bank shares were at 137, jute mill shares at 563, cotton mill shares at 386, coal companies at 149, tea companies at 136, and flour mills at 406. These are remarkable figures and all moreover official.

But, Mr. President, the suggestions made above might appear at first sight extravagant and impracticable, inasmuch as, if adopted, they will involve a large permanent addition to the annual burdens of the general tax-payer for the relief of only a section of the people. In my opinion, however, and I have reasons to believe the opinion is shared by many people quite alive to popular interests, the continuance of the existing state of the Government Loans will prove ultimately ruinous to the general tax-payer. The failure to raise money will leave to Government the only alternative of fresh heavy taxation, however attenuated the resources of the people. It will thus be no relief to the general tax-payer to leave things as regards stocks as they are. Besides, Government are adding heavily to their expenditure, both civil and military, for justice to their servants. Indian investors too may reasonably claim justice, especially when the necessities of expediency coincide with the dictates of justice. The arguments advanced by Sir Guy Fleetwood Wilson in 1909 and by Sir William Meyer in 1916 in support of conversion are even more applicable to-day than ever before.

The relief which I have suggested above will not add heavily to the annual burdens of the general tax-payer. I take a very hopeful view of Indian finances and the elasticity of our national resources. This brings me to a consideration of our present financial position. The Registered Debt of India as the Council is aware consist of rupee loans raised in India and sterling loans raised in England. The total Registered Debt is classified in the accounts of Government of India under Public Works Debt and ordinary Debt. Under the first category falls the total capital expenditure which has been incurred by the State on Public Works (Railways and Irrigation); under the second category falls the remainder of the debt (ordinary debt) which includes the floating debt. The latest statistics of our national debt show only a total debt of £335 millions, and that too after the Great War. Of this no less than 86 per cent. is productive and the remainder 14 per cent. unproductive. Few countries in the world have a record such as this. Moreover, the average rate of interest earned on irrigation works (*i.e.*, net revenue in 1917-18) was 8.33 per cent., some works such as the Lower Chenab Canal and the Eastern Jumna Canal yielding as net revenue over 25 per cent. The percentage of net earnings on capital outlay in 1917-18 was 7.75 per cent.

Mr. Findlay Shirras in 'Indian Finance and Banking' points out that 'Indian finances have not suffered from a wholesale increase in unproductive debt as has been the case with many other belligerents. Our national debt on March 31st, 1918, was £336,500,000 as against £274,000,000 on March 31st, 1914, the pre-war year, an increase of 23 per cent. It is interesting to note that while the total debt, productive and unproductive, on March 31st, 1918, amounts to £336.5 millions, the value of the State Railways and Irrigation Works alone (capitalised at 25 years' purchase) is estimated at £584,000,000.'

In view of what I have just stated, in my opinion an extra one per cent. or even more in the rate of interest should not prove a very heavy burden upon

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those productive works. Both Railways and Irrigation are now yielding handsome profits. An extra interest can be easily paid out of them. Another point is that, assuming with Mr. Edgar Crammond, a well-known statistician, that the Capital Wealth of India is at least £5,000 millions, I estimate that our National Debt would be at least about six or seven per cent. of our total National Wealth. Personally I think our National Wealth is very much greater than £5,000 millions. This compares favourably with the percentage of national debts to wealth for other countries with the exception of the United States and possibly of Japan.

THE HONOURABLE THE PRESIDENT: I hope the Honourable Member will shortly get to the terms of his Resolution, *viz.*, to appoint a Committee. He has not yet come to it.

THE HONOURABLE SIR MANECKJI DADABHOY: I am presently getting on to it, Sir.

Now, Sir, in touching lightly on these interesting figures I have one object and one object only in view. I am anxious that the whole subject of the possibilities of improvement of the old permanent stock and of the future Loan policy of Government should be fully investigated by a committee representing all interests, including those of the investor. The details had better be settled by a committee in the light of the facts mentioned and the suggestions now made. I quite concede that the question of the personnel of a committee is a difficult one. Men of affairs such as bankers, brokers and financial economists are available in the country. We might also seek the advice on the Committee of say, Lord Chalmers or Mr. Basil Blackett, Controller of Finance in His Majesty's Treasury, Whitehall. Then again we might pick the brains of the best of American financiers. I need only mention Mr. Lamont of Messrs. Morgan and Company, New York, who did good work, I believe, in China and more recently at the important financial deliberations in Paris regarding allied indebtedness. In the past the Finance Department has kept its door too often closed to the financial expert, official and non-official. I, therefore, hope that in view of what has been said Government will set about taking advice in the manner suggested. If a workable scheme of conversion is recommended and a suitable rate of interest is decided upon by this committee, I cannot emphasise too strongly the enormous moral effect it will have, apart from its economic results, in raising the financial prestige of Government and financial credit of the country. Government will in short be in a position to float loans in future with success and with no small degree of confidence. To these proposals to rehabilitate our stocks there cannot be any reasonable objection. I therefore commend this Resolution to the Council for acceptance.

THE HONOURABLE MR. E. M. COOK: Sir, I beg to move that—

‘For the words ‘a Committee consisting of members of this Council’ down to the end of the Resolution, the following words be substituted:—

‘the financial policy of Government be so directed as to ensure the early rehabilitation of Government securities, with due regard to the necessity of funding the temporary debt and to the provision of capital expenditure for productive purposes.’

I have been asked, Sir to deal with this Resolution on behalf of Government. I can assure my Honourable friend that I move this amendment in no

hostile spirit whatever to his Resolution. It is only because I think that perhaps the object which he—and I may say equally Government—have at heart can perhaps somewhat better be obtained by the adoption of this amendment than by the procedure indicated in his Resolution. I want to make it quite clear, if I may, that I do not for one moment wish to imply that a committee composed of Honourable Members of this Council or Members of the other Chamber, or any other committee, could not be so constituted as to be able to give Government the most valuable assistance and instruction upon this matter. If I were to make any such assertion, it would not be true, and it would be almost an impertinence. Still less do I wish to be so rash as to assert that the Finance Department of the Government of India is the repository of so much wisdom and experience in these matters that it can afford to be independent of the advice or assistance or criticism of practical men of business. No one knows better than the financial officers of Government how very greatly we are dependent upon the help and assistance we get from the leaders of the commercial community in India. I do not think that the general public always quite realises the very great extent to which we do take every possible opportunity of getting into personal touch with, and of taking the advice of, all the leading business and financial men in this country. It is quite true that this advice is usually taken informally. That is a matter of necessity. But it does not make it any less valuable or essential. And I must say how very grateful the Government is for the assistance that has always been given most ungrudgingly, and frequently at no small personal inconvenience. And, I think, I can make so bold as to say that it has more than once kept Government from making mistakes.

I have said that this consultation is usually informal. Of course, there are occasions when public discussion on matters of this sort is eminently desirable, not only for Government's own instruction, and, as it were, to feel the pulse of the representatives of the people, but also so that the country at large may rest assured that matters like this, which, though I am afraid may seem rather dry and technical, nevertheless concern the tax-payers very closely, and very profoundly affect the welfare of the country—I say it is a good thing that the people at large should rest assured that these matters are receiving the due attention of Government and of their own representatives. I, therefore, welcome this Resolution, Sir, as giving an opportunity for free and open discussion. Government have nothing to hide, and they have everything to gain by publicity.

Before I give reasons for my suggestion why I think on the whole that my amendment is a preferable course to adopt than the terms of the Resolution, I should like, if I may, to say a few words of a general nature on the nature of the problems which this country has to face in respect of international debt. I do not propose to go over the whole of the ground, over which my Honourable friend has travelled with such skilful avoidance of its quicksands and nullahs, nor shall I explore the labyrinth of figures that he has threaded with such lucidity. I should rather like to take up this matter more or less where he has left it. The Honourable Member emphasised the very serious depreciation which has occurred in all Government securities, not only in the older ones, but also in those more recently issued. It is not altogether clear to me how far he considered that this depreciation was really inevitable, or how far it could have been avoided by a more skilful policy.

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I take it, however, that this Council will wish to look, not so much to the past, but to the present and the future. The Government's policy, I do not think, would be very difficult to defend, but I do not propose to say anything upon my learned friend's remarks regarding the loan policy of the last few years. I shall just say one word on his remarks referring to the two five per cent. loans and the sinking funds which were instituted under the loan notifications. He said that the public did not know what efforts had been made to redeem the Government's promise. My Honourable friend took the best possible steps to give publicity to the actions of the Government in that matter by asking a question on the subject the other day, and I thought he obtained a very straight answer

The HONOURABLE SIR MANECKJI DADABHOY : But there was very little information in that answer.

The HONOURABLE MR. E. M. COOK : I am glad to learn that my Honourable friend did not mean to imply that the Government did not redeem their promise.

The HONOURABLE SIR MANECKJI DADABHOY : No, I certainly did not mean that.

The HONOURABLE MR. E. M. COOK : The Honourable Mover referred to certain remarks of Sir Guy Fleetwood Wilson and Sir William Meyer. Of course, it would be quite impossible for me to treat otherwise than with the greatest respect, I might almost say, reverence, any remarks of either of those two Finance Members. I had the honour of serving under both, and as every one knows, India is under a very great debt of gratitude to each of them for the caution and prudence with which India's finances were managed in the years of peace before the War, and which, I think, helped India to stand the strain of War finance so much better than most other countries.

At the same time, I cannot altogether understand the relevancy of bringing in Sir Guy Fleetwood Wilson's remarks in 1909 upon 3 and 3½ per cent. paper. I think one might as well get up in the House of Commons now-a-days and make a quotation from one of Lord Goschen's speeches on the 2½ per cent. consols. The position in this country to-day is altogether different from the position which Sir Guy Fleetwood Wilson was dealing with in 1909. To treat these remarks as relevant to the present position is, I venture to think, to close one's eyes entirely to all that has happened since then. There has been a war, there has been a world shaking catastrophe. There is everywhere in Europe amongst our best customers ruin and devastation. I hope that my Honourable friend is not surprised that India has not remained unaffected by that. It would be rather surprising if the value of 3½ per cents. were to be at 98 as they were in July 1914.

At the same time, Sir, I should not like the Council to think that Government do not share fully the Honourable Member's concern at the very great depreciation which has occurred in Government securities. Our 3½ per cents. are held very widely throughout the country. They are held by many people on very moderate incomes, who, in many cases, rely entirely on the interest on those securities for their whole income. Of course, they still get the same interest as formerly, but if, by any chance, their capital has to be realised, then, of course, they suffer very substantial loss. Moreover, they have to

suffer the same hardships that all people of fixed income have to suffer. Therefore, I quite agree with my Honourable friend, to the greatest possible extent, that this is not a position which can be faced with equanimity. Seeing that India's premier securities are held all over this country, any very severe depreciation in them is, of course, a loss of prestige to the State credit, and the financial consequences of that are obvious.

Of course, I know that my Honourable friend will realise that this depreciation is not peculiar to India. He gave instances of certain colonial stocks which apparently depreciated somewhat less. But I think one of the best analogies is the old French *rentes*. These are held all over France by the thrifty peasantry of France, and they occupy in that country the same position that our 3½ per cents. occupy here. I find that the French *rentes* have fallen some 68 points against 3½ per cent.'s fall of 40 since 1914. I think that is sufficient to show that, at any rate, the Indian investor has not suffered anything so much as investors in a prosperous country like France. Of course, the holders of the 2½ per cent. consols in England have suffered almost as much. I do not wish to labour this point, because I think that every one must agree, and there can be no difference of opinion, that this progressive depreciation in our securities ought, if possible, to be brought to an end, and further than that, that we ought to take what steps we can to climb up-hill and to endeavour to restore them to something like their old level. That is a very excellent sentiment of course, but, unfortunately, it is one of those sentiments which command universal assent, which are very easy to enunciate but very difficult indeed to put in practice. There is one sovereign remedy, one absolutely certain way of stopping depreciation, and that is to stop borrowing. If we stop borrowing, I think the Council will agree that very soon our old securities would gradually go up. Of course, everybody knows that is a counsel of perfection.

That brings me to the second half of my amendment. Our liabilities and necessities are such that it is absolutely impossible for us to stop from borrowing. In the first place, we have a series of war bonds maturing during the next ten years. In the current year we have about 15½ crores to repay; in the next year we have about 11½ crores. After that there is a comparative lull, the amount maturing being fairly small. In 1928, we have 25 crores to repay in 1930, not less than 30 crores. All these war bonds aggregate a sum of no less than 94 crores falling due within the next nine years. These, of course, have got to be paid off as they mature, and although I am as much an optimist about India's general financial position, as the Honourable Mover, it is hardly likely that we should be able to count upon such enormous revenue surpluses as to be able to repay these loans without raising fresh ones. Therefore, I submit, Sir, that it is imperative for this country to refund these war bonds and long-term loans, and the sooner we do so the better for us. As long as they are hanging over our heads, our borrowing power remains to a large extent mortgaged, and we shall not be able to devote our borrowing power to productive purposes.

Secondly, there are our Treasury Bills. I do not know how far the Council realises the extent to which the existence of these Treasury Bills constitute an impediment not only to our getting our national debt into a more satisfactory condition, but also, I submit, a positive danger to the whole of our financial and currency administration. My Honourable friend has

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mentioned that the outstandings are 100 crores. Of these, 60 crores are held in the Paper Currency Reserve. I do not intend to deal with those here. I do not say that the existence of 60 crores of our own Treasury Bills created *ad hoc*, and held in the Currency Reserve is a good thing. I think it is very much the reverse. But of course, we are not discussing currency policy to-day, and therefore, I deal only with the 40 crores of Treasury Bills that are now in the hands of the public. I submit, Sir, that this 40 crores is very much too much. These Treasury Bills are 3, 6, 9 and 12 months Bills. They keep on maturing; they keep on having to be paid off and replaced, if possible, by fresh issues. I have not got the time now, I am afraid, to describe how all these Treasury Bills came to be issued originally, but any Honourable Members who have read the budget speeches of the last two or three years will understand this. What I should like to emphasise is the very urgent necessity of reducing to more manageable proportions the extent of our Treasury Bill outstandings. I need only say one word in justification of that. In the next few months we have no less than 12½ crores maturing. I say that is very much too much. If we have too many Treasury Bills outstanding, we are of course far too dependent on the state of the market at the time. We have frequently been obliged in the past to offer more and more attractive rates in order to replace our maturities and, of course, all this tends still further to depreciate the credit of the State and to enhance the value of money in all the markets. But, I think, there is even a worse effect than that. There have been occasions when the sale of Treasury Bills has been insufficient to meet the maturities and when, owing to our ordinary cash balances being so low, we have been forced, in order to meet maturing Bills, that is to say, maturing Bills held by the public, to issue currency notes against our own paper, created *ad hoc* and put into the Currency reserve. Of course I need not go into that, because I am quite sure that Honourable Members will realise that, when we are forced to do that, it is not a sound thing from the currency point of view. Well, during the trade boom of two years ago, we had at one time no less than 60 crores of Treasury Bills in the hands of the public. We were able to keep this amount floating more or less all through those years because, owing to certain reasons into which I need not enter, the markets were very full of money. Now conditions have altered and we find 40 crores very much too much to be either comfortable or safe. Our position as regards these Treasury Bills is, I think, as Mr. Howard once described to the Imperial Legislative Council, namely, that Government is very much in the position of a juggler who is trying to keep a number of balls in the air at one time. So long as he has only got 2 or 3, he can do it with a smile on his face. When he gets to 6 or 7, observe the look of anxiety and worry on his face. I can assure the Council that many times during the last two or three years they might have seen that same look of worry on the face of financial officers. I speak from personal experience. When I was Controller of the Currency two years ago, I remember on more than one occasion going down to my office in Calcutta in the morning knowing that a crore or two of Treasury Bills was due for maturity the next day and without knowing where I was going to find the money to meet them, and, if it had not been for the assistance that we could often count on from the Bank of Bengal and the Bank of Bombay, our position would have been extremely acute. That is not a nice position for a country like this, and, therefore, I think I have said quite enough to prove my point that it is time we cut these Treasury Bill outstandings down.

Honourable Members may say 'This is all very well; it has been said before. How do you propose to do it?' Well, there are only two ways that I can think of. The first way, I think, is general economy, which, of course, is always a watchword of the Finance Department, but which has a special application to this. By economy I mean keeping down the ordinary expenditure so as to be less dependent on Treasury Bills in order to meet our day-to-day outgoings. If we can do that, then perhaps we can draw in our horns a bit and not have so much in the market at one time. The second way is to fund them, that is, if in any year our ordinary loan is in excess of our liabilities and in excess of our capital programme, then, when this is so, of course any surplus that there is can be devoted to either letting Treasury Bills run off or to fund them in the loan itself. But, apart from that, I cannot think of any other way. We can not work miracles, and I cannot think of any shorter cut.

I hope, Sir, that I have shown some solid reason why we are at the best forced to go on with our long-term loans. Our war bond liabilities average from 10 to 11 crores a year and, over and above that, we have our Treasury Bills, which if we can fund so much the better.

The last point I have to deal with—I hope not to take up the Council's time for more than another minute or two—is the question of our productive expenditure. Well, here we find ourselves of course at once on the horns of a dilemma. We all know the very urgent need for capital expenditure in various directions of development, of which of course railways is the most important. I have seen figures published in the Press and elsewhere of the amounts which could profitably be spent on Indian Railways in the near future. Well, the size of the figures which are sometimes mentioned is, I think, rather out of all proportion to practical possibilities. Nevertheless, every reasonable person must admit that there is a crying need for more money to be spent on railways. Secondly, there is irrigation. This in future will be a Provincial subject, but it is very probable that the Provinces will look to the Central Government to lend them the capital sums required. Just at present it so happens that, owing to the completion of large projects in recent years and to the fact that the preparation of new projects was held up for various reasons during the war, there has been a comparative lull in expenditure on irrigation. But, as the Council knows, there are some very large projects, such as the Sukkur Barrage and the Sarda Canal in Oudh which will, it is hoped, soon be ready, and it has been estimated that in about 8 or 9 years' time the amount of money required for irrigation may even reach the level of some six crores a year. Then, of course, apart from railways and irrigation, the provinces will no doubt ask us for loans for various projects of their own, for capital or quasi-capital, productive or unproductive, expenditure. Now it is quite obvious that if all these claims were to be satisfied, it could only be at the expense of seriously raising the rate of interest and of consequently depressing our own securities still further. There is no clear way out of the dilemma. I can only suggest caution and patience. I venture to think that in the long run it will be much more to the advantage of the country that we should for the present concentrate our energies, as far as possible, upon clearing the ground for a more progressive policy in productive expenditure in future, by first of all freeing ourselves so far as we can from all these embarrassments which are really a mortgage on all our borrowing powers. However, I am afraid these remarks are rather of a general character, and Honourable Members may say, 'these sentiments are all very well, and very excellent. Meanwhile, while all this is being done—it may take some

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years—what about the poor $3\frac{1}{2}$ per cent. investor. Can you or can you not, do anything for him?’ I do not think, Sir, that the Council can expect me to give any specific answer to a question of this nature, especially when we are so close to the presentation of the Budget and when the Council does not yet know what the precise financial position of the country is. It would perhaps be possible to speak rather more freely a week hence. Therefore, I hope the Council will make some allowances for me if I have merely indulged in generalities.

For the present all that I can say is the Government have this matter of depreciation under their close attention. It is obvious that some of the concessions which have been suggested in various quarters would entail considerable expense and would only result in relief being given to certain classes at the expense of the general tax-payer. On the other hand, I have heard of schemes, and I dare say some speakers this morning may put some forward, which, it is contended, could be put into execution without giving rise to that objection. I can assure the Council that Government will explore very carefully indeed the possibilities of any such scheme, and in doing so they will not only ponder over the matter at leisure when they retire to their mountain retreat after the end of this Session, but I have the Honourable the Finance Member's authority for saying that we will consult the country's financial and business experts to the very widest extent and at the earliest possible moment including, I have no doubt, many of the experts in this Chamber. In view of that, Sir, I hope that my Honourable friend will not press his proposal for a formal committee empowered to take evidence and all that. I do not think that a formal committee will be the right and proper method to approach a subject of this sort. The facts unfortunately are only too clear and known to everybody. It is a matter, I think, for consulting all the experts we can think of, and I can assure the Council that this will be done.

I beg to move.

12 P. M. The HONOURABLE MR. A. CHETTIYAR: Sir, loans have been, so to say, the last resource of Government. Already heavy taxation to the utmost extent possible induces the Government in most cases to resort to this kind of raising money. Such loans presuppose a certain amount of wealth in the country accumulated in the hands of a few who would gladly invest the sums in the first-class securities offered by Government. Of all the subscribers to loans in India, those of the 3 and $3\frac{1}{2}$ per cent. loans seem to be badly off. Their complaint is that the stock have fallen a great deal. Such fall has affected adversely their financial position. It is imperative that we should try to remedy their grievance by all means in our power, but, in attempting to find out remedies, we must also bear in mind that the position in India is not unique. Subscribers to State loans in all other countries are in much the same position. It is the same War that is responsible for this state of things all over the world.

My Honourable friend, Sir Maneckji Dadabhoy, in the early part of his speech said—if I have followed him aright—that the public had lost confidence in Government because of the fall in Government stocks. To this remark the answer is simple and my Honourable friend will find that answer in the fact that the Government of India have been able to raise, by way of loans, crores of rupees in recent years. But I am afraid my

Honourable friend might get up and say: ‘Well, this is due to the high rate of interest that the Government have agreed to pay.’ Well, Sir, it is true, but it is due to the conditions prevailing in the world market, and I believe that it has nothing to do with the stability of Government. The stability of Government is a very great factor in the success with which these loans are floated. This stability continues as its main advantage even in times of depreciation; but depreciation is very often temporary and soon the effects of war might disappear. Sir, the number of people affected by this state of things in the country, I believe, is not large; but small though they may be in number our best efforts should be made to remedy their grievances, if possible. To strengthen public confidence and to increase Government credit, it is necessary that we should try to put up the price of Government stocks. But in this, as in a few other matters, the remedy might be worse than the disease. Where are we to find money for raising the prices of stocks? The pockets of Government are empty. Large schemes of industrial development and educational advancement have been laid aside for want of money. The tax-payer feels his last pie has been taken from him. To make him put his hands into his pockets is impossible, I should say, unwise at this juncture. I fear any new taxation, at any rate any new direct taxation, might drive even the willing co-operators into the non-co-operation camp. Sir, I would therefore urge that we should bear this present depreciation as a necessary evil and wait for the day when things seem more hopeful.

The HONOURABLE MR. LALUBHAI SAMALDAS: Sir, I rise to support the amendment moved by my Honourable friend Mr. Cook; and I do so specially for the second reason mentioned in the amendment. The words used in the amendment are these—‘he gives two reasons—’ with due regard to the necessity of funding the temporary debt and to the provision of capital expenditure for productive purposes.’ Sir, as the Honourable Mr. Cook has said the problem of finding money for railway extensions is a very ticklish one really; and it will have to be faced by Government. I want to put before the House just now a few facts which will give some idea as to what the requirements of the railway are in one portion only of the Presidency of Bengal, if the necessities of the industries in that part are to be met. Sir, a paper was submitted by Mr. Marshall on behalf of the Metallurgical industries in Eastern India to the Railway committee, and it will show that taking only one industry, the iron and steel industry, we find that there are three companies at present working; three more are likely to come into existence; one of the existing ones, perhaps two, have gone in for large extensions, and I shall give only one figure to show what will be the requirements of these companies when they are in full working order. The annual tonnage at present required is 2,251,000, and the tonnage from the new plants and enlargement of present ones will be practically seven times that. If we are going to allow these industries to develop to their fullest extent, Government will have to find money to duplicate 133 miles of railway and place orders for 12,860 four-wheeled wagons and 232 locomotives, and the cost of these comes to crores. That is why I want some policy of conversion, or as my friend, Sir Maneckji, said consolidation to be thought out by Government which would make provision for finding money to help the industries. The Honourable the Finance Secretary also referred to the difficulty of funding the temporary debt. He said that he had been passing, or that the Finance Member had been passing, restless nights, apprehensive lest when he woke the next morning he may not

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raised much more cheaply than at 6 per cent. There is a good deal of capital available in India, particularly in the hands of agriculturists, and it is mostly the agricultural capital which has not yet been so far tapped. The Committee could consider how this capital could be brought into the market and utilised for special purposes. The question perhaps is a Provincial question, as the Honourable Mr. Cook pointed out, but this Committee, if it is appointed, would greatly help in finding out ways and means as to how to raise capital for irrigation purposes and for railways. With these remarks, I support the Resolution as amended by the Honourable Mr. Cook.

The HONOURABLE MR. W. M. HAILEY: Sir, as the Honourable Mr. Cook informed the House, he is in charge of the Resolution on the Government side, but I was very unwilling that the discussion should go forward without my having an opportunity of attending and of hearing the views of a House which contains so many practical men of business. We have here not only that Nestor of Indian financiers—I mean of course Sir Dinshaw Wacha—but we have at least three Governors of our new Imperial Bank of India, Sir Maneckji Dadabhoy, Mr. Chettiyar and Sir Dinshaw Wacha himself. Now, Sir, the opinions of a House so constituted must be of the highest value and especially so on a question of such vital importance to us. If merely from interested motives we ourselves can have nothing but regret for the extent to which the capital value of our $3\frac{1}{2}$ per cent. and 3 per cent. has depreciated. But there are other motives which must weigh with us. We are aware of the political consequences of allowing a large number of our investors, men who supported us in the past, and who supported us in the war, to feel that they have suffered a serious capital loss; and so, Sir, on every ground we attach the greatest importance to this question. I came to the House as I was determined to listen carefully and to profit fully by the advice of those qualified to speak on this subject.

Now, Sir, the Honourable Mover of this Resolution has drawn a lurid—not an exaggerated, but still a lurid—picture of the depreciation of our capital securities. I think the House will admit the difficulty of the situation with which we are faced when it sees that the concrete proposal put forward by the Honourable Mover himself was one simply to raise fresh money on our railways and irrigation works in order to improve the interest payments of our $3\frac{1}{2}$ per cent. He would consolidate for the whole of India a 4 per cent. issue free of income-tax. He realises that the expenditure on this must be met somehow, and he would meet it by raising fresh money on our railways and on our irrigation. Now if we can raise fresh money on those two capital assets of ours, it is clear that we could also expend that money in other ways. We could reduce taxation in other directions; we could as a matter of fact use it as the basis for paying more interest on money which we have to raise in the future for our railways and for our other capital enterprises. So that this proposal is not one which we can lightly entertain in the interests of the general tax-payer. As a matter of fact, it has already found one opponent in this House. The Honourable Mover twitted us, I think, with insufficient foresight and lack of courage in the past. He referred to the failure of our conversion in 1917. But when he proceeds so far as to say that in 1920 we showed an equal lack of courage, then I would like to ask what more can be

The HONOURABLE SIR MANECKJI DADABHOY: I did not refer to the 1920 loan in that sense.

The HONOURABLE MR. W. M. HAILEY: I hope I am not misquoting the Honourable Member. He said that our last issue was not a success . . .

The HONOURABLE SIR MANECKJI DADABHOY: That is quite different.

The HONOURABLE THE PRESIDENT: If the Honourable Member wishes to say anything, he must rise and if the Honourable Member in possession gives way, he can then make his statement. He must not interrupt the speaker otherwise. He was listened to in perfect silence, and other Honourable Members expect the same from him.

The HONOURABLE MR. W. M. HAILEY: I have perhaps imperfectly caught or imperfectly reproduced the Honourable Member's remarks.

Now, Sir, we have before us another scheme to which, I need not say we shall pay equal attention, and that is the scheme of the Honourable Mr. Lalubhai. It is just of course a question whether the additional money which he thinks that we could obtain by our conversion scheme will have to be paid for too heavily by increased interest rates or not, and those are issues which we must and we shall balance very carefully.

Now, Sir, as to the general question. I have little time at my disposal and your hour glass, I am afraid, Sir, runs so rapidly that I cannot, though I should wish to do so, enter into the whole of the causes behind the depreciation of capital values not only in India but in the world at large. I should have liked to have analysed the great increase in what we may generally describe as 'money' in England itself which has resulted in so disastrous a fall in the real value of money there. When we think of their 300 million of unsupported currency notes, of their 1,100 million of Treasury Bills, of their 260 million of Ways and Means advances, we can understand very readily why the value of money has fallen so heavily and so disastrously. The best test which the House can apply to determine the increase of available credit is probably the very large accretion of private deposits in the Banks. They have, I think, amounted since the war to no less than 1,800 million.

Well, I cannot enter fully into all the causes, but I would remind the House of one fact. The factor of inflation is not determined merely by the addition of legal value money, or even by the addition of money, using its widest term, available for credit; an important factor is also the velocity with which money moves. And the House, I think, on looking into the facts will find that whereas there was a great increase of money in England during the War itself, it had not the full effect of inflation until after the Armistice, the reason being that after the Armistice money began to move with increased velocity.

Now I wish to apply that conclusion to the conditions of India. Here again I must merely touch on the fringe of the subject for I cannot enter into as full an explanation as I should wish. I think it would be a natural supposition that in India itself, supposing there were a large addition to available money of all kinds, the effect of this would be less rapid than in England because money has a lower velocity. We have here an imperfectly developed Banking system though we are ourselves attempting something to improve it. We have

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be able to meet the requirements of short-term Treasury Bills which have matured meantime; to meet these he suggested two means. One is to go on borrowing at higher rates, and the other is to go on issuing currency notes. The first is, I hope my Honourable friend will not be angry with me for using that word, the road to bankruptcy. A private gentleman who went on borrowing to meet his next requirements at higher rates of interest ends in bankruptcy, and I hope the Government of India will not do so. The second thing, Sir, of issuing more currency notes means the deflation of money, reducing the money value. That also is really harmful to the country and must be avoided. For these two reasons also I do hope that the Government of India will carefully consider the question of consolidation and conversion combined, so that we may get more money and Finance Ministers may not have to pass restless nights.

Sir, many schemes can be suggested, and I will provisionally put forward a scheme. It is a very crude scheme and will have to be examined by the experts in the Finance Department. If, for instance, Government were prepared to carry out a scheme like that and the public viewed it with favour, both these difficulties may to a certain extent be met. First, taking only the case of $3\frac{1}{2}$ per cent. Government securities, I believe the total issue of these securities is about 119 crores of rupees. Let us take it at 120 crores for the sake of easier calculation. The present rate of those securities is 55; my friend, Sir Maneckji, said that this was the nominal rate. The rate of interest on new loans cannot be less than 6. I hope I am not exaggerating; but in view of the fact that the Government of India have granted the Bombay Government leave to issue our Development Loan at $6\frac{1}{2}$ per cent. income-tax free rate, I do not think the Government of India will be able to get money at less than 6 per cent. If they borrow, say about 20 crores, they will have to pay one crore and 20 lakhs as interest at 6 per cent. What I suggest, Sir, is that if the owners of the $3\frac{1}{2}$ per cent. loans were given an opportunity—I am merely suggesting a figure which may or may not work out correctly—to convert their $3\frac{1}{2}$ per cent. notes into 6 per cent. by paying in 35 rupees more; and even if half the present owners took advantage of it, Government will get 21 crores of rupees, and the loss to the tax-payer about which my Honourable friend Mr. Chettiyar said that his interests would have to be taken into consideration, works out only to 24 lakhs per annum. This would, I believe, ensure the early rehabilitation of Government securities, and bring in more money for the railways also. It would also bring in money for meeting short-term Treasury Bills and help Government in other ways too. I merely throw it out as a suggestion. It may be workable or it may not be; but many such schemes can be thought of. I heartily support the amendment of the Honourable Mr. Cook.

The HONOURABLE RAJA SIR HARNAM-SINGH: Sir, the question of Government Stocks is very important, as it has direct relation to the national credit. But I do not think there is any serious apprehension in this respect. The general financial position of India is very strong. The national indebtedness of this country, in comparison with the national resources, is very much smaller than that of most other nations. Then again a very large fraction of the national debt is what may be called productive debt, representing a productive outlay on Railways and Irrigation, normally yielding a return considerably in excess of the interest on the whole

amount borrowed. The Great War, however, made it necessary to call for and obtain fresh loans known as the War Loans which added over 30 per cent. to the national debt. The enormous success of the war loans, though partly explained by the patriotism of the people, testifies to the national credit. But I feel strongly that no effort should be spared to save the Government's Stocks from any possible depreciation, and we cannot be too zealous in maintaining and safeguarding the national credit. In a country like India where the bulk of the population is illiterate, any depreciation of the value of the Stocks may be easily misinterpreted and much mischief may be done. I would therefore support the Resolution for the appointment of a Committee of expert financiers to explore the possibilities of improvement in the position of the existing Government Stocks. They may thoroughly investigate the matter in the light of their expert knowledge and experience and help the Government with their well-considered opinions and recommendations. I believe they will be able to do a good deal of valuable work in yet another respect as indicated in the second part of the Resolution. They can advise the Government on the question of future loans, both for State purposes and for Railway and Irrigation purposes.

Any future loan will affect the existing stock. For instance, the Government may find it difficult to raise loans in future except by offering interest on a higher scale. This no doubt will tend to depreciate the value of the existing stock. The question is difficult and complicated, and expert knowledge and advice will be of great service.

A more extensive outlay on Railways and Irrigation will be a productive investment and add considerably to the revenue of the country, even after setting aside an adequate sum of money every year for the payment of interest on the loans raised and for a sinking fund. The Committee may reasonably be expected to work out, for the benefit of the Government, a practical scheme for such investments. It is certainly worth trying.

The HONOURABLE SARDAR JOGENDRA SINGH: Sir, I had no intention of taking any part in this discussion, but there is a remark which fell from the lips of the Honourable Mr. Cook regarding the Government getting nervous and stopping borrowing, and about it I should like to say a few words. At the present moment in India it is absolutely necessary that we should raise as much money as we can for productive works. There are a great many irrigation works and railway works kept in abeyance which, when completed, would add immensely to the wealth of the country, and these works should not therefore be deferred merely because the Finance Department is nervous of raising loans. That is why I strongly support that a committee should be appointed as suggested. A formal committee is not generally of much use. They take evidence and write a report, and that report is shelved for years before any action is taken on it. An informal committee charged with the function of going fully into the question would certainly be more helpful and would reach conclusions much more quickly. The lines of inquiry, to my mind, should be to find out as to how best to raise money for special industries. The Honourable Mr. Lalubhai Samaldas just pointed out that the Iron Works in Bengal needed crores of Railway Expenditure to be able to develop fully. I have reason to believe that definite proposals of the Committee are clearly put before the Finance Department, they may be able to raise money on easier terms. Similarly, with regard to Irrigation works. If money were invited from landed interests, I think it could be

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methods of bazaar finance which are sometimes very sticky. We have a trade which is mainly seasonal, and therefore money remains out of use for considerable periods. We have the hoarding habit, and we have, finally, the fact that in all periods of rising prices the tendency is to make very heavy investments in real property. One would, therefore, expect the effect of an addition to available money in India to be less rapid than in England. I think nobody would accuse us, certainly I do not think that history will accuse us, in face of the difficulties of the war, of unduly inflating money in India. We have, of course, had heavy increases in the Rupee currency; but that in itself is not necessarily inflation. We have, I admit, made considerable increase to our unbacked currency notes; that is a more serious element. As regards our Treasury Bills in the hands of the public, they amount to 40 crores; a very inconvenient sum indeed; as the Honourable Mr. Cook said, a sum which frequently causes grave anxiety. It has not caused us so much anxiety in the past year as it did in the two previous years. To continue his parallel, we are now merely tossing backwards and forwards the lighter balls, but I can remember times in the past when the anxious juggler knew that somewhere in the air was a ball which weighed no less than 24 crores about to descend into one hand or the other. As I say, that is an inconvenient figure, but it is not an immense figure when compared with the total wealth and money available in the country. We have none of those great Ways and Means advances which have been so conspicuous in England. I can only conclude, Sir, that the depreciation of the value of money in India is not due to any great extent to additions made by us to correct legal value money or other money. As regards the rise in interest rates, I am not at all sure that the real reason is not that we have temporarily exhausted our money market. We proceeded with the utmost caution in the past; caution for which many people have since blamed us. They have told us that at a time when we were raising money at $2\frac{1}{2}$ or 3 per cent. in small quantities, we could have raised money in very much larger quantities if we had offered higher rates of interest and that we could have employed that money beneficially to the improvement of the country. Well, Sir, that may or may not be true; but at all events we can claim this. We gave the country, because of the low rates of interest that we took, probably the cheapest form of transport at the time in the world. We created for the country a magnificent asset in our productive irrigation works and the country is benefiting to-day, as my Honourable friend the Mover of the Resolution pointed out, by the extent by which the interest received on those investments exceeds the interest which we have to pay. That policy of caution in the past left us, when the war stress came, a large reserve of credit on which we could draw for our necessities at the time. Our drawings have been heavy, and it is probable that at the present moment we have temporarily exhausted the money market. In addition, the claims of reviving trade in India, and the demands of industrial development of India, have made very large inroads on the market in the last year, and, as I stated before, the result of a general increase in prosperity has been that large sums have been looked up in real property.

Now, what is the one conclusion we can draw? The one conclusion we can draw is this, that we must do our best to get ourselves into a sound and healthy position in relation to the money market. As the Honourable Mr. Cook says, we must put an end to such inflation as has followed from the issue of unsupported currency notes. We must reduce our Treasury Bills, not

only because they are inconvenient to us, but because they become a form of money. We must repay our short-term debts. Those are the lines on which we must get ourselves back into a healthy financial condition and improve the money market as a form of supply and of cheap supply of loans to us. But now, Sir, comes a problem, to which I must refer and refer, at some length because there is a corollary to what my Honourable friend said, a corollary of the very greatest importance to this House and to the country. On every hand we are being pressed to provide more money for our capital undertakings. Witness after witness has come up before the Railway Commission with insistent demands that more money should be spent on railways.

But there is, as far as I can see, in the minds of those witnesses, a complete divorce between the responsibility of spending money and the responsibility of providing money. I admit that more capital money is urgently required for our Railways; but if we are to go on raising large sums of money for capital purposes to satisfy those who would raise such money at all costs, then Sir, we must pay more for it. And if we pay more for it, then we shall have to answer to the country for causing a still further depreciation of our existing stock. Properly speaking, until we have got an easy market again, we ought to hold our hand in regard to raising fresh loans. My Honourable friend Mr. Cook, while adverting to the desirability of this, rightly referred to it as a 'counsel of perfection,' though I think that some members of this House rather understood that such abstention from the market was actually in the mind of the Government. I heard a sigh of apprehension, I think, coming from the House when he referred to the matter, and my Honourable friend Sardar Jogendra Singh in his speech voiced that feeling. It is, however, only a counsel of perfection and we cannot entirely stay away from the market. But I return to my point that if we have to raise large sums of money in the immediate future we must pay very heavily for them. One knows what the rates are in England to-day. One knows that America is lending to foreign Governments—and foreign Governments with the very best security—at rather over 8 per cent. One knows that the commercial debentures are being issued in England at between 7 and 8 per cent. on a guarantee of unimpeachable security. One knows the rate at which the best debentures are being issued in India to-day; you can only issue at 7 per cent. with a discount: I only want to draw this conclusion: that our primary duty is to avoid forcing the pace by making large capital issues at great expense to the country and eventually at great trouble to our successors.

I support Mr. Cook's amendment and I think the Council would do well to adopt it. It is always difficult to discuss publicly and in formal committees, matters which may affect the finances of the institutions which the members represent. It will be difficult to come to any recommendation without materially affecting the money market. On the other hand, if we tackle the problem in the way that has been suggested by my Honourable friend Mr. Cook, I can assure this Council on my own behalf that we shall consult everybody whose opinion may be of value on this question. We shall do our best to call in the highest expert opinion. We shall undoubtedly utilise quite as fully the opinions of members of this Council and of the Assembly as they would be utilised by a formal committee. And if any solution can be found which will not cost the tax-payer too much and which we can honestly recommend to the Assembly, you may be sure that in our own interest—because our own reputation is at stake—and in the interests of the country, we shall do our utmost to put it into execution.

THE HONOURABLE SIR D. WACHA : Sir, I think I can say that Sir Maneckji Dadabhoy has done well in bringing to notice the proposition regarding the consolidation of some of the older loans because of their great depreciation. But, at the same time, we must also try to understand the present financial condition of India so far as has been revealed from time to time by the Honourable the Finance Member who adorns this Council. India is in a state of flux just now—it may be that she is in a state of monetary flux, but of a lesser kind than the flux which is at present going on in nearly all the civilised countries of the world, with, perhaps, the exception of England and America. They, I think, are at any rate in a better position than the countries on the Continent. All this depreciation of stocks to which Sir M. Dadabhoy has rightly referred may be very easily traced. In the first place, I say that this depreciation has gone on not simply on account of the Great War, though the war has had its influence also, but it was going on for years before the war. It was going on in England long years before the war. When Lord Goschen consolidated the stocks and brought them down on a basis of $2\frac{1}{2}$ per cent. in order to remove the burden of interest charge falling on the taxpayer, even then there was a depreciation in the market of consols in England. I am now talking of what happened something like 20 years ago, and I think the reason for depreciation at that time and the reason for the present depreciation is the same. All throughout the period industrial enterprises were multiplying. These were springing up all over the country involving large financial responsibility and liability. But the result of some of those colossal financial enterprises was this: that after a short time they were able to pay—in England at any rate—large dividends to the extent of 8, 10, and even 16 per cent. . Aye, in some cases even more. Those large dividends by industrial concerns undoubtedly came into the field of competition with the Government stocks of $2\frac{1}{2}$ and $2\frac{3}{4}$. The consols were good for permanent bodies like Trustees, but they were not good enough for the ordinary investors who could not be satisfied with 2 and 3 per cent. interest per annum.

These said :—

‘ Here are good industrial concerns with great names. They are very safe and solvent. Why should we not invest our little monies in them and instead of receiving $2\frac{1}{2}$ per cent. only, get back 5, 6 per cent. or even more?’

Well, I think, it is this competition for a larger rate of interest than 2 or 3 per cent. on investments which has been going on since 1901 or 1902 that has made all the difference. As the ordinary investors began to earn larger interest on their industrial investments and those industrial enterprises grew larger and stronger, the face value of the Government securities proportionately began to go lower and lower, with the obvious result. Now take this analogy and apply it to India, and you will find that identical reasons—just referred to—have had no mean influence on the value of Government securities here. I have been watching this movement for years past, and I find that we have had large industrial enterprises,—although not of so colossal a character as those in England,—such as Tata's Engineering and Electrical Works, Cotton and Jute Mills, coal and other minerals, which began to pay, even before the outbreak of the war, dividends at the rate of 8, 10 and 12 per cent. on these shares. Even in ordinary times they have not been much lower than 10 or 12 per cent., while the prices of shares have been quoted higher in the market. This is the case because the investor has found out that sound industrial concerns are as safe as Government securities, and consequently those securities have depreciated *pari passu* with

the appreciation of the other kind. It has been pointed out that $3\frac{1}{2}$ per cent. are now quoted at 50 or 55 ; I admit that.

There is a class of investors who if they sell to-morrow their holdings in that stock would lose a large amount of their capital. Let me give only one striking instance—of the Oriental Life Assurance Company, which has invested in $3\frac{1}{2}$ per cent. Government security to something like 6 crores of rupees ! Now, supposing they were to go into the market to-morrow and sell these $3\frac{1}{2}$ per cent. securities, I do not know what the state of the market would be. Instead of the $3\frac{1}{2}$ per cent. paper being quoted at 55 or 50 it might go down to 45 or even less ! That is the position. But as far as these securities are invested by divers Trustees as a permanent investment they are all right. And I believe it is the case that a large amount of $3\frac{1}{2}$ per cent. securities are in the hands of Trustees ; so far it is a matter of thankfulness. The large amount of Government securities permanently invested by Trustees contributes greatly to the maintenance of the present position. But, at the same time, there are other investors who look to Government securities at present quotations as golden securities, apart from industrial enterprise. These gentlemen consider the prevailing condition of $3\frac{1}{2}$ per cent. securities a good opportunity for investment. At 50 or 55 they could buy these and obtain a dividend of 7 per cent. or a little less. Fortunately such buyers, however, are few. That is another aspect of this same question of depreciation. There are really two classes of investors. The trustee investors and the financial investors who have always looked up to Government securities as golden apart from sound industrial concerns paying large dividends. These consider that their monies are safely locked up. This is the very class who having an accumulation of trust monies are keen on seizing the opportunity to invest it at prevailing rates, because they are not so confident of industrial concerns and think that Government securities are golden. These investors only wait for sellers to dispose of their holdings, and while such are eventually forced to sell the market goes down. It is human nature that buyers wait to buy at the lowest prices. At the same time, it is an advantage, as the Honourable Mr. Cook has just pointed out, that the Government themselves hold a large number of Indian Rupee securities, against their paper and gold currency reserve, though considerably reduced in their face value. The advantage, of course, lies in this that the Government do not sell these securities, unless obliged by some emergency. Otherwise so much amount as they hold is out of the market and not available to the public. In another sense it is really an advantage so far that the stock is as good as extinguished if they keep it on permanently with them. Thus, taking everything into consideration, it seems to me that there is nothing very surprising in the fact that all these Government securities, at least those bearing interest at 3, $3\frac{1}{2}$ and 4 per cent. are so heavily depreciated in competition with industrial concerns paying higher rates of interest. Meanwhile, owing to the war and owing, of course, to the emergent necessities of the Government of India, there have been fresh issues of loans. For instance, we voluntarily contributed 100 million sterling as our war contribution to the Home Government because we thought that India was certainly benefiting and had benefited by England's protection for the last 150 years and it was right and patriotic that when England was in the direst of straits that India should contribute her mite. Besides this voluntary offering which was raised by a loan, other loans were issued from year to year during the last five years. Well, these, of course, had to be issued at a higher rate of interest and on more onerous terms. Why ? Because money was getting scarcer and

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scarcer and money could no longer be had at the older and cheaper rates of interest. Necessarily, when the Bank of England was giving interest at 5 and 7 per cent. you can understand how the Government of India, ever in want of the eternal pence, had to borrow at higher rates. They want, even at the present hour, for railway purposes, for irrigation purposes, for a hundred other purposes, immense sums of money. They would be willing to borrow 500 million sterling if these could be obtained at 5 per cent. But I doubt if they can even get 50 millions. But the newer loans, on more favourable terms and at higher rates of interest have come into competition with the older loans of 3 and 3½ per cent. which therefore are necessarily neglected. Then, again, there are those Treasury Bills at liberal rates of interest. Is it at all surprising that these new loans are favoured as against the older ones? And as these loans with a higher rate of interest are favoured, those older loans with lower rates have come into disrepute and necessarily gone down. But I am not of belief that because those old securities have depreciated in capital value, that therefore the credit of the Government is in any way diminished in the monetary market. Had the credit of the Government been less, I am quite sure, as my friend the Honourable Mr. Lalubhai said, the Government would have really been in a state far from solvent—I will not say 'bankrupt'. But that is certainly not the case. Why? Because, I consider that, bearing everything in mind, even to-day the financial position of India is strong enough. Otherwise the Government would never have been able to maintain its credit? It has got its credit here and it has got its credit elsewhere than in India. If that had not been the case, I do not think that President Wilson would have given us those 200 millions worth of silver. So that, taking everything into consideration, apart from the fact that the financial position is what I have stated to be, there is nothing to regret about. Taking into consideration that trade is bad, that Europe is unsettled, and that our customers in Europe are not buying our products, we must be prepared for an adverse balance of trade against us, and it is because the balance of trade is against us, that exchange is going down. That again obliges the Government of India to pay more for its Home charges of 30 crores per annum. When all these facts are well taken into consideration and the present financial liabilities and responsibilities which are hanging over the Government, I am not surprised, as the Honourable Mr. Cook said, that they are trembling every day as to what may come to-morrow. No wonder they are anxiously devising means for raising the large amounts required for the repayment of Treasury Bills and other floating loans. Only the trade conditions and the other economic conditions of the world must improve before India can improve her financial position, good as it is, in a way that may rejoice the hearts of those responsible. For the present what is most imperative is the exercise of prudence and caution. Because one great financial mistake may undo what has been accomplished. That being the condition of things I believe that, however willing we may be to see that these older loans do not go further but improve rather to a certain extent, it is not possible that any immediate improvement can be looked for. But I am sure the Council are glad to learn from the Honourable Mr. Cook that the Government are perfectly aware of the facts of the depreciation and are in sympathy with the investors and trying to do their best to minimise it in the midst of the many serious difficulties. We have the assurance of the Honourable Mr. Cook that they will obtain expert opinion—expert Indian and English opinion. It will be a private inquiry how best

to deal with the question because as the Honourable Mr. Hailey has just pointed out these very important deliberations demand secrecy. If they wanted to make their investigations open to the public, there might be a regular financial crisis to-morrow! Speculators will rush in, and there are speculators in Bombay and elsewhere who will be only too glad to get some kind of 'tip' to ball or bear the market in the manner they wish to do. There is a great danger involved in making a revelation of what the Government's intentions are at the present moment. The Honourable Mr. Hailey assures us that he and his Government are willing to do something towards minimising the depreciation, but it can only be a slow process—consulting experts, taking their opinion, and seeing how far the matter may be practically attended to. That assurance ought to suffice for the present. I wish Members of the Council will try to realise what is the real financial situation at present. It will be made known to us all on the 1st of March when the Honourable the Finance Member will be able to give us his exposition of the next year's financial liabilities and responsibilities and the ways and means to discharge them. I wish Members of the Council, both in this House and in the other House, would pay more attention to that part of the Budget which always relates to what is called 'Ways and Means'. You may criticise land revenue, you may criticise military expenditure, you may criticise borrowings for railways. All the same, eventually, if you really want to know the kernel of Indian finance for the coming year you have to go to that Chapter which deals with 'Ways and Means'. Because there you will see what the Government proposes to do. And unless you know that you will never be in a position to criticise the Government correctly. Therefore, I do earnestly recommend you to study, as far as possible, what are the ways and means proposed. Try to help the Government because in helping Government you will be helping yourselves and the tax-payers. Remember please that every new loan that is issued by the Government even for the most necessary and emergent purpose, means a further interest charge, and a further interest charge means an additional burden on the tax-payer. Some people have said here that the tax-payers have been taxed to their utmost capacity. I do not know that. In England they would like to have taxes imposed to the utmost capacity, because all the best English economists like Professors Foxwell, Pigou and Nicholson and Mr. Hartley Withers and many others have publicly stated that it was a great mistake to have borrowed more, while not levying taxation to the highest limit possible. Because, they argue that the position of England to-day would have been infinitely better had heavier taxes been imposed. No doubt people like always to get rid of taxes as much as possible, and when heavy taxation is talked of they raise a cry in the press forgetting that war taxes during war time are infinitely better than large loans, say, for 50 years and more carrying a heavy burden of interest charge. That is the opinion generally expressed by all the great economists, not only of England but of the world. Gentlemen, my friend, the Honourable Mr. Lalubhai Samaldas, tells me that my time is up. Well, Sir, I am in your hands and in the hands of the Council, I was impelled to speak on this important subject. The Honourable Mr. Hailey paid me a compliment and I am trying to return that compliment by freely expressing my thoughts on the subject. I have been trying to put before this House, as far as I am concerned, my own views thereon, so that the Council may well understand all the aspects of the financial question under discussion, and try to help the Government rather than criticise them

The HONOURABLE THE PRESIDENT: The Council will, I am sure, listen to the Honourable Member with the greatest interest, but time is limited, and the Honourable Member must finish his remarks within his time-limit.

The HONOURABLE SIR D. WACHIA: I bow to your decision, Sir. I will only say a word more and then resume my seat. I once more appeal to all the Members of this Council that at the present moment it will be wise to adopt the Honourable Mr. Cook's amendment, thanking at the same time the Honourable Sir Maneckji Dadabhoi for having so exhaustively brought this motion before the Council.

The HONOURABLE SIR MANECKJI DADABHOY: Sir, I have heard with great interest the many important speeches made in this connection in this Council to-day. My object in presenting this Resolution for the consideration of the Council was to invite a full and free discussion on a subject which is of paramount importance to the country at present, and I am very pleased to say that that object has been gained by the most lucid and illuminating speeches of the Honourable Mr. Cook and the Honourable the Finance Member, who have enlightened the Council with the many important features of this Resolution. Honourable Members apparently think that my Resolution is something very different from the amendment which is proposed by the Financial Secretary. A little careful examination of the wording of my Resolution will clearly show that the ground which I have covered includes what has been urged by way of an amendment by the Honourable Mr. Cook. My Resolution is of a two-fold character. In the first place, I ask for a Committee 'to be appointed, with powers to take evidence, to explore the possibilities of improvement in the position of the existing Government stocks,' and, secondly, 'to advise Government on the question of future loans.' The Honourable Mr. Cook asks that 'the financial policy of Government be so directed as to ensure the early rehabilitation of Government securities,' which you will see is covered by the first part of my Resolution. His second proposition runs thus:—'with due regard to the necessity of funding the temporary debt and to the provision of capital expenditure for productive purposes'. You will see that the latter part of his amendment regarding the funding of the temporary debt and the provision of capital expenditure for productive purposes is covered by my words 'to advise Government on the question of future loans both for State purposes and for Railway and Irrigation purposes'. Honourable Members must also have noticed that when I made my observations, I referred to the temporary loans of Government. I referred to the funding of temporary debt and I made a point of that. You will see, therefore, that, except for my request for the appointment of a committee, and the Honourable Mr. Cook asks that the matter should be left to the Finance Department to deal with, there is absolutely no difference between the two Resolutions. In fact, there is a difference without any distinction in the two Resolutions. However, after what has fallen from the Honourable Mr. Hailey—and it is a matter of congratulation to India that at the present critical time, we have at the head of the Finance Department an officer of deep sympathy and great ability controlling the Finance Department of the Government of India—after what he has urged regarding the various lines on which he proposes to move, it would not be proper on my part to insist on a Committee of Inquiry. I had asked for a Committee of Inquiry because I was strongly of opinion that both the Council of State and the Legislative

Assembly, which have some very great business men, financiers and economists in their body, will be in a position to deal with the question in a more satisfactory manner and render Government most valuable help and assistance in this direction. However, after the assurance of the Honourable the Finance Member, as well as of the Honourable Mr. Cook that they will consult experts, both inside and outside this Council, I consider my point is fully gained, and there is no necessity therefore at present for my pressing for the original proposition, which only differs on one point, as I have stated, viz., with regard to the appointment of a committee.

But, before I formally accept the Honourable Mr. Cook's amendment, I would like to answer one or two points which have been raised in the course of this debate, with reference to the remarks which I have addressed to the Council this morning.

Honourable Members somehow seem to think that in placing before the House schemes of conversion and consolidation of the existing stocks, I have been dogmatic enough in asking these schemes to be adopted. I may state that this was far from my intention. I have only placed before the Council such considerations as may be taken into account, and I only mentioned in my speech that the committee that would be appointed might *inter alia* consider these schemes. Every one knows that the question of State borrowings, the question of redemption and the conversion of Public Debt is one of the most difficult and complicated of financial problems. I should be the last man, therefore, to urge with any show of reason that any particular scheme of mine should be adopted. Nothing of that sort. In the course of my speech I have only pointed out certain ways in which the proposed committee might move with advantage to the country.

There is one remark of my Honourable friend the Finance Minister with which, with great respect, I disagree. The Finance Minister said that the depreciation of the Government stock, which I had pointed out, was due to the exhaustion of the Indian money market. With much respect to his considered opinion, I beg to point out that the flotations of the last year 1920, do not support the conclusion to which he has arrived. The Council is aware that during 1920 a large number, a very very large number, of joint stock companies were floated all over India, and particularly, in the Presidency-towns, and the response given by the public to those joint stock companies was of a phenomenal character. In fact, as far as I am aware, almost all the capital asked for, crores and crores of rupees, were fully subscribed. I do not, therefore, share the view that the potentialities of the money market have been exhausted. I have great faith, I am a strong believer in the sound monetary condition of India. I firmly believe that there is a considerable amount of public money which will be available to Government if the financial policy of the Government is directed in the right direction with a little more of consideration for the investor. I am not holding a brief for the 3 and 3½ per cent. investors from any point of view, but I do share the opinion, and what I did urge the Council was to bear in mind that the Government credit cannot be allowed to be lost by constant depreciation in the premier stock of the country. I made it clear in my preliminary speech that the country was in an extremely solvent condition. I pointed out our total debt. I brought to the notice of Honourable Members our total assets, and I compared them with other countries to show that we are in a far better position. Therefore, as regards this constant and continuous depreciation of Indian securities

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we have to look to some other causes than mere stringency of monetary market or the exhaustion of the Indian money markets.

The Honourable Mr. Cook in this connection compared our securities with the French bonds. I submit that that was not a fair comparison. Every one knows how France had suffered in the Great War, what conditions were prevailing in France before the War and after the War, and if 60 points had fallen in French securities as against 40 points of the Indian securities, that was not a point for congratulation. The reasons are obvious for the difference in depreciation between the French bonds and the Indian securities. On the other hand, Honourable Members will remember that I have compared our Indian securities with other countries similarly situated like ours with whom we can make a proper comparison. I have already referred to the Australian securities, the Tasmanian securities, and other Asiatic securities. There are other reasons to which this constant depreciation is due, and, therefore, an inquiry into their circumstances is essentially necessary.

There is one thing more which I wish to say, and I want to clear the position which I have taken up. I am not a pessimist by any means. I have no apprehension as to the credit of India suffering in any way. I have not the slightest doubt that, if the Honourable Finance Member wants to go in for a bold policy of State borrowings at the next budget time for productive works, the country will respond to him with one voice. I have not the slightest apprehension on that point. I only wish to urge that in these matters the Government should act in the right direction, and it will be advisable to consult the best financial brains in the country outside the coterie of the Finance Department in order to get real good help, and I am very pleased to note that the Honourable Mr. Hailey with absolute frankness and with commendable candour has agreed to consult outside people in shaping the future policy of the Government of India in matters of this kind.

For these reasons I shall not press my original proposition as there is absolutely not much difference between it and the amendment, and I shall very gladly accept the Honourable Mr. Cook's amendment.

THE HONOURABLE THE PRESIDENT: I think I shall obtain the opinion of the Council best by putting the question in this way. The original question was:

'This Council recommends to the Governor General in Council that a Committee consisting of members of this Council or of members of this Council and the Legislative Assembly be appointed, with powers to take evidence, to explore the possibilities of improvement in the position of the existing Government stocks, and to advise Government on the question of future loans, both for State purposes and for railway and irrigation purposes.'

To that original question the Honourable Mr. Cook has moved the following amendment:

That for the words 'a Committee consisting of members of this Council' down to the end of the Resolution, the following shall be substituted:

'The financial policy of Government be so directed as to ensure the early rehabilitation of Government securities, with due regard to the necessity of funding the temporary debt and to the provision of capital expenditure for productive purposes.'

THE HONOURABLE THE PRESIDENT: The question is that the amendment be accepted.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: It remains for me to put the amended question. The question is that the Resolution which runs as follows be accepted:

'This Council recommends to the Governor-General in Council that the financial policy of Government be so directed as to ensure the early rehabilitation of Government securities, with due regard to the necessity of funding the temporary debt and to the provision of capital expenditure for productive purposes.'

The motion was adopted.

RESOLUTION RE EXPORT OF RICE.

THE HONOURABLE MR. A. CHETTIYAR: In view of the debate that took place on the rice question the other day, I do not propose to move the Resolution which runs as follows:

'This Council recommends to the Governor General in Council that the export of finer kinds of rice from India not ordinarily used by the poorer classes be allowed for the consumption of Indians abroad.'

and I therefore beg leave to withdraw it.

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

The Council adjourned for Lunch.

The Council re-assembled after Lunch, with the President in the Chair.

RESOLUTION RE LEGISLATION FOR UNIVERSITIES OF INDIA.

THE HONOURABLE MR. BHURGRI: Mr. President, the Resolution I propose to move is as follows:

'This Council recommends to the Governor General in Council to take early steps to introduce legislation in order to place the Universities of India on a more democratic basis.'

It is unnecessary to labour the point that the present constitution of the Universities requires remodelling; in the new era, upon which India has entered, Universities with Senates of about 80 per cent. of the members nominated, are surely out of date. The supreme governing organ of the University must be composed with a large majority of elected members. It must be a popular body, representative of all the interests concerned. This is a common-place of University government and cannot but be accepted in India at a time when popular Government is initiated here. The need for a revision of the constitution being granted, the only question is how best to do it and what lines it is to follow. The Calcutta University Commission Report, though its scope was limited only to the Calcutta University, may be taken to have crystallised the broad policy of reform in regard to other Universities also. Subject to certain qualifications and criticisms, the report has met with general approval in the country, and the revision of the constitution which we now desire will, I take it, generally be cast on the lines of that Report. The question may be raised whether this revision will be best carried only by the method suggested in the Sadler Report for the Calcutta University (on page 379 of Volume IV), namely, that of repealing the Act of 1904 and replacing it, in the central

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legislature, by another short and elastic Act, the nature of which has been described in the Report, or by another alternative method, namely, that of delegating to the Provincial Legislative Councils the power of introducing changes in the constitution of the Universities in their charge. It will doubtless involve difficulties of drafting, but it is certainly not an impossible task. I have no doubt that this procedure will be welcomed by the country as providing the best chance to secure the academic freedom on which we have set our heart. Some of the best educationists in the land also prefer this course, and really there is no reason for the Central Government to keep University legislation in its own hands when the whole subject of education including University education, is transferred to provincial and popular control. What I now ask the central legislature is to delegate its powers to the local legislatures, which alone are in a position to adjust the University legislation according to the needs of its local Universities. If, however, the Government of India be unable to see their way to delegate this power to Local Governments, then this Council and the other Chamber must themselves undertake legislation—setting forth barely the constitution and functions of the governing organs of the Universities. The public, however, in my opinion will favour the other alternative, *i.e.*, the delegation to the Local Governments of the power of enacting University legislation according to the needs of the different provinces.

(At this stage the Honourable Mr. Sastri took the Chair for a few minutes after which the President returned to the Chair.)

It is unnecessary to mention the exact points to be secured in reform, but, in a word, effective popular control must be established over the Universities, and to this end the general plan of University government and the constitution of the organs of government may roughly be, the one suggested by the Sadler Report. The Sadler Report follows closely the lines of the London University Commission presided over by Lord Haldane and commands wide support. We may thus have three bodies: the Court, the Executive Council and the Academic Council. The Court, a widely representative body, will exercise powers of review and criticism of the whole of University work, will enact all fundamental legislation, and will generally supervise the finances of the University. The Executive Council will be the chief business organ in charge of finance and administration. And the Academic Council will be the chief academic body in charge of all academic work. The Calcutta Commission Report does not fix any definite proportion of the elective element on these bodies, but it is believed that the proportion which it bears on a similar body, the Lucknow University, which is the most recent University, modelled on the Sadler Report, will be generally acceptable. The mode of the appointment of the University Professors, however, adopted in the Lucknow University Act, must be discarded. Under it, practically all the Professors are to be appointed by the authorities in England; it must no longer be so. The University authorities themselves ought to be able to select their own Professors. Again, the Vice-Chancellor's office need not be filled by the Governor, but should be elective. Then, Sir, in some of the Universities at present the Executive Council Members are the Vice-Chancellors, and I have heard that at least in one instance the nomination of Fellows has been done without the consultation of the Minister in charge. This is indeed serious and requires to be remedied. The position of the Minister must for the future be clearly defined in this respect. Now, Sir, I will ask the Honourable Member in

charge to state whether Government is prepared to accept the alternative; in case, if it does not find favour with them, Government must make a definite statement of their policy and of what they are going to do in this matter. If my Honourable friend will pardon me, I will say this, that this matter has been for a long time under consideration, and I think considerations even by Governments must have some limit. I think the country wants a statement, and I hope my Honourable friend will come out with it.

With these words I beg to move the Resolution which stands in my name.

The HONOURABLE DR. JHA: Sir, I rise to oppose the Resolution. The thesis of the Honourable Proposer has been that Universities should be under popular control. That was the central idea around which his speech has crystallised. To my mind, Sir, it may be an old-fashioned idea, but the very idea of coupling the term 'University' with popular control is a distinct contradiction in terms.

The term 'University' has always connoted in my mind the highest form of aristocracy—not indeed the aristocracy of wealth, though that is not excluded, but certainly the aristocracy of learning and intellect. It is not a comparatively modern idea: it has been so from very ancient times. From all the accounts that we have of the very ancient Universities in this land, the Universities of Nalanda, Taxila, Mithila, Kashi and, coming to comparatively modern times, of Nuddea, they have never been under popular control; and, if I am informed aright—of course on that point my information is second-hand—some of the most modern Colonial Universities are not under popular control; but on this point, Sir, I am subject to correction. Then again, Sir, the conditions at the various Universities in this country are very different. Firstly, Sir, there are the two Universities with which the Government of India are mainly concerned—the Hindu University at Benares and the Mohammedan University at Aligarh. The constitution of these Universities is as democratic, as subject to popular control, as anything conceivable, and so far as one can draw conclusions from the experience of these two Universities, the element of popular control introduced does not seem to augur well for the future of the Universities. What has been in the mind of the Honourable the Proposer has apparently been the majority of nominated members on the Senates of our various Universities. As regards that point also, Sir, whenever on any Senate the pinch of this majority has been felt, the Senate has always asserted itself, and proposals have been made by the Senate and accepted by Government for remodelling their constitution. In fact, Sir, in any Senate where the so-called independent members take sufficient interests in the affairs of the University, they do not fail to assert themselves sooner or later. For instance, Sir, in Calcutta where also there is a majority of nominated members, I do not think the independent members of the Senate find themselves always outvoted, and the reason for that is that these independent members take sufficient interest to acquaint themselves with matters coming up before the Senate, and so with their well-considered opinions make their influences felt and there is not much complaint heard now of official control in the Calcutta University. There are complaints against the Calcutta University of some sort of autocracy, but that autocracy does not proceed from the members nominated by Government. That autocracy is, as Honourable Members are aware, the autocracy of a mastermind who is capable of controlling and guiding the minds of his countrymen.

[Dr. Jha.]

I understand, Sir, that in Bombay also, where a sufficient number of independent men have felt the pinch of what is called the nominated majority, proposals have already gone up and have been accepted by Government for the remodelling of the constitution. In direct contrast to these Universities stands my own University of Allahabad. We have had some elected members during the last 14 or 15 years. I am sorry to have to say it, but I must say that of these 14 or 15 members, only two or three have shown any signs of active interest in University matters. I am glad to say that these two or three members are making their presence felt. What interest the general educated public of the United Provinces takes in University matters may be gauged from the fact, which Honourable Members will be astonished to hear, that the University maintains a register. Under the Universities Act they have got to maintain a register of graduates in which, on the payment of a nominal fee, a graduate of a certain standing has his name entered, and he becomes entitled to vote for elections to the Senate. We have thousands of graduates in the Allahabad University—I do not know the exact number, but there must be thousands, their names cover several pages in the University Calendar; and yet, Sir, during all these 10 or 12 years that the register has been open the number of graduates who have thought of getting themselves registered does not go beyond 150 up to date. In a province like that, Sir, if the constitution of the Senate is so altered as to make the election of Fellows depend upon this electorate of 150 men, you can very well see what the effect of that will be. What sort of electorate shall we have? I as a graduate of the University would not admit any other electorate besides the graduates of the University and its Professors. To open the electorate to the outside public would be resented by all. So my idea, Sir, is that whenever in a University, any need has been felt and a sufficient number of men have come forward to offer their services on the University Senate, and they have taken a sufficiently deep and abiding interest in its affairs, they have always been able to assert themselves, and to force the pace of things by any legislation would not be wise. It is for that reason, Sir, that I oppose the Resolution in its all comprehensive form.

The HONOURABLE MR. W. G. KALE : I rise, Sir, to give my support to the Resolution which has been moved. I am really amazed at the remarks which have fallen from the Honourable Dr. Ganga Nath Jha. He spoke of the aristocracy of learning, and urged that the Universities should be entirely dominated by the Professors. I appreciate the force of this remark, and agree that the business of the Universities should, as far as possible, be regulated by men who are actually working at the colleges and who are in close touch with educational work.

But, at the same time, I do not see why he should oppose what he says he has failed to understand, the popularising of the Universities. What is meant by popularising the Universities is not to create for them constituencies such as we have for our Legislative Councils, of people paying a certain amount of taxation, but to create constituencies of graduates and of teachers and of those who take any interest in the work of the University. In Bombay, in particular, there has been a very bitter complaint for a number of years that the University had been badly treated by Government. Honourable Members of this Council may recollect that, after the passing of the Universities Act of 1904, there was a complaint everywhere that the Universities

had been officialised by that Act. The Universities Act did, no doubt, attempt to do a certain amount of good from the point of view of efficiency of education; but it did one other thing, *viz.*, it made it impossible for non-officials properly to exercise their voice in the government of the University. So far as the Bombay University is concerned, this complaint has been a complaint of very long standing and has been a very loud complaint. Look at the constitution of the Bombay University. The majority, *viz.*, 80 per cent. of the members of the Senate are nominated by Government, and it is an open secret that a few years ago certain courses and curricula were forced upon the University at official dictation. This official interference was resented by the people, and the University now is engaged in undoing the work of so-called educational reform which was done at that time. Many of the reforms which are being demanded in the Bombay University by the people are demands which have now been endorsed by the Calcutta University Commission. Take the question of the vernaculars. The question of the introduction of the vernaculars had been very strongly opposed by the majority in the Senate in Bombay. It was only very recently that they were able to carry a Resolution by means of which the vernaculars were placed upon a footing of equality with the classical languages at the B. A. examination. On account, therefore, of this officialising of the Universities, it has been found very difficult to push through those reforms which are needed by the people. Only 10 members of the Senate of Bombay are to-day elected by the registered graduates. My friend here complained that graduates were not taking as much interest as they ought to have taken in the work of the University, and he quoted certain figures with respect to the number of registered graduates. I may tell you, Sir, that the number of registered graduates in Bombay is now something like 1,500. I am myself a member of the Bombay University elected by the registered graduates of the University; and I may tell my Honourable friend that a good deal of interest is being taken by the registered graduates in the work of the University. What stimulus have the graduates to take interest in the work of the University if they can return two solitary members each year to the Senate? Two members of the Senate out of 100 are to be annually elected by the registered graduates. What a generous concession it is that has been made to the registered graduates of the Bombay University, so that they may be attracted in larger numbers to the roll of registered graduates and take more interest in the affairs of the University! If there is, therefore, any indifference on the part of the graduates and the educated people generally, it is very largely due to the fact that they cannot exercise any influence upon the University. The constitution of the University is such that the Senate is very largely composed of the nominees of Government. I do not mean to say that those who are nominated by Government do not take a real interest in education, or that they do certain things which they ought not to do. Nothing can be further from my mind than to impute any motives of this character to official nominees; but I do want that all those who take any real interest in education ought to have facilities given to them for returning their own men to the Senate and for being returned themselves to the Senate. For example, headmasters and teachers of schools ought to have representation. Are they not educationists? Are they to be excluded from the so-called intellectual aristocracy? Their interests as conductors of schools are very closely bound up with what the University does. The Universities lay down courses for the Matriculation. The course for the Matriculation dominates the whole of the high school curriculum; and at present teachers and headmasters have no voice.

[Mr. W. G. Kale.]

They are always ignored. Ought not the teachers and headmasters to have a voice in the working of the University? It ought not to be a monopoly of a certain class of teachers. If that is to be done, representation must be given to headmasters and teachers, so that Professors of colleges, headmasters and teachers and people of the various communities generally, say the commercial community, may have representation in the Senates of the Universities. Why should they be nominated by Government? Why should not the democratic principle be admitted into the constitution of our Universities? Our friend has told us that in modern Universities there is no such thing as democratisation. I do not know whence he got this information. So far as I am aware, almost all Western Universities are democratic. We have yet even to approach the threshold of the democratic character of those Universities, and the demand of the Honourable Mover is that our Universities should be placed on a democratic footing. It is in that sense that he used the word 'popular.' The Bombay University has already submitted proposals that the University should be reconstituted, and under those proposals out of say 100 members in the Senate, 70 are to be elected; out of these 25 are to be elected by the College Professors, assistant professors and lecturers, 5 by headmasters of registered schools, 20 by registered graduates, 10 by Faculties and 10 by public bodies, besides the 30 who are to be nominated by Government. If this constitution is adopted, for example, you will have almost all classes who are interested in education properly represented.

Here are public bodies mentioned; there are commercial bodies and manufacturers and they want a certain type of engineering graduate or a commercial graduate, and they must have a voice in the formulation of the courses in the University. This is what is meant by popularising and democratising. I do not mean to say that the University should be thrown open to anybody who wishes to cast a vote for the membership of the Senate. I do not want that the University should be popularised in that sense; but the Universities should be thrown open to those who are deeply interested in the cause of the progress of education. How that is to be brought about, whether the legislation should be undertaken by the Central Government or whether it is to be delegated to Local Governments, is a matter of detail. If the Government of India thinks that for the purpose of uniformity the central legislature must pass an Act laying down the general lines of the constitution of Universities, the Central Government can do it. But the Central Government cannot go into the details of the requirements of each province. Conditions will vary from province to province, and the Government of India cannot say what each province will have. So uniformity in matters of education may be unattainable and therefore, subject to certain general principles, the provinces will be left to themselves to frame their own constitutions. I will not take up more of the time of the Council. I give my hearty support to the Resolution moved by the Honourable Mr. Bhurgri.

The HONOURABLE MAUNG PO BYE: For Burma, Sir, we do want a more democratic University than the one now in existence. The whole country is against the present University Act. Strikes of students in colleges and schools throughout the province are increasing day by day, and we want the present University Act to be revised and revised quickly, and

a more democratic form of University is an urgent need for Burma. I heartily support the Resolution brought forward by Mr. Bhurgri.

The HONOURABLE RAJA SIR HARNAM SINGH: Sir, the question of University reform has long been before the public mind. Since 1904, when the New Universities Act was passed, there has been a steady growth of public opinion in this matter, and a remarkable progress has been made during the last ten years in University education. There have been constitutional reforms; Universities of a new type, teaching and residential, have been established, and there are proposals for a few more to come in the near future. The recommendations of the Sadler (Calcutta University) Commission are before us and the Government have given them a careful consideration, and the result is embodied in the Government of India Resolution published in the beginning of the last year.

I fully realise that much remains to be done, and the constitution of the existing Universities as laid down in the Act of 1904 needs revision and reformation in view of the rapidly changing conditions of the country. I do not see any reason, however, why this Council should make any recommendation for a greater speed in University reform, nor why the Resolution should be moved here at all. Education, primary, secondary and University, is now a Transferred Provincial Subject for the Provinces. The Ministers know the popular demands, and it is for them to meet them. The Central Government, no doubt, have controlling powers to prevent inexpedient measures, or to rectify mistakes, if any. But let the Provincial Governments manage their own Universities. If any reforms are necessary legislation may be introduced in the Provincial Councils. I do not think it wise to interfere unnecessarily with the provincial administrations.

The HONOURABLE MR. LALUBHAI SAMALDAS: Sir, my friend the Honourable Mahamahopadhyaya referred to the proposals of the Bombay University, and the Honourable Mr. Kale also made a reference to it. I want to correct a misapprehension in the mind of the Honourable Mahamahopadhyaya. He said that the Bombay Government have accepted our proposals. Unfortunately, they have not. The Bombay Government said in their letter of 25th July, 1918, before the Reforms were adopted and before Education was made a Transferred Subject, 'that the Government of India have recently declined to undertake any alterations in the existing constitution of the Indian Universities pending the receipt of the Report of the Calcutta University Commission. The Governor in Council regrets that he is unable to move in the matter.' That was the reply received on the 25th July, 1918. Thereafter the proposal has been before the Senate to refer the matter back to the Government of Bombay, and most probably the papers are now with the Government of India; and if the Honourable Member for Education gives us an assurance, as asked for by the Honourable Mover, that the power of making any alterations in the Act or in the composition of the Senate, will be delegated to the provinces, I do not think my Honourable friend the Mover will press his Resolution, at least I would advise him not to press his Resolution.

One word more and it is a personal explanation. The Honourable Mr. Kale said that nominated members—of course he said he did not want to cast a slur on the nominated members—but he said that nominated members did not do their duty as well as the elected members. But Sir Pherozeshah Mehta, Sir Narayan Chandavarkar and Mr. Paranjpye were all nominated members, and if they did not do their duty well, I do not know who did.

The HONOURABLE NAWAB ABDUL MAJID: Sir, it is admitted by the Honourable Mover that it is absolutely necessary that in the Universities all interests must be represented. Now the question is, whether you could get your object by mere election or by nomination also. My experience in the Senate of our province, I mean the United Provinces, has been that if the whole thing depends upon election only, you will never find all the interests fully represented in the University. Unless you give the power of nomination to Government, you can never expect that people who have not got an aptitude for canvassing and getting themselves elected, will ever come into the Senates. There are diverse interests to be represented, for instance, interests of landholders who chiefly contributed when the Universities were established. Will they ever be able to get themselves an entry into the Senates by election only? Of course, if you want to have other interests represented—you could give the right of election to some interests—whereas the other interests should get into the Senates by nomination. Sir, besides that, as has been said by one of the speakers here, this is a matter which has been transferred to the provinces.

The conditions in every province are not similar. The conditions in every province are different. Therefore I would say that in this Council no hard-and-fast rules should be laid down. As it is already a Transferred Subject, the matter should be referred to the provinces who will look to the circumstances in each province, who will look to all interests, and who will take the appropriate steps necessary.

Therefore, Sir, I oppose this Resolution.

The HONOURABLE LALA SUKHBIR SINHA: Sir, I rise to give my hearty support to this Resolution. The time of democracy has come and the time of aristocracy has gone, and therefore in education it is absolutely necessary to have democratic principles as much as possible. The Resolution is very properly worded. It asks that the Universities be run on a more democratic basis. It does not ask that they should be altogether democratic, but more democratic. It is very properly worded and therefore I give my whole-hearted support to this Resolution. As an Honorary Secretary of the Meerut College, as a Member of the Court of the Hindu University, I know that there is general complaint in the country that all these schools, colleges and universities are much more officialised than they ought to be, and therefore I strongly recommend that Government will be well advised if they run these institutions in accordance with the wishes of the people.

The HONOURABLE SARDAR JOGENDRA SINGH: Sir, from the discussion that has gone on, there seems to be a certain amount of confusion of thought over the question. In the first place how the Universities are going to be more democratic has not been defined by the Honourable Mover. As the Honourable Raja Sir Harnam Singh remarked, education is a provincial subject and as such it could be made more democratic there than here, and, as a general rule, I think this Council would be well advised to let the Ministers act in their own province as they think best. Personally, I think some day when the Honourable Mr. Bhurgri or the Honourable Lala Sukhbir Sinha come to be Ministers in their own province, they would deeply resent any interference in their administration that comes from this Council. The Honourable Lala Sukhbir Sinha has said that the age of democracy has come. I suppose it has come; but I was more pleased when the Honourable Pundit Ganganath Jha said that there was some room still for the aristocracy of

intellect which gave hope that there might still be some sphere of usefulness for the aristocracy of wealth to help and guide the country in the new times. I do not know what we can do here, in this Council, to speed up University reform or to make it more democratic. On the whole, when the Honourable Mover of the Resolution thinks it over, he will very likely not press his Resolution in this Council and do all that he can in his own province to make his own University as democratic as would please his own heart.

The HONOURABLE MR. SHAFI: Sir, in his Resolution, my Honourable and learned friend has put forward two demands. In the first place he asks us to take steps in order to place the Universities of India on a more democratic basis, and, in the second place, he wants legislation to be undertaken by the Central Government. I am referring to the wording of his Resolution and not to his speech.

Now, Honourable Members who have, or have had, some experience of the working of our Provincial Universities are aware of the fact that the administration of University affairs is vested in four bodies, namely, the Senate, the Syndicate, the Faculties and the Boards of Studies. The Senates of all the Provincial Universities, as composed under Act VIII of 1904, consist partly of nominated and partly of elected members. It is quite true, as has been pointed out by the Honourable Member, that the nominated members constitute a very large majority of the members of these Senates. The Syndicates of these Universities, with the exception of the Vice-Chancellor and the Director of Public Instruction, who are *ex-officio* members, are all elected by the Senate. The members of the various Faculties are nominated to those Faculties by the Senate and the members of the Boards of Studies, as my Honourable friend is probably aware, are elected by the Faculties in the various departments of Education. So that it must be perfectly clear to all Honourable Members that the constitution of the Syndicates, the Faculties and the Boards of Studies of our existing Universities is already as democratic as anyone could wish.

The main attack made by my Honourable friend was, I understood, against the constitution of the Senates of our Provincial Universities, and there undoubtedly he has the very high authority of the Calcutta University Commission in his support. In paragraph 22 of Chapter 27, the Calcutta University Commission observe: 'Another defect in the existing order of things is, in our judgment, the method of appointment to the Senate. Eighty of the ordinary Fellows are nominated by the Chancellor, ten are elected by the registered graduates and ten by the Faculties. The existing principle of nomination, tempered by a limited measure of election, has failed to effect that contact with many of the forces which are essential to the well-being of the University.'

Then in paragraph 24 they observe:—

'Advisable as it may be to make use of nomination as a means of securing the right composition—at once representative and administratively homogeneous—in a small body charged with executive functions, we are doubtful whether nomination is the best method to adopt in a predominant degree for the constitution of a large body, the main function of which should be to keep an executive in touch with public opinion. In such a case it is desirable that the members of the large body should feel that in a real sense they are spokesmen of special bodies and though not to the prejudice of their own independence of judgment, responsible for giving expression to the view which those bodies entertain.'

Honourable Members who have followed the trend of legislation in recent years in the Imperial Legislative Council—which has now ceased to exist—must

[Mr. Shafi.]

have noticed that the Government of India have already carried out this part of the recommendation of the Calcutta University Commission in the various Bills which were placed before the Imperial Legislative Council and now are on our Statute-book. In the case of the Dacca University, in the case of the Aligarh University and in the United Provinces in the case of the Lucknow University, this recommendation of the Calcutta University Commission has been amply carried out and, speaking on behalf of Government, I agree that there is considerable force in the contention put forward by my Honourable and learned friend, that in the existing constitution of the Senate of our Provincial Universities, a predominance of nomination is undoubtedly unsatisfactory. My Honourable friend, Professor Kale, invited the attention of this House to the necessity of adequate representation on the Senates of our Universities of the teaching interests in the provinces, and has invited attention to the inadequacy of teachers' representation in the existing state of things. Here, again, my Honourable friend is supported by the Calcutta University Commission, in the view which has been put forward by him. And Honourable Members will remember that in the Acts to which I have already made reference adequate provision has been made for teachers' representation on the Senates of the Universities with which those Acts had to deal. While, therefore, I recognise that there is considerable force in the contentions put forward by my Honourable and learned friend, the main difficulty of our position lies in what has been already mentioned by more than one Honourable Member during this debate. Education in the provinces is now a Transferred Subject under the control of Ministers, who, as the Council is aware, are selected by the Governors of the provinces from amongst the elected representatives of the people. That being so, even if there were not statutory limitations imposed on our power in connection with this matter, it would on *a priori* grounds be in the highest degree inadvisable for the Central Government to interfere in a matter which is now within the jurisdiction of the Ministers in charge of Education in the provinces. But let us for a moment examine what the statutory position is with regard to this matter. Under section 80-A, sub-section (3), of the Government of India Act, the local legislature of any province may not, without the previous sanction of the Governor General, make or take into consideration any law [and I refer to sub-clause (i)] regulating any provincial subject which has been declared by rules under this Act to be either in whole or in part subject to legislation by the Indian legislature in respect of any matter to which such declaration applies,—or, according to sub-clause (g)—affecting any power expressly reserved to the Governor General in Council by any law for the time being in force. These are the only two limitations laid by section 80-A of the Government of India Act on the power of the Provincial Councils to legislate in regard to the matter with which we have now to deal. Now, if Honourable Members will turn to the specification of provincial and central subjects as embodied in the rules framed under the Government of India Act and will turn to Part II, heading 'Provincial Subjects' they will find that under Category V, education is declared to be a provincial subject, 'provided that (a) the following subjects shall be excluded, namely, (i) the Benares Hindu University and any other Universities constituted after the commencement of these rules as may be declared by the Governor General in Council to be central subjects, and (ii) Chiefs' Colleges (with which we have nothing to do). Then under sub-head (b) the following subjects shall be subject to legislation by the Indian legislature, namely,

(i) the control of the establishment and the regulation of the constitution and functions of Universities constituted after the commencement of these rules, and (ii) the definition of the jurisdiction of any University outside the province in which it is situated.'

A careful consideration of these statutory provisions and those embodied in the rules to which I have just referred will make it clear to Honourable Members that Provincial Legislative Councils have absolute authority to deal with those Universities which were in existence at the time when this Act was passed and the rules framed thereunder. With one and one exception alone, the Provincial Councils have every power to deal with every matter arising out of University affairs; that is, if they wish to define the jurisdiction of the University in any manner which is calculated to extend it beyond the limits of the province in which that University is situate, then and then alone will it be necessary for them to require the previous approval of the Governor General in Council before such a Bill can be introduced in the Provincial Legislative Council.

Otherwise, the Legislative Councils in the Provinces have full-power to pass any legislation they desire in connection with University education. This being the constitutional position, I am sure Honourable Members will agree with me that not only should the Central Government not interfere in a matter which is within the peculiar cognisance of the Ministers in charge of Education in the Provinces, but they should also not interfere in connection with what my Honourable friend has in view because of the fact that the Provincial Councils have jurisdiction to deal with it. I feel sure that after this explanation, my Honourable friend will withdraw the Resolution which he has placed before the Council. If it will serve the purpose he has in view, I can say that I undertake to communicate to the Local Governments the proceedings of the Council on my Honourable and learned friend's Resolution.

THE HONOURABLE MR. BHURGRI: That will quite satisfy me, Sir. I am prepared to withdraw my Resolution.

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

RESOLUTION RE FISCAL AUTONOMY.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Sir, I rise to move the Resolution which stands against my name, and which runs as follows:—

'This Council recommends to the Governor General in Council that His Majesty's Government be addressed through the Secretary of State for India, with a prayer that the Government of India be granted full fiscal autonomy under the direction of the Indian Legislature.'

Sir, this Resolution asks for nothing but what is the inherent right of all civilised countries—I mean all self-governing civilised countries. Had India been a self-governing country, this Resolution need not have been brought before this Council. I would go a step further and say that, if the indigenous industries of India had not been treated by the East India Company and by the British Cabinet and the British Ministers on behalf of the East India Company in the way in which they were treated in the latter part of the 18th century and the beginning of the 19th century, possibly all the indigenous

[Mr. L. Samaldas.]

industries of India would have been flourishing now, and there would have been no necessity for bringing up such a Resolution. I do not think, Sir, that there is any difference of opinion as regards the treatment meted out to Indian industries in the early part of the 19th century. If the Honourable Member in charge will kindly say that he agrees with me, I need not read all the references that have been collected from various books. They have been collected by Mr. K. L. Dutt and also by the Honourable Pandit Madan Mohan Malaviya in his minute of dissent to the Industrial Commission. I would not tire the Council if the Honourable Member in charge says that he accepts the authorities that have been laid down there

The HONOURABLE THE PRESIDENT: The Honourable Member can hardly expect Government to accept statements that have not been given to them. I think that the Honourable Member might well proceed on general grounds.

The HONOURABLE MR. LALUBHAI SAMALDAS: To prove that the Indian industries were formerly in a flourishing condition, I will quote but one sentence from the report of the Indian Industrial Commission, which was presided over by my friend the Honourable Sir Thomas Holland. In the very beginning it is said that industries in India were in a flourishing condition when Europe was inhabited by uncivilised tribes. It further goes on to say: 'Even at a much later period when the merchant adventurers from the West made their first appearance in India, the industrial development of this country was, at any rate, not inferior to that of the more advanced European nations'. That is what the Honourable Sir Thomas Holland says. We find that the industries have gone down later on, and we have to refer only to some of the historical authorities collected by Mr. Dutt, to know the reasons thereof. I will only read one or two sentences because I do not want to tire the Council. One quotation is from the Memorials of the Indian Government, being a selection from the papers of Henry St. George Tucker (London, 1853), page 494, 'India is thus reduced from the state of a manufacturing to that of an agricultural country'. The historian, H. H. Wilson, says after referring to the heavy protective duties levied by Britain: 'Had this not been the case, had not such prohibitory duties and decrees existed, the mills of Paisley and Manchester would have stopped in their outset, and could scarcely have been again set in motion, even by the power of steam. They were created by the sacrifice of the Indian manufacture. Had India been independent she would have retaliated, would have imposed prohibitive duties upon British goods, and would thus have preserved her own productive industry from annihilation. This act of self-defence was not permitted her; she was at the mercy of the stranger'.

I do not want to criticise the action of the British Government from its moral or political aspect. I am concerned only with the economic effects, and they were the conversion of India from an industrial to an agricultural country. Wilson says also that, if India had been a free country, she would have retaliated, would have protected her industries and not allowed them to be wiped off. By the time that stage was reached, England, under the guidance of Richard Cobden and Sir Robert Peel, became a free trading country, and as a consequence, India had also to be a free trading country. There were in this period no protective duties in England and then, the sins, if I may use the

word, were not of commission but of omission. England did not do her duty to help the Indian industries as she ought to have done. If her former sins were of commission, the latter were of omission only. I realise that the introduction of steam power in England, the ship-building industry in which England took such a prominent part, the iron and steel industry and other industries started in England also had their effect in keeping back India in the old condition of industrial dependence.

Later on the influence of Lancashire was felt on the fiscal policy of India and that influence was exercised through Parliament and through the Cabinet. Naturally a Cabinet which was responsible to Parliament and hung on the votes of Lancashire members had to give in if they wanted to continue in office. So the Lancashire members were able to exercise a considerable influence on the fiscal policy of India, and we see one glaring instance of it on record, namely, the excise duty in India. Had it not been for Lancashire as a free trading country, India need not have levied any excise duty because, she was levying not a protection duty against Lancashire, but a purely revenue duty. But under the influence of Lancashire the Cabinet through the Secretary of State must have forced the hands of the Government of India, because we recognise that the Government of India have always been with us in this matter. It is not the Government of India against whom we have our grievances. Our grievances are against the British industry and the British Parliament and the Cabinet. During the war, Sir, we have one instance in which the Manchester manufacturers were not able to have their way. The Government of India increased the import duty all round and yet did not increase the excise duty as they would have if Manchester members had had the same influence as they formerly had. But we have not to be thankful to the Lancashire members for this. They tried their best to persuade Parliament to put pressure upon the Cabinet and upon the Secretary of State to increase this duty. We had however a strong Secretary of State and we had a Coalition Government which could withstand the Parliament. We had a strong Cabinet and the Secretary of State had the support of that Cabinet. Possibly, England wanted financial assistance from India and, if my information is correct, this arrangement was more in the nature of a treaty than any thing else between India and England. So we have not to be thankful to the Manchester members for that. They tried their best to raise a debate in the House of Commons, and it was said that they tried to use their influence in the House of Commons to get this excise duty increased.

Now, Sir, coming to the present demand, I want to make it clear that this demand is not a new demand. It is as old—I think I am right in saying that—as the National Congress and even older. My Honourable friend Sir Dinshaw Wacha, who the Honourable Mr. Hailey said was the Nestor of Economics, can bear me out whether I am correct in that statement or not. But I believe that from the time of Mr. Dadabhoi Naoroji to the time of Sir Dinshaw Wacha himself, whom we are privileged in having amongst us here to-day, this demand has been constantly made. Ranade, Dutt, Gokhale and, last but not least, Wacha, have all fought for fiscal autonomy. It is not a new demand that I am making; it is a demand as old as the political awakening of the country. I believe that the national consciousness was awakened by our getting our education in English through English teachers. I am not one of those who believe that we had that national consciousness awakened before. It is due to the English education which we have received that this national consciousness has been awakened. But from the time when

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the national consciousness was awakened we have been asking for this fiscal autonomy. In all fairness I must say that this demand has almost always had the support of almost all the English merchant class. They always were with us in this demand. I believe I am right in saying that almost all the Anglo-Indian journals, at least the best of them, were with us in this demand. It was not a demand by one class of people; it was not a demand by one Presidency. It was a demand by the whole of India including Hindus, Muhammadans, Parsis and Englishmen also. This demand also had the support of almost all the officials. Mr. Montagu, the Secretary of State, in reply to Colonel Wedgewood's amendment in the House of Commons said 'it is not the Government of India which has been in disagreement on this point. It has been the Secretary of State. There has been no controversy between officials and non-officials'. The existence of this feeling has been noticed not only by permanent residents of India, but even by shrewd observers who have come here for a time to study Indian questions. I cannot quote a better authority on this subject than Sir Valentine Chirol, who in his book on 'Indian Unrest' says:

'One of the first things that struck me on my return to India this year and struck me most forcibly was the universality and vehemence of the demand for a new economic policy directed with energy to the extension of Indian trade and industry. It is a demand with which the great majority of Anglo-Indian officials are in full sympathy, and it is in fact largely the outcome of their own interest to stimulate Indian industry.'

Here, Sir, I would agree and readily acknowledge that we do owe a debt to these officers for the stimulus they have given to Indian industry:

'There is little doubt that the Government of India would respond readily and heartily on the lines I have already briefly indicated.'

So, when I come before this House, I am trying to convert the already converted Government of India. It is not as if I am fighting the Government of India. I only ask them to go to the Secretary of State with this request in the matter of fiscal autonomy. Soon after the war Sir, the Secretary of State came out to India and examined the whole situation himself with the help of His Excellency Lord Chelmsford and his Officials and in his Report—I mean the Montagu-Chelmsford Report—he said: 'He—meaning the educated Indian—believes that as long as we continue to decide the matter for him we shall decide in the interests of England and not according to his wishes'; and the authors refer to the debate in the House of Commons to which I have already referred on the Cotton Excise duty and say 'He (the educated Indian) points to the debate in the House of Commons on the differentiation of the cotton excise duty in support of their contention. So long as people who refuse India protection are interested in manufactures with which those of India might compete, Indian opinion cannot bring itself to believe that the refusal is disinterested or dictated by care for the best interests of India'.

That, Sir, is an authoritative pronouncement: a higher authority we cannot get. The report then goes on to say 'Educated Indians recognise that they are great gainers by the Imperial connection and they are willing to accept its drawbacks. They recognise that the question of a tariff may be mainly, but is not wholly, a matter of domestic policy'. Well, Sir, it is rather difficult to say what was the state of things when this inquiry was made, but I think I am right in saying that at present the feeling in the country is

that this question ought to be purely a matter of domestic policy and not of the politics of the Empire.

Sir, the next document to which I will refer is the Joint Committee's Report. There also the Committee practically agree with what the Montagu-Chelmsford Report said. They say that 'nothing is more likely to injure the good relations between India and Great Britain than the belief that India's fiscal policy is dictated and guided in the interests of the trade of Britain. That such a belief exists at the moment there can be no doubt—(and this is said by the Committee)—that there ought to be no room for it in the future is equally clear'. Then we come to the points to which I have already referred. For they say—after saying that India should have the same sort of freedom as the Dominions have—'It cannot be granted by Statute without limiting the ultimate power of Parliament to control the administration of India and without limiting the power of veto which rests in the Crown. And neither of these limitations finds a place in any of the Statutes in the British Empire; it can only, therefore, be assured by the acknowledgment of a convention'. That, Sir, is a question more of international law. Fortunately or unfortunately I am not a lawyer and I cannot speak with authority on the subject. But I have read something of Keith's Dominions and, if I have correctly understood it, the Dominions of Canada and Australia fought this same fight 50 years ago; they wrote in much stronger language than perhaps the Government of India ever used, and got their point conceded by the British Ministers. The powers were not perhaps conceded in Statute form, but they were conceded in Despatches. Whether these Despatches ought to be construed as having the force of Statute or not, I will leave to the legal pundits of the Government of India to decide. What we want is that we should have the same rights as are being enjoyed by the Dominions. We want a definite assurance that we will have those rights. All that my Resolution asks is that we should address His Majesty's Government through the Secretary of State for India and get that point correctly set out.

I now come, Sir, to the two limitations which have been laid down by the Joint Committee. The Joint Committee says that in the opinion of the Committee 'the Secretary of State should, as far as possible, avoid interference in all matters in which the Government of India and the Legislature are in agreement; and they think that this intervention, when it does take place, should be limited to safeguarding the international obligations of the Empire or any fiscal arrangements within the Empire to which His Majesty's Government is a party'. Before I come to the two limitations I want to refer to one phrase used there—'as far as possible'. That is a phrase which can be used to modify or tone down anything. That is a phrase which was used in the early days of the Swadeshi movement in 1906 if I am not mistaken. When the two parties could not come to an agreement, at the time they said 'Well, let us compromise; let us say in this Resolution that we should be Swadeshists as far as possible'—in other words, leaving those who did not intend to practice it to salve their consciences with that phrase. It has also, I believe, been recently used in connection with non-co-operation. I want that phrase to be deleted. I do not want a vague assurance. I want a clear statement that the Secretary of State shall not interfere. Then coming to the two limitations,—the first has reference to 'international obligations'. It is very difficult to conjecture at present what those international obligations may mean, but I will take a hypothetical case. If England

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has entered into some preferential tariff agreement with France and India was not consulted in this matter,—I do not mean to say that she will not be so consulted—if for reasons of her own India wants to levy an export duty, she will in this case be prevented from levying any duties on her exports to France.

The other thing, I mean the fiscal arrangements within the Empire, is still more objectionable. I believe the House will agree with me when I say that there is a strong feeling in this country that our countrymen are treated very badly,—I will not say vilely, by the Colonies. They could not be treated much worse there, and if I may use the homely phrase of Sir William Vincent, 'the iron has entered into the soul of India' in this matter. India wants to have nothing to do with the Colonies except on a question of reciprocity or negotiations. I will not use the ugly word 'retaliation', but if need be, India would like to have the power to retaliate herself. Well Sir, why we fear that British Statesmen may not support us in this matter is this. After all, it is said that blood is thicker than water. The English Cabinet will be guided more by the interests of the Englishmen in the Overseas Dominions than by those of India, and even Englishmen cannot always arise superior to this feeling. After all, it is the British Statesmen who are ultimately responsible for all this. The Ministers will be responsible to the Cabinet, the Cabinet is responsible to the Parliament, and the Parliament to its electors who have a greater affinity to the men in the Dominions than towards Indians. As I said, my Resolution merely asks that His Majesty's Government should be addressed, through the Secretary of State, to grant full fiscal autonomy to the Government of India, and I do hope that I will have the support, not only of all the non-official members of this House, but also of the Government of India, in this matter, because, as I have already said, they are already converted.

There are two arguments which might be urged against my Resolution. It might be said that I am rushing matters and that I need not be in such a hurry to bring forward this Resolution at the first Session of this Council. I have two reasons to bring forward this Resolution now. The first is, I say it with all diffidence,—India, at least the commercial community, has lost all confidence in His Majesty's Secretary of State in Council. The recent currency policy has shown them that India will any day be sacrificed for the interests of the British tax-payer. And here I will only quote what Sir Valentine Chirol said recently in a letter to 'The Times' in England. He said that 'this policy was either the effect of a powerful self-seeking interest at Home or gross incompetency'. India believes it is the former. Well, Sir, there is one other reason. It is a personal reason. People may say that they have lost all confidence in Mr. Montagu, but I believe many of us have still faith in him. There may be a dissolution of the House of Commons any day, and as a result of the general election Mr. Montagu may go. Many of us believe that he is the best friend of this country either in the Cabinet or among the Ministers of the Crown. We would therefore like to have this question settled while he is Secretary of State, because he might use his influence with the Cabinet, and, if necessary, put the matter before Parliament very strongly for us. My Resolution merely follows what was suggested in the speech of His Royal Highness the Duke of Connaught recently delivered at the time of the opening of the Bengal Legislative Council.

With the permission of the Council, I will only read a few lines from it:

'In this labyrinth of cares and labours, what clue can I suggest for your guidance? To my mind, as I am sure to yours, there is only one, that your sole thought should always be the betterment of your countrymen and not of any class or section, but of all.'

Here is this Resolution, Sir, which is not for the betterment of one class or section, but for all India. As what I ask is that this country should be made self-contained as far as our industries are concerned. Although we may have to pay more, we would do so, but we should like to be put in such a strong position that we may not be at the mercy of foreign exploiters like Japan,—I hope I am not offending the Government of India when I refer to Japan because they are our Allies, but they have been our exploiters. We want our country to be self-contained. We cannot start all the industries here till we have a right to levy tariff at such rates as we think best. I do not mean to say that we are all protectionists. Personally, I may say that I am a free thinker. I do not want a protective tariff, but I do want subsidies to be granted. The country wants the tariff to be regulated in a way that it can help our industries. I again quote a passage from the speech of His Royal Highness the Duke of Connaught, referring to the type of education to be provided:

'The second in reality complementary to the first, is the creation of industrial opportunities and an industrial spirit to relieve the tremendous pressure on the land and the economic evils which must result.'

What I am suggesting will lead to that result.

The second part of my Resolution is . . .

The HONOURABLE THE PRESIDENT: I would remind the Honourable Member that I must be a protectionist to this extent that his time is up.

The HONOURABLE MR. L. S. SAMALDAS: I would merely say that the last portion is only a corollary of the first, because in the last portion I say that the power should be controlled by the Indian legislature.

If Parliament is going to delegate its powers and—I am prepared to use a stronger term—divest itself of its powers, these powers must go to some strongly constituted body, and what better body can we have than the Indian legislature?

With these remarks, Sir, I beg to move my Resolution.

The HONOURABLE LALA RAM SARAN DAS: Sir, I rise to support most cordially the Resolution moved so ably by my friend the Honourable Mr. Lalubhai Samaldas Mehta. Fiscal autonomy is essential to India if she is to be called upon to take a worthy part in the commonwealth of the British Empire. Reasons, domestic as well as Imperial, now require that India should no longer remain a mainly agricultural country. Talking of internal politics we must all admit that 9-10th of present unrest and discontent in the country is due to economic causes. At the present moment there is practically no outlet for the vast number of our educated young men who are turned out every year from our schools and Universities. Many out of them have practically no careers open to them. Even those who stay at home in their rural native places and have not yet been attracted to seats of learning are so many, and their pressure of land is so much that the margin of taxable property of agriculturists, especially now on account of higher cost of production of agricultural produce, is indeed so low, that it is impossible for

[Lala Ram Saran Das.]

Government to increase the burden of taxation on them. The entire people, the rural as well as the urban section of it, are so poor, that it is not safe to levy any more taxes on them, and yet the country has to meet huge expenditure on domestic reconstruction problems, its military expenditure has been greatly increased, and it has to find funds for many other things. The problem is how to supplement the revenues of India for meeting all its responsibilities in such a way as not to be an excessively unbearable burden on the people. Under the New Reforms the Central Government have surrendered to the provinces all the revenues from land and irrigation, and I imagine the day is not far distant when the Central Government will be called upon to surrender even the provincial contributions paid to them. The provinces under the new ministers are bound to develop their expenditure on education, sanitation, medical relief, and encouragement of industries, roads and communication. It is difficult for them to impose heavier taxes. It would, therefore, be natural for the provinces to press for the remission of these contributions. If the expenditure of the Central Government also increases, as it is bound to do, and if the contributions from the provinces are also surrendered, I ask the Government to tell this Council how they propose to meet their own future responsibilities. To me there is only one way open to Government, and that is, as is the case with all the other countries of the world, to rely more and more on its custom tariffs. The Government of India should be free to arrange and re-arrange its tariffs in any way best suited to the conditions of India. If we get freedom in building and pulling down our tariff walls in a way we choose to do, we will be killing not two but many birds with one stone.

By getting fiscal autonomy we can, by arranging tariffs in particular fashions, give protection to such struggling indigenous industries that cannot at present stand against free trade competition of the West. We can at the same time set up and build up new industries under the protection of tariff walls of desirable heights.

These tariffs would not only protect our industries and would thereby give fresh fields of employment to our vast numbers of careerless young men, but would also help very much to fill the empty coffers of Government. Not only will custom duties increase the resources of Government, but would also by protecting indigenous industries increase the taxable wealth of the people, and thus open out new sources of revenue to the Government. I have explained that freedom to pull down or build up tariff walls wherever we please will, by encouraging industries and opening to the people fresh fields for employment, solve their economic difficulties and thereby sound a death knell to present unrest, agitation and discontent in the country. But, Sir, building up of industries in India, which can be accomplished only by protection, will not only benefit economically the people, but would also be of a great military importance to the Empire of which we are proud to form a part. Sir, in the East, India occupies the centre of the Empire. India is easily accessible to Australia in the South-East, South Africa in the South-West, East Africa in the West and to Persia, Mesopotamia, Palestine and Egypt in the North-West. The Indian Ocean is now a British lake and India occupies a very prominent position in this lake. As the recent war has shown, and the previous wars of England in Europe have also taught us this lesson that in any war with England her enemies are sure to attack

her in this part of the world. If, God forbid, England loses for some time command over the Eastern seas, as it happened when 'Emden' visited Indian waters, may I ask how is the Empire extending all over the shores of the Indian Ocean to remain together unless India is made fit to defend the Empire, unless India's resources are developed to such an extent as to enable her to take upon herself her proper responsibilities? Under modern warfare of torpedoes and submarines, of air forces, tanks and gasses, you cannot keep any portion of the Empire not self-sufficient and not self-supporting. Which is the industry which cannot be called to the help of modern scientific warfare? It is therefore absolutely necessary, quite essential, and of great Imperial importance that India, which geographically commands a central position in a greater part of the British Empire, should be made fiscally autonomous so as to enable her to take her proper place in defending the commonwealth of nations guided by British ideals of freedom, liberty and democracy. From my humble place in this Council let me, Sir, make an appeal to the English people throughout the world, that no petty commercial considerations, no prejudice in favour of particular class interests, and no undue fears with regard to particular industries, should stand in the way of English people to grant fiscal autonomy to the jewel in the crown of that British Empire which has been built up by the labour and self-sacrifice of generations of Englishmen. His Royal Highness the Duke of Cernaught has asked India to guide and control the political forces of entire Asia. Why, because the storm centre of international strife has now shifted from Europe into Asia. But how can a poverty and famine-stricken, backward and illiterate undeveloped and resourceless India dare to take up such heavy responsibilities. Give us the means, make us stand upon our own legs, give us the freedom of action, and I assure you, Sir, England will not find India ungrateful. Let England remember that it is not always possible to patch up alliances with a majority of the great powers of the world. It is possible, may God forbid it, for such majority of powers to be ranged against England some time, as was the case in the recent war against Germany. It is all the more necessary, therefore, that 1-5th of the human race, who are proud to be members of the British Empire, should be given freedom of action to develop their resources for the defence of the Empire as a whole. Fiscal autonomy would make us stand upon our own legs, would cause us to stand with our heads erect among the self-respecting nations of the world, and would make us feel that we are a free and equal partner in the commonwealth of British nations. Sir, I earnestly hope England will not, at this critical juncture in the history of the world, be guided by the short-sighted policy and self-seeking interests of some of her industrial and commercial classes. I believe she will take a broad view of the question, take into full consideration her Imperial rather than local responsibilities, and win the everlasting support and friendship of 1-5th of the human race. I once again, Sir, heartily support this Resolution in favour of fiscal autonomy, and I hope the Government of His Excellency the Governor General will accept this Resolution.

THE HONOURABLE SIR MANECKJI DADABHOY : Sir, I would like to add one word to this debate. So far as the question of full fiscal

4 P. M. autonomy is concerned, I believe there are no two opinions on the subject among the non-official members. This question of fiscal autonomy has been fully threshed out on the public platform, in the press, and in the old Imperial Council. I myself in the old Imperial Council on various occasions

[Sir M. Dadaboy.]

have taken the cudgels in support of this principle. I am entirely in sympathy with what has fallen from my Honourable friend Mr. Lalubhai Samaldas. There is no doubt that he has made out a very good case, and so far as India is concerned, it will be to her great advantage to get fiscal freedom and to get absolute independence in this matter. But to my mind the question at this stage appears to be rather outside the pale of practical politics. We are all in deep sympathy with the proposition. The Government of India, as well as the Secretary of State, are in absolute agreement with us on this matter. But the question at present is simply this: Is this Resolution at this stage an opportune one? Our new Councils have just been formed. I pray to the Council, let us have some breathing time. Let us make these Reforms successful. Let us show by the success of this Council as well as by the success of the Legislative Assembly that we are in a position to manage our fiscal affairs in such a prudent, cautious and statesmanlike manner as to get a further instalment of full responsible government. Let us hereafter by our own work justify our demands. I think, therefore, it will be to the interest of this Council to confine its labours and its attention to practical politics. The Secretary of State knows all about our demand. The Government of India Act, has been lately passed in the House of Commons. The Joint Committee's Report also makes the situation in our favour very clear. Is it likely that only a few months after the passing of the Government of India Act, if we should ask the Government of India to approach the Secretary of State, as recommended by this Resolution, we will succeed? Therefore, though in deep sympathy with the proposition of my Honourable friend, I feel that it would serve better the interests of this country if we wait a little while, if we allow our first period of apprenticeship which has been given us to expire before we make any demand in this respect. I therefore think that it would be distinctly advantageous, in the interests of this country, to postpone our request till a more suitable and appropriate time. Though, therefore, in full sympathy with my Honourable friend's Resolution, I feel I will not be justified in voting for it.

The HONOURABLE DIWAN BAHADUR V. RAMABHADRA NAIDU: Mr. President, after hearing the able and learned advocacy of my Honourable friend Mr. Lalubhai Samaldas Mehta on the question of fiscal autonomy, no true Indian will say his opinion against it.

We have heard it said on all sides what solicitude every Briton from His Imperial Majesty the King-Emperor down to the commoner has towards the welfare of India. It is needless for me to say the great sacrifice made in the great war by India. I can safely say that the war was a blessing in disguise so far as India was concerned. It was an eye-opener to everybody. If my humble appeal would be of any use, let me also implore the Britishers to give us the inherent right of the tariff grant to India. Now as it is, it is a matter of granting the privilege by the statutory powers. As the Mover observed, it is not difficult to solve this question if the Government executive heads and their legal luminaries put their heads together and make an honest and earnest attempt in the matter. I may give for the information of this Council that Madura had once the reputation of being the centre of lace industry. Many Muhammadan families still exist that follow the profession. Unfortunately they could not compete with European traders. Though it is not flourishing even now the lace industry in Madura has got a speciality of its own.

Madura is a great centre for dyeing industry also. I know the Sowrastra people, who were engaged in that industry, were hit very hard when they were not able to get their dyeing requisites in the cheapest market during the war. In consequence thereof many families had no work and their prospects were ruined. It would be a blessing to them if England comes forward to adopt definitely a policy of protection in connection with the dye industry. I may urge at the same time for the consideration of this Council that they must devise a method of dye industry that they may help the consumer to buy his articles at the cheapest rates. With these few words I heartily support the Resolution.

The HONOURABLE MR. G. S. KHAPARDE: This Resolution, Sir, as worded, and as argued, differs slightly. As worded, it asks for fiscal autonomy. As argued, my Honourable friend has proceeded as we do in courts by quoting evidence in our own favour, by saying that this is an old grievance that has been well recognised and so on. But he has narrowed it down to a question of traffic, and he would be content if liberty to tax English goods or any goods coming into India were granted. As it is, I am quite at one with him, and I vote so far with him, but I wish to go further and I support the general proposition that any kind of responsible government and fiscal autonomy are convertible terms. One who has not got fiscal autonomy can have no responsible government, and anybody that has got responsible government must have fiscal autonomy. In that view of the matter I go further than him.

The Honourable Member has very properly given this Council the opinions of the most eminent persons who have gone before. But I will put it on common sense grounds without going into learned arguments on that matter. It is like this. Responsible government means, to go back to my old simile, to put a man on a horse and tell him to make his journey as well as he likes, but fiscal autonomy is the bridle of the horse, and if a person keeps the bridle of the horse with him and puts another on the horse and asks that other to go on with his journey, that journey cannot be properly made. Similarly, I say that if I am to be a master in my house, if I am to regulate my house, if I am to manage my house, I say I must have the power of my purse, and it must be in my power to spend money where I think proper, to raise money from such resources as I possess. But if this power is not given to me, how can I manage my house? If I am not at liberty to raise money from such resources as I have, and if I am controlled in various other directions so far as money matters go, then I submit responsible government loses a great deal of its meaning. In fact, it hardly is responsible government. They are so intermixed with each other that one cannot exist without the other. That being my position, I entirely go so far as my friend Mr. Lalubhai goes, but I go further, and I say that it is an absolute necessity and we should not stop with the tariff question alone. We may have higher and greater questions to deal with, and fiscal autonomy is absolutely necessary, and as my friend has endeavoured to show, we in a manner were promised fiscal autonomy. Only I suppose in drafting or writing, some portions have got left out, and therefore it is that we are in the present position, and if we go to the Secretary of State and point this out, I have no doubt that he will agree that what little modest demand that my Honourable friend makes should certainly be granted.

My friend on the right thinks that it is too early and this is not a question of practical politics. I humbly beg to differ from him. In fact, you cannot

[Sardar Jogendra Singh.]

(ii) The juggling with the Exchange.

(iii) The Gold Reserve which is held in England. Why should it not be brought out here for the advantage of our own country?

In developing our industries, the idea of protection from the very beginning does not appeal to me. I believe that in the coming years all the nations of the world are going to be united to help each other in trade and in other things. If we develop our industries, if we produce more than we need and exchange our surplus produce freely with other countries of the world, the Honourable Mr. Cook will no more have sleepless nights. We shall have our finances overflowing, our industries prosperous and our fiscal affairs managed both in the interests of India and England.

I strongly support the Resolution.

THE HONOURABLE MR. A. CHETTIYAR: Sir, the Honourable Mover has dealt with this question in all its aspects and in an exhaustive manner. I do not, therefore, propose to make a speech on this Resolution. I shall only quote from Sir Visweswarayya, the great Diwan of Mysore, known for his sober outlook and for moderation of expression. He says:

'In India, not only are cotton goods imported practically free, but the Government actually imposes an excise duty on the products of the local mills to enable foreign manufacturers to compete successfully with them. Nowhere else in the world would such an obvious attempt to handicap industry be tolerated.'

In another place he says:

'Fiscal reconstruction should be the corner-stone of the economic and social edifice of the future.'

Sir, I shall only add that I support the Resolution.

THE HONOURABLE DR. T. B. SAPRU: Sir, it will be recognised that the question which has been raised this afternoon by the Honourable Mr. Lalubhai Samaldas is one of great importance, but I would venture to submit at the outset that it is really the constitutional aspect of this question which is of far greater importance than the economic. I do not, therefore, propose to take up the time of the Council by addressing any remarks on the economic aspects of this question. On the economic side of the question it is possible that views may differ, and I will just illustrate my point. We have here, if I am not misrepresenting the position—if I am I shall stand corrected at once—in this Council a distinguished free trader in the person of Sir Dinshaw Wacha. We have already seen that there are other Honourable Members who are equally strongly wedded to protectionist views. Therefore, so far as the economic issue is concerned, I do not propose to enter into it. But we must take the position of the Government of India as it is into consideration, and then ask ourselves how far it is possible for the Government of India to take any such steps as are suggested in the Resolution moved by the Honourable Mr. Lalubhai Samaldas. The very first remark that I shall make with regard to that Resolution is, that it is extremely vaguely worded, and I will beg the House to analyse that Resolution somewhat closely; for this purpose I shall read the Resolution:

'This Council recommends to the Governor General in Council that His Majesty's Government be addressed through the Secretary of State for India, with a prayer that the Government of India be granted full fiscal autonomy under the direction of the Indian Legislature.'

I confess that it is extremely difficult to understand what is exactly intended to be conveyed by these words 'under the direction of the Indian Legislature'. If the House will remember the present position, it comes to this. As a matter of fact the fiscal policy even at the present moment is in fact determined by legislation and not by executive order. I hope this is a fact which will not be denied by any Member of this House.

It is not open to us, so far as I have been able to study and examine the law, to pass any executive order modifying or regulating the fiscal policy except in so far as it is consistent with, or purports to be in accordance with, a law passed by this House. If we are to accept the Resolution moved by the Honourable Mr. Lalubhai Samaldas and press it to its logical sequence, what are the results which follow? For one thing, we will be forced to accept the position that the Secretary of State is never to use his executive power—and he has certain executive powers given to him under the Act—to direct the Government of India not to proceed with a fiscal Bill which had the approval of the Indian Legislature. The second necessary result would be that the Secretary of State would have to dispense with the power which is vested in him under which he requires certain Bills to be submitted to him for previous sanction. What is more important than these matters is that we will have to face the situation that, although the Government of India Act vests certain powers in the Governor General under section 67 (2) (a) with regard to fiscal Bills, that power will become a dead letter. Similarly, the Governor General would never refuse assent to such a Bill under section 68 of the Government of India Act, and lastly—this is far more important than any other consideration that I have submitted to the House—the power of veto which is vested in the Crown which is the ancient prerogative of the Crown, and which is reproduced in section 69 (1) of the Government of India Act, will also become a dead letter.

Now so long as the Government of India Act stands on the Statute-book, I hope it will be recognised that it will be impossible for the Government of India to take any action in regard to this matter which over-rides their statutory obligations. In this connection I would beg leave of the House to invite their attention to certain outstanding sections of the Government of India Act which bear on this particular point. I do not wish to deal with the subject in any narrow, technical spirit, and I hope it will not be said that I am disposing of it in the manner of a technical lawyer; but the fact remains that it is a question of constitutional importance, and the Government of India are bound by the Act to which they owe their existence and which regulates their whole conduct. Now, so far as the Secretary of State is concerned, I would invite the attention of the House to sub-section (2) of section 2 of the Government of India Act, which says: 'In particular, the Secretary of State may, subject to the provisions of this Act (or rules made thereunder), superintend, direct and control all acts, operations and concerns which relate to the Government or revenues of India'. That leaves no room for doubt that the ultimate power of superintendence, direction and control vests in the Secretary of State.

Then we come to section 19A which was introduced in the recent Government of India Act, and I would invite the attention of the House to one very important clause of that section which runs as follows:

'The Secretary of State in Council may, notwithstanding anything in this Act, by rule regulate and restrict the exercise of the powers of superintendence, direction and control vested in the Secretary of State and the Secretary of State in Council by this Act, or otherwise, in such manner as may appear necessary or expedient in order to give effect to the purposes of the Government of India Act, 1919.'

[Mr. G. S. Khaparde.]

make a beginning with responsible government unless you have the power of your purse, and in order to make these reforms successful and to show that we are able to manage our own affairs and that we have got capacity to manage them, it is necessary that we should have the power of ordering our purse, spending where we like to, not spending where we do not like to, raising money from such resources as we possess. Of all questions that have been discussed up to this time, this is the most practical question, and being the most practical question I congratulate my friend Mr. Lalubhai on having brought it forward as early as he possibly could.

There is a further question involved in this, and that is important in this way. My friend Mr. Lalubhai said that he was a free trader and he did not like to call himself a protectionist. I am, frankly speaking, a protectionist, and all people that I have been associated with up to this time from the days of Mahadeb Gobinda Ranade, have been protectionists also, and my teacher of political economy also wrote a book on Protection *versus* Free Trade and so on. I do not wish to go into arguments. I am a plain man. England has adopted protectionist doctrines now. The home of free trade has adopted protection, and we know how dyes now have to come in under certain licenses, that is to say Germany cannot send her dyes and other things into England without their being put under certain restrictions. Even Manchester, which was supposed to be the home of this free trade, has also adopted protectionist doctrines. Were it necessary, I could quote authorities from Mr. Mill down to the present time, more especially by American authors and by the younger generation of political economists to show that, in the case of incipient industries, in the case of industries that are rising, it is permissible to protect them, it is permissible to save them from outside influences and let them grow, and then, once they have grown, to leave them to fight their own battle, much the same as we do in the case of roadside trees. We plant roadside trees, but, in order that the animals may not eat them, we put a hedge round them, and after they have grown to a certain height so as to withstand the weather, etc., we take away the hedge. In the same way there are many of our industries which require to be looked after now, and, if they are not protected now, they probably will never rise at all, because there is competition from outside, very hard competition, and, as unfortunately happens, we are deficient in capital and other countries that want to compete with us have got really more capital than they require. So it is necessary that we must have this tariff freedom of imposing such taxes as we like, and also of being able to bring in laws of the same kind requiring licenses for other people who want to come and compete here so as to destroy the industries that I wish to raise.

On these grounds, therefore, it comes to be that even in the limited way in which the Honourable Member has framed his Resolution I support it, but I should like to retain the wording as it stands and the larger implications which it involves.

I heartily support the proposition.

THE HONOURABLE RAJA SIR HARNAM SINGH: Sir, a demand for fiscal autonomy has persistently been made by the thinking public of India.

THE HONOURABLE THE PRESIDENT: Will the Honourable Member kindly raise his voice. It is impossible for me to hear a word.

THE HONOURABLE RAJA SIR HARNAM SINGH: Sir, a demand for fiscal autonomy has persistently been made by the thinking public of India during the last few years. They have claimed their right, as a nation, to levy duties or impose restrictions in the interests of India's well being, and to be free from the dictation of the British Imperial Government. Some of them believe, rightly or wrongly, that the British Imperial Government have often sacrificed the fiscal interests of India to the interests of British capital and commerce. Referring to this belief the Joint Committee recorded in their report:

'Nothing is more likely to endanger the good relations between India and Great Britain than a belief that Indian fiscal policy is dictated from Whitehall in the interests of the trade of Great Britain.'

It is not my point to prove or disprove this charge made in the past. Great Britain has now given us a substantial measure of responsible self-government, and fiscal autonomy is only consistent with the spirit in which the reformed constitution has been given to India. The Joint Committee have clearly laid down their opinion in this matter:

'In the opinion of the Committee, therefore, the Secretary of State should, as far as possible, avoid interference on this subject when the Government of India and its Legislature are in agreement, and they think that this intervention, when it does take place, should be limited to safeguarding the international obligations of the Empire or any fiscal arrangements within the Empire to which His Majesty's Government is a party.'

Sir, I recognise that India is a member of the British Empire and the obligations which this relation implies. Her fiscal autonomy must be partially limited by these obligations. But her fiscal interests should not be subordinated to those of Great Britain or any other part of the Empire. I appreciate the spirit of justice and fairness with which the Joint Committee made the recommendation, and I hope that this will be fully adopted as the fiscal policy of India by the British Government. India should have as complete a fiscal autonomy as is necessary for the industrial and commercial development of this country, and consistent with her obligations abroad.

THE HONOURABLE SARDAR JOGENDRA SINGH: Sir, I wish to support this Resolution very strongly. I think the Honourable Mr. Lalubhai Samaldas is doing a great service in moving this Resolution at an early date, and I am not in any way tormented by the feelings of misgiving to which the Honourable Sir Maneckji Dadabhoy gave expression. I must say that the Honourable Mr. Khaparde's plea for protection has certainly discouraged me a good deal, for we can only attain fiscal autonomy if we advocate free and open trade between India and England and all other parts of the Empire. If from the very outset, we set about talking of doing things which will work against England, I think we cannot expect England to give us fiscal autonomy. We need British capital, British skill, British organization, to develop our trade, and free trade between India and England and other parts of the Empire is most essential. I advocate fiscal autonomy on the ground that England is now becoming more democratic than she was yesterday. When English policy was guided by an aristocracy of intellect and wealth, the consideration shown to other countries was much greater than is likely to be shown, when that policy is guided by the capitalist class. The capitalist after all is no better than a glorified Bunnia.

There are two or three recent instances which occur to my mind when I am advocating fiscal autonomy for India—

(i) The Reverse Councils. The policy regarding these was dictated from England; it did not emanate from India.

[Dr. T. B. Sapru.]

So that the position is that all that is open to the Secretary of State to do under section 19-A of the Government of India Act is by rules to regulate and restrict the exercise of the powers of superintendence, control and direction which are vested in him. Even if the Secretary of State were disposed to give up those powers, it would not be open to him to do so under the Government of India Act.

We come then to section 33 of the Government of India Act, which says :

'Subject to the provisions of this Act and rules made thereunder, the superintendence, direction and control of the civil and military government of India is vested in the Governor General in Council, who is required to pay due obedience to all such orders as he may receive from the Secretary of State.'

Well, then, so far as the Governor General is concerned, his powers with regard to legislation both in this House as well as in the other are again regulated by three important sections of the Government of India Act, and I would particularly invite the attention of the House to these three sections. These sections are 67-B, 68 and 69. Now section 67-B runs as follows: I shall not read the whole of it, but I will read only the operative part of it. Section 67-B runs thus: 'Where either Chamber of the Indian Legislature refuses leave to introduce, or fails to pass in a form recommended by the Governor General, any Bill, the Governor General may certify that the passage of the Bill is essential for the safety, tranquillity, or interests of British India or any part thereof, and thereupon . . . may do certain things which are specified in that section. Well, if Mr. Lalubhai says 'give us complete independence', does he really mean fiscal autonomy? . . .

The HONOURABLE MR. L. SAMALDAS: Not political.

The HONOURABLE DR. T. B. SAPRU: If he means that we ought to get complete fiscal independence, well he cannot achieve that unless he is prepared to over-ride these clear provisions of the Statute. It means that the Governor General must stay his hand even though those powers may be definitely laid down in the Act. Similarly, to press it further, he will have to over-ride the clear provisions of section 68, which are to the following effect:

'When a Bill has been passed by both Chambers of the Indian Legislature, the Governor General may declare that he assents to the Bill, or that he withholds assent from the Bill, or that he reserves the Bill for the signification of His Majesty's pleasure thereon.'

This power of withholding is vested by Statute in the Governor General and if the Honourable Mr. Lalubhai Samaldas' Resolution is to be accepted, although the Statute may grant him that power yet the Governor General may not exercise that power of withholding assent if it seems to him necessary to withhold assent on any particular occasion in regard to any fiscal matter.

Then, as I pointed out just now, even the power of the Crown to exercise veto in section 69, completely disappears if we accept Mr. Lalubhai Samaldas' Resolution. It is, therefore, obvious that so long as the Government of India is what it is and so long as the Government of India is governed by this Act, it is impossible for the Government of India to take any action in regard to this question independently of the provisions of this Act.

It has been observed by certain Honourable Members—in fact it was observed by Mr. Lalubhai Samaldas also—that if India had complete responsible government he would not have moved the Resolution. He has, if I may venture to say so, answered his own Resolution. That is exactly the difference

between the present position of India and the position in the Colonies. No doubt the power of veto, according to strict constitutional law, also, extends to Colonies, but through a long series of years and by repeated exercise of conventions a practice has grown that in regard to matters of a fiscal character decided by the Colonial Legislature the Crown does not, as a matter of fact, exercise that veto. Here, again, it is necessary for me to remind the Honourable Mr. Lalubhai Samaldas and the House that, so far as the policy with regard to autonomy is concerned, that is clearly indicated by the preamble of the Act which was passed in the year 1919. I only need refer to the expression which is known to everyone, namely, 'the progressive realisation of self-government'.

I will only add one word, Sir, and it is this, that so far as this question of fiscal autonomy is synonymous with the power to regulate our tariff, we have already got certain legislative powers, and we can strengthen those powers by the growth and careful fostering of conventions which are bound to grow within the next few years, or within a reasonable distance of time. The control which is, therefore, vested in the first instance in the Secretary of State and secondly in the Governor General under the Act is not a shadowy control but a real control, though it is quite obvious that the exercise of that control will always be regulated by the greatest possible discretion and by regard to the fiscal interests of India.

Taking, therefore, the Resolution as it stands, I am bound to say on behalf of the Government that they find themselves unable to accept the Resolution as worded by Mr. Lalubhai Samaldas. It is possible that Mr. Samaldas would have carried the Government with him if he had worded his Resolution somewhat differently, and I would only suggest to him whether he is not prepared to accept the suggestion which I will make with regard to the wording of his Resolution . . .

The HONOURABLE THE PRESIDENT: I am sorry to interrupt the Honourable Member. If he proposes to move an amendment, it is not open to him to do so as he is not a Member of this Council. The amendment should be moved by some other Member of the Government.

The HONOURABLE DR. T. B. SAPRU: I am not going to move an amendment, Sir. I was only suggesting to Mr. Lalubhai Samaldas that he might himself like to modify his Resolution. If he had only said that this Council recommends to the Governor General in Council that His Majesty's Government be addressed, through the Secretary of State for India, with a prayer that the Government of India be granted full fiscal autonomy *with due regard to their responsibilities under the Government of India Act*, I should think he would have made his task and the task of the Government of India very much easier. It is for him to decide; I merely make the suggestion . . .

The HONOURABLE MR. L. SAMALDAS: With due regard?

The HONOURABLE DR. T. B. SAPRU: With due regard to the provisions of the Government of India Act. It is not a matter in which the Government of India have shown no interest. On the contrary, they have shown considerable interest in the past, and their attitude need not be understood to be hostile. Not at all, as my Honourable Colleague (Sir George Barnes) says.

That is all, Sir, I would say, and there I would leave the matter.

The HONOURABLE MR. SRINIVASA SASTRI: Sir, the House I am sure, will feel indebted to the Honourable Dr. Sapru for a very lucid exposition on

[Mr. Srinivasa Sastri.]

the legal aspects of the case. But it has apparently been forgotten in the course of this discussion that what is called fiscal autonomy has, till now, been generally understood to have been granted to the people of India, partially, if not fully, substantially, if not in legal form. The Joint Select Committee's Report makes that point absolutely clear and, if I may remind the House for one moment, Lord Curzon, a competent authority in the interpretation of documents, in speaking on this subject in the Upper House, bade us remember that we had a very great principle accorded to us in the Reforms Scheme, namely, that of fiscal autonomy. It is necessary to remember that what fiscal autonomy we ought to enjoy, has been granted to us as part of a large proposition that has been enunciated. That proposition first found place in what is commonly spoken of as the Report of the Crewe Committee which sat on the constitutional relations of the Indian Government with the Secretary of State in Council as part of the arrangements preparatory to the reforms being passed. That Committee laid down the proposition, which the Joint Select Committee subsequently accepted and which Parliament ratified by implication, namely, that the Secretary of State was not to interfere wherever the Government of India and their Legislature concurred. In matters of fiscal legislation, they themselves instanced a very particular and pointed application of this doctrine which they designated the doctrine of non-intervention. Well, in fiscal matters they laid down in a special paragraph. 'If the Government of India and their Legislature agree, let not the Secretary of State interfere, except in a certain very limited class of cases.' In that way the people of India will come to enjoy fiscal autonomy. We cannot grant fiscal autonomy, they said, in Statute or by law, for that is an impossibility. That would interfere, as the Honourable Dr. Sapru pointed out, with the operation of various provisions in the Government of India Act. It would defeat the veto which vests in the Crown, and in the representative of the Crown. It is not that, I hope, which the Honourable Mr. Lalubhai Samaldas desired. He only desired that this fiscal autonomy which purports to have been granted to us as part of this doctrine of non-intervention should be really effectuated, so that it may grow by continual practice into what is known as a constitutional convention. Now, in order to effectuate it, it is necessary that we should come to some understanding with the Secretary of State. Now a concurrence between the Government of India and their Legislature is laid down as a condition precedent. Now, a concurrence on these matters, as a matter of history, we know is fairly common. I do not think the severest critic of the Government of India will question this fact, that on most occasions when our economic interests have come into collision with the economic interests of England or a section of the English people, the Government of India have stood manfully by the people of India. The instance of reverse Council Bills of a very recent date goes only to prove the general rule: I half suspect, and I believe it is a secret which is fairly well known, however, to the public, that the Government of India in that matter were not their own masters. Altogether, therefore, this concurrence between the Government of India and their Legislature is an expectation that we may reasonably entertain, and this condition precedent of fiscal autonomy will be attained. Nevertheless, the Governor General may exercise his veto. Whenever the Government of India—I am distinguishing for the moment between the Governor General and the Government of India—even where the Government of India and

their Legislature agree in fiscal matters, it will be open to the Governor-General to veto such fiscal legislation. Let us hope that that veto will come to be nearly forgotten. So that while it may exist on paper, as so many other things exist in the English constitution, it never will be utilised, and we may take it that this concurrence between the Government of India and their Legislature will always be achieved. Now what is the other part? It is this. There is another power which the Secretary of State at present enjoys in controlling legislation in India. There are two ways in which he does it. First of all, the Government of India must submit certain Bills of importance, before they are initiated, to the Secretary of State so that he looks over them in a general sort of way and tells the Government of India 'Very well, you go on'. Now, we must ask the Secretary of State to forego this power,—as a matter of practice, not as a matter of law,—in regard to fiscal legislation that we may undertake here. For once we submit our fiscal Bills at this stage to the Secretary of State and ask whether we may go on with them, it is quite likely that he will impose his will upon the Government of India, which may really be the will of Manchester or some other part of England. Now, that power the Secretary of State must consent to forego. Besides, during the course of the legislation, it is also open to the Secretary of State, according to current practice, to order the Government of India to stop progress. Now, that power also he must give up. Initial consent, and interim veto are powers which the Secretary of State now enjoys over fiscal legislation as over all other legislation.

Now, these two powers he must surrender as a matter of practice. I think the Honourable Mr. Lalubhai Samaldas Mehta will be quite content if the Government of India will undertake to write home to the Secretary of State and ask him to say whether, as a matter of policy, he is willing to forego these powers. I know it will be said by constitutional lawyers, meticulous about precedents and so on, that although one Secretary of State may for the moment forego such powers, it is open to a succeeding Secretary of State to revive them. Certainly it is so. But we are perfectly willing to take the chance of an erratic Secretary of State coming into power and upsetting things. We do believe that, as a matter of constitutional precedent and usage, if one Secretary of State during successive years never exercises these powers and also expressly states that as a part of the policy of His Majesty's Government these powers will be held in abeyance and will not be called into exercise except on the most extraordinary occasions, such as those that are mentioned in the limitation, the Honourable Mr. Lalubhai Samaldas Mehta will have achieved all that he desires. I did not understand him to say that he wanted a legislative enactment. I only understood him to ask that we should address the Secretary of State with a prayer that he must for his part take such action as will make the fiscal autonomy that has been granted real and substantial.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Sir, I am very grateful to Honourable Members . . .

THE HONOURABLE SIR GEORGE BARNES: I wish to say one word first, Sir. You have ruled, Sir, that the Honourable Dr. Sapru is not in order in suggesting an amendment to the Resolution before the House, inasmuch as he is not a Member of this House. But on behalf of Government, I am prepared to accept the Honourable Mr. Lalubhai Samaldas' Resolution if he will insert at the end of the Resolution the words 'subject to the provisions of the Government of India Act', instead of his words 'under the direction of the Indian Legislature'.

The HONOURABLE THE PRESIDENT: If the Honourable Member wishes to make the suggestion, he must move an amendment.

The HONOURABLE SIR GEORGE BARNES: I am not moving an amendment, Sir. I am only asking the Honourable Mr. Lalubhai Samaldas Mehta if he will himself accept the amendment I have suggested.

The HONOURABLE THE PRESIDENT: If it comes before the Council at all, it must come in the form of an amendment.

The HONOURABLE SIR GEORGE BARNES: I will then move an amendment, Sir, in these terms:

'That in lieu of the words 'under the direction of the Indian Legislature' at the end of the Resolution, the following words shall be substituted: 'subject to the provisions of the Government of India Act, 1919.'

The HONOURABLE THE PRESIDENT: There is now an amendment before this Council, moved by the Honourable Sir George Barnes, which proposes to substitute for the words 'under the direction of the Indian Legislature' the words 'subject to the provisions of the Government of India Act, 1919'. The amendment having been moved, it is open to Honourable Members to speak on the amendment.

The HONOURABLE MR. LALUBHAI SAMALDAS: May I speak, Sir, on the amendment? I think, Sir, on a point of order, that after the amendment is put, I have a right to reply to the original motion.

The HONOURABLE THE PRESIDENT: Certainly.

The HONOURABLE MR. LALUBHAI SAMALDAS: Then, as regards the amendment, I regret I do not see my way to accepting it. I have to oppose it because the amendment is practically—I hope my Honourable friend Dr. Sapru will forgive me for saying so—the same thing which the Government of India have already said. It is tantamount to asking me to withdraw the Resolution. Instead of saying so, he has very kindly supplied me with some means of going back without hurting my feelings. I am sorry, Sir, I cannot accept anything like this.

If you wish me to accept that amendment, it is practically saying that I had better withdraw my Resolution. If I could accept the amendment, the best thing for me would be to withdraw the Resolution straightaway. If the amendment which the Honourable Mr. Sastri has suggested, namely, that the Government of India will write to the Secretary of State and ask him to lay down definitely that he waives his two rights, the right of getting sanction previous to any legislative measure being introduced with non-intervention in fiscal matters,—if that proposal meets with the wishes of the Honourable Members opposite, I shall consider my position. As it is, this amendment practically means the withdrawal of my Resolution, and I am sorry I have to oppose the amendment.

The HONOURABLE MR. W. G. KALE: Sir, so far as I was able to see, I did not expect Mr. Lalubhai Samaldas to accept the amendment that has been proposed. From his speech it was quite clear that he wanted practically an amendment of the Government of India Act, 1919. He said that he did not care for political autonomy so much as he cared for fiscal autonomy. But there can be no fiscal autonomy without political autonomy. Fiscal autonomy means the right of making fiscal laws without being overruled or without being controlled, and the demand for fiscal autonomy naturally would mean a suggestion to the Secretary of State, and through the Secretary of State to the

British Cabinet, that an amendment of the Government of India Act, 1919, should be forthwith undertaken for the purpose. That is what I thought was his intention in the speech that he made in moving his Resolution.

So far as the amendment goes, it is a suggestion which squares the desire for fiscal autonomy with the Government of India Act as it exists to-day on the Statute-book. As the Honourable Mr. Sastri has pointed out, under the amendment, or under the existing conditions, whenever there is perfect agreement between the Government of India and the Indian Legislature, the Secretary of State would waive his right to interfere. That is certainly a long step in the way of fiscal autonomy. It is not, however, full fiscal autonomy. Before the reforms were inaugurated and embodied in the Government of India Act, 1919, a demand was being put forward on behalf of the people that responsible government should be granted in the Central Government in this country. That demand was not conceded. When that demand was not conceded, it meant that full fiscal autonomy was not going to be conceded. But what has now been conceded is, if not the first, the second best, or the third best. If you cannot have complete fiscal independence, at any rate, you will have something in the place of it which, in course of time, will develop into full fiscal autonomy. So, that is the position in which we stand to-day. If Mr. Lalubhai's Resolution is accepted, it will practically mean a demand for the amendment of the Government of India Act. Whether such a demand should be put forward or not at this moment is a matter for the Council to consider. If, however, the amendment is accepted, it will only mean that the assurances which have been given will be made more certain, and the Legislature will see exactly where it stands. So, I look at the whole question from these two different points of view, and I would ask the Council to record its vote after a due consideration of the arguments which have been advanced on both sides.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I had not intended to speak on this debate, but as a point has been raised which affects the constitutional position of the Government, I will address the Council very shortly on that aspect.

The Honourable Mr. Sastri referred to the Report of the Joint Select Committee. Now one of the principles and a most important principle laid down in that document is in the following words:

'The Committee regard it to be an essential feature of the policy of His Majesty's Government that except in so far as he is released from responsibility by the changes made under this Bill, the Governor General in Council shall remain in undisturbed responsibility to Parliament and fully equipped with the necessary powers to fulfil that responsibility.'

And it is to meet the objection which was felt to the Resolution as worded on this ground that the present amendment is suggested. If the Council will read for one moment again the Resolution put before them they will, I think, see that it is, as has been properly pointed out by the last speaker entirely inconsistent with that proposition. The Resolution reads:

'This Council recommends to the Governor General in Council that His Majesty's Government be addressed through the Secretary of State for India, with a prayer that the Government of India be granted full fiscal autonomy under the direction of the Indian Legislature.'

Now the proposal contained in the last 6 or 7 words is, I submit, not compatible with the statement in the Joint Report which I have just read out 'that the Governor General in Council should remain in undisturbed responsibility to Parliament and fully equipped with the necessary powers to

[Sir William Vincent.]

fulfil that responsibility'. Therefore, the Resolution is exactly as the Honourable Member, Professor Kale, has put it, a demand for a change in the Government of India Act before it has been tried, before the Council knows how the new constitution is going to work, within the first fortnight of its inauguration. Is this Council going to make a demand of that character? I want also to refer very shortly to another quotation from the Joint Committee Report. I had not intended to speak upon this Resolution, but when this point was raised I at once got the Report. This is what the Joint Committee said on this question of fiscal control:

'It cannot be guaranteed by Statute without limiting the ultimate power of Parliament to control the administration of India and without limiting the power of veto which rests in the Crown; and neither of these limitations finds a place in any of the Statutes in the British Empire. It can only, therefore, be assured by an acknowledgment of a convention, and that convention will undoubtedly grow rapidly as the country progresses on its road to responsible government. The Committee go on to say: 'In the opinion of the Committee, therefore, the Secretary of State should'—not be prohibited from interfering or any words of that kind, but—'should as far as possible avoid interference' (a very different suggestion from that contained in the Resolution) 'on this subject when the Government of India and its Legislature are in agreement and they think that his intervention, when it does take place should be limited to safeguarding the international obligation of the Empire or any fiscal arrangements within the Empire to which His Majesty's Government is a party'.

To this extent the Joint Committee support the proposal which the Honourable Mover advances, but you will see that the interference of the Secretary of State is to be avoided as far as possible when the Government of India and the Legislature are in agreement. The proposition laid down in this Resolution is of a very different character. It does not speak of cases, when the Government of India and the Legislature are in agreement at all, but proposes that the Government of India is to be subject to this Legislature in this matter of fiscal autonomy. This—I want to make this point clear—is inconsistent with the provisions of the Government of India Act and, unless the Council seeks to tear up the Act, to drag up this tree which the Parliament has just planted, by the roots, I do suggest to this Council that there was great wisdom in the advice of the Honourable Sir Maneckji Dadabhoy when he suggested that the Resolution was premature. The convention will grow in force year by year and the Legislature will get what it wanted without an immediate attack on the very Act by which this Chamber is constituted.

The HONOURABLE MR. SRINIVASA SASTRI: I wish to say a word about the amendment. I am willing for my part to accept the amendment.

I think that we get under it all that we can reasonably get at the present stage—'subject to the provision of the Government of India Act'. The words seem to me to be superfluous. The Honourable Dr. Sapru, with the caution natural to his profession, reinforced by the caution which as a Member of the Government of India he has now acquired, has put in those words. They are quite welcome. I do not think myself that they are going to limit the scope of the Honourable Mr. Lalubhai Samaldas' desire in moving this

Resolution. I may also remind the Honourable Mr. Lalubhai Samaldas that when we went over to England previous to the enactment of this Act, all our deputations united in pressing this question of fiscal autonomy on the authorities, and the Moderate deputation—which, I take it, enjoyed the confidence of the Honourable Mr. Lalubhai Samaldas—did not yield to any other deputation in pressing this matter on the Government. I may quote to him the paragraph that we wrote in our Memorandum on the subject:

'Fiscal independence is the next important thing we earnestly press for. England imposes free trade on India, and in the opinion of most Indians this policy stands in the way of the development of indigenous industries and manufactures. We are aware that some inter-Imperial arrangements are contemplated by which a system of preferential tariffs may be established. We trust that they may be equitable in their incidence on India not merely in name but also in fact. Subject to such limitations, the Government of India and the Legislative Assembly should be given the same power of regulating their tariffs that the Dominion Governments and Legislatures enjoy. This would mean in practice that the Government of India should no longer be under an obligation to refer tariff proposals to the Secretary of State for his previous sanction, and that when the Legislative Assembly, agreeing with Government, has passed those proposals, the Secretary of State will, as a rule, refrain from refusing sanction to them. This would be an act of bare justice to the people of India, and is based on a principle the adoption of which has been unanimously recommended by the Committee appointed by Lord Crewe to determine the relations of the Secretary of State and the Government of India.'

I claim that what we demanded in this particular paragraph has been fully granted to us under the arrangements embodied in the Government of India Act and in the Joint Select Committee's Report. I am not quite prepared to support the Honourable Mr. Lalubhai Samaldas, if what he seeks really is an amendment of the Government of India Act even before it starts to work.

The HONOURABLE MR. LALUBHAI SAMALDAS: Sir, may I rise to make a personal explanation? I said quite clearly that I am prepared to accept the Honourable Mr. Sastri's proposal, that if the Government of India give us an assurance that they will write to the Secretary of State

The HONOURABLE THE PRESIDENT: The Honourable Member must not make a speech. He can only make an explanation.

The HONOURABLE MR. L. SAMALDAS: I am not going to make a speech. I was merely saying that I am prepared to accept it if the Government of India give us an assurance that they will write to the Secretary of State and guarantee that he will agree not to use these two powers to which Mr. Sastri referred.

The HONOURABLE SIR GEORGE BARNES: Sir, I am prepared to accept the Resolution with the words 'subject to the provisions of the Government of India Act' substituted for the words 'under the direction of the Indian Legislature'. My Honourable Colleague, Dr. Sapru, a little while ago pointed out to us that the Secretary of State had got no power to waive his rights, and an agreement not to exercise them amounts to waiver. What may grow up is a convention. If the rights fall into disuse it may become unconstitutional to use them. I do not think we can do more, and I hope that the Honourable Mr. Lalubhai Samaldas will accept the amendment.

The HONOURABLE MR. G. S. KHAPARDE: Sir, I wish to draw attention to one portion

The HONOURABLE THE PRESIDENT: The Honourable Mr. Khaparde has spoken once already; he can only speak now on the amendment.

The HONOURABLE MR. G. S. KHAPARDE : Yes, Sir, I am only going to speak on the amendment, and I may begin my speech by saying that I wish to oppose the amendment that has been proposed. My opposition is based fortunately for me upon what was read out by the Honourable Sir William Vincent. In that there is a sentence—I am only quoting the sense of it and not the words themselves—that such a provision is not to be found in any of the laws governing the self-governing Colonies; that is to say, the Government were then willing to put in this provision but they found that no such provision was to be found in any of the Colonial laws, and therefore they did not think it necessary, or they did not think it proper, to introduce it in the Government of India Act; but the understanding was that as in the case of the Colonies the British Government does not exercise any of the powers so far as fiscal matters go and does not prohibit any laws relating to fiscal matters made by them, so in the case of India also fiscal laws will not be governed by the Secretary of State and will not depend upon his initiative or his will. That was a clear understanding. I happened to be there at the time, and this was very much discussed amongst us, and this was the understanding that, if no provision is put in here, it is merely because it is not constitutional, it is not customary to put in such a provision; but it is clearly understood that it will be so acted upon. So in this respect, therefore, when the Honourable Mr. Lalubhai Samaldas says that, if the Secretary of State will kindly say in his letter that he does not mean to exercise any of these powers, then it is all right; otherwise putting in those words suggested in the amendment merely keeps us where we are. According to the provisions of the Government of India Act everything is being done now and everything has been pointed out, and therefore what is the idea of putting forward this Resolution at all? So I oppose the amendment.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I move that the question be now put.

The HONOURABLE THE PRESIDENT : I think the Council is now in a position to arrive at a decision, and I propose to accept the motion. The question is 'that the question be now put'.

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is that the following amendment be accepted :—

'That for the words 'under the direction of the Indian Legislature' the words 'subject to the provisions of the Government of India Act' should be substituted.'

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is that the Resolution as amended, which runs as follows, be accepted :—

'This Council recommends to the Governor General in Council that His Majesty's Government be addressed, through the Secretary of State for India, with a prayer that the Government of India be granted full fiscal autonomy subject to the provisions of the Government of India Act.'

The motion was adopted.

The HONOURABLE THE PRESIDENT : It is now a quarter past five, and the contentious business not being taken after 4-30, the Council will now adjourn till Monday, the 28th February, at 11 o'clock in this Chamber.

The Council then adjourned till Monday, the 28th February, 1921.

COUNCIL OF STATE.

Monday, the 28th February, 1921.

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

DEATH OF DR. SIR RASH BEHARI GHOSE.

The HONOURABLE THE PRESIDENT : Before we proceed to the business of the day, I have to convey to the Council the sad news of the death of one of its most distinguished Members. I was greatly shocked this morning to learn that the Honourable Sir Rash Behari Ghose had passed away.

Sir Rash Behari Ghose was associated with the constitutional progress of India throughout his life, and in respect of all such matters rendered the greatest services to his countrymen. I think I am correct in saying that he was a Member of the Legislative Council as early as 1891, and thereafter he sat in many Councils. His influence on constitutional reform was very great.

When the new Reforms came, regardless of the fact that he was a man of advanced years and infirm in health, he stood for election to this Council. It was a patriotic thing for a man of his age to have done. Increasing ill-health prevented him from attending on the occasion of the Inauguration Ceremony or any of our subsequent meetings. But I, in common with all other Members of this Council, I am sure, had hoped that an improvement in his condition would have enabled him to have assisted us with his ripe wisdom and his great experience of public affairs. I myself had had the honour of knowing the late Sir Rash Behari Ghose during the greater part of my life in India and had conceived, as all who are concerned in legal matters must have conceived, a profound respect for his professional attainments. I had cherished the hope that we might have been associated together in a Committee dealing with a subject which I know was very dear to his heart, the question of Statute Law Revision; but it was not to be. In our lamented friend this Council has lost a Doctor learned in the Law, whose wide sympathies extended far beyond the scope of his professional duties; a generous friend of education; one who loved to help all good works; a counsellor trusted by all communities; and, above all, a true friend of India. It will be long before the gap which his death causes in our ranks will be filled.

The HONOURABLE SIR WILLIAM VINCENT : Sir, speaking on behalf of the official Members of this Council, I should like to associate them with everything that has fallen from you to-day. I have had the honour and privilege of knowing the late Sir Rash Behari Ghose for some years, our acquaintance beginning when I was serving in Calcutta. I had many opportunities, then, of learning to value his wonderful knowledge, his eloquence and his deep erudition, and particularly, if I may say so, his extraordinary mastery of the great principles of English law, into the spirit of which he was privileged to enter to an extent that was the envy of all who knew him. Of his generosity in the cause of education and other charitable work India is well aware, and for his gifts she has every reason to be grateful. Many of us including myself had abundant proof of his hospitality and genial kindness in private life. I venture to say that it is only right and proper that this Council

[Sir W. Vincent.]

should pay its tribute of respect to an eminent lawyer and citizen, whose services, if he had been spared, would have been of the greatest value to this Council. May I ask you, Sir, also if I may, to convey to his relatives an assurance of our very deep sympathy with them in their grievous loss.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, speaking on behalf of the non-official Members of this Council, I wish to associate myself with what has fallen from you, as well as from the Honourable the Home Member. The melancholy news of the death of one of our most distinguished citizens and members will cast a great deal of gloom all over the country. I myself had had the good fortune of sitting with him in Lord Minto's Council and had learnt to appreciate his sterling merits, his great virtues and his cosmopolitan feelings. In him India, I may say, has lost one of its greatest sons and one of its truest friends. In him this Council is poorer by the loss of a personality who would not only have adorned this Council, but would have been of great and valuable help when we are on the eve of the Reforms. In him we have lost a great philanthropist, a true and faithful worker, a man who spent his well-earned fortune for the benefit of his fellow-subjects. I feel I cannot say anything more on this occasion. This Council deeply mourns his loss, and I am sure India, as a whole, mourns the loss of a great patriot, a great statesman, and a great jurist who has just passed away.

The HONOURABLE SIR ALEXANDER MURRAY : Sir, speaking also on behalf of the non-official Members, and, in particular, on behalf of the European community, not only the commercial section, but all members of the community, I desire to associate myself with what has fallen from yourself, Sir, from the Honourable the Home Member and the Honourable Sir Maneckji Dadabhoi regarding our late Colleague Sir Rash Behari Ghose.

It has been a matter of sincere regret to us that he has not been able to take his place here alongside of myself and of the other Members from Bengal, as we had all looked forward to having the benefit of his long experience and intimate knowledge of public affairs.

I need say little here regarding his great charity, in particular, his foundations for the advancement of scientific knowledge in Bengal. He realised that scientific knowledge must precede, or at least accompany, the development of the industries of this great country, and he devoted a very considerable portion of his fortune to that purpose.

I therefore desire, Sir, to associate myself with what has fallen from previous speakers.

The HONOURABLE THE PRESIDENT : With reference to what has fallen from the Honourable Sir William Vincent, it will be my duty to see that a message in the terms which he suggests is conveyed to our lamented friend's family.

QUESTIONS AND ANSWERS.

STUDY OF CROPS.

161. The HONOURABLE SARDAR JOGENDRA SINGH : (a) How many officers are employed in studying various crops in different provinces ?

(b) Are there any special officers studying special crops in each province ?

The HONOURABLE MR. B. N. SARMA : All Indian Agricultural Service officers are engaged, either directly or indirectly, in the study of crops. At present there are 13 who are specialising in the study of a particular crop : and in addition there are 38 officers whose time is wholly devoted to this work though they do not specialise in any particular crop.

COTTON COMMITTEE'S REPORT.

162. The HONOURABLE SARDAR JOGENDRA SINGH : What steps have been taken to give effect to the Cotton Committee's Report ?

The HONOURABLE MR. B. N. SARMA : The attention of the Honourable Member is invited to paragraphs 3 and 4 of the Resolution of the Government of India in the Department of Revenue and Agriculture, dated the 2nd August, 1919, indicating the lines on which the Government of India proposed to proceed in dealing with the recommendations of the Indian Cotton Committee. As explained in that Resolution the recommendations in Part I of the Report of the Indian Cotton Committee (except the four recommendations mentioned in paragraph 3 of the Resolution) were considered mainly a matter for disposal by the local authorities concerned. The Government of India confined their intervention to the larger matters of general policy or principle and to questions affecting more than one province. Local Governments were asked to report the action taken or proposed to be taken by them on the recommendations appertaining to them, and from the replies received it appears that the Provincial Departments of Agriculture are taking steps to give effect to the recommendations of the Committee.

A statement explaining the action taken by the Government of India on the remaining recommendations of the Indian Cotton Committee is placed on the table.

Statement showing the action taken by the Government of India on the recommendations of the Indian Cotton Committee other than those left for disposal by Local Governments.

Serial No.	Chapter.	Recommendation No.	Subject in brief.	Action taken.
1	II	13	Investigation of supplies available in Punjab Rivers.	The Governments of Bombay and the Punjab have each been asked to place an officer on special duty to investigate the question.
2	VI	10-11	Colonisation of area affected by Sukkur Barrage Project.	The views of the Government of Bombay were asked for on the recommendations and the Local Government were of opinion that there was no necessity for the appointment of a Committee to investigate the areas of waste land to be commanded by the Project which could be made available for colonisation, and that grants of land to capitalists would be extremely desirable and action in this direction would be taken.

Serial No.	Chapter.	Recommendation No.	Subject in brief.	Action taken.
3	XV	8	Appointment of an additional mycologist at Pusa for cotton work.	In consultation with Local Governments it has been considered preferable that Local Governments should employ their own mycological staffs for dealing with fungus diseases of plants including cotton, and the appointment of an additional mycologist at Pusa has not therefore been considered necessary.
4	XV	9	Imposition of a cotton cess to provide funds for the Central Cotton Committee and pay of additional staff.	The attention of the Honourable Member is drawn to the Press Communiqué, dated the 7th April 1920, issued by the Department of Revenue and Agriculture in which it was explained that the method of finance suggested by the Committee is not in consonance with the financial arrangements under the Reforms Scheme, the main feature of which is a complete separation of Imperial and Provincial finances. It was therefore decided not to take action on the Committee's proposal. The necessary funds for the Central Cotton Committee and the appointment of additional staff are, however, being provided from general revenues.
5	XV	10	Recruitment of additional staff recommended.	Since the publication of the report of the Indian Cotton Committee the Provincial Departments of Agriculture have been considerably expanded and several officers have been appointed.
6	XVI	1	Establishment of cotton markets.	The views of the Local Governments and Administration, who were addressed in the matter, have been received and the whole question is under consideration.
		8	Standardization of weights.	
		12-17	Licensing of gins and presses.	The adoption of this recommendation has been commended to Local Governments and Administrations.
7	XVI	2	Publication of cotton prices.	
8	XVI	3	Alteration of dates of payment of land revenue in cotton growing tracts of Bombay.	The recommendation was brought to the notice of the Government of Bombay who have full discretion in regard to fixing and altering dates of kists. The Local Government did not consider any alteration in the dates of payment of land revenue in cotton growing tracts necessary.
9	XVI	4	Expansion of co-operative sale societies.	These recommendations have been accepted by the Government of India and recommendations Nos. (4) and (5) have been commended to Local Governments for favourable consideration. No action was called for on recommendations (6) and (7).
		5	Auction sales of cotton.	
		6	Formation of buying agencies.	
		7	Forward sales of cotton.	The attention of the Local Governments has been drawn to this recommendation, which is essentially a matter for Provincial Agricultural Departments.
10	XVI	9	Cleaner picking of cotton.	

Serial No.	Chapter.	Recommendation No.	Subject in brief.	Action taken.
11	XVI	10-11	Restriction of the transport of cotton waste and loose kapas.	These recommendations were taken up before the publication of the report of the Indian Cotton Committee and the transport of cotton waste and loose kapas was prohibited. The prohibition on the transport of cotton waste has recently been cancelled, and it has been decided to refer the whole question of licensing the transport of cotton and cotton waste to the Central Cotton Committee, when formed, for advice.
12	XVI	18	Possibility of using saw gins for Indian cotton.	It has been decided to bring this to the notice of the Central Cotton Committee as soon as it is formed.
13	XVII	1-10	Improvement of cotton forecasts.	These 10 recommendations are under consideration along with other proposals for the improvement of crop forecasts generally.
14	XVII	11-14	Press returns . . .	These recommendations depend on the decision of the question which is now under consideration whether the submission of returns of cotton ginned and pressed by ginning and pressing factories should be made compulsory by legislation.
15	XVIII	1-3	Establishment of a Central Cotton Association in Bombay.	The Government of Bombay have been addressed and the question is now being considered by a Committee of the Cotton Trade.
16	XIX	1, 2 and 4	Formation of a Central Cotton Committee.	Local Governments have been consulted and the Resolution constituting the Committee and appointing its Secretary will be issued shortly.
17	XIX	3	Abolition of the post of Imperial Cotton Specialist at Pusa.	In accordance with the recommendation of the Cotton Committee it has been decided to abolish the post of Imperial Cotton Specialist at Pusa on the formation of the Central Cotton Committee.

REVERSE COUNCIL BILLS.

163. The HONOURABLE SARDAR JOGENDRA SINGH : Will the Government be pleased to state the amount of gold sold to meet the Reverse Council Bills and the loss it represents to Indian finance at present rates, and at the rates that then obtained?

The HONOURABLE MR. E. M. COOK : No gold was sold to meet Reverse Councils. The gold sold in India by Government in 1920 was sold for a different purpose, and in any case the proceeds, which accrued in India, were not available for meeting Reverse Councils, which had to be paid in England.

EMBARGO ON WHEAT.

164. The HONOURABLE SARDAR JOGENDRA SINGH : (a) When does the Government expect to remove the embargo on wheat?

(b) Was such an embargo ever formerly imposed even in Famine years? How did the exports regulate themselves then?

The HONOURABLE MR. B. N. SARMA: (a) Government hope to remove the embargo on export of wheat as soon as circumstances permit. They have held that up to the present it has been necessary to retain it owing to the famine conditions prevailing in some European countries. The demand in these countries for Indian wheat at high prices could only have led to a great drain on the resources of this country and a consequent increase in the internal price of wheat. There are, however, now indications that the world position of wheat is becoming more favourable, e.g., the price of wheat in Europe has fallen from 123 shillings per quarter in October last; I think it is 69 shillings per quarter now.

(b) No embargo on the export of articles of food was imposed in famine years in accordance with the policy enunciated by the Honourable Mr. Miller in reply to a question by the Honourable Mr. Chitnavis at a meeting of the Legislative Council held on the 13th March, 1908. A copy of that question and reply is laid on the table. It will be seen from the reply to part (a) of the present question that the departure from the Government of India's previous policy has been mainly caused by abnormal conditions in foreign countries.

Question asked and answer given at the meeting of the Legislative Council held on the 13th March, 1908, regarding the export of food-grains from India in times of distress.

Question asked by Honourable Mr. G. Chitnavis.

In view of the pronounced desire of the people for a provisional embargo upon exports of food-grains from the country as a remedial measure in times of distress, will Government be pleased to consider if it would be desirable to temper, if only provisionally, its policy in these days of abnormal prices?

Reply given by Honourable Mr. J. O. Miller.

The question raised by the Honourable Member is one which has been considered by the Government of India on every occasion on which this country has been threatened with serious famine, with all the care which its importance demands, and with full regard to the fact that interference with trade on such occasions would be in accordance with views which are widely and earnestly held by influential classes of the people. Not only has the policy to be followed been carefully considered at the beginning of periods of distress, when popular opinion, and not infrequently official opinion, was in favour of some measure of interference, but it has been impartially examined in the light of facts and of the experience gained during successive famines by the officers or Commissions appointed to report on the lessons to be learned; and there has been no difference of opinion as to what those lessons teach. The conclusion was arrived at in 1873 that "nothing could justify recourse" to such a measure as the Honourable Member suggests "unless it were a certainty or a reasonable probability that exports of food will so exhaust the resources of India as to render them incapable of affording the supplies which may be required for affected districts," and all subsequent investigation has confirmed this view.

During the thirty years which have passed since that time there has been a remarkable development of communications and of trade, and the experience

of each successive famine has shown how greatly relief measures have been assisted and suffering has been mitigated by the freedom from restraint which has encouraged private enterprise to take advantage of the facilities offered to it. Interference would involve disorganisation of trade and discouragement of the agriculturist at the very time when it is essential to the welfare of the country that the producing and the distributing agencies alike should have every stimulus given to their activity. To mention only one result, a policy of placing an embargo on the export of food-grains would encourage that tendency to substitute non-food crops for food crops of which frequent complaint has been made in the vernacular Press, as a contributory cause of the present high prices. Interference with exports might produce at the beginning of a famine an artificial cheapness, but it is by no means certain that even this result would be attained to any material extent, and it is certain that the cheapness would not be permanent. The exports from India amount to but a small proportion of its production, and experience gives no warrant whatever for the supposition that the trade is unable to regulate them to the best advantage of the country. For example, the exports of wheat, which in a good year may be as much as fifteen or twenty million hundredweight, shrank in 1896-97 and 1897-98 to about two millions, while in 1900-01 the export trade practically ceased to exist, only 50,000 hundredweight leaving the country. In the case of rice the fluctuations are not so extraordinary, but they are very great; in a good year exports from the whole of India have been as high as forty-nine million hundredweight, in bad seasons they have fallen to less than thirty millions. The export trade encourages production and creates a reserve which can be drawn upon in time of scarcity—a reserve which, but for that encouragement, would not exist. For example, the failure of the monsoon in India creates a demand for Burma rice at prices with which foreign countries cannot compete. In 1903-04 and 1904-05 when crops were generally good, Burma exported to foreign countries 33 and 38 million hundredweight of rice respectively, while India took only four and six millions. In 1906-07 when there was a demand from India, the exports to foreign countries fell below thirty millions, and the exports from Burma to India rose to sixteen millions; in the present year, judging from ten months' statistics, this feature of the trade will probably be still more marked. The course of the wheat trade in the present year may be referred to as a further illustration. During the early part of the year the trade was brisk, and continued to be so up to October by which time it was evident that there would be severe scarcity in India. In November the exports were less than half of the average for that month in the three preceding years. In December the proportion was much lower, while in January only sixty thousand hundredweight were exported compared with a three years' average for that month of close on a million and a half.

The policy which the Honourable Member apparently supports does not, it is understood, stop short at interference with exports from India. It extends to placing restrictions on exports from one State or Province or even from one district to another, and recommendations to that effect have been made not only by the public, but by officers of Government impressed by the seriousness of the outlook, as for example in 1873, when the Lieutenant-Governor of Bengal suggested the prohibition of the export of rice from that province. In a year like the present when the deficiency of food supplies in the United Provinces is being met by imports from the surplus stock of Burma on the one side and the Punjab on the other—the two provinces which contribute

by far the largest share to the foreign export trade in rice and wheat, respectively—it seems scarcely conceivable that there should be any advocates of a policy that would obstruct the trade to which these beneficial results are due. But experience shows that the demand for the regulation of exports does in fact extend to demand for the enforcement of local restrictions, and to transferring from the trade to some official agency the responsibility of determining whether the circumstances of the country require the transport of grain from one local area to another. This is a responsibility which no Government would except in the last resort undertake.

The Honourable Member correctly refers to prices as being now abnormally high. Prices are excessively high, and the Government of India are fully conscious of the distress caused by dearness of food and sympathise with the sufferers. But they have no doubt that the effect of interference with trade would only be to aggravate difficulties that must be faced, and they adhere now to the policy which they have consistently adopted in the past in the presence of more serious calamities and at a time when they could not expect from the operations of trade the same measure of assistance in coping with scarcity that they now obtain.

EXPORTS FROM INDIA.

165. The HONOURABLE SARDAR JOGENDRA SINGH: What are the normal exports from India, wheat, cotton, rice and oil seeds?

The HONOURABLE MR. B. N. SARMA: A statement giving the average exports for the years 1911-1914 is laid on the table. Of course we have taken the average for three years. The other figures are available in the annual statements of the sea-borne trade of British India, and the average for various years may be worked out if the Honourable Member wishes it himself.

Statement showing the average export of wheat, rice, cotton and oil seeds from India and Burma to foreign countries for the 3 years 1911-14.

	AVERAGE FOR THE 3 YEARS 1911-14.	
	India (proper).	Burma.
	Tons.	Tons.
Wheat	1,407,836	17
Rice	654,499	1,943,219
Cotton (raw)	415,844	6,361
Oil seeds	1,419,554	16,160

ESTIMATES OF PER CAPITA INCOME.

166. The HONOURABLE MR. KALE: (a) Is Government aware that various conflicting estimates of the *per capita* income of the people in British India are current in the country and that they give rise to misleading conclusions?

(b) Do Government propose to consider the desirability of framing and publishing an authoritative estimate of the average income of the population?

The HONOURABLE MR. E. M. COOK: (a) Government are aware that diverse estimates have been made of the income per head of the population, whether conclusions based on such estimates are correct or not is a matter of opinion.

(b) I would refer the Honourable Member to the answer to a question asked on this subject the other day by the Honourable Sardar Jogendra Singh.

INCOME OF BRITISH INDIA.

167. The HONOURABLE MR. KALE: Will Government be pleased to state if it will undertake to prepare and publish a comparative statement of the annual income of British India during the last four quinquennial periods?

The HONOURABLE MR. E. M. COOK: Government have not the material to undertake the preparation and publication of the comparative statement referred to. In any case the answer which I have just given to the Honourable Member's previous question covers this also.

STRIKES IN BRITISH INDIA.

168. The HONOURABLE MR. KALE: Will Government be pleased to state if it will publish a quarterly statement of workmen's strikes in British India, giving particulars regarding their number, causes, extent, results, etc.?

The HONOURABLE MR. A. C. CHATTERJEE: The Labour Bureau in the Department of Industries has commenced collecting information of the nature referred to in the Honourable Member's question, but Government have at present no legal authority to call for information on these subjects from owners or occupiers of factories, and the information collected cannot be guaranteed to be either full or accurate. An endeavour will be made to publish a statement giving the facts available in the quarterly issues of the Journal of Indian Industries and Labour which is being published by the Department of Industries.

EUROPEAN AND INDIAN CAPITAL.

169. The HONOURABLE MR. KALE: Will Government be pleased to state if it will undertake the compilation of separate statistics of—

(a) Indian and European capital invested in different trades and industries of a particular size in India; and

(b) the profits earned by them annually?

The HONOURABLE SIR GEORGE BARNES: Government are unable to undertake the labour involved in compiling the statistics suggested as this would require a detailed examination of the share registers of Indian Joint

Stock Companies incorporated in and outside India and a careful examination and analysis of their balance sheets.

POSTAL SAVINGS BANKS.

170. The HONOURABLE MR. KALE: Will Government be pleased to state if it proposes to raise the rate of interest on deposits in Postal Savings Banks?

The HONOURABLE MR. E. M. COOK: As mentioned by the Finance Member in reply to a similar question asked in the Legislative Assembly the other day the Government is considering the matter.

TRADE BALANCES AND FOREIGN EXCHANGE.

171. The HONOURABLE MR. KALE: Will Government be pleased to furnish a statement of India's balance of trade and rate of foreign exchange, month by month, during the current year and of corresponding figures for the previous seven years?

The HONOURABLE SIR GEORGE BARNES: A statement of the balance of Trade as represented by exports and imports of merchandise for the period in question is laid on the table. A statement showing the rates of Sterling Exchange (T. T.) in Calcutta on London on the 1st or near date of each month from 1913 to 1920 is also placed on the table.

STATEMENT I.

Excess of exports over imports of merchandise (+) or of imports over exports (—).

(Figures are in crores of rupees.)

Month.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.	1921.
January	+6	+4	+1	+3	+8	-8	+7	+6	-12
February	+11	+12	+6	+11	+9	+9	+9	+8	+8
March	+8	+8	+5	+8	+15	+15	+7	+8	+7
April	+6	+6	+3	+6	+7	+4	+8	+7	+4
May	+5	+8	+6	+7	+11	+12	+8	+4	-3
June	+6	+9	+8	+6	+7	+6	+9	-8	-10
July	+6	+6	+4	+4	+5	+3	+13	-7	-11
August	+1	-3	+3	+6	+5	+13	+11	-13	-11
September	+3	+1	+4	+9	+6	+5	+14	-11	-11
October	+5	-2	+7	+8	+7	+9	+13	-13	-11
November	+3	+4	+2	+9	+4	+6	+13	-11	-11
December	+5	+3	+7	+9	+9	+4	+9	-30	-12
TOTAL TWELVE MONTHS	+65	+56	+56	+86	+93	+94	+121	-30	-12

STATEMENT II.

Rates of Sterling Exchange (T. Ts.) in Calcutta on London on the 1st or near date of each month from 1913 to 1920.

Month.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.
January.	s. d. 1 4 ³ / ₄	s. d. 1 4 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 2 3 ¹ / ₂
February	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 2 8 ¹ / ₂
March.	s. d. 1 4	s. d. 1 4	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 2 7
April	s. d. 1 3 ¹ / ₂	s. d. 1 4	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 2 4
May	s. d. 1 4 ¹ / ₂	s. d. 1 4	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4	s. d. 1 5 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 2 3 ¹ / ₂
June	s. d. 1 4	s. d. 1 3 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 1 7 ¹ / ₂	s. d. 2 1 ¹ / ₂
July	s. d. 1 3 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 1 7 ¹ / ₂	s. d. 1 8 ¹ / ₂
August	s. d. 1 3 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 1 7 ¹ / ₂	s. d. 1 10 ¹ / ₂
September	s. d. 1 4 ¹ / ₂	s. d. (a)	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 1 9 ¹ / ₂	s. d. 1 10 ¹ / ₂
October.	s. d. 1 4 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 4	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 2 0 ¹ / ₂	s. d. 1 9 ¹ / ₂
November	s. d. 1 4 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 2 0 ¹ / ₂	s. d. 1 7 ¹ / ₂
December	s. d. 1 4 ¹ / ₂	s. d. 1 3 ¹ / ₂	s. d. 1 4	s. d. 1 4 ¹ / ₂	s. d. 1 4 ¹ / ₂	s. d. 1 5 ¹ / ₂	s. d. 2 3 ¹ / ₂	s. d. 1 6 ¹ / ₂

(a) T. T. rates not available. The demand rate was 1s. 3¹/₂d.

PORT TRUSTS IN INDIA.

*172. The HONOURABLE MR. SETHNA: Will Government be pleased to give in the form of a tabular statement—

(1) the number of officers in the employ of the Bombay, Calcutta, Karachi, Madras and Rangoon Port Trusts, respectively, whose maximum scheduled salaries per mensem are—

- (a) from Rs. 500 to Rs. 1,000 ;
- (b) over Rs. 1,000 and up to Rs. 1,500 ; and
- (c) over Rs. 1,500 ; and

(2) the number of Indian officers in each of the above divisions in the different Port Trusts ?

N.B.—This question was not put as the Member was not present.

The HONOURABLE SIR GEORGE BARNES: The Government are not in possession of the information asked for. They are endeavouring to obtain it and will supply it to the Honourable Member on receipt.

SLAUGHTER OF ANIMALS AT MUKTESAR.

*173. The HONOURABLE LALA SUKHBIR SINHA: (a) Will the Revenue Member be pleased to state the age of the animals that are killed at Muktesar ?

(b) Is he aware that notices are issued from the officers in charge of the laboratory to contractors that they should bring cattle below the age of 5 and that no cattle will be accepted over the age of 5 years ?

N.B.—This question was not put as the Member was not present.

The HONOURABLE MR. B. N. SARMA: (a) The majority of the animals killed are old and worn out. Any young animals killed are undersized and of no agricultural value.

(b) A circular to this effect was issued, as too many old and worn out animals were being received. It is not, however, strictly adhered to. In this connection I would refer the Honourable Member to the reply which I gave to a question by him on a similar subject on the 14th February in which I pointed out that only 17 per cent. of the animals purchased for these operations died in the process of serum making.

TRAFFIC INSPECTORS, NORTH WESTERN RAILWAY.

174. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Honourable Member for Commerce and Industry state—

- (a) how many posts there are in each of the grades of Traffic Inspectors on the North Western Railway ?
- (b) how many of such posts in each grade are held by (i) Europeans, (ii) Anglo-Indians, and (iii) Indians, respectively ?
- (c) what proportion of these posts in each of the grades are now proposed to be thrown open by Government to Indians ?

* The Honourable Member was absent, when the question was answered.

RELAYING OF DISMANTLED LINES.

177. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will the Honourable Member for Commerce and Industry state as to when and by what date the Railway lines dismantled during the war by the North Western Railway are going to be relaid?

The HONOURABLE SIR GEORGE BARNES : As regards the Hyderabad Badin and Jacobabad Kashmore lines, I would refer the Honourable Member to the answers given to similar questions* (Nos. 106 and 107) in the Legislative Assembly by Colonel Waghorn on 17th February, 1921.

As regards the Sutlej Valley Railway, this will be taken in hand as soon as the necessary material becomes available.

CONSTRUCTION OF BRANCH LINES, NORTH WESTERN RAILWAY.

178. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will the Honourable Member for Commerce and Industry state—

- (a) what are the Railway lines, military, strategic, as well as commercial, whose construction Government proposes to continue or commence in the Punjab, North-West Frontier Province, Sindh and Baluchistan?
- (b) what would be the total mileage of each of these construction lines?
- (c) the total estimated capital outlay on each of them?
- (d) what proportion of the sanctioned capital outlay has been or is to be raised in India, Great Britain, and in other foreign countries, respectively?
- (e) on what rate of interest has the capital been raised or proposed to be raised in each of such countries?
- (f) whether the Government will consider the desirability of raising capital for Railway construction in the cheapest money-market in the world?

The HONOURABLE SIR GEORGE BARNES : (a), (b) and (c). The following strategic lines are already under construction and work on these will continue :—

	Length (miles).	Estimated cost. Rs.
(i) Khyber Railway	26	175 lakhs.
(ii) Kaur Khirgi	15	16 lakhs.

The only new commercial line at present in progress is the Larkana Dadpur on the 2' 6" gauge which will be 54 miles long and cost Rs. 28 lakhs. is being financed by a Branch Line Company.

(d) and (e) It is presumed that the Honourable Member's inquiry refers to the Capital of the lines above referred to and if so, the capital of the Larkana Dadpur Railway has been raised in India on the ordinary Branch line guarantee (rebate) in respect of interest.

(f) The question of raising money for Railways in India is under consideration, and Government certainly desire to raise it in the cheapest market.

* Vide pages 128 and 129 of Legislative Assembly Debates, Volume I, No. 4.

CONGESTION OF TRAFFIC AT JAGADHRI.

179. The HONOURABLE RAI BAHADUR LALA RAM SARAN DASS : Will the Honourable Member for Commerce and Industry state whether Government is aware that for some few months past the North Western Railway has not been able to remove congestion of outward traffic in timber at Jagadhri station? If so, do Government propose to take steps in this matter at an early date?

The HONOURABLE SIR GEORGE BARNES : It is not possible for the North Western Railway to clear all timber traffic from Jagadhri directly it is tendered for despatch, as the timber arrives at irregular intervals. Moreover, merchants form depôts to suit market fluctuations. The Honourable Member will be interested to know that during the 3 months ending 31st December, 1920, 1,000 wagon loads were registered and 1,107 wagon loads were actually despatched. Since, however, the recent restrictions on traffic owing to the coal position, there has been a considerable falling off in despatches.

PASSENGER AND GOODS VEHICLES, NORTH WESTERN RAILWAY.

180. The HONOURABLE RAI BAHADUR LALA RAM SARAN DASS : Will the Honourable Member for Commerce and Industry state—

- (a) the number of passenger and goods vehicles which use to be a reserve for military purposes on the North Western Railway in the pre-war days, as compared with the number at the present time?
- (b) to what extent, if at all, has the number of passenger and goods vehicles been increased on the North Western Railway since the outbreak of war?

The HONOURABLE SIR GEORGE BARNES : (a) No North Western Railway coaching or goods stock was reserved for military purposes in pre-war days and none is reserved now except a limited number of specially fitted military cars, ambulance carriages and armoured train trucks. There are at present 16 military cars, 63 ambulance carriages, 2 kitchen cars and 15 temporary ambulance vehicles on the North Western Railway. They have until recently been in frequent use and are constantly required. The few trucks on armoured trains are generally old condemned vehicles.

(b) The increase in the number of coaching and goods vehicles on the North Western Railway from March, 1914, to March, 1920, was approximately 1 per cent. and 18 per cent., respectively.

SHORTAGE OF COAL.

181. The HONOURABLE RAI BAHADUR LALA RAM SARAN DASS : Will the Honourable Member for Commerce and Industry state what steps Government have taken or propose to take to remove the coal shortage in the country?

The HONOURABLE SIR GEORGE BARNES : It is not easy to answer the Honourable Member's question shortly. To begin with, the actual raisings in the coalfields have been poor during the last few months owing to the shortage of labour accentuated by strikes. Here Government can do little to assist. Apart, however, from poor raisings, there is reason to believe that the demand for coal in the country has increased more rapidly than the capacity of the

railways to convey coal from the coalfields. The whole question of improving the railway facilities is under consideration, but the Honourable Member will realise that it will be some time before the position can be fully rectified. For the moment the Government have endeavoured to apply temporary remedies by restricting exports and restricting the bunkering of steamers, thus increasing the amount of coal available for consumption in the country.

STOPPAGE OF GOODS BOOKING.

182. The HONOURABLE RAI BAHADUR LALA RAM SARAN DASS: Will the Honourable Member for Commerce and Industry state whether Government is aware of the great hardship that is caused to traders and merchants by sudden stoppage of goods booking at short notice? Do Government propose to consider the desirability of giving to the public at least two weeks' previous notice before stopping such booking?

The HONOURABLE SIR GEORGE BARNES: Government is aware of the hardship occasioned to traders and merchants by sudden stoppages of goods booking. Such restrictions have become necessary at times in consequence of congestion of traffic, but they are only imposed when all other measures have proved unavailing. It is not possible for Railway Administrations to give the public the notice suggested.

GOODS TRAFFIC, NORTH WESTERN RAILWAY.

183. The HONOURABLE RAI BAHADUR LALA RAM SARAN DASS: Will the Honourable Member for Commerce and Industry state as to how long it will take to put the North Western Railway in a position to cope with the goods traffic as regularly as used to be the case in pre-war days?

The HONOURABLE SIR GEORGE BARNES: I regret it is not possible at present to specify a date by which the North Western Railway will be in a position to cope with traffic as in pre-war days. Railways have not yet recovered from the effects of the war period, and their difficulties are accentuated at present by shortage of coal.

COAL AND FUEL RATES.

184. The HONOURABLE RAI BAHADUR LALA RAM SARAN DASS: Will the Honourable Member for Commerce and Industry state—

(a) whether Government will consider the desirability of not increasing freight on coal and fuel?

(b) if Government have considered whether the higher cost of working the Railway lines cannot be met by increasing freight on such goods as are not important for industrial development of the country?

The HONOURABLE SIR GEORGE BARNES: The increased rates for the carriage of coal which have been notified by railways were approved by Government after careful consideration. The rates for many other commodities have also been increased, and Government is of opinion that the increase which is being made in the existing very low rates for coal is not sufficient to affect industries adversely.

RICE CONTROL PROFITS.

185. The HONOURABLE MAUNG PO BYE: Have the Government of India issued orders directing the Comptroller and Auditor General to transfer the total amount of Rs. 9·26 lakhs of rice control profits from Imperial to the Burma Provincial balances?

The HONOURABLE MR. E. M. COOK: The whole of the profits of rice control have been credited to the Burma Government in the current year.

MILITARY POLICE, BURMA.

186. The HONOURABLE MAUNG PO BYE: (a) Is it a fact that in accordance with the recommendation of Lord Meston's Committee it was recognised that the fair charge on the Imperial Fund for the cost of the frontier Battalions of Military Police in Burma is to be 68 per cent.?

(b) If so, has the full charge of that percentage on the total cost of the current year been allowed to Burma as a debit to the Central Revenue? If not, why not?

The HONOURABLE MR. E. M. COOK: (a) Lord Meston's Committee did not recommend that any particular figure should be adopted in this matter. They provisionally took the figure of 45½ lakhs (68 per cent. of the existing cost of the force) as being the amount that would, under the Reforms scheme, be transferred from the Provincial to the all-India budget on account of the portion of the force utilised for frontier defence. The Government of India have also provisionally accepted this figure, but the actual distribution of the charges is still being discussed with the Local Government.

(b) As no final decision has yet been arrived at, the provisional assignment in the budget to the Burma Government has been retained at the figure of 45½ lakhs pending a final settlement with the province.

INCOME-TAX RECEIPTS.

187. The HONOURABLE MAUNG PO BYE: Does the Government of India realise that the allocation of income-tax receipts between the Provincial Government of Burma and the Government of India may result in a net payment due from Burma to the Central Government? If so, do they intend to remedy this? If not, why not?

The HONOURABLE MR. E. M. COOK: I may refer the Honourable Member to sub-rule (4) which has been added to Rule 15 of the Devolution Rules and which runs as follows:—

'If in any financial year the total amount payable by a Local Government under sub-rules (2) and (3) in respect of the fixed assignment and the cost of special income-tax establishments exceeds the amount of the share of income-tax allocated to it under sub-rule (1), the fixed assignment for that year shall be deemed to have been reduced by the amount of such excess.'

LOSS OF LIFE AT NANKANA SAHIB.

188. The HONOURABLE SARDAR JOGENDRA SINGH: (a) Has the attention of the Government been drawn to the serious loss of life at Nankana Sahib?

The HONOURABLE SIR GEORGE BARNES : (a) There are 54 posts.

(b) (i) 27 posts are held by Europeans.

(ii) 20 by Anglo-Indians.

(iii) 7 by Indians.

(c) As recruitment for the higher grades of Traffic Inspectors is made from among men most competent to fill the posts irrespective of nationality, Government do not propose to alter the present practice.

STATION MASTERS, ETC., NORTH WESTERN RAILWAY.

175. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Honourable Member for Commerce and Industry state—

(a) how many posts there are in higher special grades of Station Masters and Platform Inspectors on the North Western Railway?

(b) how many of such posts are held by (i) Europeans, (ii) Anglo-Indians, and (iii) Indians, respectively?

(c) what proportion of these posts in the higher special grades are proposed to be thrown open by Government to Indians?

The HONOURABLE SIR GEORGE BARNES : (a) There are 218 appointments in higher grades of Station Masters and Platform Inspectors.

(b) 115 posts are held by Europeans, 64 by Anglo-Indians, 39 by Indians.

(c) The practice in the case of recruitment for the higher grades of these classes is the same as that for Traffic Inspectors and no change is proposed.

ENGINE DRIVERS, NORTH WESTERN RAILWAY.

176. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Honourable Member for Commerce and Industry state—

(a) how many posts there are in each of the grades of Engine Drivers on the North Western Railway?

(b) how many of such posts in higher grades are held by (i) Europeans, (ii) Anglo-Indians, and (iii) Indians, respectively?

(c) what proportion of these posts in higher grades are now proposed to be thrown open by Government to Indians?

The HONOURABLE SIR GEORGE BARNES : (a) and (b) There is no fixed number of posts for each of the grades of Engine drivers, promotion being given from grade to grade according to length of service and qualifications in a particular grade, and fitness for promotion.

There are 230 Drivers on the European and Anglo-Indian and Parsee scales and 587 on the Indian scales. A fixed allotment of Drivers on the European scale of pay exists for men recruited specially for ultimate employment on mail and high speed passenger train services. A statement showing numbers and scales of pay is laid on the table.

(c) It is not proposed to alter the present system of recruiting engine-men.

Statement showing the number of posts for each of the grades of engine drivers on the North Western Railway.

Rate per mensm.	EUROPEANS AND ANGLO-INDIANS.		PARSEES.		INDIANS.		REMARKS.
	Old Rule and New Rule.	Number actually employed.	Rate per mensm.	Number actually employed.	Rate per day.	Number actually employed.	
Rs.			Rs.		Rs. A. P.		
280	Old Rule.	9	155	1	2 2 0	47	
270		3*	135	2	Special rate. 2 0 0	60	*Includes 1 Parsee who is on European scale.
260		2	125 115	1 2	Special rate. 1 14 0 1 12 0	109 37	
230	New Rule. (Special Rate).	86			1 10 0	84	
220		37+			1 8 0	23	
210		11			1 6 0	37	
200		10			1 4 0	31	
190		15			1 3 0	45	
180		21			1 2 0	27	
170		16			1 1 0	...	
160		9			1 0 0	34	
150		3					
140		7					
Fixed Allotment		224	231 (1)	No fixed allotment 6		Fixed allotment 367	584

N.B.—Up to 25 per cent. of total number of Indian Drivers are admitted to the special rates.

(i) Includes Drivers on leave, those working as Foremen or L. I. O's and permanent Shedman who are unfit for footplate.

(b) What special steps, if any, is the Government taking to bring the culprits to book and to allay Sikh feeling?

The HONOURABLE SIR WILLIAM VINCENT: (a) Yes.

(b) The attention of the Honourable Member is invited to the Press Communiqués issued by the Punjab Government, and to the statement made by me in the Legislative Assembly on the 24th instant.

The HONOURABLE SARDAR JOGENDRA SINGH: May I ask a supplementary question?

It is said that the trouble at Nankana Sahib was anticipated. If the Government was aware of it, what steps did the local authorities take to prevent it?

The HONOURABLE SIR WILLIAM VINCENT: That is purely a matter for inquiry in the Local Council.

MATTER OF PROCEDURE.

The HONOURABLE THE PRESIDENT: A matter of procedure of some importance has been brought to my notice on which, I think, it is desirable that I should deliver my considered opinion. The question is a simple one,—it is whether the mover of an amendment has the right of reply on his amendment. The answer is, I think, clearly in the negative. Standing Order No. 31 allows a right of reply to a member who has moved a motion. Standing Order No. 32 makes it clear that an amendment is not a motion within the meaning of that order. In order, therefore, to obtain a right of reply the motion which has been moved must be a substantive motion. I have taken an early opportunity of giving my decision on this point to the Council as the practice in the old Indian Legislative Council was somewhat different.

BUSINESS FOR 1ST MARCH, 1921, AND PLACE OF MEETING.

The HONOURABLE THE PRESIDENT: I do not know whether any Member of the Government is prepared to make a statement as to the business to be taken up on the next official day.

The HONOURABLE SIR GEORGE BARNES: All I can say, Sir, is that the next meeting of the Council is to-morrow, the 1st of March, when, as Honourable Members will have learnt from the list of business already circulated, the only official business is the formal presentation of the Budget for 1921-22. The next day for official business thereafter is Thursday, the 17th of March; and I am not yet in a position to make a statement as to the business to be undertaken on that date.

May I ask you, Sir, whether you have any statement to make as to where Council will sit to-morrow?

The HONOURABLE THE PRESIDENT: I had intended to announce at the time of adjournment that the Council will hereafter during March sit at Metcalfe House. I have inspected the arrangements there, and I think Honourable Members will find that as regards their own personal comfort they will be well provided for. The Council Chamber itself will be rather inconvenient, but Honourable Members will remember that this is a makeshift arrangement and we will do the best we can. No other arrangement is possible as the Assembly Chamber will be sitting on the same days as we are sitting.

REFERENCE TO JOINT COMMITTEE OF THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

The HONOURABLE THE PRESIDENT: Before I ask the Honourable Sir William Vincent to move the motion that stands in his name, I should like to suggest to him one slight formal amendment, and that is that after the words 'do recommend' the words 'to the Legislative Assembly' should be added. I make the suggestion as this is the first occasion that a motion for reference to a Joint Committee has so far arisen, and the form now adopted will constitute a precedent.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I shall be very glad to amend the motion in the manner suggested by you. I now move the following:—

'That this Council do recommend to the Legislative Assembly that the Bill further to amend the Code of Criminal Procedure, 1898, and the Court-fees Act, 1870, be referred to a Joint Committee of this Council and of the Legislative Assembly and that the Joint Committee do consist of 12 members.'

I make this motion under sub-clause (2) of Standing Order 37. Honourable Members of this Council have had a copy of the Bill which it is proposed to refer to the Joint Committee and also of the report upon which that Bill is based. The actual history of that measure I explained when I introduced the Bill. It is quite impossible adequately to discuss it in this Council, but it will require very careful and detailed examination in Select Committee. The intention of the Government is that there should be a majority of non-officials on this committee, and that it should include a number of legal experts who may be in a position to scrutinise the Bill thoroughly and effectively. I have suggested that the committee should be restricted to 12 members because the examination will take a considerable period of time, and it will be difficult to get more than 12 members to attend in Simla where the work will have to be done. Further, an unnecessarily large committee always means unduly prolonged proceedings.

I shall be very glad to consider the names of any particular persons whom Honourable Members may wish to suggest for service on this committee; but it would not be proper to make any such nominations to-day because motion on that point will come up later for discussion, and I should think it would suit both the Government and the Honourable Members better if such suggestions were made to me outside this Council either by letter or verbally.

The motion was adopted.

ENEMY MISSIONS BILL.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move for leave to introduce 'a Bill to validate certain indentures transferring properties formerly held by certain Enemy Missions in Trustees, and for the incorporation of such Trustees and for other purposes.' This Bill is really supplementary to the Basel Mission Trading Companies Act which was passed in September last. That Act dealt with the Basel Mission Trading Company and the present Bill validates action taken by Government in respect of certain Missions which were either wholly German or tainted with German influence. The properties have been vested in Boards of Trustees to be held by them subject to Trusts

[Sir William Vincent.]

ensuring that the administration is carried out in a manner which will secure certain educational, religious and charitable objects. The indentures to which reference is made in the Bill are of a very complicated character. I myself found it extremely difficult to follow them. I can only say they have been prepared under the best legal advice that we can obtain, and if any Member of this Council thinks he would like to scrutinise them, I should be only too happy to show them.

The motion was adopted.

The HONOURABLE SIR WILLIAM VINCENT : Sir, I introduce the Bill.

LAND ACQUISITION (AMENDMENT) BILL.

The HONOURABLE MR. B. N. SARMA : Sir, I rise to move for leave to introduce 'a Bill further to amend the Land Acquisition Act, 1894.' The Statement of Objects and Reasons circulated along with the Bill shows clearly that the object of this proposed legislation is two-fold : firstly, to provide that in all cases from the award of a Court an appeal shall lie only to the High Court, and secondly, that subject to certain limitations, an appeal shall lie from the award of a High Court to the Privy Council. I shall deal with the first object in the beginning. Until recently the practice throughout India has been to prefer appeals to the High Court from the judgments of a Court of principal jurisdiction exercising jurisdiction in Land Acquisition Act cases. But recently the Bombay High Court decided that, on the construction of the Bombay Civil Courts Act, in particular cases in which the value did not exceed Rs. 5,000 and the Judge who decided the case was an Assistant Judge, an appeal would only lie to the District Court, that the right of appeal was exhausted and that no further appeal lay to the High Court. Well, the object of this legislation is to bring into uniformity the practice throughout India, and to provide that in all cases from the award of a Court an appeal shall lie only to the High Court.

The second object is, as I have stated, to provide for an appeal to the Privy Council, subject to certain limitations specified in clause 5. Here also until recently, as a matter of practice, appeals lay to the Privy Council from decisions of the High Courts. But the Privy Council decided in 39, Indian Appeals, in a case from Rangoon, that no appeal lay to the Privy Council from the award of a High Court on the ground that an appeal does not exist in the nature of things and must be given by express enactment, and that section 54 of the Land Acquisition Act did not give any express right of appeal to the Privy Council ; the proceedings were in the nature of an arbitration and that therefore no appeal lay to the Privy Council. Various representations were made to the Government to deal with the subject and the subject was under consideration when, as Honourable Members may be aware, Mr. Patel introduced a Bill on somewhat analogous lines in 1918 in the Indian Legislative Council in the pre-reform days. Reference was made to the Local Governments on the subject ; various opinions were invited, and the matter would have been settled in the last September Session but for the fact that Mr. Patel resigned his seat on the Council. Now the Government propose in clause 3 of this section to give a limited right of appeal to the Privy Council from the awards of the

High Court. An appeal under this clause would not lie on a matter of fact, but would lie only on a substantial question of law, and where the value of the subject-matter in appeal to the Privy Council is Rs. 10,000 or upwards. The Privy Council seem to be adverse generally to entertaining appeals of this description. I will only quote one passage from the judgment of Lord Macnaghten in the Rangoon case to which reference was made by me. His Lordship says : 'It is impossible to conceive anything more inconvenient than that a Court in this country should be called upon to review the determination of arbitrators as to the value of a piece of land in India, a mere question of fact, without the advantage of any local knowledge or privilege, if it be a privilege, of seeing the kind of witnesses who engaged the attention of those Judges for 45 days or even the opportunity of interest of viewing the property, the value of which seems so extraordinarily difficult to discover'. In the first place, the Privy Council seem to deprecate generally any reference whatsoever to matters of this description, especially on questions of fact. The recommendations of the Local Governments on the subject were not uniform, but, on a general consideration of the whole position, the Government of India came to the conclusion that an appeal limited in character as described by me above should be allowed to the Privy Council from the awards of the High Courts. Clause 2 of the Bill is introduced under expert legal advice in order to obviate against any possible suggestion that the prerogative of the Crown is confined only to cases in which there has been a formal judgment of the Court and the clause which we propose to insert runs thus : 'Every such award shall be deemed to be a decree and the grounds of every such award a judgment within the meaning of section 2, clause (2), and section 2, clause (9) of the Code of Criminal Procedure, 1898'. It is an amendment technical in its character. I have nothing more to add. Sir, I move for leave to introduce the Bill.

The motion was adopted.

The HONOURABLE MR. B. N. SARMA : Sir, I introduce the Bill.

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

The HONOURABLE SIR WILLIAM VINCENT : Sir, I move that 'the Bill further to amend the Code of Civil Procedure, 1908, be taken into consideration.' I explained the position in regard to this Bill when I introduced it. It is really a very small amendment consequential on the modifications in the Provincial Insolvency Act which were completed during the life-time of the old Council. Since I introduced the Bill I have received no criticisms and no amendments have been suggested.

The motion was adopted.

The HONOURABLE SIR WILLIAM VINCENT : Sir, I move that the Bill be passed.

The motion was adopted.

MAINTENANCE ORDERS ENFORCEMENT BILL.

The HONOURABLE SIR WILLIAM VINCENT : Sir, I move that 'the Bill to facilitate the enforcement in British India of Maintenance Orders made in other parts of His Majesty's Dominions and Protectorates and *vice versa*' be

[Sir William Vincent.]

taken into consideration. The position in regard to this Bill is much the same as it was in regard to the last. I explained the object of the Bill when I introduced it. Honourable Members have had copies of it, and I have no reason to suppose that any one objects to any of the provisions, for no one has given notice of any amendments or submitted any criticisms.

The motion was adopted.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move that the Bill be passed.

The motion was adopted.

INDIAN TEA CESS (AMENDMENT) BILL.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I rise to move that 'the Bill to amend the Indian Tea Cess Act, 1903, as passed by the Legislative Assembly, be taken into consideration.' In accordance with the present Act, the proceeds of the tea cess are made over to the Indian Tea Cess Committee for promoting the sale and consumption of Indian tea in India and outside. The present limit of the cess is one quarter pie per lb. In 1903-04, soon after the Act was passed, the proceeds of the cess amounted to a little over 2½ lakhs of rupees. In the last year the proceeds amounted to Rs. 5 lakhs. The Indian Tea Cess Committee have represented that, on account of the rise in prices and wages throughout the country, they find it extremely difficult to meet their present obligations. Moreover, it is necessary in the interests of the industry that propaganda should be undertaken in Europe, America and Egypt. It seems to me personally that this is a most opportune moment for carrying on this propaganda in countries which are, if I may say so, now going dry. India is not the only country which produces non-intoxicating beverages, and unless steps are taken to capture the markets which are opening out, other countries will step in. In September last the Indian Tea Cess Committee reported that the proposals made by them were favoured in Northern as well as in Southern India by the industry itself, by the Indian proprietors of tea gardens as well as by European proprietors. The Government of India published the proposals widely, but no serious objection has been received.

I may mention that it is not proposed to raise the rates at once to the maximum which is now embodied in the Bill. Even if it is admitted that the entire cess falls on the consumer, it cannot be said that this very small rate will affect the trade or affect consumption in any manner. It has been urged that the industry is now passing through a period of depression and this is not a suitable moment for enhancing the duty. I may, however, point out that this is probably the right time when the members of the industry would like to push their tea in countries where Indian tea is not at present in request. With regard to the argument that has been advanced that the smaller gardens will suffer by the raising of the duty, I think Honourable Members will realise that most of the smaller gardens produce for the local market. The duty will not fall on tea which is produced and consumed in India. It falls only on tea which is exported outside the country, and as propaganda work is carried on in India as well as outside India, the tea produced only for the Indian market benefits without any corresponding obligation.

I would also repeat the assurance that has been given by the Honourable Member for Industries in the other House that the Bill is only of a permissive nature. Effect will be given to it only gradually when it is ascertained that the trade asks for it and only to the extent that the trade asks for it.

The motion was adopted.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I move that the Bill be passed.

The motion was adopted.

RESOLUTION RE BURMA REFORMS SCHEME.

The HONOURABLE MAUNG PO BYE: Sir, I beg to move the Resolution that stands in my name.

12 P.M. That this Council recommends to the Governor General in Council:—

- (a) to urge the Home Government to settle the Reform Scheme of Burma as early as possible;
- (b) to communicate with the Home Government expressing the hope that if the Burma Reform Scheme is committed for examination to a Joint Committee of both Houses of Parliament, arrangements may be made to allow some members of this Council and the Legislative Assembly to be examined and attend before that Committee;
- (c) to revise the Electoral Rules of both the Council of State and the Legislative Assembly, concerning Burma in the matter of qualification of electors and in the preparation of the Electoral Rolls.

The people of Burma are not satisfied with the way in which the Burma Constitutional Reform Scheme is being worked out and also at the delay in its not having been passed by the Home Government at the same time as that of the other Provinces of the Indian Empire, nor for some time after the Government of India Act of 1919 was placed in the Statute-book. The matter is still under suspense and the hope of the people to obtain it at the early part of this year is again not realised.

The people are somewhat restless, and recently on the eve of election of members to this Council and the Legislative Assembly, a Young Men's Buddhist Association in its annual conference with branch and sister associations passed Resolutions and acted accordingly not to participate in the elections.

The Association has no connection with the Indian National Congress, but in Burma it is powerful, having branches all over the Province and the members are composed of Buddhist males and females, and their influence is spreading rapidly to the mass of the people. The vernacular Press is supporting them.

The reasons for the passing of this Resolution of non-participation in the elections are under two heads:—

- (1) First the rolls of electors prepared under the existing rules and the mode in which they were prepared were considered unsatisfactory; and
- (2) Second, resentment that while all the other Provinces of the Indian Empire are enjoying the advantages of the Reform Law, Burma is still lagging behind, with a Lieutenant Governor, no Executive Council, a Legislative Council consisting almost entirely of nominated members and without the municipal and local bodies such as the District and the Circle Boards formed under the popular system of election.

[Maung Po Bye.]

When the electoral rolls, under the present rules, were published for the election of members in Burma, for the Council of State and the Legislative Assembly, the European electors for the general constituency of the Council of State showed the largest number, the Burmese took the second place, the Indians the third, and the Chinese the fourth. Out of two seats the first one is for the constituency of the Chamber of Commerce and the second is for the general constituency. The first seat is self-contained and a European member must invariably be elected and the contest for the second seat is for all communities of the whole Province. According to the electoral roll, if every community is to run its own candidate, the European community would undoubtedly win by the largest number of votes it can put in under the ordinary circumstances, and the other communities have no chance of a look in. By this plan only Europeans would represent Burma in the Council of State.

The European community together with the Anglo-Indians number about 25,000 only out of the population of over 12 millions of the Province. The Burmese are about 10 millions and the rest are Indians, Chinese and others. The Burmese cannot be content unless one of their own representatives for their own country secures a seat in the Council of State. The electoral rules define the standard of qualification of an elector, as landholder paying land revenue of not less than Rs. 1,000 per annum, or income-tax on not less than Rs. 5,000. In Burma, there is no such class of great landholders as Zamindars and Taluqdars as in India and the greatest numbers are the peasant proprietors of small holdings of an average about 5 to 10 acres, and a holder of 100 acres in area paying revenue of Rs. 300 to Rs. 500 is rare. The electoral roll on that account shows an insignificant number of landholders paying revenue of not less than Rs. 1,000.

Of income-tax payers of Rs. 5,000 and above Europeans easily head the list as successful traders, merchants of big firms and earners of high salaries, and in that category too the Burmese community have failed to furnish any appreciable number of electors. Either the standard of qualification should be lowered or a seat for the Burmese community be separately provided. In other Provinces a non-European seat means an Indian seat, and in Burma it means a seat for any community except the European.

In the electoral roll of the Legislative Assembly the position is worse than that of the Council of State. There are thousands of European electors for the one European seat and for the non-European three seats, the electors are less than a hundred; one of the qualifications of an elector is to be a member of any circle board in Burma, and such circle boards are not in existence.

While the rule itself is not a happy one, the mode of preparation of the electoral rolls makes the matter worse. The District Magistrates prepare one for each District. Some of them held that as they have the land revenue assessment and income-tax assessment rolls in their offices as Deputy Commissioner or Collector, a complete list should be made out and others held that every would-be elector must come up to them and make a formal application and that they would enter the name after inquiry. The roll was prepared for the first time in the country and many Burmans with the requisite qualifications and willing to become electors were left out owing to the misunderstanding of the rules and the procedure of enrolment.

There are other causes of dissatisfaction such as :—

- (a) When the Secretary of State for India and the Governor General of India made a joint inquiry for the Indian Constitution Reform, Burma was not visited and the people of Burma had not as in other provinces the opportunity of directly representing the cause of their country and affording first-hand information to the high authorities of Government before their joint report was framed ;
- (b) The Local Government was left to draw out a Reform Scheme for Burma, and at that time unfortunately for Burma, the Lieutenant-Governor was quite new to the country and never had Burma experience before ;
- (c) The Franchise Committee and the Committee on the Division of Functions left out Burma entirely from the field of inquiry ;
- (d) The Local Government of Burma first framed a tentative Reform Scheme which, after passing the Government of India and the India Office and the criticism of the public, left nothing much of its original features in the final scheme ;
- (e) The Local Government of Burma derived no direct benefit from the Reports of the Franchise Committee and the Committee on Division of Functions when the final Scheme was framed ; the final Scheme was not approved by the Government of India to some extent and the Secretary of State is adopting a certain Scheme and a Reform Bill for Burma which is to be introduced at the next Session in the House of Commons ;
- (f) Throughout the whole course of working out the Burma Reform Scheme not a single Burman was taken on any Committee or Commission of Inquiry, and only one Burman was examined by the Joint Select Committee of the House of Lords and the House of Commons when the Government of India Bill was to be reported upon ; that Bill left out the Burma Reform question ; and
- (g) No information from official source has reached the people what form the Burma Reform Bill is going to take.

There is a student strike in Burma, a form of restlessness, on account of dissatisfaction with the University Act recently passed by the Burma Legislative Council and with the educational system now in force in Burma. The students are not from the University Colleges only, but from several other institutions throughout Burma.

Sir, the people of Burma were content and happy before the declaration of His Majesty's Government of the 20th August, 1917 ; there was no agitation of any kind, and none of the penal laws on sedition, like the Press Act, or other Acts of a similar nature could touch the Burmese people ; even the present agitation is entirely confined to the local causes of dissatisfaction and restlessness as already explained and has nothing in common with the propaganda of non-co-operation, etc., of India proper.

The restlessness now is to a great extent due to anxiety to have the advantages of Reform suitable to them without further delay. I can assure this Honourable Council that the idea of the Burmese people is pure and simply pro-Burman ; it has not the slightest tinge of any thing anti-British. They

[Maung Po Bye.]

are much perturbed when such a grave and vital matter as the Reforms has not been thoroughly gone into with the co-operation of their own people, before it reaches the final stage and delay has become serious. It must not be forgotten that their country is the most important and the most flourishing among those in the peninsula of Further India and that it once was a Burmese Empire.

With regard to the second portion of my Resolution, I beg to point out that there is a slight inconsistency with the first portion, where I have moved that the Burma Reforms Scheme may be settled as early as possible. In this second portion I am asking for attendance and the giving of evidence by some Members of this Council and the Legislative Assembly before the Joint Select Committee of the Houses of Parliament when the Burma Reforms Bill has to be examined. This process would very likely cause further delay in the passing of the Bill.

My object is Sir, that, if there is no chance of the Bill being passed in the forthcoming Sessions of the Houses of Parliament, there would be sufficient time for arrangements to be made as asked for.

I first attempted to ask for the participation of some Members of this Council and the Legislative Assembly with the Joint Select Committee, believing that the Home Government and the Houses of Parliament would concede this privilege on account of the policy of His Majesty's Imperial Government in admitting representatives of India to the War Council, the Peace Conference and the League of Nations; and, further because the present claim has no international aspect, and is entirely within the province of His Majesty's Government to grant, but I am advised to alter my motion from a proposal of participation to that of attendance and giving evidence, as, if not altered, my motion would be unprecedented and against the constitutional practice of the Houses of Parliament. I should like to learn very much what is the view of the Houses of Parliament in the matter, but, it is not to be so, for fear that this portion of my Resolution may not be accepted on the technical ground.

Since I gave notice of this Resolution I have learnt that the Legislative Council of Burma has discussed the Reforms Scheme and passed Resolutions as to what form it should take; however that may be, this Resolution would not affect the position at all.

Before I left Burma to take part in this Honourable Council, I took special care to consult as many citizens as I could reach and they were of opinion that Burma's claim should be for a real responsible government, Home Rule analogous to that of the self-governing Colonies with a bi-cameral legislature and a Cabinet responsible thereto and the Government of India's control over the army, the navy, and foreign affairs as central subjects. Since then the delegates from England have returned and the Young Men's Buddhist Association has kept up the agitation of non-participation, boycotting the Burmese members of this Council and the Legislative Assembly, it has also encouraged the students' strike with the promise of establishing National Schools, Colleges and a University.

The Young Men's Buddhist Association went so far as to threaten some members of the Provincial Council that if they do not vote as they wished

on the Reforms Scheme, they would be boycotted socially. They went further than Mr. Gandhi's propaganda of non-violent non-co-operation.

One of the delegates who returned from England gave out in an interview to a press representative that he had no faith in getting any proper scheme of reform from such a Council, as the one existing in Burma, which is almost entirely composed of nominated members who have no backbone and are ready to uphold the Government's wishes.

The result of the debate in the Burma Council was that Burma's claim of a Reform Scheme is to be analogous to that of other provinces in India. It is a good scheme, yet far short of the real responsible government the Young Men's Buddhist Association aimed at. I do not know whether the Young Men's Buddhist Association is content and whether the country approves the scheme adopted by the Council.

Before I left Burma's shores I was regarded as a moderate co-operator with the Government by my friends of the Young Men's Buddhist Association, and for my co-operation the Association socially boycotted me in spite of my proposal that I was going to the Council to try and get real responsible government as early as possible. Now if I ask for real responsible government, as my constituency expects me to do, I may be branded as an extremist and perhaps the Young Men's Buddhist Association may find more reason to boycott me in other ways than those they have already adopted.

I adhere to my claim that Burma should get real responsible Government, (as moved by one of the members of the Burma Council, Dr. N. N. Parakk, a highly respected Parsi gentleman) with no principle of dyarchy but with a bi-cameral legislature and a Cabinet.

I have already pointed out that the people of Burma have not had a full opportunity of representation, and in consequence they are dissatisfied.

It weighs heavily with them when they notice that even the indigenous Races of the mandatory overseas countries ceded to Allied powers under the Versailles Treaty enjoy the right of self-determination as political liberty, whereas the people of Burma have been denied the right to represent the cause of their country fully and completely in a scheme which vitally affects them.

The Young Men's Buddhist Association in Burma have undertaken to send delegates to England twice already in connection with the Reforms Scheme, and how far their representation is likely to have effect cannot be gauged at present. A certain member in the House of Commons recently made a damaging remark that the delegates are not representatives of the people of Burma, which is regrettable and should not remain unchallenged, as, if that is to be accepted in that light, whatever the Burmese people may represent direct to the Home Government will be set down as of little or no value. I must assert emphatically that the Young Men's Buddhist Association do represent a large section of Burmese people in Burma and are influential and in a position to represent fully such matters.

The last communication of the Secretary of State for India to the delegates was that they should leave a written representation to be used when the Reforms Bill is considered. A very poor consolation indeed to the people who have raised funds by public subscription to pay the cost of a delegation to England from Burma.

[Maung Po Bye.]

The HONOURABLE THE PRESIDENT : Order, order. I am unwilling to interrupt the Honourable Member's speech, but I must ask him to bring it to a close very shortly. He has already exceeded his half hour. He may continue, but he must conclude it as soon as possible.

The HONOURABLE MAUNG PO BYE : I have nearly finished, Sir.

Burma's populace is ready to embrace the reformed laws of democracy, liberty and freedom, which Britons love and cherish.

It is alleged that Burma has not an educated class of her own people to take an efficient part in the administration. This is a most gratuitous insult to human intelligence. It is not the few highly educated and intellectual classes that make up a democratic form of government in a country.

The general fitness of the large majority of the populace to exercise the right of political liberty is the foundation of that form of government.

Burma has that fertile soil ready and it only remains for the proposed form of government to be planted and fostered.

The Marquess of Crewe, in the course of remarks on the Government of India Bill said " that the possibility of responsible government in any country hinges not on the existence of a limited number of competent and eloquent statesmen and politicians, but upon the existence of a solid and reasonable well-informed electorate." Sir, that is the main point that Burma proposes to urge before the Select Committee of the Houses of Parliament.

I think I have said enough to convince this Honourable Council that mother India has now a very fair daughter, the youngest of her provinces, ready to be wedded; and the mother's whole heart and that of the other provinces, the elder sisters' whole hearts, should support her. She should be given at least a sporting chance of securing the real Home Rule consort she has deserved

The HONOURABLE THE PRESIDENT : The Honourable Member really must resume his seat. I am giving him a chance of winding up his speech, and he will not take it. He must wind up his speech, or if he cannot, he must sit down.

The HONOURABLE MAUNG PO BYE : There is only one part remaining, Sir, and I am finished.

Since I have had the honour of sitting in this Honourable Council I have watched keenly and carefully every deliberation on many weighty subjects by the Government, and by Honourable Members, nominated and elected, and I find at every moment the depiction written large in bold letters that the real *swaraj* for India is being established steadily and surely on its foundations and it is only a matter of time for its full realisation. I am very proud of, and deeply grateful for, the opportunity given to me to have my say for my country, and I am very much encouraged to cry out loudly in this Honourable Council—' Home Rule for Burma' and *Burma Ki Jai*.'

The HONOURABLE MR. E. J. HOLBERTON : Sir, I have not very much to add to the very eloquent words which have been used by my Honourable friend in putting forward this Resolution. But I wish perhaps to touch on one or two points other than those on which he has laid stress. I am inclined to think that when this Resolution was first put on the paper, there must have been an idea current among most of the Honourable Members here that the matter was one of only provincial and minor importance and hardly worthy of debate here. Well, there was a certain amount of temptation to adopt this view, as few of the Honourable Members here could have the personal knowledge of Burma and its conditions which would lead them to see that the decision arrived at here to-day must have an important bearing on the final decision as to whether Burma is to remain an integral portion of the British Empire or not. To the majority of the Members of this Honourable Council, Burma is but a name, and they will be inclined to judge of it and its needs in the light of their knowledge either of India or of Great Britain, failing to realise that Burma is as distinct from one of these as from the other. Cut off as it is by the sea and the mountains, inhabited by a race of people with customs, traditions, history and religion different from that of the other races of India, Burma forms a problem to itself. This was perhaps fully realised for the first time when the province of Burma was left entirely out of the Montagu-Chelmsford proposals.

Up to that time, the attention of the Burmese people had not turned very seriously to politics. But when it was discovered that the Province was not considered worthy of advance on the lines permitted to the sister provinces, when further it was found that provinces of minor importance, such as the Central Provinces and Assam, were to be granted the privilege of a Governorship and an elective Legislative Assembly, the people not only awoke to the indignity that had been put upon them, but began to bestir themselves. The first section of the people to take action were the younger men. They banded themselves into a club, a political club to which they gave the name of the Young Men's Buddhist Association. Starting in large cities, this Association has spread over the whole of Burma and has become a very important factor in the political situation. It owed its birth to the dissatisfaction with the first reform proposals, and the attainment of a satisfactory scheme of reform has been, and is, the first object it desires to attain. But the sphere of its activities has very much increased and spread. It has organised a policy of non-participation in certain trades and in elections. It has stood behind the boycott of trams and strikes of school boys. It has, in fact, become a power in the land, and once so organised, it will continue to be so. At present it is disgruntled and dissatisfied, and though inherently loyal, it is having a hard struggle to resist the wiles and artifices of the disciples of sedition and non-co-operation who are making every effort to win the Association over into their camp. My strong personal feeling is that provided the Government show a disposition to meet them on two points, namely, reforms and education, the young Burmans will remain on the right side and will develop into a most useful political organisation whose services will be of permanent utility to the Local Government. But now is the critical time. Now is the time when their future must be decided. Delay in granting them a reform scheme suitable to the requirements of the country, delay in remoulding the education policy by the abandonment of the doctrines of perfection and the substitution of a practical code, delay, I say, in meeting their just and legitimate aspirations may throw them into the wrong camp

[Maung Po Bye.]

The Home Government could, I imagine, have seen fit with a little consideration to announce when the delegates should come up again before the Joint Select Committee, and at Government expense if possible.

The written representation of the delegates and the discussion of proceedings of the Burma Legislative Council, taken together at their best, cannot possibly have the same effect, and cannot possibly take the place of such monumental reports as of the Franchise Committee and the Committee of the Division of Functions.

Sir, kindly allow me to quote a paragraph of the report of the Joint Select Committee on the Government of India Bill—Part I, *clause I*. 'The Committee wish to take this opportunity of acknowledging the debt they owe to the work of the two Committees on Franchise and Functions presided over by Lord Southborough. * * * * * without which, indeed, the constitutional change could not have been effected.'

The present position is, Sir, that the Joint Select Committee on the Burma Reforms Bill is going to consider matters without such reports for the province of Burma, hence my humble request is that some Members of this Council and the Legislative Assembly, who are conversant with, and have intimate knowledge of, the affairs of Burma and its people should be on the spot to assist the Joint Select Committee in the way of being examined as witnesses or referred to on some points when found necessary.

That would be a poor sort of make-up to fill the gap, but that would undoubtedly be better than having nothing at all.

The people of Burma are anxious that their representatives should have some voice on the Joint Select Committee, without which the Joint Select Committee would be acting on the records only which, the people say, are over-burdened with ideas of bureaucracy and represent very little the wishes of the people.

I understand that the usual procedure of the India Office at times, is that when any necessity arises to take opinion of some authority on points of the conditions of the country of Burma and its people, retired Lieutenant-Governors and other retired Indian Civil Service gentlemen are always referred to. No doubt there is nothing better to be had on the spot; Burma's retired Lieutenant-Governors and the Indian Civil Service gentlemen are, without exception, in love with Burma and its people and they will always do their best for Burma, but, Sir, let me say for this Reform Scheme that they involve an erroneous principle underlying that procedure in this way that retired Lieutenant-Governors were autocratic rulers during their time and retired Indian Civil Service gentlemen were their ministers of autocracy and bureaucracy combined. Should autocrats and bureaucrats only be allowed to take part in the framing of democratic law the Burma Reform?

I must urge again that some delegates of the Young Men's Buddhist Association should also be made to attend and give evidence before the Joint Select Committee, and this time at Government expense, because it is most likely the funds at the disposal of the Association cannot afford to meet the further expense of a journey to England for the third time.

My request should have been for the appointment, by a royal commission of a committee on the same lines as those of Franchise and Functions, but I have to be content with what I am asking for, for fear of further delay in the passing of the Bill. If the Home Government push through the Bill at the forthcoming Sessions of Parliament without giving effect to this Resolution, I must say that the people of Burma cannot be content even with the Reforms being on the same lines as those in other provinces of the Indian Empire.

On the other hand, if the Home Government grants an opportunity to the representatives of Burma as asked for in this Resolution, I hope this Honourable Council and the Legislative Assembly will support Burma's cause as the cause of the whole Indian Empire.

I ask for Home Rule and real responsible government.

India asked for Home Rule and real responsible government but secured a statute—the Government of India Act of 1919,—this Honourable Council knows perfectly well what satisfaction it has given and I need not reiterate it. Now the chance of Burma is still open to make a request as India has done. If Burma can put forward weighty reasons with the help of the Government of India and the Chambers of Legislature, which are espousing democratic principles wholeheartedly, I crave the indulgence of all concerned that Burma be given her opportunity.

I do not want to take up the time of this Honourable Council by going deeply into facts and figures which require a great deal of time, and I would be content with a very short summary of the condition of our country, Burma.

In comparing it with other provinces it stands out conspicuously as having the largest area, with the largest economical products such as rice, mineral oils and the world-famed timber, teak. The coal mines recently discovered and other mines such as gold, silver tin, wolfram, ruby, have promise of greater and further developments. Cotton, rubber and sugar are steadily increasing in output. Trade and commerce are making strides by leaps and bounds.

In short, Burma is replete with natural wealth above and under ground, with climatic advantages and a never failing monsoon. She has the very brightest prospects of future development in agriculture, industry and commerce. She deserved to be called the youngest province.

Her indigenous population, of 10 millions has the highest standard of literacy, in comparison with the other provinces; in the most densely populated parts, such as the Delta and the Central basin, every second adult male, you meet in whatever walks of life it may be, can read and write and females are as free and independent as among any nation in the world.

The population which has a homogeneous religion, Buddhism, with no caste distinctions, are united and peaceful.

The equality of condition, of natural civil rights and civil liberty between man and man, between man and woman, without overlordship of one class, caste or creed by another, universal social equality and the non-interference of religious thoughts in matters of State are the ideals to be reckoned on for the endowment of the right of the Suffrage in a democratic form of government. The Burmese people stand at the front line of all communities in the Indian Empire in these respects . . .

[Mr. E. J. Holberton.]

and bring disaster to the Province. Already there has been too much delay, and only now, at this late date, has the first step been taken towards obtaining the views of the unofficial population on this great subject of reforms. The Legislative Assembly has sat specially on this question, and the unofficial members have passed a Resolution urging upon the Secretary of State for India the necessity of so drafting the reform constitution that the measure of reform to be granted shall be at least the same as is given to the major Provinces of India, while it is suggested that the details relating to franchise and the division of subjects should be reserved for full discussion with the representatives of the people. This is an important recommendation and must bear great weight. But it is, to my mind, more important that representation should personally be made at Home where the Select Committee of both Houses of Parliament is to sit, and as far as the veil of secrecy has been withdrawn, is to decide the future of reforms in Burma.

You must remember that the province of Burma has a deep-seated and longstanding grievance against the Government of India. It has always been held by us that we have been badly treated in comparison with the other Provinces. The reasons for this are not far to seek. First of all, we were the last to come into the ring, and whereas we were naked and unequipped, others were at that time adequately equipped already, or nearly so. No due consideration has been given to this factor in any of the allotments which have in the past been made to Burma. Nor has it been possible owing to the distance of our headquarters from the headquarters of the Government to get into that close personal touch with the Ministers in charge by which such difficulties can be fully explained and done away with. It may be said that the recent provincial settlement has been more favourable, and it will certainly be said that Burma has profited immensely by the proceeds of the rice control money. With reference to this latter, I can only say, 'Yes, we have benefited by having our own money returned to us.' That money was Burma's from the first, and no other Province can possibly claim one penny of it. Secondly, with reference to the settlement, it has undoubtedly been more favourable and we shall in future be in a better position to carry on the country adequately, but there is still the past and we shall still have to go on on a system of trying out of revenue to catch up the enormous capital expenditure which has been laid out in the other Provinces to equip them with a dignified and adequate share of roads, railways and buildings.

There is one feature in the situation with regard to Burma reforms which makes it different, I think, from a consideration of reforms with reference to any other Province. There is a very considerable volume of opinion in Burma in favour of separation, and at the recent sitting of the Legislative Council to which I have already referred the following Resolution was proposed :—

'A. That a system of self-government analogous to that of the self-governing Colonies with a bi-cameral legislature and a Cabinet responsible thereto be introduced, and

B. That as a necessary preliminary to the formation of such a system the province should be separated from the rest of the Indian Empire except as regards Imperial matters, such as foreign relations, army, navy and the like.'

It is true that that Resolution did not secure the support of the meeting, but it is interesting to remember that the probability of eventual separation was prominent in the minds of the writers of the Montagu-Chelmsford Report.

I do not myself desire to express a view one way or the other. I am not in a position to judge, at present, whether it will be more beneficial to the Province to remain within the circle of the Indian Empire or to try its luck outside. But I do wish to impress upon this Honourable Council that, unless the Reform Scheme ultimately adopted for Burma is one which from the financial and every other aspect is considered suitable and proper by the inhabitants of that country, the plea for separation will be put forward with irresistible force. It is for this reason so necessary that, when the momentous decision of the Imperial Parliament is arrived at, it should be founded on a full understanding and knowledge of the actual state of affairs in Burma at present and the Province's particular requirements. Such knowledge can only be obtained by making use of the evidence of all classes of people with present-day experience of the Province. I venture to assert that up to date the voice of non-official opinion has not been sufficiently heard. Apart from that recent debate in the Legislative Council, where all the speakers with one exception were nominated members, and apart from such discussion as the Lieutenant-Governor may have had in the past with non-officials in the Province, the Secretary of State and the Select Committee must, as far as I can see, rely entirely upon the opinions expressed by retired Government servants and by the two delegations which have been sent by the Young Men's Burmese Association to England. But, unfortunately, it has not been possible for the Select Committee to take the evidence of any members of those delegations in person. It is true that they have been requested to leave behind them a written statement of their case, but I feel certain of carrying the Council with me in my strong expression of opinion that a written statement is a poor thing compared to the chance of giving one's views face to face. It is to my mind absolutely necessary that non-officials of long standing in the country must be examined if a correct and satisfactory result is to be arrived at, and if the Province is to have a fair chance of emerging, at an early date, from the state of dissatisfaction and discontent into which it is at present plunged. I, therefore, join heartily with my Honourable friend the proposer of this Resolution in all that he has said.

THE HONOURABLE SIR ZULFIKAR ALI KHAN: Sir, the province of Burma is the youngest province of the Indian Empire. I thought that the province of Burma was like a child who could hardly stand on his legs, but after hearing the Honourable Mover's speech, I think that it has shown remarkable signs of precocity, and it seems to me that it has assumed proportions which would compare very favourably with the representatives of any other Province. Under those circumstances, it is only natural that that child would claim equality with the other Provinces. Not only the chivalry of India but the sense of fairness of the British Government would rush to the rescue of that child, and I hope that by support and sympathy that child may grow into vigorous manhood and be of help in the upbuilding and maintenance of this great Empire.

The Honourable Member from Burma has shown in his speech how wise it would be for Government to take the present situation into serious consideration and prevent all that discontent which would be the result of disappointment

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into consideration and give reforms to Burma equal to those which have been given to the other Provinces.

Sir, with these words, I heartily support the Honourable Mover's Resolution.

THE HONOURABLE SIR WILLIAM VINCENT: Sir, I must premise my remarks by repudiating the suggestion that the Government of India do not attach sufficient importance to this Resolution. I think there is abundant proof to the contrary on the record. If the Government of India had not wished to give every consideration to the Honourable Member, I put it to the Council that we should not have given his Resolution a place on so early an official date. That fact alone, I think, disproves completely the suggestion that Government does not attach importance to the Resolution.

I do not want to go into the previous financial history of Burma, and indeed, to be quite honest, if I did, I fear I should find it difficult to say that Burma had been treated with conspicuous fairness in this respect. This question is, however, outside the scope of the present debate. It is also a matter on which I am not really competent to speak, though I have seen and read with interest voluminous memoranda on the subject from officials in Burma.

Another point raised in the debate, and perhaps the chief point raised in the early part of the Honourable Member's speech, was the complaint that reforms in Burma had been delayed unduly and that the Secretary of State and His Excellency had not visited that Province. Now, if Honourable Members will refer for one moment to paragraph 198 of the Report, they will see what the reasons for that decision were. It is there recorded:—

'The desire for elective institutions has not developed in Burma; the Provincial Legislative Council, as constituted under the Morley-Minto scheme, has no Burman elected element; and the way is open for a different line of development. There was also a practical reason for not proceeding to investigate the particular conditions of Burma in the fact that one Lieutenant-Governor had very recently laid down, and a new Lieutenant-Governor assumed office. When our proposals are published there will be an opportunity for the Government and the people of Burma to say how far they regard them as applicable to their case. We therefore set aside the problem of Burma's development for separate and future consideration.'

Those were the reasons why the two eminent authorities responsible for the report did not think it necessary to visit Burma, and I myself—I was with the delegation for some part of the time—think they were well advised in their decision. In the circumstances then existing it was essential that the Report on Indian Constitutional Reforms should not be delayed, and to visit Burma would have meant a complete examination into questions with which we were not familiar, and would have taken a great deal of time. At the same time the Imperial Government were not unmindful of the necessity of promoting the question of reform in Burma, and the Government of Burma without undue delay submitted a report on the matter. I am now told that unofficial opinion was not consulted when these proposals were submitted. I can only cite what we were told in the letter from the Lieutenant-Governor of Burma which is dated the 2nd of June 1919. It reads as follows:—

'The Lieutenant-Governor resolved, therefore, after consultation with experienced officials and non-officials, to take in hand without delay the formulation of a scheme of Constitutional Reform for Burma. In order that the recommendations might, as far as possible,

be acceptable to the people and in conformity with their wishes, it was decided to ascertain the opinions held in this country on the applicability to Burma of the proposals for India contained in the 'Report on Indian Constitutional Reforms' and then to publish a tentative scheme for public discussion and criticism, so that ideas, aims and policies might be crystallised, and resolved into definite and concrete suggestions or objections.'

I do not know what the facts were, but if that policy was followed out, then it appears to me that the public of Burma had an opportunity of seeing the scheme which was propounded by the Local Government. At any rate we relied on that statement. We did not like the scheme ourselves, as any one who has read the printed correspondence will see, and we referred the proposal back to Burma.

The Burma Government replied putting up modified proposals. After further discussion with the Government of India the scheme, still further modified, was submitted to the Secretary of State. There has been no undue delay and no neglect of this question in the Government of India. We realise that it is a matter of the greatest moment.

I have hitherto been speaking more of the observations made by the Honourable Mover than the actual substance of his Resolution, because I want to disabuse Honourable Members of this Council of the complaints made against the Government of India which appear to me to have been unfairly pressed. On the substance of his Resolution, apart from the specific proposals for reforms which the Honourable Mover has put forward in his speech, I think the Government of India can go very far to meet him. The first request he makes is that we should urge the Home Government to settle the Reform Scheme for Burma at the earliest possible moment. Well, we hear that the Bill relating to this subject will be introduced in Parliament this month. Details, of course, will have to be worked out after the Bill is passed. The Bill will, I suppose, be referred also to a Committee in all probability. I have no information on this point, but following precedent I suppose it will be referred to a Committee as was the case when the Government of India Bill was under consideration. The Secretary of State is as anxious as we are to put this scheme through as quickly as possible, but the Honourable Member cannot have it both ways. If he wants this thing very carefully examined and details worked out, such a procedure is hardly compatible with extreme expedition, unless the general principles only are enunciated in the Bill in the manner suggested by him and details left to be worked out afterwards. This seems to my mind quite a feasible proposition. There is, however, no reason to remind the Secretary of State of the necessity for expedition, for if I am right in what I have said, he is fully aware of this fact and is taking all steps possible. However, I shall be very glad to forward to him a copy of the proceedings of this debate, which indeed, if I may say so, has been very instructive to many of us. Well, if a Committee is appointed—I have no knowledge on this point and I have no possible right to give any guarantee or undertaking of any sort that this course will be adopted—but if a Joint Committee is appointed, the Members will decide for themselves whether or not they wish to examine witnesses; and if the Honourable Member wishes me to do so, I shall be only too glad to forward the proceedings of this Council Home to the Secretary of State in order that the Joint Committee—if one is appointed—may be apprised of the Honourable Mover's desire. I myself, speaking personally, am very doubtful whether witnesses from this Council or the Legislative Assembly, save possibly two Honourable Members, would be of very great assistance. It seems to me that if witnesses are

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to be examined, it would be far better to select them from among the different communities in Burma, and I think that probably Honourable Members of this Council will agree with me in that matter.

The whole question of these Burma reforms has quite recently been investigated in the local Council in Burma, and I should like to read, if I may, to Honourable Members a resumé of that debate, because it is of great importance. The meeting was attended, I am told, by all non-official members numbering 16. The following Resolution was moved by Maung Chit Pe after incorporation of the amendment proposed by another gentleman whose name I will not attempt to give :—

‘That this Council recommends to the Lieutenant-Governor of Burma to urge the Secretary of State for India that the measure of reform to be granted to Burma by the British Parliament should be at least the same as that of the major Provinces of India leaving matters relating to franchise and the division of subjects into transferred and reserved for full discussion by representatives of the people before final decision.’

Dr. Parekh, a Parsi, moved the following amendment :—

‘“ That this Council does not approve for Burma of the Dyarchy introduced into India, but recommends (a) that a system of self-government analogous to that of self-governing colonies with a bicameral legislature and a Cabinet responsible thereto be introduced, and (b) that as a necessary preliminary formulation of such a system the Province should be separated from the rest of the Indian Empire except as regards Imperial matters such as foreign relations, Army and Navy, and the like.’

Another gentlemen moved a further amendment :—

‘That this Council recommends to the Lieutenant-Governor of Burma that a representation be made through the constituted authorities to the Secretary of State for India that no scheme of reform for Burma be introduced into Parliament until ample time for its consideration and criticism has been afforded to various nationalities who reside in Burma.’

Mr. Parekh's amendment was defeated by a very large majority. The original Resolution was passed, 13 voting for and 2 against it. Dr. Parekh then moved an amendment about female suffrage, which does not concern us. Full report of the debate will follow * * * * * As a result of the Secretary of State's announcement in 1920, it is no longer possible to differentiate Burma very materially from Indian Provinces. The debate was preceded by a statement by the Lieutenant-Governor recapitulating steps taken by the Government making it quite clear that Government did not seek to influence the decision of Parliament in any way.

That indicates to me that it is very probable that the decision on the Reform Scheme for Burma will follow the lines of the major Provinces in India; and I think, having regard to the circumstances, that such an advance ought to meet all reasonable requirements. But this again is not a matter for the Government of India to decide; it is a matter in which the Joint Committee will have their say. If, however, an opportunity is given to the members of the Burmese community and those interested in the country to visit England to give evidence before the Joint Committee before the decision is reached, then I am inclined to agree with the Honourable Member that they would be in a position to present their case more forcibly than is possible in any document. But this again is a matter for the Joint Committee to decide.

There is only one other matter to which I need refer before I pass on to the third point in the Resolution, namely, the question of separation of Burma from the Indian Empire. If Honourable Members will read the Resolution before them, they will see that that issue does not directly arise in the present debate, and I hope that no attempt will be made to discuss and examine here a question of such great importance on a side issue and without any material for a proper investigation of the subject. It seems to me that any attempt to offer any opinion on this subject at this juncture would be both unwise and premature.

The third point in the Resolution relates to the revision of the electoral rules of both the Council of State and the Legislative Assembly. The Reforms rules were prepared in a great hurry, and I have been informed that there are defects and omissions in them. I believe also that the system of registration is not entirely satisfactory. The information that I have received on this point—I have only received it unofficially—is confirmed by what the Honourable Member has said to-day. He has suggested that the European electorate can, if they like, exercise a preponderating influence over the general constituency of Burma and secure the return of European representatives. I am happy to see that that has not been the practical result during the last election, in that we have in this Council, if I may say so, one of the most capable Burman representatives that I remember in the course of ten years' experience in this Council. The Government are quite willing, however, to bring this question of inadequate registration and of defects in the rules to the notice of the Local Government in order that such steps may be taken to remedy them as may be necessary. If these remarks meet the Honourable Member adequately, I hope he will not press his Resolution, but I have no real desire to oppose it if he wishes to press it.

The HONOURABLE MAUNG PO BYE: Sir, I have heard what the Honourable the Home Member has said about my Resolution. I do not, however, like to leave it as it is, and I should like that my Resolution be put to the vote of the Council to be decided by the Members.

The HONOURABLE SIR WILLIAM VINCENT: I only wish to say that those who vote in favour of this Resolution will not be voting in favour of sending a deputation of Burmans from Burma to England, but a deputation from the Council of State and from the Legislative Assembly—which, I think, is not really what is wanted.

The HONOURABLE THE PRESIDENT: Before I put the question, I think perhaps it will be for the convenience of Honourable Members if I put each of the heads of the question separately.

The question is that part (a) of the Resolution set out below be accepted.

This Council recommends to the Governor General in Council :—

(a) to urge the Home Government to settle the Reform Scheme of Burma as early as possible.

The motion was adopted.

The question is that Part (b) of the Resolution set out below be accepted:

‘That this Council recommends to the Governor General in Council to communicate with the Home Government expressing the hope that if the Burma Reform Scheme is

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committed for examination to a Joint Committee of both Houses of Parliament, arrangements may be made to allow some Members of this Council and the Legislative Assembly to be examined and attend before that Committee.

The motion was negatived.

The question is that Part (c) of the Resolution, set out below, be accepted :

'That this Council recommends to the Governor General in Council to revise the Electoral Rules of both the Council of State and the Legislative Assembly, concerning Burma, in the matter of qualification of electors and in the preparation of the Electoral Rolls.'

The motion was adopted.

The question is that the Resolution, as now amended and which reads as follows, be accepted :

'That this Council recommends to the Governor General in Council—

(a) to urge the Home Government to settle the Reform Scheme of Burma as early as possible; and

(b) to revise the Electoral Rules of both the Council of State and the Legislative Assembly, concerning Burma, in the matter of qualification of electors and in the preparation of the Electoral Rolls.'

The motion was adopted.

The Council then adjourned till Tuesday, the 1st March 1921 at 11 A.M. at Metcalfe House.

COUNCIL OF STATE.

Tuesday the 1st March, 1921.

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

QUESTIONS AND ANSWERS.

RATIO OF RS. 10 TO SOVEREIGN.

189. The HONOURABLE MR. LALUBHAI SAMALDAS: (a) Is it a fact that the new ratio of 10 rupees to the sovereign recommended by the Indian Currency Committee was based on the maintenance of high prices of silver and of commodities?

(b) Is Government aware that silver has now fallen to 34*l.* sterling or only 27*l.* gold, whereas the melting point of the rupee at 15 to the sovereign is 43*l.* gold?

(c) Is Government aware that commodity prices are rapidly returning to pre-war levels and are already at or under pre-war values for many leading commodities such as tea, coffee, cocoa, wool, cotton, jute, hides, copper, tin, zinc, lead, etc., etc., and the movement is spreading to other articles?

(d) Do the Government propose to urge upon the Secretary of State the advisability of reconsidering the question of the ratio of the rupee to gold?

The HONOURABLE MR. A. C. CHATTERJEE on behalf of the HONOURABLE MR. COOK: (a) The Indian Currency Committee's recommendation was based on the necessity of maintaining the exchange value of the rupee above its bullion value; on the desirability of reducing, or checking the further rise in, prices in India; and on the other considerations referred to in paragraphs 42 to 59 of their Report.

(b) Government is aware that the price of silver has fallen as stated. The melting point of the rupee at its former parity of 1*s.* 4*d.* was reached when the sterling price of silver in London was 43*l.* per standard ounce; this is equivalent at present to about 34*l.* gold.

(c) Government is aware that there has been, for various reasons, a marked fall, not necessarily permanent, in the prices of many commodities; many others, not mentioned by the Honourable Member including the principal articles of food and clothing—which are the necessities of life for the poor—are still far above pre-war values.

(d) The answer is in the negative.

RATIO OF THE RUPEE TO GOLD.

190. The HONOURABLE MR. LALUBHAI SAMALDAS: (a) With reference to the remarks of the Finance Member that "Silver now stands at 61*l.*, I would again remind the Council that at the 15 rupees parity the melting point of silver is 43*l.*"; will Government be pleased to say if it is aware that the 61*l.* then ruling was sterling price and was only equal to about 45*l.* gold?

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(b) Is Government aware that the present price of silver is 34*d.* sterling; that the New York cross rate is 3·85 or thereabouts; and that on the basis of this cross rate 34*d.* sterling for silver means only about 27*d.* gold?

(c) Do Government propose to move the Secretary of State to reconsider his decision regarding the change of the ratio of the rupee to gold?

The HONOURABLE MR. A. C. CHATTERJEE: (a) and (b) Yes.

(c) Government is not prepared to move the Secretary of State in this matter.

RATE OF EXCHANGE.

191. The HONOURABLE MR. LALUBHAI SAMALDAS: (a) Is Government aware that the market rate of exchange to-day is about 1*s.* 4½*d.* sterling?

(b) Is Government aware that this is equivalent to only about 13*d.* gold?

(c) Is Government still bent on establishing the rupee at 24*d.* gold?

(d) If so, is such step in conformity with the policy enunciated by the Currency Committee in paragraph 36 of their Report?

The HONOURABLE MR. A. C. CHATTERJEE: (a) and (b) Yes.

(c) I would refer the Honourable Member to the reply which the Honourable Mr. Cook gave the other day to a similar question asked by the Honourable Maharaja Sir Manindra Chandra Nandy.

(d) Government does not consider that their attitude is in conflict with paragraph 36 of the Committee's report, inasmuch as the present conditions of World trade are highly abnormal and unstable, and therefore no new level can be said to have been established.

CURRENCY POLICY.

192. The HONOURABLE MR. LALUBHAI SAMALDAS: Will the Government lay on the table the whole correspondence between it and the Secretary of State, with regard to the currency policy adopted in pursuance of the Majority Report of the Indian Currency Committee, and particularly with regard to Reverse Bills?

The HONOURABLE MR. A. C. CHATTERJEE: The views of the Government of India prior to the Report of the Indian Currency Committee will be found in the official correspondence already published with the Minutes of Evidence attached to the Committee's Report. See especially pages 72 to 88 of Volume II. Government is unable to lay on the table the subsequent correspondence.

MILITARY OPERATIONS IN MESOPOTAMIA.

193. The HONOURABLE MR. LALUBHAI SAMALDAS: Will Government place on the table a statement showing:—

(a) the total overseas expenditure in rupees on military operations in Mesopotamia and elsewhere month by month during 1919 and 1920;

(b) the amount out of such expenditure that is debitable to the British Government;

(c) the average rate of exchange prevailing each month;

(d) the amount debited to the British Government in sterling and the rate at which it is so debited;

(e) the amount already recovered from the British Government;

(f) the amount still in arrears;

(g) whether any interest is charged on such arrears;

(h) if so, at what rate?

The HONOURABLE MR. A. C. CHATTERJEE: (a) It is not possible to give the Honourable Member the whole of the information for which he asks; for, in the first place, the whole of the overseas expenditure referred to by him, is not brought to account in India and is not known to the Government of India; and, in the second place, the accounts of such portion of the expenditure as is brought to account in India were prepared on a quarterly basis up to the 31st March, 1920. The following facts will, however, probably give the Honourable Member the substance of the information he wants.

(b) All overseas expenditure brought to account in India is debited to His Majesty's Government.

(c) A statement showing the rate of exchange on the first open day of each month during the years 1919 and 1920 is being sent to the Honourable Member.

(d) The arrangement in force up to 31st March, 1920, was that rupee expenditure recoverable from His Majesty's Government was converted into sterling at quarterly rates determined with reference to the average rates prevailing. Since that date the rates have been fixed monthly. The rates adopted for the adjustment of transactions with His Majesty's Government are contained in the statement which is being sent to the Honourable Member.

(e) and (f) Advance payments are made by His Majesty's Government from month to month with reference to estimates of recoverable expenditure furnished from India. The final adjustments are not made, however, till the end of the financial year, and consequently the actual expenditure is not known till then. Up to 31st March, 1920, the Home Government had repaid the Government of India the full amount debited in the Indian war accounts. The accounts for the financial year 1920-21 have not yet been completed, but, as I have already mentioned, advance payments have been made regularly by the Home Government, to cover our outgoings, pending final adjustment.

(g) and (h) Do not arise.

The HONOURABLE THE PRESIDENT: The next item on the List of Business is the presentation of the Budget, but as the Budget is also being presented in the Legislative Assembly, it will be impossible for it to be taken now. I propose to interrupt the ordinary business, therefore, when the officers of the Finance Department are in a position to come over here and present it. We will therefore proceed to the Resolutions.

RESOLUTION *RE* POWER OF ISSUING LICENSES FOR EXPORT OF RICE TO BE KEPT IN THE HANDS OF LOCAL GOVERNMENTS.

The HONOURABLE MR. MARICAIR: Sir, I beg to move the Resolution that stands in my name

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The HONOURABLE THE PRESIDENT: Before the Honourable Member proceeds I want to remind him that we in this Council some days back discussed at great length the export of rice. He must therefore confine himself strictly to the terms of his Resolution.

The HONOURABLE MR. MARICAIR: Sir, I beg to move that—

'This Council recommends to the Governor General in Council that the power of issuing licenses for the export of rice from India to Ceylon and Straits Settlements should be kept in the hands of Local Governments instead of being surrendered to Foreign Governments.'

In this connection I may be permitted to say a few words that the Government of India was kind enough to grant the concession of shipping 15,000 tons of rice per quarter from the ports of Dhanushkoti, Tuticorin and Negapatam to Ceylon, and in doing so they have delegated the power of selecting persons to import rice in the hands of Ceylon Government. A Press *Communiqué* issued by the Government of Madras, dated the 8th of January, reads as follows:—

'The Government of India have sanctioned the export of 15,000 tons of boiled rice to Ceylon during the quarter ending 31st March 1921 on condition that no re-export is allowed from Ceylon. Exports will be restricted to the ports of Negapatam, Tuticorin and Dhanushkoti. The Ceylon Government will select their importers, allocate the quantity among them and communicate particulars to the Director of Civil Supplies, who will issue export licenses accordingly. The Customs officers will allow export up to the quantity covered by the licenses which they will then return to the Director of Civil Supplies for cancellation. No undertaking can at present be given that export will be allowed to continue after the first quarter of the year.'

The other day when I moved the Resolution in this House to do away with the restriction of shipping rice altogether and allow free shipment of rice to foreign countries, the Honourable Members of this Council had a difference of opinion saying that if such order is passed, there will be a famine in India and the price of rice will go considerably high. Seeing that the Council was not unanimous in my Resolution, I withdrew my motion. My object in bringing this Resolution and requesting the Government to keep the right of issuing permits in the hands of Local Governments is this. The Local Government will be in a better position to know whom to give such concession and whom not to give. The permit will only be issued to those *bonâ fide* and established shippers, and in doing so such license holders will be cautious and careful that they do not pay any excessive price for the rice. If this course is not adopted and the Ceylon Government is allowed to issue permits as they like, the merchants in Ceylon will naturally in competition capture the Indian market which will give cause to a rise in prices. My only object in bringing this Resolution is to keep the price of rice in our market steady and normal. I think the Honourable Member in charge of this subject will not hesitate to accept my Resolution, and that Honourable Members present will give a hearty support to my motion.

With these few words, Sir, I commend my Resolution.

The HONOURABLE THE PRESIDENT: If no Honourable Member wishes to speak I shall put the question.

The HONOURABLE MR. B. N. SARMA: I wish to know, Sir, if the amendment on the agenda is going to be moved or not. If the amendment is not moved, I propose to say a few words.

The HONOURABLE THE PRESIDENT: I think it would be convenient if I call on the Honourable Maung Po Bye to move his amendment at this stage. I had not seen that there was an amendment on the paper.

The HONOURABLE MAUNG PO BYE: My amendment, Sir, is in two parts: the first is that for the words 'Ceylon and Straits Settlements' be substituted the words 'any country'; the second part is that for the words from 'instead' to the end be substituted the words 'and that export surveyors of the quality of rice should be Government officials only'

The HONOURABLE THE PRESIDENT: There appear to be two amendments. The Honourable Member had better move his first part first, and the second amendment thereafter. They are not connected.

The HONOURABLE MAUNG PO BYE: Sir, from the reasons put forward by the Honourable Mr. Maricair I fail to see how the idea of distinction between the Straits Settlements and Ceylon and other countries for the purpose of the export of rice and the issue of licenses by the Local Government could be maintainable. They are not foreign countries; they are in the British Empire; they have no tariff wall built up against rice export from India. Equal treatment is necessary to all countries which absorb India's economical products. Burma may want to export rice to China and Japan; Bombay to Kenya and Egypt; why should the Madras market only have exclusive treatment? Without further argument, Sir, I hope the Honourable Mr. Maricair will be able to accept the first part of my amendment.

The HONOURABLE THE PRESIDENT: This amendment merely broadens the original question. I think it will be convenient for the Honourable Mr. Sarma to deal with both now. The remaining amendment is of a different character.

The HONOURABLE MR. B. N. SARMA: Sir, I think I shall deal with the Resolution as well as the amendment together, because they deal in substance with the same proposition. It is clear to my mind now, after I have heard what the Honourable Mover of the Resolution has said, that he has brought this Resolution under a misconception of facts; and I feel sure that he would be only too glad to withdraw it after he hears what I have to say. The position stands thus. The Government of India have not surrendered the control, in the manner suggested, to the Ceylon Government. The Government of India consulted the Madras Government as to what their proposals in the matter of allocation of the shipments were; and the Madras Government suggested that the matter should be left to the Ceylon Government, and so it was, upon the advice of, and in conformity with the wishes of, the Madras Government, that the Government of India acted—not in surrendering control to the Ceylon Government, but in making arrangements whereby the Ceylon Government was given a voice therein. The Madras Government on a previous occasion in dealing with similar exports in limited quantities *viz.*, chillies to Ceylon, made the same suggestion which was followed by the Government of India. I shall read an extract from the letter of the Madras Government to the Ceylon Government, which will convey to Honourable Members the views of that Government on the question. In 1919, the Madras Government wrote to Ceylon 'The purpose of this proposal, *viz.*, that Ceylon should distribute the allotment amongst the shippers, is to enable your Government to distinguish between established traders and new-comers. If the matter were left uncontrolled or left to the control of officers on this side, there would be the danger of this permissible export trade being cornered by speculators.'

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outside of the firms which have the privilege of having representative members in the Chamber of Commerce ask for independent expert, export surveyors to be Government officers

THE HONOURABLE THE PRESIDENT: Will the Honourable Member say whether he means expert or export?

THE HONOURABLE MAUNG PO BYE: I mean both. I ask for independent expert, export surveyors to be Government officers and not the employees of the big mills.

The Government can always get such surveyors. These do not require any highly scientific qualification; a fortnight's training would be sufficient to turn out such men.

I cannot understand why the Chamber of Commerce should insist to employ their own men only as surveyors. In the Burma Chamber of Commerce there is a large number of representatives of big mills and the pressure brought by them must be great.

At least interested parties should not have the power in any form to take part in the issuing of the licenses for the export of rice.

THE HONOURABLE MR. B. N. SARMA: The proposition involved in this recommendation is really the institution of a new Government Department, and I do not think that this Council would find itself able to support that recommendation at the present stage. At present, as the Honourable Maung Po Pye has said, the Government does not control by means of any expert advisers the determination of the quality of rice. The whole matter is left entirely to private trade, and, in lieu of that control by private trade of its own concerns, the Honourable Member suggests that there should be a substitution for that private control of Government control. Well, I should think that that is clearly a reactionary proposition. In one place the Honourable Member suggested that he has nothing to say against the Chamber of Commerce which makes the recommendation upon which the expert advisers are chosen. Well, if really there is any difficulty felt in Burma, in the Burmese trade circles, either by export merchants or producers—if there is any difficulty felt about the choice of experts as made hitherto—it seems to me that the proper forum for such a discussion would be in the Province itself. The question must be first threshed out in the Province, proper representation must be made to the Local Government, the question of cost must be worked out and recommendations must be made, if any, to the Government by the Local Government or through the Local Government. In this case, I have not been able to hear that any such process has been gone through. We have not been told that the agriculturists of Burma or the export merchants of Burma have hitherto represented to the Government the disabilities under which they have been labouring by reason of the choice of export surveyors as hitherto made, or that they desire a departure from that practice, and the first time that we have heard of it is when this amendment is recommended for adoption by this Council. I would suggest, therefore, that the Honourable Member should reconsider his position as to whether he can really recommend this measure at a time when trade is struggling hard, and rightly too, to be freed absolutely from all restrictions by Government—as to whether it is desirable that Government control should be substituted in any shape or form. We realise

that unfortunately at the present moment the Government has to step in occasionally and tinker with trade and we are trying to struggle out of that position, to get out of it as early as possible, and I think that, if it fortunately so happens that we can cease to interfere with the exporting trade, this proposition would be absolutely infructuous—I mean this devising of an expert staff, making budget provision therefor and selecting officers, would all be unnecessary for a temporary crisis, which has arisen only recently and which may be of short duration. Therefore, I think on the question of principle, on the question of expediency, on the question of economy, I would suggest to the Honourable Member that there is no need for pressing this amendment upon the attention of the Council at the present moment. There may be really some hardship felt in the Province as regards the nominations made by the Chamber of Commerce. But I would suggest to him that that question should be brought up for discussion in the local trade circles, and recommendations should be sent up here in due form later on, if necessary.

THE HONOURABLE MR. K. V. R. AYYANGAR: I should like to support the Resolution of the Honourable Mr. Maricair.

THE HONOURABLE THE PRESIDENT: The question before the Council is the second amendment of the Honourable Maung Po Bye. The Honourable Member has exhausted his right to speak on this amendment. Unless he wishes to withdraw the amendment, I shall put the question. Does he wish to withdraw the amendment?

THE HONOURABLE MAUNG PO BYE: No, Sir. I should like to say one word.

THE HONOURABLE THE PRESIDENT: You have exhausted your right to speak. There is no right of reply on the amendment. The original question was 'that this Council recommends to the Governor General in Council that the power of issuing licenses for the export of rice from India to Ceylon and the Straits Settlements should be kept in the hands of Local Governments instead of being surrendered to Foreign Governments.' To that question an amendment was proposed by the Honourable Maung Po Bye, that the words 'and that export surveyors of the quality of rice should be Government officials only' should be added in place of the words 'instead of being surrendered to foreign governments.'

The Amendment was negatived.

THE HONOURABLE THE PRESIDENT: The Council is now back on the original question. If any Member wishes to speak on that he is entitled to do so.

THE HONOURABLE MR. K. V. R. AYYANGAR: I should like to support the Resolution of the Honourable Mr. Maricair. The whole question of doing away with the restrictions upon the export trade emanates from that class of people who are hard hit by such restrictions. Now, it is a great privilege in permitting 15,000 tons of rice per quarter, and I do not see any reason why we should surrender it into the hands of the Ceylon Government. In the matter of small products like chillies, the Government might have been led away by the theory that it would have given room for cornering. But as far as rice is concerned the control is sought to be in the hands of the Government of India, and I cannot see why any question of cornering should arise at all. The Government the other day when the export question was discussed, expressed so much interest in the welfare of the consumers of

[Mr. B. N. Sarma.]

The Ceylon Government accepted that proposal, and the Government of India acted upon the recommendation of the Madras Government. In December 1920, when we resolved upon allowing 15,000 tons to go from Madras to Ceylon, the Madras Government made identical proposals. This is what they said :—

‘ Regarding allocation. Madras Government suggests Ceylon Government should select their importers, allocate quantity among them and communicate particulars to the Director of Civil Supplies, Madras, who will issue export licenses accordingly. Customs officers concerned should be instructed to allow exports up to a quantity covered by license which should then be returned to the Director of Civil Supplies for cancellation. This system was followed regarding chillies last year.’

Consequently, the Honourable Mr. Maricair’s proposition appears to me to be quite unnecessary and may perhaps prejudice the object he has in view. I should think that the interest he has at heart would be served better if he were to approach the Madras Government with any recent information he may have on the subject, show them where the difficulty lies, and induce them to change the view they hold at present on the subject ; and if the Madras Government come forward with any definite proposals, I may assure the Honourable Member that the Government of India would not have the slightest hesitation in acting upon those recommendations. I say again it would be far better that the Honourable Mr. Maricair should leave things as they are. Assuming that the Madras Government does not see eye to eye with Mr. Maricair’s proposals, and if this Resolution is allowed to be passed, then the Government of India would, for the time being at any rate, surrender all control to the Madras Government, which perhaps he may not like. If the Honourable Mr. Maricair should be able to convince us that the Madras Government is wrong, I should think that the Government of India may be disposed to favour his proposal. Therefore, I think that, so far as his proposition is concerned, he has acted upon a misconception which must have arisen by a reading of the Madras Government Press *Communiqué* which does not contain all the facts,—it was of course unnecessary for the purpose.

Now with regard to the amendment that is suggested, I do not see that the Government of India can surrender to the Local Government the control in the manner suggested. Of course, the Local Government would be consulted, their wishes would be ascertained, but the final discretion must be in the hands of the Government of India. As far as Burma is concerned, the Government of India has always acted only after consultation with the Local Government and in accordance with their wishes, and the point does not arise at the present moment, because there is no control of the kind which the Honourable Member contemplates. Any person in Burma is able to send his rice outside, subject to certain restrictions which have no bearing on the amendment, namely, he can send only within the limit of a million tons of rice to ports outside India, one million and odd tons having been reserved for India. That is the only important limitation. The Government of India stated that, if prices should rise above a certain level at which they stood prior to the de-control in the manner explained in the Press *Communiqué*, then it may be that the Government would have to re-assume control. But barring these limitations, there is at present no other restriction whatsoever, and any person could export goods without any limitation whatsoever to any country he pleases, only after notifying to the Director of Civil Supplies or the officer concerned in Burma, the nature of the transaction, so that the officer may be

in a position to know as to whether the purchases were made above or below the prices fixed and the quantities exported are also within the limit. Consequently, I do not think that the Burma producer or trader is labouring under any disability whatsoever by reason of any limitations or restrictions imposed by the Government of India or the Local Government; and the question he has raised does not seem to arise now. I therefore hope that both the Resolution and the amendment would be withdrawn.

The HONOURABLE THE PRESIDENT : Does the Honourable Maung Po Bye wish to withdraw his amendment ? He must get the amendment out of the way first. The amendment must be either withdrawn or put to the Council. Does the Honourable Member desire that I should put his amendment to the Council ?

The HONOURABLE MAUNG PO BYE : As far as the first part is concerned, I will withdraw it.

The first part* of the amendment was, by leave of the Council, withdrawn.

The HONOURABLE THE PRESIDENT : Do you wish to withdraw your motion, Mr. Maricair ?

The HONOURABLE MR. MARICAIR : I press for the motion.

The HONOURABLE THE PRESIDENT : Then I call upon the Honourable Member to move his second amendment, having withdrawn his first amendment.

The HONOURABLE MAUNG PO BYE : Sir, for the second part, I have nothing to urge whether the control is kept in the hands of the Government of India or the Local Government. My point is about the issue of licenses to exporters of rice. For the purpose of issuing of licenses there lies a question which is inseparable in the actual practice of doing so for the export of rice, in the way that before any license is issued the quality of rice must be surveyed and passed by an expert surveyor. Whether it is under the Government of India or the Local Government, this practice must always be carried out.

The Chamber of Commerce in Burma supplied the expert surveyors, but the Chamber of Commerce has to secure the service of experts from what is styled in Burma as the big mills owned by the European firms and the big mills had the bulk of the rice export trade in their hands especially to Europe.

There are other mills called the small mills owned by the Burmans, Indians and Chinese firms or merchants. The number of small mills is spread out all over the rice producing part of the country, whereas the big mills are in the seaport towns.

The rice market fluctuates constantly, and the demand from other countries at times came suddenly and tramp ships called at ports for rice cargo unexpectedly. There is always keen competition for the license of export. Some five minutes priority of getting the license makes a great deal of difference to the exporters benefit.

There are some complaints not recently only but since some years ago, that the facility of passing through the surveyors is not always given to all exporters on equal terms. Some say so far that better quality of rice is at times withheld and the inferior quality passed. Nothing is alleged against the Chamber of Commerce, but they do not like the way of working of some surveyors ; the small millers and traders other than those

* “ That for the words ‘ Ceylon and straits Settlements ’ the words ‘ any country ’ be substituted.”

[Mr. K. V. R. Ayyangar.]

India as against those of Ceylon. I do not understand why they should not have as much solicitude for the welfare of the Indian traders. It is a great privilege to Indian traders to have relaxed restrictions to 15,000 tons per quarter, and there is no reason why it should not be in the hands of the Indian traders. If it is surrendered to a Foreign Government, then Indian traders are at the mercy of the Ceylonese. When I heard that 15,000 tons of rice are to be permitted to be exported to Ceylon, on the suggestion of some rice merchants in Tanjore, I wrote to the Honourable Mr. Sabapathi of the Ceylon Legislative Council to see that some portion of the 15,000 tons of rice is permitted to be exported from different merchants in the Tanjore District. But he wrote me back to say that the Government of Ceylon had granted the licenses for all the quantity to Ceylon merchants and so it could not be given to any export trader from Tanjore. I see the mill-owners and merchants are greatly hit. If the Government should come to the rescue of these people who are exporters of rice from the District of Tanjore and from Madras to Ceylon, the Government would be relieving a great deal of difficulty among these people.

I support the Resolution.

The HONOURABLE MR. KALE : Sir, from the explanation which has been given by the Honourable Member in charge of the Revenue and Agriculture Department, it is clear that it is on account of the proposals that were originally made by the Madras Government that the arrangements which have been objected to were made. But to me there seems to be very strong reasons in the proposal which has been put forward by my Honourable friend Mr. Maricair, namely, that the Madras Government ought to be able to determine who should be the exporters of the rice that is allowed to be exported ; and if one important effect of the discussion will be that the Government of Madras will come to realise what the opinion of traders is, I think we shall have obtained a very valuable result. It is for that reason that I am inclined to support the Resolution of the Honourable Mr. Maricair, and I think that this Council should also accept that Resolution for this reason, if for no other reason, namely, that it will lay before the Government of Madras the views of this Council and of the traders of Madras who are immediately affected thereby. With these few words I support the Resolution.

The HONOURABLE MR. MARICAIR : Sir, I am sorry the Honourable Member on behalf of the Government could not see his way to accept the motion. It is a very important question as I have already explained and as explained by the other two speakers of this Council.

The Honourable Member went on passing a remark saying that I am bringing this matter under a misconception of the fact that the Government of India have already consulted the Madras Government and have acted only upon the advice of the Madras Government. How can he possibly expect us to know all this interior correspondence ? I only go upon the Press Communiqué issued by the Government of Madras, where it is distinctly stated that 'the Ceylon Government will select their importers and allocate the quantity among them and communicate particulars to the Director of Civil Supplies.' From this Communiqué I have come to note that the Government of India have in a way surrendered their right, or delegated their power into the hands of the Ceylon Government. Hence I could not be found fault with.

The next question is with regard to the fact that the Government of India have acted upon the advice received from the Madras Government, which is very surprising to me. The Government of Madras is a Government under the control of the Central Government, and if the Government of Madras has given any wrong advice, or advice which is not good, are we responsible to accept such advice ? Is it not the fact that the Government of India have got the power of controlling and revising the advice given by the Local Government, and we, Honourable Members of this Council, have we not got the power of advising the Government, or rather revising any action done by the Local Government ? With this idea in view, I suggested to the Government of India to take into their consideration the fact that, by accepting the advice of the Madras Government, there would be a great deal of handicap to the public of India as well as to the interests of the poor classes of people. That is all my object in bringing forward this Resolution.

As I have already explained, we have dealt at great length last time with the point that by withdrawing restrictions altogether the people of India will suffer, and with a view to stop further supply I brought forward this Resolution. I cannot really understand the object of objecting to this Resolution which is a very important step in the welfare of the people of India.

The next point that the Honourable Member suggested to me was, that I should take up this question with the Government of Madras. Unfortunately, I have no power to be a member of the Madras Council as well. If I had been one, I would have certainly moved a Resolution in the Madras Council also. I thought that this was a Council which had more power and authority and could rectify defects, if any, committed by the Local Governments. If that is the wish of the Honourable Member on behalf of the Government, I have nothing more to say. If, however, the Government think that my motion should not be accepted, I am afraid the Government of India will be the cause of great hardship and inconvenience to the people, and the people of India will blame the Government and I hope that the Honourable Members of this Council will co-operate with my suggestion because it is a very important and a very reasonable one.

With these few words I press my Resolution, Sir.

The HONOURABLE MR. B. N. SARMA : Sir, it is clear to me that the Honourable Mr. Maricair has not been able to follow clearly what I said. I am sorry I should have been so indistinct in the expression of my views on the subject, and I shall try to say once again how really there is not much difference between him and me.

I never blamed him for being under the impression that the Government of India has surrendered control to the Ceylon Government, because I, myself said that he must have been under that impression, owing to the Press Communiqué issued by the Madras Government in respect of this supply question and his not having known what passed in this matter between the Government of India and the Government of Madras, and I therefore, once again repeat that I did not charge him with ignorance of any fact of which he could have been aware and of which he neglected to inquire.

The second point that he urges is, is the Government of India so impotent as not to be able to protect the people against an injustice that may be perpetrated by the Madras Government ? But if you are to accept this recommendation,

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[Mr. B. N. Sarma.]

that will be the position to which you will reduce the Government of India; because the Honourable Mover wants the power of issuing licenses for the export of rice from India to Ceylon and Straits Settlements should be kept in the hands of the Local Governments, which is against him. If we keep that power in the hands of the Local Government or delegate it to them, then we would not be in a position to protect the people, who, Mr. Maricair says, suffer by reason of the existing arrangement, against any possible injustice that may be done by this Local Government or any other Local Government. Therefore, his pleading for the acceptance of this Resolution would be merely defeating the purpose he has in view, and therefore, I suggested to him that it would be better that the control should be retained in the hands of the Government of India, and that he should move,—if not he, he has got so many friends, one of them might move,—the Government of Madras to reconsider the question, and that a reasoned statement of the grievances should be placed before the Government of India, and the Government of India would certainly look into the matter and see if anything more can be done. The Madras Government has been of the opinion that Ceylon should allot the supplies, and we are bound to respect the views of the Local Government which must be presumed to know the facts. Certainly, if Mr. Maricair is able to convince us that the Madras Government is not right, we are in a position to, and we will, exercise authority, but he has not been able to do so. I think his Resolution does not effectuate the object he aims at.

The HONOURABLE THE PRESIDENT: The question is that the following Resolution as set out below be accepted:

'This Council recommends to the Governor General in Council that the power of issuing licenses for the export of rice from India to Ceylon and Straits Settlements should be kept in the hands of Local Governments instead of being surrendered to Foreign Governments.'

The Resolution was rejected.

The HONOURABLE MR. MARICAIR: I ask for a division.

The HONOURABLE THE PRESIDENT: I think I had better explain to the Council that it will be difficult to take divisions in this Chamber in the manner we took them in the other Chamber. I therefore propose that the division should be taken in this way. The division bell will be rung and the sand glass will be turned, and after two minutes the doors will be locked and I shall again put the question. The Secretary will then call the roll of the Council and each member rising in his place will say, Aye or No, or that he does not wish to vote. Let the division bell be rung and the minute glass be turned.

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

'This Council recommends to the Governor General in Council that the power of issuing licenses for the export of rice from India to Ceylon and the Straits Settlements should be kept in the hands of the Local Government instead of being surrendered to Foreign Governments.'

The Council divided as follows:

AYES—11.

Annamalai Chetty, Mr.
Jaffer, Mr. E. H.
Kale, Mr. W. G.
Khaparde, Mr. G. S.
Maricair, Mr. A.
Naidu, Mr. V. R.

Pramada Nath Roy, Raja.
Ram Saran Das, R. B.
Rangaswamy Ayyangar, Mr. K. V.
Umar Hayat Khan, Colonel Sir.
Zulfikar Ali Khan, Sir.

NOES—26.

Abdul Majid, Nawab.
Amin-ul-Islam, K. B.
Barnes, Sir G.
Barron, Mr. C. A.
Bray, Mr. D. deS.
Chatterjee, Mr. A. C.
Dadabhai, Sir M.
Edwards, General, W. R.
Elliott, Lieut.-Col., A. C.
Froom, Mr. A. H.
Hammond, Mr. E. L. L.
Harnam Singh, Raja Sir.
Jha, Dr. G.

Lloyd, Mr. E. S.
Moti Chand, Raja.
Muhammad Muzammil-ullah Khan,
Nawab.
Murray, Sir Alexander.
Nandy, Maharaja Sir M. C.
Richey, Mr. J. A.
Sarma, Mr. B. N.
Sastri, Mr. V. S.
Seddon, Mr. C. N.
Smith, Mr. H. Moncrieff.
Sukhbir Sinha, Lala.
Wacha, Sir D.
Zahir-ud-din, K. B. Saiyid.

The motion was negatived.

RESOLUTION RE INDIANS IN OVERSEAS DOMINIONS.

The HONOURABLE MR. LALUBHAI SAMALDAS: Sir, I beg to move 12 P.M. the following Resolution:

'This Council recommends to the Governor General in Council the desirability of the immediate establishment of a separate Department of Government to watch and safeguard the rights and interests of Indians in Overseas Dominions and Colonies.'

Sir, in the beginning I had better make it quite clear that this Resolution is not meant as casting any slur or showing any want of confidence in the existing Department of Commerce and Industry. The Honourable Sir George Barnes has been always very sympathetic to the demands of the Indians from Overseas Dominions whenever we have approached him in this connection to get their difficulties settled and remedied

The HONOURABLE THE PRESIDENT: Will the Honourable Member kindly raise his voice. This Chamber is very bad for hearing.

The HONOURABLE MR. LALUBHAI SAMALDAS: Very well, Sir. I will begin from the beginning.

The HONOURABLE THE PRESIDENT: No, not from the beginning.

The HONOURABLE MR. LALUBHAI SAMALDAS: What I was going to say was, that this Resolution has been brought before this Council for the purpose of asking Government to take some action to safeguard the interests of Indians in all Overseas Dominions and Colonies.

We know that there have been difficulties; there have been cases of racial bitterness; there has been trouble in various directions in the various Colonies, and it is necessary that we should have one department here with a full-time man in charge of it to look after, and to attend to, the grievances of all these people whenever there is need for doing so. As I said in the beginning, Sir, we have always had in Sir George Barnes a very sympathetic officer who has always tried to look after the interests of Indians and fight for Indians in the Colonies. We have sometimes had differences of opinion also—for instance, when his department said that they could not proceed any further as regards the Fiji affair we thought that Government ought to have done more and made further inquiries—but that was a matter of difference of opinion. I cannot let this opportunity pass without giving my tribute of admiration

[Mr. L. Samaldas.]

and respect and also my congratulations for the Government of India's Despatch of the 21st October of 1920, which was issued with the Press *Communiqué* of the 27th December. That is the line, Sir, which we want the Government to take up as regards Indians in Colonies. That is the correct line, and, I believe, it must have pleased my Honourable friend to see that journals of all shades of opinion, both Indian and Anglo-Indian, congratulated the department over the splendid fight put up on behalf of Indians in East Africa

The HONOURABLE SIR GEORGE BARNES: By no means all.

The HONOURABLE MR. LALUBHAI SAMALDAS: I am sorry if there are one or two exceptions. I believe I can say that it was received with almost unanimous approval. We want that policy to be continued. I will not take up the time of the Council by going in detail through all the questions that are agitating the people's minds now, either in British East Africa or in Fiji, or coming nearer home even in Ceylon—because the Ceylon Labour Ordinance has been also raising bitterness in the minds of some people here. What I want is that the Government of India should have a department—or to make it clearer—I want a department here with Consuls, if I may use that word, or representatives of India in all the Colonies, who will be under the guidance of the head of the department here. At present, whenever we have to make any inquiries, whenever we have some grievances reported to us, action is taken either by the Government in sending out its own representatives, as it did twice send out Sir Benjamin Robertson, or action has been taken by some private association. In this connection I may mention the association with which I am connected, the Imperial Indian Citizenship Association. We have sent out Mr. Andrews on two or three occasions to go and make inquiries into the grievances of these people and report to us. Now, Sir, while these inquiries do give satisfactory results, they are sporadic efforts. What we want is a continuous policy, and that policy can only be adopted if we have at the head of the department a full-time man to look after the interests of the Indians overseas, if there is a man at the head who will be in touch with what is going on everywhere and who will be able to get correct information. At present, to take the case of Fiji alone, we have two separate expressions of opinion. On the one side, the Government there say that it was Mr. Mani Lal who created trouble. On the other hand, we have Mr. Mani Lal who says that the Government was at fault. Then, as Honourable Members are aware, Mr. Andrews has written letters to the Bombay papers saying that it is the 'C. S. R.,' the Colonial Sugar Refinery Company that is at the bottom of all the trouble, that the Colonial Sugar Refinery fixed the wages and that no planter or manufacturer can raise that wage; the problem is perhaps more economical than racial. On the other hand, in British East Africa the problem is—I hope I am not wrong in saying so—more racial. As Honourable Members are aware the Indians there in their last Congress practically passed a resolution on the lines of the non-co-operation movement here. It is a sad thing if this sort of thing is going to increase racial bitterness in India; it is just possible that the infection may spread here—or it may be the infection has spread from here to that place—it is very difficult to judge as to where from it has spread. However, it is time the Government of India did adopt a continuous policy as regards the interests of Indians overseas. What

we want, Sir, is that the Government of India should look after the interests of Indian subjects in the Colonies in the same manner as Britain would look after the interests of British subjects in foreign countries. That is all we want, nothing more. I think I am not asking for anything that the Government of India cannot afford to do.

Only one thing more, Sir. I have been told that I am practically playing into the hands of Government by allowing them to create a number of posts for their proteges. I am sorry that misimpression has been caused, but I think it is fair that I should reply to it in this Council. I am all for economy as regards Government expenditure or expenses on officers. But I think that where the self-respect of the country is affected, where Indians are likely to be treated not as equals but always as inferior persons, it is necessary that Government should, if it came to that, spend more money, and I am quite sure the general tax-payer will be glad to find that money, to provide funds to the Government to have a regular service in India and in the Colonies. It may be said 'here you have a department, the Commerce and Industries Department.' As I said, Sir, we could not have a better or more sympathetic officer than Sir George Barnes. Yet after all he has to attend to so many things; he is in charge of so many departments; he has to look after posts and telegraphs and so many other things. If there is a postal strike in Bombay—it even looks as if we were going to have a telegraph strike just now—naturally things nearer home, which affect the condition of things here, gain precedence over other affairs. For example, if a telegram comes from Fiji or even supposing the Imperial Indian Citizenship Association send a letter or telegram, the principal officer in charge of the department will say 'This could easily afford to wait. Let me settle my strike first; that is more important.' That is why I want that a full-time man should be given for this purpose, with, as I said, Consuls all round. With these words, Sir, I commend this Resolution to the acceptance of this Council.

The HONOURABLE THE PRESIDENT: I think it will be convenient to interrupt the business here in order to enable the Budget to be presented.

The HONOURABLE MR. E. M. COOK: Sir, I was rather hoping that the Honourable the Finance Member would finish his business in the other Chamber shortly in order to perform this duty here

The HONOURABLE THE PRESIDENT: Of course, if you are not ready, the business can go on. I understood you had come over for that purpose.

The HONOURABLE MR. E. M. COOK: It might perhaps be as well, Sir, if Mr. Hailey could come over.

The HONOURABLE THE PRESIDENT: Certainly. Would the Honourable Sir George Barnes kindly go on?

The HONOURABLE SIR GEORGE BARNES: Sir, I think that it would be useful if I intervened early in this debate and put this House in possession of the general views of Government on the subject of the Honourable Mr. Lalubhai's Resolution. He asks in his Resolution that, in view of the growing difficulties of Indians abroad, that this Council should recommend to the Governor General in Council the immediate establishment of a separate Department to watch and safeguard the interests of Indians overseas.

In the object to be aimed at we are in entire accord with the Honourable Member, and we are determined to do all in our power not only to watch and

[Sir George Barnes.]

safeguard the material interests of Indians overseas, but to uplift their status and to make it worthy of the position which India holds in the Empire.

The Honourable Member speaks of the growing difficulties, and I think that it is in his mind that the difficulties are greater now than they have been in the past. . . .

The HONOURABLE MR. LALUBHAI SAMALDAS: May I rise to a personal explanation, Sir?

The HONOURABLE THE PRESIDENT: If the Honourable Member in possession gives way, he may rise, otherwise the Honourable Member must wait till the Member speaking has finished his speech. I explained the procedure the other day.

The HONOURABLE SIR GEORGE BARNES: I do not share this view. I would rather say that of recent years there has been a much keener appreciation in India of these difficulties; they have been more in the public eye and have received more attention in the public press. This does not necessarily mean that the difficulties are greater than they were before. They are, it is true, still very great, but I see signs in several directions of an improvement. There can be no two opinions, I think, that the visit of Sir Benjamin Robertson to South and East Africa has had, and will have, most valuable results alike in allaying racial feelings and in doing something towards securing for Indians there a better appreciation of their position and their rights. In every direction the Government of India have been making, and will, I am sure, continue to make, strenuous efforts on behalf of the Indians overseas. The work has been, and will continue to be, difficult, largely because the Indians overseas taken as a whole are not a fair sample of the Indian people. They are for the most part drawn from the humblest classes of our population and are alike poor financially and deficient in education. There are of course exceptions, but they are few in number, and the few are apt to be judged by the low standard of the many.

Now, as I have just said, the aims of the Honourable Member the Mover of the Resolution and of the Government are identical. We all want to improve the status of the Indians abroad and to obtain recognition of that status by the various Governments concerned, and to secure their happiness and prosperity in the land where they have settled. The Honourable Mover urges that the end which we all have in view can best be attained by the formation of a separate Department to deal with the matter. As a matter of office organisation, the subject of Indians abroad has always of recent years been dealt with in a special branch, that is to say, that all papers, letters and questions on this subject have been dealt with by one officer. It is quite true that that officer has had other work to do besides. I do not understand that the Honourable Member suggests that a new Member of Council should be created whose sole duty should be the work connected with Indians abroad. . . .

The HONOURABLE MR. LALUBHAI SAMALDAS: No, I did not suggest that.

The HONOURABLE SIR GEORGE BARNES: If this is the case, the present organisation should, I think, meet his views. The point which I should like to make is that the multiplication of Departments or the enlargement of staff at headquarters is not going to be a panacea. What we have

often felt the want of as the Honourable Mr. Lalubhai Samaldas pointed out in the past is more exact knowledge of the facts in each case on which we might make representations or take action, as the case might be. The staff at headquarters is, I think, sufficient, but often lacks the requisite information and knowledge.

I am in entire agreement with the remedy which the Honourable Member has suggested. In fact I had myself the pleasure of suggesting it to him a few days ago. I think that the Government of India should—with the consent of course of the various Governments concerned—have their own agents at the large centres of Indian population overseas. The agents would keep the Government of India informed of current events by regular reports, and would of course be called upon to provide special reports on subjects on which special information was particularly needed. The information which Sir Benjamin Robertson and Mr. Corbett have been able to give the Government with regard to the countries which they visited and the position of the Indians settled there has proved to be of infinite value, and the deduction to be drawn is, I think, that we ought to have permanent agents in the various countries concerned, who will keep our information and our knowledge up to date, and who will be able to help and advise the Indian settlers on any points of difficulty which may arise.

Now to return to the headquarters staff, I feel that the exact organisation of the staff at headquarters must be left to the discretion of the Member for the time being in charge, and I am confident that my successor will realise, as fully as we all do, the great and growing importance of the subject, and will do his utmost in the direction of uplifting the status of Indians overseas. If we can once lift up their status and secure them political rights, all other difficulties are lessened, if not at an end. My term of office is, I am sorry to think, just ending, but I can confidently assure this House that my successor in the work which lies before him will have the united and whole-hearted support of every Member of the Government.

The HONOURABLE MR. LALUBHAI SAMALDAS: May I now make a personal explanation, Sir? It seems there has been some misunderstanding. When my Resolution was drafted it contained the words to which the Honourable Member has replied. Unfortunately, the President did not allow me to intervene then, otherwise I would have removed the first portion.

The HONOURABLE THE PRESIDENT: I should like to make quite clear to Honourable Members the correct procedure when it is desired to make a personal explanation. I hoped I had made it clear the other day. If a member wishes to make a personal explanation and the member in possession of the Council likes to give way, he may make his explanation. If the member in possession of the Council is not prepared to give way the member wishing to make his personal explanation must reserve it till the speech of the member in possession has terminated. It is not unusual to give way on a *bona fide* appeal, but that is a matter entirely for the member in possession of the Council.

The HONOURABLE RAJA SIR HARNAM SINGH: Sir, the emigration of Indian labourers to distant countries has been going on for many years past, and we have now more than a million Indians, I believe, in different parts of the British Empire. We have been hearing reports of anti-Indian legislation, and of various kinds of hardship and legal disabilities imposed on Indian settlers by the Governments of overseas Dominions and Colonies whose industries have been developed chiefly by Indian labour. Most of them emigrated.

[Raja Sir Harnam Singh.]

as ordinary labourers; but a considerable number have now permanently settled down as farmers, traders and artisans. Although many of them have forgotten their native language, and now talk only English and have made the Colonies their permanent home, yet their rights of property and citizenship are now threatened, and they have only a very doubtful status in the countries of their adoption.

They are British citizens in every sense of the word, and they need and deserve the protection which this citizenship implies. The welfare of more than a million of our fellow countrymen is a weighty matter, and it has rightly received, in recent years, the serious attention of the Government of India. This House is familiar with Sir Benjamin Robertson's African Missions. We are expecting great results from the representation of the Government of India to the South African Commission.

But the Indians are considered as intruders in these British Dominions and Colonies, and there is a definite policy of exclusion of the Indian from the British Commonwealth in Africa and other Colonies. The Indian, although he is a British citizen, is ultimately to be ousted. Land which he has spent years of hard labour to develop has to be given up. The Indian emigrants will therefore need the protection of the Government of India in maintaining their rights and privileges.

The establishment of a separate Department of Government for the purpose seems, however, to be a matter of considerable financial difficulty. There has already been an increased complexity in the machinery of the Government owing to the coming into force of the Constitutional Reforms. The appointment of Ministers, and the swollen number of the members of the Executive Council and with them of Secretaries, and the corresponding increase of the establishment have made the Government of India more expensive than it has ever been. There has already been an expression of public opinion against the growing expenditure, and I do not think it wise to create a new Department. For financial reasons alone I would not support the idea.

There is already a provision for the subject of emigration, and the Member for Commerce is responsible for it. I do not think it will receive less attention if it is not made an independent and separate Department. It is not an addition to the complexity, but a definite and strong policy of the Government that can safeguard the rights and interests of Indians in overseas Dominions. I believe that the Government of India have adopted such a policy, although the carrying out of the policy may be difficult owing to the fact that the overseas Dominions and Colonies are self-governing countries.

If the present arrangement and the activities of the Government do not satisfy the Indian public opinion, the portfolio of emigration may be entrusted to an Indian member of the Executive Council, who will be able to inspire more confidence in the people.

THE HONOURABLE SARDAR JOGENDRA SINGH: Sir, I wish to associate myself with the Honourable Mr. Lalubhai Samaldas in congratulating the Honourable Sir George Barnes and the Government of India on the courageous way in which they have represented Indian interests in the Colonies. The first beginning, so far as I remember, was made by Lord Hardinge in his speech at Madras when he made a bold stand for India, and committed his Government to the new policy which he initiated. The Indian

question is every day becoming of greater importance so far as emigration is concerned. I am interested in it as a large number of Sikhs emigrate to China, America, South Africa and other places, and I have noticed—and I think the Government of India will admit—that if emigrants had been guided in early days many of the troubles that have now arisen would not have arisen. As Sir George Barnes admitted most of the men who emigrate are uneducated, they have never travelled outside India and know nothing of the outside conditions. They go to new countries and look after themselves the best they can. Our Government affords them hardly any assistance in any way whatsoever. Sir George Barnes said that these difficulties existed before and were only becoming more pronounced to-day. I think in the coming days the question of our emigrants will become very important. A self-governing India will certainly assert itself and require equal treatment for our people wherever they go. Under these conditions, I am strongly in favour of the Resolution moved by Mr. Lalubhai Samaldas that a separate Government Department should be created to look after interests of our emigrants outside India, and that we must have regular agents in the countries where Indians go to look after them and to help them in their difficulties. Sir George Barnes has said that a department already exists, so it would not entail any further expenditure. All that would be necessary would be to appoint a whole-time officer dealing with emigrants only, and directing his staff of the agents in India and outside India. The expenditure to which Raja Sir Harnam Singh took such strong objection possibly will not be necessary; even if we have to spend money. I think we ought to spend some money in the interests of the large number of people who emigrate and whose interests cannot be so clearly looked after as they will be by a separate department concerned with the welfare of the Indians outside India. The emigrants generally go from villages. They hear—somebody goes and says—‘if you go to such and such a place you will grow rich very soon’ he says. The man buys a ticket and goes off. I remember the Komagata case particularly. Many of our men went to Canada. They were told that if they did not break journey anywhere they could settle down. They were never told that they could not land there, they had to go back and great difficulties arose. If we had a department dealing with emigration these difficulties would not have arisen. I therefore strongly support the Resolution moved by the Honourable Mr. Samaldas for a separate department to look after Indians outside India and to control emigration generally.

THE HONOURABLE COLONEL SIR UMAR HAYAT KHAN: Sir, I rise to support the Resolution but not entirely. My reason for saying this is that we need not create such a department, but certain departments which are now under the control of Government might take this matter up. We are all subjects of His Majesty the King, and in India as elsewhere, of course, we want equal treatment by all Governments. If our people go to Australia, they naturally ask for some money for necessaries. I think, if Government simply puts pressure on particular departments to look after the question, that will be quite sufficient. But, of course, we do hope now that we are all portions of one Empire we shall be treated on an equality, and therefore I support the Resolution.

THE HONOURABLE NAWAB ABDUL MAJID: Sir, so far as the spirit of this Resolution goes, I am in entire sympathy with it. The only difference I make is this, that the method advocated by my Honourable friend is not what it ought to be.

[Nawab Abdul Majid.]

At the present time everywhere in this country and even in these Councils, the talk is one of retrenchment. In every department, to speak of the Indian members, they raise their voice and say that the expenses should be reduced as much as possible. Of course, expenditure is allowable when you cannot do without expenditure. We have heard from the Honourable Member in charge of Commerce that we are doing what we ought to do and that we have done what we should do, and in fact, this has been acknowledged by the Honourable Mover himself that the Honourable Member for Commerce fought strenuously for the Indians who are now overseas. It would be much better if the duty of one work is in the hands of one separate department. But then again, the question arises whether the department already in existence are doing their duties or not. If they are doing their duties, then why go and ask for the introduction of a new department?

Sir, it cannot be denied that in this country there is a strong feeling so far on the question of treatment of the Indians overseas. If we would see in papers, if we would see in communications, if we would see in correspondence, everywhere the cry is that the Indians are not treated fairly when they leave their country and go to the Dominions and Colonies. So far as this feeling is concerned, I think the Members of this Council and the Government as well should pay great attention to it, and steps should be taken that the grievances of Indians overseas are remedied as much as possible. At the same time, we should not forget that our duty also is to reduce the cost of administration as much as possible.

With these few words I oppose the Resolution.

The HONOURABLE LALA SUKHBIR SINHA: Sir, I rise to give my support to this Resolution. Complaints after complaints are received in this country from Indians who have settled overseas. Of course, we are grateful to the Government of India that they have done so much, and are ready to do what they can to help them. But much more has to be done. The Honourable Sir George Barnes has explained that he has appointed a special officer to look after this matter, but he has to look after other duties as well. So, in the Resolution a request is made that a separate department should be created in the Government of India to look after those Indians, and I think that that should be done.

Some Honourable Members of this Council have raised the question of extra expenditure. But I would submit that this expense, if it is an expense at all, should not be so greatly thought of, as we have to look to the interests and trouble. I think it is the duty of all of us to look after their interests and to remove their difficulties, and if for that purpose Government have to spend money, I think it is worth spending.

With these few words I strongly support the Resolution and request the Government to appoint a separate department or a branch to look after those Indians who have gone overseas.

The HONOURABLE LALA RAM SARAN DAS: Sir, it is a matter of great gratification that the Government of India has, of late, begun to look into the grievances of Indians abroad. The Honourable Member only prays for the creation of a separate department so that the questions of Indians overseas

may be specially looked after and not run any more as a side show. With these few words I beg to give my full support to the Resolution.

The HONOURABLE SIR ZULFIQAR ALI KHAN: I entirely advocate the spirit of the motion of my Honourable friend, the Honourable Mr. Mehta. There is no doubt that a great deal of heart-burning exists among the Indians that their poor countrymen who migrate to other countries are subjected to a great deal of humiliation in the Colonies. Those people who have settled down there by necessity or choice, when they are subjected to such humiliation, look to the mother-country and the Government for the redress of the grievances and wrongs to which they are subjected; and if the Government do not go to their help we can understand what their feelings of pain and sorrow will be. It is very humiliating for us to see their distress and not do anything for the redress of their grievances. I have no doubt that every Indian acknowledges what the Government has done in recent years. Sardar Jogendra Singh has just referred to the enunciation of the policy which Lord Hardinge laid down in his speech delivered in Madras. Every Indian's heart throbbed with gratitude when that speech was read. Now, Sir, the question is, whether the present Government has met the needs of the situation. As Sir George Barnes has said, they have done all they could in the matter, and their present department is quite equal to the situation which at present exists, and the situation which may arise in the future. I think it would be very unfair to say that the Government have not done, and are not doing, and will not be able to do, what is needful in the matter of what the Indians require of them. I think that under the present circumstances it would not be wise to create a fresh department, not only on account of the greater financial burdens, but also because it would mean an impeachment of the policy of the Government, which policy is, I think, a creditable one, and I think we must give the Government time to carry out their policy. I for one can see what difficulties the Government encounter in the Colonies and countries which are not entirely under their control, and therefore, I think that the Government of India will require some time to carry out and bring to perfection that policy. I think in a couple of hours we shall be hearing the Budget proposals of the Government of India, and if there is fresh taxation I am perfectly certain that the members who advocate the establishment of a new department will feel sorry for it. Therefore, Sir, I oppose this motion, but I entirely agree with the proposal that the Government of India should impart a fresh impetus to the policy that has already been adopted.

The HONOURABLE SIR ALEXANDER MURRAY: Sir, I had not intended to intervene in this debate, but I would like with your permission, Sir, to ask for a little information.

I do not quite realise the extent of the difference that exists between the Honourable Mover of the Resolution and the Honourable Member in charge of the particular Department. From what I can gather from the Honourable Sir George Barnes's speech, he sympathises very greatly with the difficulties which Indians have in the different countries to which they migrate, and I understood him to say that he was prepared to recommend to the Government that particular officers, such as Consuls or other officers mentioned by the Honourable Mover of the Resolution, should be appointed in these different countries in order to keep us here fully posted with information as regards the difficulties that Indians were having in other countries. If that is so, I

[Sir Alexander Murray.]

think that very largely meets the point of view put forward by most of the speakers this morning.

Might I at the same time mention that as one result of the International Labour Conference, and as we heard recently both in our House and in the other House, it is the intention of Government to create a particular Department, or shall I say a particular section of a Department, to deal with these international conventions so far as emigration and reciprocity of treatment are concerned. Now, I do not know whether the Department of Industry and the Department of Commerce are to be under one member in future or not. It seems to me that it would be a mistake to go on multiplying departments. If there is to be a Department of Commerce and Industry and this Department has to deal with questions of emigration and reciprocity of treatment of workers in different countries, then it would seem to be a mistake to create another Department for a particular thing like this. I wish to say that I sympathise entirely with the ideas put forward by the Honourable Mover of the Resolution that Indians should receive every consideration in other countries. I think in some countries in the past they have received far too little consideration. At the same time I feel that I cannot quite vote for the Resolution, as it stands, in view of what the Honourable Sir George Barnes has indicated, namely, that he proposes putting up several officers in foreign countries to report to this country what is going on in those countries. That being so, while I have every sympathy with this Resolution, I feel that I ought to support the Government in the attitude which they have taken up in this matter.

The HONOURABLE MR. LALUBHAI SAMALDAS: Sir, I am very thankful to the Honourable Member in charge for the sympathetic way in which he has received my Resolution, and also to the various Members all of whom have fully supported, not exactly the wording of my Resolution, but the motives underlying it. They say that they are prepared to support me and ask Government to do all that they can to improve the condition of Indians in those countries by not only looking after, safeguarding and watching over their interests, but, as the Honourable Member was good enough to say, by improving the material, moral and intellectual condition of Indians Overseas. That is what Government are prepared to do and that is what all my friends want. I am very thankful to those who are prepared to go further and say that India ought to pay a little more, if by paying a little more this will secure not only the well-being of these people, but what is of more importance, the self-respect of the country which is at stake. We want to feel, we want the Colonies to feel, that we are at the back of the Indians there. My Honourable friend said, perhaps correctly, that most of the men there do not come from the high status of the middle class Indians. That is true, but whose fault is it? I am not going to bandy words, but is it not the fault of the indenture system under which the poorest men went there? I am using strong words, but they are the words used by Mr. Andrews, as to the way in which people were led into immorality by only a certain number of women being allowed into the Colonies. Is that not the cause why people in the Colonies look down upon us? I want that condition improved, and that can only be improved by the appointment of Consuls. I want that to be done and the question now is, whether this country should find money for this purpose or not? I made it quite clear when I intervened in the debate with the Honour-

able Member in charge that I did not want a separate portfolio or a separate Member, but what I wanted, as I made clear, was that one full-time officer should be put in charge. I do not want that this Honourable Council should in any way interfere in the internal organisation of the Department concerned. That is the look-out of the Government, and it is for them to decide whether the portfolios of two Departments should be put in charge of one Member or how they should be divided. All I wanted is that a full-time man should be put in charge of the Consular service. If my Honourable friend the Member in charge will be good enough to assure me that the Government are prepared to accept these terms and that they will do their level best to create a Consular service, as early as possible, and put it in charge of one member, I will withdraw my Resolution. It was said that the Member should be an Indian Member. I would much rather like that he should be an Indian Member, but I want a capable man, as sympathetic as the present Member, the Honourable Sir George Barnes. If that assurance is given, I am prepared to withdraw my Resolution. I never meant, when I used the words 'create a separate Department' that I wanted any intervention or interference in the internal organisation of the Government of India. All I want is an assurance that, as speedily as possible, a Consular service will be established and that a full-time man will be put in charge of it here. If that assurance is given, I will withdraw my Resolution.

The HONOURABLE SIR GEORGE BARNES: Of course, Sir, all that has been said to-day will be very carefully considered by my successor and by the Government of India, but the details of office organisation cannot be laid down here and really must be left to my successor. I must repeat that I do not think that the remedy lies in the creation of new posts. What we want is that the guiding hand should be guiding in the right direction and that, I am quite sure, it will be, and that the policy of the Government will continue on the lines which have been laid down. I should like to say that there is no one in the Government of India who has more strenuously supported the cause of Indians abroad than His Excellency the Viceroy. If Honourable Members of this Council will refer to the debates, or rather to His Excellency's speeches, in the old Legislative Council—unfortunately, I have not got them with me to refer to—they will see what very strong words His Excellency has used from time to time. There has been, I repeat, no stronger supporter of Indians abroad than His Excellency the Viceroy.

There is one small point which I ought to refer to. The words 'Consular' and 'Consuls' fell from my Honourable friend two or three times. What we want are Agents abroad. I think I would not use the word 'Consul' or the epithet 'Consular', because these words refer solely to representation in foreign countries. We cannot have a Consul in any part of the British Empire, but we can, with the consent of the Government of the particular part of the Empire concerned, have an Agent there whose duty it would be to report to the Government of India. I cannot give any pledge to the Honourable Member, but I hope that, after what I have said, he will withdraw his Resolution. I may add that with regard to our Agents abroad, it is my intention to bring forward, at least I hope to be able to bring forward, a Bill to amend the Emigration Act before I leave this country, and it will be part of the policy of that Bill that we should have Agents abroad. I think that goes as far as I can in the direction of a pledge to the Honourable Member.

[Mr. A. Chettiyar.]

deduction, it must therefore be held that it is not allowable. The Board of Revenue failed to note that the allowances mentioned in the Act are not exhaustive. In a taxing Act it is not possible to deal with a variety of circumstances and provide for all the exigencies which may arise in any particular case and that it is not practicable to give any complete satisfactory definition of the words income or profits. To charge losses of loans, *i.e.*, bad debts to capital account and tax all incomings will in several cases lead to the ludicrous result of *taxing an insolvent to income-tax*. I may also invite the attention of the Council to the analogy of a trader trading in goods. In the case of a trader dealing in the purchase and sale of goods, the fall in price in goods necessarily comes into the profit and loss account by a valuation of the closing stock according to the then market price. The depreciation in the quality of the goods or the destruction of the goods or the fall in the price of goods fall unquestionably in the trading account, *i.e.*, in the profit and loss account.

Since income-tax is a direct tax and as such its incidence is more onerous than the case of indirect taxation, it must be the primary object of the Government to levy the tax with the minimum of irritation to the tax payers and with the least possible iniquity between one set of tax payer and another. In India specially where there is no intermediary between the assessing authority and the assessee as in the case of England, the necessity for caution is all the greater.

Under the aforesaid circumstances, it is highly necessary for a proper administration of Income-tax that a rule be sanctioned providing for the deduction of bad debts proved to be such according to the well recognised practice and principles of decisions arrived at by the courts and doubtful debts according to a system of valuation.

THE HONOURABLE MR. E. M. COOK : Sir, when we received notice of this Resolution, I was afraid from the wording of it that it was going to involve this Council in rather a long and complicated technical discussion, which might cover the whole field of mercantile book-keeping. It is clear to me, however, from the Honourable Member's speech that the question is very much simpler than the terms of the Resolution might imply. I may say at once on behalf of Government that I entirely agree with my Honourable friend that the loss on loans by a banker or a money lender in cases such as he cited ought to be allowed as a business expense. Unfortunately, for reasons which I hope to explain in a very few words, it is not possible to give effect to this in the particular way he suggests, though I hope that the alternative course which I will suggest will in substance meet his point. The rule which the Honourable Member proposes in his Resolution is practically a copy, I find, of rule 3 (1) of the rules applicable to cases 1 and 2 under Schedule D of the English Income-tax Act, 1918. The bad debts which are mentioned in the English rule are not bad debts in the sense in which the Honourable Member uses the expression. Under the English Act, income-tax is assessed on the profits of a business and these profits include the book debts that is to say, sums due but which have not been collected. Should any such sums not be collected, they are called bad debts and deducted as an allowance in the year in which they are written off. There are many other provisions in the English Act which deal with the particular case mentioned by the Honourable Member, but without going into detail, I may mention that rule 3, a portion of which he has quoted, also contains a provision in

this matter providing that in computing the amount of profits or gains to be charged to income-tax, no sums shall be deducted in respect of any loss not connected with or arising out of a claim, employment, profession or vocation. Now it is impossible to introduce a provision of this sort or any other provision regarding losses as a rule under our Act. It would take rather a long time if I were to explain fully the reasons why we cannot introduce a rule but, to cut a long story short, the fact is our Income-tax Act in this country is framed on very much more elementary lines than the English Act, and we have found that many difficulties have already come to notice regarding the assessment of mercantile profits. It is impossible to fit into our Act an isolated portion of the English Act, whether as a rule or as a substantive section of the Act, without bringing into it numerous other provisions. Now the whole of our Act will sooner or later have to be recast, and the Honourable the Finance Member has authorised me to say that he is prepared to agree to a small committee of experts being appointed, after the close of this Session, to examine the question of re-drafting the Act for the purpose of bringing in any provisions either in the Act itself or as rules which could be made consistently with the new Act, in order to provide for these and other cases that have arisen regarding the method of dealing with mercantile assessments. Meanwhile, as we cannot fit any rule into the general framework of our Act, we propose, in order to meet the wishes of the Honourable Member, to issue the following executive instructions, *viz.*, that where an assessment is made of profits or income from a banking or money-lending business, loans which cannot be recovered shall be deducted from the assessed profits of such business at the time at which such debts can be definitely proved to be irrecoverable. For example, if a banker has lent out 5 lakhs of rupees and receives Rs. 50,000 as interest, but has during the same year lost an irrecoverable loan of Rs. 25,000, he should be assessed on Rs. 25,000. Similarly, if the same banker receiving Rs. 50,000 as interest on his loans suffers the loss of an irrecoverable loan amounting to one lakh during the same year, the income to be assessed to income-tax from the money-lending business in that year will be nil. These examples will apply whether the assessee had previously been assessed to income-tax or not. This instruction will also apply to the assessment of other traders, where loans had been made in connection with a business, and in which the loans are of the nature of the business and the loss is a true trading loss. I do not say that these will be the actual words, but that is the substance to which we will adhere. I hope this effects the object of the Honourable Member, and in view of the assurance I have given that the whole of our Act will sooner or later be recast in order to make it suit the present more advanced commercial conditions of India, I hope he will withdraw his Resolution.

THE HONOURABLE SIR DINSHAW WACHA : Sir, I am glad to see that the Honourable Mr. Cook has admitted that the present Income-tax Act is defective, that it will have to be recast sooner or later, and that Government is prepared to agree to a small committee of experts being appointed to go into the intricacies of the whole question. As a matter of fact, as far as Bombay is concerned, I know that variety of difficulties have arisen, and there are objections taken from all points of view, not only by the banker and the money-lender, but also by companies and merchants. I am glad to hear that a small committee of experts is going to be appointed to go into the disputed points and to recast the Income-tax Act, so as to make it free from ambiguities, and more acceptable to a large class of mercantile and banking interests in all

The HONOURABLE MR. LALUBHAI SAMALDAS: In view of the assurance given by the Honourable Member in charge and of the opportunity which we shall have of discussing the amended Emigration Bill, I ask leave to withdraw my Resolution.

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

RESOLUTION RE INCOME-TAX RULES.

The HONOURABLE MR. ANNAMALAI CHETTIYAR: Sir, I beg to move the following Resolution:—

‘This Council recommends to the Governor General in Council that the following rule under section 43 (1) of Act VII of 1918 may be sanctioned for the ascertainment of the taxable income of a business under the Income-tax Act:—

‘In computing the amount of the profits of any business carried on by an assessee allowance shall be made for any bad debts proved to be such to the satisfaction of the Collector or the Commissioner and actually written-off in the Accounts of the assessee as such during the year and any doubtful debts to the extent to which they are estimated bad. In the case of the bankruptcy or insolvency of a debtor, the amount which may be reasonably expected to be received on any such debt shall be deemed to be the value thereof.’

Sir, the Income-tax Act of 1918 needs amendment in many ways. Many of the provisions that are found in the English Income-tax Act are absent. In the matter of income-tax legislation, it is expected, and with good reason, that England would be our model; for it is the country with which we are all most familiar, the country where income-tax was first introduced and the country therefore where the Act has been in force for the longest time.

Taking the English Act as our model we find in the Indian Income-tax Act of 1918 much room for disappointment. Provisions which would lessen the irritation and ensure a smooth working of the Act are sometimes absent, without wearying you with the endless tale of the grievances of the income-tax assesses, I shall for the present place before you the necessity for a provision for deductions of bad and doubtful debts.

It has been the uniform practice since the date of introduction of the Income-tax into British India to allow, as a deduction out of gross receipts, the amount of bad debts written-off in the accounts as such during the year though not for doubtful debts. In the K form Return under the old Income-tax Act and in the D form Return under the new Act, it is specifically provided in the instructions to the assessee for the preparation of the return that the amount of any bad debts written-off the accounts as such during the year may be deducted from the gross receipts, and that no deduction will be for the debts not actually written-off. This provision for deduction for bad debt is statutorily provided for in England in sections 100 and 101 of the Act of 1842, the Act of 53, section 25 of the Finance Act of 1907 and rule 3 to cases 1 and 2 to Schedule D to the Income-tax Act of 1918. The English Statute has made a further and more remedial provision by allowing a deduction even for doubtful debts by a method of valuation. Recently the Board of Revenue, Madras, acted contrary to the established practice of allowing for bad debts and have held that the bad debts written-off are losses of capital, and that therefore they could not be set-off against income unless they have been previously brought to account and taxed as income. I may invite the attention of the Government to the method universally adopted of arriving at the net profits of any business. Every man of business and every qualified accountant according to the recognised principles of accountancy

would carry the bad debts written off in the accounts under the head of expenses in the profit and loss account and not to the reduction of assets in the balance sheet. As it has been judicially decided by the House of Lords in England in a case reported in L. R. 1915, A. C. 433, that the profits for income-tax purposes must be estimated on ordinary principles of commercial trading and when a loss is incurred commercially speaking that loss is deductible even for income-tax purposes. Justice Napier in the recent Full Bench Judgment (Secretary to the Board of Revenue *Versus* Arunachallam Chettiar reported in I. L. R. Madras series, volume 44, January number) held that ‘profits in a commercial sense differs very little from the meaning given to it in the income-tax cases though there may be debits which are not permissible under the provisions of the Income-tax Acts.’ In discussing the meaning of the word profits and about allowing bad and doubtful debts, the same learned Judge rightly observes that, though there is no provision in the Indian Act regarding bad and doubtful debts as is contained in the English Act, the provisions in the English Act must be borne in mind in considering what are profits and that debts due and owing shall be items in accounts for the purpose of arriving at profits.

The questions whether losses on loans to customers form a loss of capital or income is also the subject-matter of a judicial decision in the case of Reid’s Brewery Co., Law Reports 1891 2 O.B. page 1 wherein it is decided . . .

The HONOURABLE THE PRESIDENT: What Act was that decided on, Mr. Chettiar?

The HONOURABLE MR. A. CHETTIYAR: An English Act.

The HONOURABLE THE PRESIDENT: What is the English Act?

The HONOURABLE MR. A. CHETTIYAR: I am quoting an English decision which was decided under an English Act.

The HONOURABLE THE PRESIDENT: Which English Act?

The HONOURABLE MR. A. CHETTIYAR: I cannot quote it now. I consulted my lawyers before making this quotation, but I cannot just now give the name of the English Act.

The HONOURABLE THE PRESIDENT: I think if Honourable Members cite cases they should be in a position to state under what Act they are decided.

The HONOURABLE MR. A. CHETTIYAR: May I proceed, Sir?

The HONOURABLE THE PRESIDENT: Yes. But in future, it might perhaps be as well to be prepared to answer a question of that kind. It is not fair to the Council if, when you cite a decision under an Act, you are not able to say what Act it is under.

The HONOURABLE MR. A. CHETTIYAR: In that case it is decided that moneys lent out to customers or debts due from customers in the course of business were not invested capital, but only moneys used in the business and a loss of such monies is necessarily a loss suffered in the exercise of a trade and must therefore go to the profit and loss accounts. The leading books on accounting also take the commercial view.

The Madras Board of Revenue is acting probably on the reasoning that because bad debts are not specifically mentioned in the Act as an allowable

[Sir Dinshaw Wacha.]

parts of India. So far it is all right. But what I do say is this. The Honourable Mr. Cook says that the difficulties pointed out by the Honourable Mr. Chettiyar might be solved by a rough draft notice which he has just read out. It is all well. That only refers to bankers and money-lenders, but what about the companies? There are a large number of mills and other industrial concerns in Bombay and elsewhere. These, particularly mill concerns, now and again incur bad debts by loss in goods sold but not fully paid

The HONOURABLE MR. A. CHETTIYAR: It refers to trade generally.

The HONOURABLE SIR DINSHAW WACHA: The Honourable Mr. Cook says that loans which cannot be recovered from the assessable profits of such business and so on. Now business is a vague term

The HONOURABLE THE PRESIDENT: Will the Honourable Member resume his seat? Perhaps the Council will be in a better position if the Honourable Mr. Cook will read that statement again. There seems to be some doubt about the statement he made.

The HONOURABLE MR. E. M. COOK: 'Where an assessment is made on profits or income from a banking or money-lending business, loans which cannot be recovered shall be deducted from the assessed profits of such business at the time at which such debts can be definitely proved to be irrecoverable. I need not quote the example again. This instruction will also apply to the assessment of other traders, where loans had been made in connection with a business and in which the loans are of the nature of the business and the loss is a true trading loss.'

The HONOURABLE SIR DINSHAW WACHA: This refers to traders and money-lenders only. I speak of companies which do business and which often times incur bad debts. For instance, a company sells goods to a dealer. Eventually owing to a fall in prices, or to one reason or another, it is not able to make good the balance of the money, and the company sometimes finds it necessary to forego bad debts. In that case the company of course debits the balance irrecoverable to bad debts in the Profit and Loss Account, and that account shows afterwards a net income. The Income-tax Collector does not assess on that net income, but includes the bad debts written-off to which the party naturally objects. That is the difficulty, and many companies cannot get over them. I know as a matter of fact that some companies fought with the Income-tax Collector on such questions. There is another thing, I mean the Provident Funds on which the income-tax people would not give any rebate. The Bombay Tramway Company fought for it and got Rs. 50,000, but for five years they had to fight for the refund. That shows clearly that the income-tax officers who are charged with the duty of collecting the tax do not sometimes understand the correct methods of assessment and sometimes, of course, are obstinate and persist in taking no notice of the objections raised by the assessee. That is the reason why I say that if this notice is to be given it will not refer to Companies. Owing to the decline in prices and other factors mill owners are obliged to give concessions to traders. My companies have given up sometimes 50,000, sometimes 10,000 rupees. Necessarily booking may be required and this should be booked to a profit and loss account. Well, there is no reason why a company should be mulcted in that way. I cannot understand it. It is unjust, and therefore

I appeal to the Honourable the Finance Secretary here to modify his notice so as to include a provision that where in a particular business bad debts are incurred, a tax on such debts should not be leviable. That is all I have to say.

The HONOURABLE SIR ALEXANDER MURRAY: Sir, may I again rise to ask for some more information? I do not quite appreciate the difficulties in Madras. Personally, I have never incurred bad debts so I have never had to deal with them. But, as I understand the position, bad debts, and sometimes doubtful debts too, but especially bad debts, are a good deduction for income-tax. If they are not allowed as a good deduction in Madras, then in my opinion they ought to be allowed, for they are so treated elsewhere. I have had before me the manuals of different provinces in which bad debts are expressly stated to be good deductions from income tax. If the Honourable Member in charge would be good enough to say that, I think it would meet the point raised by the Honourable Mr. Chettiyar.

The HONOURABLE MR. LALUBHAI SAMALDAS: I agree with the Honourable Sir Alexander Murray that all bad debts ought to be allowed to be deducted. In the case of Joint Stock Companies, as my Honourable friend Sir Dinshaw Wacha said, sometimes the accounts are not properly prepared and bad debts are not deducted. It is only when accounts are not properly made out that it raises these difficulties. If this rule is made as suggested by the Honourable Mr. Cook, it will remove the difficulties raised by the Honourable Mr. Chettiyar and provide that companies do really get all their bad debts deducted, as Sir Dinshaw Wacha asked for.

The HONOURABLE MR. E. M. COOK: I beg to move that the question be put after the Honourable Mover has replied.

The HONOURABLE THE PRESIDENT: If you are moving the closure, I think I must put it in the form contemplated by the standing orders, that is to say "that the question be now put" I cannot put it with conditions.

The HONOURABLE MR. E. M. COOK: I am sorry. I thought this had previously been admitted. I should like to hear the Honourable Mover.

The HONOURABLE MR. A. CHETTIYAR: Sir, I thank the Government for the assurance that they have given this Council. They have met me only half way. I am sorry they have not seen the necessity to accept the Resolution fully. I am speaking of the doubtful debts. What I ask for is but a close following of the practice in England for a long time. The English Act itself made and has made all these years a provision for bad and doubtful debts. That such a provision has continued in the Statute shows such a relief is but bare justice to the assessee and I do not know why what has been allowed in England is to be disallowed in India. Well, Sir, I need not say more at present, as the Honourable Mr. Cook has shown enough evidence of his sympathy in the matter. I would only urge that in a very short time the provision for doubtful debts also should be made, as I trust it will. I may here be permitted to point out that in various other ways also the Income-Tax Act needs amendment. For the present I would instance only a few

The HONOURABLE THE PRESIDENT: The Honourable Member is replying to a perfectly definite point of Income-Tax Law. He cannot re-open the whole of the Income-Tax Act. He must confine himself entirely to the arguments which he wishes to rebut.

The HONOURABLE MR. A. CHETTIYAR: I obey your decision, Sir. The whole question refers to the working of the Act; I think I will be in order if I make some remarks regarding the same.

The HONOURABLE THE PRESIDENT: The Honourable Member will kindly listen to what I am saying. In replying to a Resolution he must confine himself to those points which were raised in the discussion. He must not break fresh ground. The reason for the rule is quite obvious, for, if he did so, he would be grossly unfair to the rest of the Council who would have no right of replying to the fresh points raised.

The HONOURABLE MR. A. CHETTIYAR: I have no intention of pressing the Resolution. As the Honourable Member has given us an assurance that he will issue instructions in the manner described in the paper which he read out just now, I do not want to press this Resolution.

The HONOURABLE THE PRESIDENT: Do you ask for leave to withdraw it?

The HONOURABLE MR. A. CHETTIYAR: Yes.

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

The HONOURABLE THE PRESIDENT: Is the Honourable Mr. Cook in a position to present the Budget?

The HONOURABLE MR. E. M. COOK: I beg to present, Sir, the revised* estimates for the revenue and expenditure of the current year, and the budget estimates for next year. With these statutory statements, there is also a memorandum explaining the details of the estimates, the draft of a certain Bill which has been introduced in another place to-day, and also the detailed estimates supporting the various demands for grants which will be voted on in another place. Also, there is a printed copy of the Finance Member's remarks in another place, which is being supplied to every Honourable Member now.

BUDGET FOR 1921-22.

The HONOURABLE MR. W. M. HAILEY: Sir, I regret the dispensation which provides that I should justify our stewardship for the last year, and make proposals for meeting our financial troubles in the coming year in another House, and thereby be deprived of an audience which is

* Vide *Gazette of India Extraordinary* of Tuesday, the 1st March 1921 and also pages 434 to 468 of Legislative Assembly Debates of 1st March, Volume I, No. 7.

certainly not less fitted than that audience to appreciate our difficulties and help us with its critical acumen in financial matters. Such, however, is the dispensation. If, moreover, that House has the privilege of first hearing our Budget proposals, it is not without its disadvantages. I am afraid that my case was either such a bad one or put so badly that I troubled them to the extent of an hour and a quarter in explaining it and in justifying my position. I have no intention of troubling this Council to a similar extent. It will be perhaps sufficient here, Sir,—as a copy of my speech has been laid by the Honourable Mr. Cook before the Members of this Council—if I explain in the very briefest way what has been the result of our present year's working, what will be the result of the working, as far as we can forecast it, of the year to come, and how we propose to meet the difficulties that lie before us in the next twelve months.

As regards the present year we expected a surplus of 2 crores. We have, I am afraid, to meet a deficit of 11 crores. That is mainly due to the fact that warlike operations have continued on the frontier.

Then, with regard to next year, we are expecting a total expenditure on the central account of 129 crores, and we anticipate that we shall have a revenue to meet it of only 110½ crores. That would mean a deficit of 18½ crores, and we propose—I leave aside all explanations and go at once to the matter which will mostly interest this House—we propose to make up that deficit and also to provide ourselves with a small necessary surplus amounting to about 84 lakhs in the following manner.

We propose, in the first place, to raise the general *ad valorem* duty on the imports from 7½ per cent. to 11 per cent. This we expect to bring us in about 3½ crores. We do not propose, Sir, to increase the cotton excise duties. We propose, in the second place, to withdraw the existing concession by which certain machinery and other supplies required for spinning and cotton mills are admitted free. We expect that this will bring us about 10 lakhs of rupees. The second, customs proposal that we have put before the Lower House is the levy on matches of a specific import duty of 12 annas per gross boxes, that is, to say, about one pie per box. That, I hope, will bring in 110 lakhs. The third is a substantial increase in the duties on imported liquors. When I announced that in the Lower House, a sigh of apprehension went round the benches, and I was obliged to give them the fullest details of what we proposed to do. Here, in this obviously very much more temperate House I do not perhaps need to explain the details: I will only say that the extra tariff should bring us in 94 lakhs. The fourth is the raising of the general *ad valorem* duty of 7½ per cent. to 20 per cent. on certain articles of luxury, such as motor cars, motor cycles and tyres (excluding lorries), silk piecegoods, fireworks, umbrellas, clocks, and watches, musical instruments, cinematograph films, etc. The fifth proposal is the raising of the present import duty on foreign sugar from 10 to 15 per cent. That, we hope, will bring us 65 lakhs. I come to the last of my tariff proposals, and that is the raising of the duty on tobacco other than unmanufactured tobacco by 50 per cent., and 75 per cent., instead of 50 per cent. *ad valorem* on cigarettes and cigars; that should bring us about 40 lakhs.

Now, Sir, we have to supplement these measures by measures which I think will not commend themselves quite so readily to large portions of our

[Mr. W. M. Hailey.]

public. We propose to raise the surcharge on goods carried on our railways, the surcharge that is which was sanctioned in 1917, and the increase is substantial. The present rates are 1 pie per maund on coal, coke and firewood and 2 pies on all other goods. We propose to substitute the following rates :—(1) 6 pies per maund on coal, coke, firewood, foodgrains and fodder; (2) 2 annas per maund on certain valuable commodities which can bear a high rate of tax, such as piecegoods, pressed cotton, jute and ironware, timber and oils; (3) 1 anna per maund on all other articles of general merchandise not falling within these two categories. At present there is a free zone for goods carried 10 miles or less, which we propose to extend to 20 miles. We hope these proposals will bring us the substantial sum of 5½ crores. Then follows another measure which is also perhaps less likely to commend itself to a large section of the public, that is, an increase in postal rates. I will give the House details. Abolition of the half-anna postage for letters, the charges in future to be one anna for letters not exceeding 2½ tolas in weight, and half an anna for every additional 2½ tolas; raising to half an anna the quarter anna post card; rate for book, pattern and sample packets to be raised from half an anna for every 10 tolas to half an anna for every five tolas or fraction thereof. At present the initial rate is ¼ anna for registered newspapers not exceeding 8 tolas in weight and ½ anna for papers not exceeding 40 tolas, and it is proposed that the maximum weight to be carried for a quarter of an anna be reduced to five tolas and that for half an anna to 20 tolas. I do not propose any increase in the parcel postal rates, but I propose that the rates of commission on money orders should be raised to the level which existed in 1902. That, we hope, will bring us 2½ crores. We regret the measure, but we see no way out of it in view of our financial difficulties. We believe that the present postal rates, enormously useful as they may have been in the development of India, are a luxury which we cannot afford. The remaining and final step, the inevitable step to complete the deficit which we anticipate is direct taxation. So far, I have provided for 16 crores. We have still about 3 crores to raise, and we propose to do this by increasing the maximum ordinary income-tax from 12 pies to 16 pies, and so to re-arrange the upper grades of supertax that it shall be four annas on incomes exceeding 3½ lakhs per annum. That, as I have said, should bring us the remaining 3 crores. We shall have altogether 19·17 lakhs against an anticipated expenditure of 18½ crores giving us, therefore, a surplus of 84 lakhs. These are the proposals which I have put forward on what I may call the revenue side. It will interest the House to know that with regard to Ways and Means and the capital side we propose to raise a rupee loan of 15 crores, and also propose to raise a 5 million £ loan in England. We propose to give 15 crores to Railways, and one crore to Delhi. That completes the account.

I am sorry again that I have only been able to give the facts to the House in the barest detail, but I thought it my duty to attend here and place our case at the earliest possible moment before the House.

The HONOURABLE THE PRESIDENT : This closes the business for the day, and the Council stands adjourned to 3rd March, 1921, at 11 o'clock in this Chamber.

The Council adjourned till Thursday, the 3rd March, 1921.

COUNCIL OF STATE.

Thursday the 3rd March, 1921.

The Council assembled in the Assembly Chamber at Eleven of the Clock, with the Honourable the President in the Chair.

MEMBER SWORN :

The Honourable Saiyid Raza Ali.

SECRETARY TO THE COUNCIL : I have received a message to the Council of State from the Legislative Assembly.

The HONOURABLE THE PRESIDENT : Let the message be read.

SECRETARY TO THE COUNCIL : The message which has been received from the Legislative Assembly through its Secretary is as follows :—

The message from the Council of State to the Legislative Assembly desiring concurrence in a Resolution to the effect 'that the Bill further to amend Code of Criminal Procedure, 1898, and the Court Fees Act, 1870, be referred to a Joint Committee of the Council of State and of the Legislative Assembly, and that the Joint Committee do consist of 12 members' was considered by the Legislative Assembly at its meeting of the 1st March, 1921, and the Resolution was not concurred in by the Assembly.

PROCEDURE BY A REFERENCE TO A JOINT COMMITTEE.

The HONOURABLE SIR WILLIAM VINCENT : With reference to this message, Sir, may I inquire from you what exactly our position is in regard to this Bill and what further measures it is within the power of Government to take under the rules?

The HONOURABLE THE PRESIDENT : Procedure by a reference to a Joint Committee is a new one to this Council and arises out of the double Chamber constitution. I think possibly Honourable Members will bear with me for a minute or two while I examine the position.

A reference to a Joint Committee is a device which enables the Chamber, in which a Bill does not originate, to take part by its representatives in a discussion on a Bill at a very early stage of its progress.

In Parliamentary practice procedure by a Joint Committee is most frequently resorted to in cases where the Bill has a peculiarly technical or legal importance, or where, as in the case of a Bill, which is familiar to all Members of this Council, the Government of India Bill, the subject-matter of the Bill is rather outside the ordinary sphere of party politics.

[The President.]

It may be as well to say a word as to the case in which a motion for a Joint Committee has been carried in both Houses and the Bill duly committed, for I have ascertained that there is some misapprehension on this point. When the Joint Committee has completed its deliberations, a copy of the report is laid in both Houses, but if a Bill emerges from the Joint Committee, that Bill is moved on and dealt with in the Chamber in which that Bill originated as if it had been a Bill committed to an ordinary Select Committee. The Bill as passed in the Chamber then goes up or down to the other Chamber, as the case may be, and is passed, amended or rejected in the usual way by that Chamber. That Chamber has the same power of discussing the principles of the Bill and amending or rejecting any and every clause as if the Bill was any other Bill passed by the other Chamber.

It is not unusual for a Chamber to which a Resolution proposing a Joint Committee is referred and which is unwilling to accept the recommendation, to avoid a direct negative and by a dilatory motion to allow the question to lapse.

In the present instance, however, a direct disagreement has been intimated. The message must have been moved on with very little notice in the Assembly and disposed of very promptly, for the Resolution of this Chamber was only passed on the 28th February, that is last Monday. I have been asked a question also as to the procedure to be followed when a message of the kind now under consideration is received. I do not wish to commit myself to a definite ruling on the point, but I would say that it is desirable that a message of that kind should be accompanied by a copy of the Bill referred to in the message, and that, speaking generally, in the absence of urgency, the motion for the consideration of the message should not be put down till Honourable Members have had an opportunity of considering the Bill. I have been further asked as to what is the nature of the speech that should be made on that motion.

That, of course, is a matter primarily for the consideration of the Mover, but, as I have been asked my opinion, I will state it in this form, that, speaking generally, it should be much the speech that would be made on the introduction of the Bill in the originating Chamber. We are now faced with the position that the Assembly have given a direct negative to a recommendation of this Chamber, and the Honourable the Home Member has asked me to state my opinion as to the courses available. We are still new to the rules and, therefore, I propose to do so. It is clear that the course contemplated by rules 36 and 39 of the Indian Legislative Rules is not open, for this is not a case of the amendment of a Bill. On the other hand, this Council has, of course, full seisin of the Bill, and it is open to the Honourable Member in charge, subject to the rules as to notice, to make any other motion in regard to the Bill that he could have made after introduction. I shall have to rule, I think, that he will not be entitled to repeat in this Session the motion for a reference to a Joint Committee, for Standing Order 30 stands in his way. That Standing Order runs as follows:

‘A motion must not raise a question substantially identical with one on which the Council has given a decision in the same Session.’

Even if I came to another conclusion, I think it would have to be so ruled in another place. Rule 40 contemplates conferences by agreement by both

Chambers to discuss a difference of opinion; but even if the prohibition of identical motions in the same Session did not operate as a bar to any practical result during this Session, I can find no Parliamentary precedent for a conference on a matter of procedure of this kind when alternative action in this Council is available.

The sum and substance of my remarks comes to this that, even if the Honourable Member moves and this House were willing in all the circumstances of the case to consider the question of a fresh motion for a reference to a Joint Committee, that motion cannot be made in the Session. I hope that I have explained the matter fully.

The HONOURABLE SIR WILLIAM VINCENT: I am much obliged to you, Sir.

RESOLUTION *RE* SLAUGHTER OF COWS, ETC.

The HONOURABLE LALA SUKHBIR SINHA: Sir, I beg to move the following Resolution:—

‘This Council recommends to the Governor General in Council:

- (a) the prohibition by legislation of the slaughter of cows in India for food except for sacrifice on Bakr-Id;
- (b) the appointment of an all-India Commission that may inquire and report on the measures which should be taken to improve the breed and increase the number of milch and agricultural cattle in India.’

Sir, from the wording of this Resolution, Honourable Members will see that I have excluded the religious question altogether. I leave it to the good sense of my Muslim brothers as to whether they would like to continue the killing of cows for sacrifice on Bakr-Id or not. I have to express my thanks to the Khilafat Committee and also my gratitude for the efforts that they have made to minimise or to stop the killing of cows on the Bakr-Id festival, and I am glad to say that up to this time the Khilafat Committee has been successful to a great extent.

Sir, in this Resolution what I want to propose is, that the killing of cows for food may be stopped by legislation. I am not going to interfere in any way with the religious feelings of my Muslim brothers, and, therefore, I request them to consider this question on economical grounds and not on religious grounds. Sir, I think the Members of this Council are well aware that this cause is common to all of us. We require milk and butter, whether we are Hindus, Muhammadans or Christians. We require bullocks for agriculture; we require bullocks for drawing water and other purposes, and, therefore, if the breed of cattle is to be improved and the number of cattle to be increased, it will be a good thing and beneficial to all of us.

Sir, India is an agricultural country and about 80 per cent. of the population depend upon agriculture. Bullocks are required for ploughing the land, for giving manure, for drawing water, for cartage and other purposes. We find now that the number of bullocks is not sufficient. The arable area has increased, but the bullock power has decreased. The maximum area which a pair of Indian bullocks can till during a season is five acres. The cultivated area in British India is about 228 million acres and the total number of plough cattle is about 49 millions. Taking 25 per cent. for drawing carts and other purposes and 25 per cent. as old, infirm, sick and young, there remain only

[Lala Sukhbir Sinha.]

about 24 millions of cattle available for cultivating about 228 million acres, that is to say, a pair of bullocks has to till about 19 acres which would require in the ordinary course four pair of cattle. If we look to the Census Report of the United Provinces Government, we find that the number of bullocks per hundred ploughs is 220 now, while five years ago it was 225, but all the Members here who have been connected with tenants and agriculturists will bear me out that 400 bullocks are required for 100 ploughs, at the rate of 4 bullocks for each plough. In this country people use cattle and not horses or machines for the ploughing or for well irrigation.

Sir, Indians are practically vegetarians. The quantity of fresh fish and flesh consumed is extremely small. Therefore milk and its products form their chief sources of nutrition. Milk is the staple food of all children in this country. Most adults take milk, butter and ghi. A good deal of milk is taken with tea, the consumption of which is increasing. Its use in the making of sweets, which are so largely consumed by all classes in India, is also increasing. The great shortage of the milk supply and the consequent rise in its price has helped to undermine the health of the people. In addition to the increase in the death-rate, there has been a growing prevalence of such wasting diseases as tuberculosis and the like among the people. The number of reported tubercular diseases among human beings in 1902 was only 38,435, while by the year 1917 the number had risen to 100,192.

The number of milch cattle is scarcely enough to supply one-eighth of the present population of India with a fair quantity of milk. Taking the average yield of milk of the Indian cow to be 2 pints per head per day for seven months, the milk produced by 50 millions of milch cattle per day for the 254 million people comes to about 60 million pints per day,—that is, each individual gets less than $\frac{1}{4}$ pint, which is equal to 2 chittaks, whereas he needs on the average 2 pints of milk a day.

The abnormally high price of milk and ghi has given rise to adulteration, which beyond any comprehension has proved very detrimental and dangerous to the health of the people, for it has brought in its train numerous new diseases that sweep away a countless number of the inhabitants every year. Impurity of ghi and milk, and all the diseases caused by these, can never be effectively removed by any penal legislation, however drastic it may be. The true remedy must come from an increase in the supply of milk and milk products, which again is entirely dependent upon the preservation and improvement of cattle, which necessarily involve the prohibition of cow slaughter.

The rise in the price of milk and milk products has gone up out of all proportions as compared with the current tendency of an all-round rise in the price of various articles of consumption; for while during the last 60 years the price of corn has gone up from 5 to 7 times, that of milk has risen more than 40 times. Again, the price of most other commodities in England and the United States of America is double, and sometimes even four times, that of the same in India; but milk can be had there at the same price as here and sometimes at an even cheaper rate.

Sir, the infant mortality in India is appalling, being nearly double that of the United Kingdom, Denmark and Japan, about three times that of Norway and Sweden, about five times that of Holland and the United States of America

and nearly nine times that of New Zealand. Of the 260 per thousand of deaths of infants under one year which take place in India, and 67 per thousand of deaths of children between 1 and 5 years of age, most are from preventable causes specially from malnutrition, and it is evident that 'by cheapening the price of milk so as to bring it within the reach of the poorer classes more would be effected', as Colonel Mactaggart, Sanitary Commissioner of the United Provinces, says, 'towards reducing infantile mortality than the presence of any number of trained *Dais* would accomplish.'

The death rate amongst Indians is far higher than that of any civilised country, for while it is 30 per thousand in Japan, 17 in England, Wales and Scotland and Holland, 15 in Denmark, Norway and Sweden, 9.5 in New Zealand, it is more than 38 per thousand in India. Besides the death rate of females between the ages of 15 and 30 is still higher than of males of the corresponding ages, because they cannot get nourishing food during their child-bearing period when they require it the most.

Lord Tenderden very recently in the House of Lords drew attention to the high rate of mortality in India as the result of lack of milk, which, as he said, is due to the large number of cows being slaughtered which should be stopped. But Lord Sydenham said that restrictions in killing cattle would occasion resentment amongst poor people in India. But, Sir, it is not the case. It is my personal experience—and I hope other Honourable Members will bear me out when I say that the poor villagers do not consume beef as their daily food, but take it very seldom. In large cities and towns also very few Muhammadans take beef, and among high class Muhammadans none, I should say, take beef. Therefore, it is a mistake to say that killing cattle will occasion resentment amongst poor people in India. My belief is that, if cow killing is stopped, the poor people will get more milk for drinking purposes and more cattle for agriculture. And they instead of resenting will welcome the prohibition of cow slaughter.

Sir, in this country it will take some time to introduce ploughing and other machines for want of sufficient capital and the poverty of the people and small holdings. Hence the preservation and improvement of our cattle are of primary importance, for while they form the life and soul of agriculture they are deficient in number and quality. Sir, the number of cattle in India is not adequate as is evident from a comparison with the number of cattle in other agricultural countries of the world. Thus, while the number of cattle per hundred of population in India is only 61, it is 74 in Denmark, 79 in the United States of America, 80 in Canada, 120 in Cape Colony, 150 in New Zealand, 259 in the Argentine Republic and 500 in Uruguay.

Sir, the agricultural output per acre in India is also far less than that of numerous other countries of the world, for while it is 33 bushels of wheat per acre in Denmark, 29 in Great Britain, 32 in Switzerland, 14 in the United States, 17 in Canada, 32 in Japan, 29 in Egypt, it is only 11.5 bushels of wheat per acre in India.

The next question is the deterioration of cattle in India. Indian milch cattle used to give in Akbar's time about 20 quarts a day; only 25 years ago country cows used to give about 5 seers of milk per head per day on an average; while they now give only one seer, and the bullocks could do double the work they can do now.

[Lala Sukhbir Sinha.]

All this is mainly due to the want of breeding farms, bulls and grazing lands.

An attempt was made to collect statistics of the slaughter of cattle in the various municipalities in this country. Out of 720 municipalities addressed, only 160 replied. The figures relating to these show that in 1919-20 the number of cattle slaughtered was 671,526. The total number of municipalities is 720, and I think I can safely conclude that in all the municipalities taken together the number of cattle slaughtered for food will not be less than 30 lakhs a year.

The income from octroi for the slaughter of animals in municipalities in British India has also risen very much. In 1902-03, the income was Rs. 4,55,202, but in 1912 it went up to Rs. 6,44,776, and the fees, etc., from slaughter houses has risen from Rs. 28,15,894 in 1902-03 to Rs. 45,35,621 in 1911-12. If we calculate the number of animals killed at the rate of at least 4 annas per head, the total will come to Rs. 1,81,00,000 per year. Sir, I was trying to get the figures of cattle census for all India, and on my request the Honourable Mr. Sarma was pleased to send me a statement showing the census figures of the last census taken for the whole of India. But when I looked into the Agricultural Statistics of India for 1917-18, I found that the figures for corresponding years were misleading and so no accurate conclusion can be arrived at, because in the report the following sentences occur which show how misleading, or at any rate, how rough these figures possibly can be. The Report says :—

'In Bengal a cattle census was taken for the first time in 1912-13 which gave the numbers of bulls and bullocks, cows, buffaloes and young stock. In Bihar and Orissa a census was taken in 1913-14. The figures for Bihar and Orissa prior to 1913-14, as also those for Bengal for years prior to 1912-13, are based on estimates. Livestock in cities and cantonments are included wherever it is possible to secure their enumeration. In making up the totals for British India for each year the figures last collected in the provinces where the census is not taken annually, are repeated year after year until the next cattle census is taken. It would therefore serve no useful purpose to compare the total figures for one year with those for another year, as the totals thus constituted do not really represent the number of stock in the year against which the figures are shown in the table.'

But, however, looking to these figures it is found that the total number of cattle has been reduced by 2 per cent. in the whole of India during the last five years, while the population and arable area have increased. In the United Provinces, bulls and bullocks have been reduced by 3 per cent., cows 2 per cent., buffaloes 2 per cent., young stock 1 per cent. The number of cattle to 100 ploughs now stands at 220 as compared with 225 in 1915, while, according to the required number, there should have been at least 400 bullocks for 100 ploughs.

In the Punjab and the North-West Frontier Province, there is a marked decrease in cattle. In Bengal, there is a large decrease in young stock; in Madras, Bombay and Bihar, there is some increase which is due to the fact that there is not so much indiscriminate slaughter of cattle as there is in the Frontier, Punjab and the United Provinces.

There is another factor from which we can calculate the number of cattle killed in this country. I mean by the figures of the export of hides. In 1881, the quantity in cwts. exported was 5,95,144. It has gone on increasing every year practically, and in 1913-14 the figure had gone up to 11,15,747 cwts.

The total export of tanned hides from British India by sea to foreign countries in 1881 was 62,871 cwts., and that quantity increased in 1914 to 174,028 cwts. So, roughly speaking, the quantity of hides and skins and tanned leather exported from India to foreign countries has gone up cent. per cent. from 1881 to 1914 and in tanned hides it has gone up thrice.

Sir, why I ask the Government to prohibit cow slaughter by legislation is due to several facts. The first is, that a large number of cows is killed for the food of British soldiers. In cantonments generally cows in the prime of life are killed. I think some Honourable Members will bear me out when I say that large herds of prime cows are often seen being taken up to the hill-stations to be slaughtered for soldiers. Stopping the issue of beef to soldiers cannot be done without legislation.

The second reason is, that there is a trade of meat for Burma. It is called the Burma meat trade; and I shall explain later to the Council that it is a new trade which has sprung up within a few years and for which lakhs of cattle are killed in India for the sake of sending beef and blood and everything else to Burma for consumption. In reply to my question the United Provinces Government was pleased to state that in 1912-13 about one lakh and a half of cattle were killed for the Burma meat trade in the United Provinces, and from this you can infer what must be the number of cattle killed for this trade throughout the whole of the country. The total number cannot be less than five or six lakhs. This trade is carried on at certain places and in big towns. I think in the United Provinces alone it is carried on in about thirty places, and I have heard that it is carried on in the Central Provinces, Madras and Bengal also. The United Provinces Legislative Council has very recently passed a Resolution to stop this meat trade, and I hope that similar action will be taken by other Provincial Governments or that a stop to it will be made at once by the Government of India.

Then, Sir, we have legislation for the protection of females of many other minor animals and game birds, but it is a pity that such a useful animal as the cow does not find a place in the existing legislation. This is my third reason. When Government protects the females of other minor animals and birds, I do not see why by legislation the slaughter of cows should not be prohibited. The Council will be glad to know that many Native States have stopped the killing of the cow; I may mention some of them, namely, Baroda, Kashmir and all the Hindu States in Rajputana and Central India. His Highness the Nizam of Hyderabad and His Majesty the Amir of Kabul have also forbidden the slaughter of cows by legislation. Many of the municipalities have stopped the killing of cows and calves in their slaughter houses. The municipalities of Simla, Calcutta, Howrah and Jubbulpore have stopped the killing of calves, and the municipalities of Lucknow, Lahore and Cawnpore have passed Resolutions to stop the killing of prime cows also.

Sir, the question of the preservation of cows is not a new one, but has been discussed several times on numerous public platforms. The National Congress, the Muslim League, the Hindu Sabha and many other important public bodies have passed Resolution after Resolution to accomplish this object. From the following Resolution passed at the Nagpur Congress last year, it appears how anxious the people are for the preservation of cows. The Resolution runs thus :—

'This Congress gratefully welcomes the Resolutions of the various Muslim bodies recommending discontinuance of the slaughter of cows in India in the festivals removing as it

[Lala Sukhbir Sinha.]

does a cause of great offence to the universal Hindu religious sentiments, and recognises the Resolutions as one of the greatest steps on the part of the Indian Moslems towards complete unity between Hindus and Mussalmans.

This Congress recognises the necessity of the protection of agricultural cattle as an economic necessity, and urges upon the people of India to do their level best to achieve this object, particularly by refusing to sell cattle or hides for export trade.

The All-India Muslim League in December 1919 passed at Amritsar a Resolution in which they appealed to Mussalmans to desist from cow killing. It was affirmed in December 1920 by the Moslem League

The HONOURABLE THE PRESIDENT: Order, order, the Honourable Member must bring his remarks to a close as his time is up.

The HONOURABLE LALA SUKHBIR SINHA: All right, Sir. It will not be out of place to quote here the appeal which Colonel Wedgwood recently made to the English in India to desist from cow killing. He says:—

‘Just as English people on the Continent of Europe naturally and out of good manner, avoid offending the susceptibilities, religious and national, of the people, so I feel convinced, the Europeans in India will, if it is put to them, avoid offending the susceptibilities of Indians in connection with cow killing even though it involves for the moment some sacrifice of their personal comfort’

The HONOURABLE THE PRESIDENT: When I asked the Honourable Member to bring his speech to a close, I did not ask him to read as fast as he could, but I asked him to wind up his speech, and I do hope he will comply with my request.

The HONOURABLE LALA SUKHBIR SINHA: All right, Sir. During all this time many public bodies, Hindus and Mussalmans, have been asking the people to put a stop to cow killing at the time of festivals and on certain other occasions. Hakim Ajmal Khan, Mr. Chotani, and Dr. Ansari have all been saying the same thing. The Cow Conference presided over by the Honourable Mr. Justice Woodroffe is trying its level best to put a stop to cow and calf killing. All this shows that there is a general feeling throughout the whole country among Hindus as well as Muhammadans to put a stop to cow killing by all possible means.

As regards the second part of my Resolution

The HONOURABLE THE PRESIDENT: Order, order. I had requested the Honourable Member on several occasions to wind up his speech. He must now resume his seat.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: Sir, I am very glad to find that my Honourable Friend has done his very best to put the matter before the Council, but if I may divulge certain things which have happened outside the Council, I may say that he never meant to move this Resolution. What I mean is, a few of us, Hindus and Muhammadans, had a conference, and what he wanted was really to stop the Burma meat trade, not to put a stop to cow killing, because it is against the religion of Muhammadans. That is what I am trying to put before the Council. Being a Muhammadan, Sir, I have to put forward certain things which, I hope, you will permit me to

do. We are in favour up to a certain extent of not killing cows. That is that any man who kills a cow, or cuts a shady tree from the roadside will not be pardoned. Another thing is that cow's milk has got certain excellent properties, whereas meat has not. By that meat people get ill. Another thing which our religion teaches us is ‘always be good to your fellow brethren.’ For this reason also we want to meet our Hindu brethren half way. But according to our religion the cow is not *haram*, and any legislation which forbids the killing of cows will go against our religion, and I hope that Government, having distinctly stated that they will never interfere with the religious susceptibilities of any class of people, even my countrymen, will never forbid a thing which is allowed to us. On the other hand, I recognise there is the economic question also to be considered, and naturally people will adhere to it. If they find that cow-killing is not right, they will not do it. It is much better in my opinion that, instead of undertaking legislation to prevent the slaughter of cows, we should approach the people and impress upon them the necessity for preserving cows. If the people are properly approached, they will see their own mistake. I think if the matter is ripe, we will all do what we can ourselves to prevent cow slaughter. But, Sir, certain statistics have been put forward. I will not say that I doubt their accuracy, but I have something to say about them. It is said that a pair of bullocks can only till 5 acres or 10 bighas, but it is ignored that there are two seasons in India, one is kharif and the other is rabi. You can till 10 bighas in one season and the other 10 in the other season. There are many other things on which I could speak, but on the whole I sympathise up to a certain extent with the movement. I think, Sir, that if Muhammadans are true to their religion they cannot very well allow legislation to pass which will forbid them from doing a thing which is allowed to them by their religion.

The HONOURABLE NAWAB ABDUL MAJID: Sir, the Honourable Mover has brought forward this Resolution and dealt with it from his own standpoint. He has discussed this Resolution from a vegetarian point of view. He has forgotten at the same time that in India there are other communities like Muhammadans and Christians, who are all meat-eating people. Now the question is this, if this Resolution is passed what will be the result? Meat is their staple food. My friend has said that many Muhammadans are not meat eaters. I join issue with him there, Sir.

So far as the Muhammadans are concerned, whether poor or rich, everyone of them takes meat. If you stop the slaughter of cows, what will be the result? The poorer Muhammadans will be the sufferers. This Council knows and it is well known, that the poorer classes of Muhammadans chiefly depend upon beef because beef is sold cheap, whereas mutton is sold at a high price. If we stop the slaughter of cows, the price of mutton will go up and so place meat out of reach of the poorer classes of Muhammadans. And this will affect not only the poorer classes, but also the richer classes and all those who take meat. My friend says that we suffer a great deal from the slaughter of cattle. But has he considered the consequences if we stop the wholesale slaughter of cattle. Where is the fodder to support the innumerable cows and bullocks that will roam about the villages? Even now there is a cry in the villages that there is not sufficient fodder to support the cattle. My Honourable Friend himself has said, when giving figures of the production of

[Nawab Abdul Majid.]

milk per cow and comparing the time of Akbar with the present time (assuming these figures are correct) what is the reason now that the produce of milk has been reduced? The reason is chiefly this, that there is not sufficient fodder. The poor agriculturists are not in a position to give them sufficient food. These cattle simply subsist upon straw and grazing which is also very small in villages. So, looking to all these circumstances, I do not think it is right that legislation should be passed compelling the people, who up to this time have enjoyed the right of eating meat, to abstain from doing so.

Sir, there is a religious point also so far as this question of meat is concerned. As has been said by one of the Honourable speakers, according to our Koranic laws, some things are forbidden to us that we should not eat them, whereas there are other things which we are allowed to eat. If you have legislation and if you prohibit us from eating beef, the result will be that you will compel us to go against our religious law. It would have been much better, and it would be much better, if such things could be left to the mutual co-operation of Hindus and Muhammadans and outside the scope of legislation. It will be much better if these things are settled outside by mutual give and take and also by mutual co-operation, and not that you should come in and compel us by legislation not to do such a thing, to which we will never agree. My Honourable friend has named certain Muhammadan gentlemen who have given their views on this question. Sir, these may be their own views. So far as the Muhammadans are concerned, I know it that there are many of us, thousands of us, who will never agree to give up eating beef in this country. Already I am hearing murmurs from the time that this Resolution has been brought in this Council and people are saying that they are not going to give up their rights.

And then, Sir, last of all I would urge my Honourable friend not to press this Resolution to a division. My friend thinks that by this compulsion being exercised over us he is going to create a feeling of amity and friendship between Hindus and Muhammadans. He is clearly wrong there. If you will compel us, if you are going to exercise your power of compulsion over us by reason of your majority over us in this Council, then remember this much, instead of the creation of a feeling of amity and friendship, there will be discord among us. We will never agree to give up our right which we have been exercising for centuries in this country. From the time of the Muhammadan rulers up to the time of British rule in this country, we have been exercising this right of eating beef in this country. Who is any person of any other religion who should come forward, who should compel us and tell us we should not do this? Therefore, Sir, I appeal to my Honourable friend that he should pause and consider whether it is not advisable, in the interests of this country, in the interests of Hindus and Muhammadans, that he should not press his Resolution to a division. Sir, I oppose this Resolution.

12 P.M. The HONOURABLE MR. C. N. SEDDON: Sir, I oppose this Resolution. My Honourable friend has stated the Muhammadan point of view, and I have nothing to say about the question of using beef for food or about the religious controversies which will arise. I should like, however, with your permission, to put what I consider to be the true economic case before the Council. The Honourable Mover puts forward his case

on economic grounds entirely. He says that cattle have decreased in numbers, and especially cows. He says that India is an agricultural country and requires more cattle and that the people of India require more and cheaper milk and ghee; and that the killing of cows has reduced and tends to reduce, the numbers of cows and therefore the supply of milk and milk products. And, if cows are not allowed to be killed, there will be more bullocks and more milk. Sir, there is a quinquennial cattle census taken in India and, excepting for the provinces of Bengal and Orissa, we have the results of that census from 1899-1900 until last year. The figures for all cattle are as follows, roughly:—

1899-1900	.	.	.	.	84,785,000
1904-1905	.	.	.	.	89,982,000
1909-1910	.	.	.	.	94,902,000
1914-1915	.	.	.	.	101,893,000
1919-1920	.	.	.	.	101,019,000

I will not trouble the Council with the detailed figures with regard to cows, but I may say that they also show a steady increase except for the last census taken. And the reason why there is a small decrease both in cows and in all cattle for the last census is, obviously, that in 1918 the monsoon failed over a large tract in India and there was an unprecedented scarcity of fodder. To my knowledge, in my own province of Bombay, the mortality was extremely heavy. There is no reason, however, to suppose that this mortality and this destruction of cattle will not be made good in a very short time. There is, in fact, a steady increase except for the last year; and the steady increase is due to the growing resources of the people and the slight extension of cultivation. There is nothing whatever to show that there are fewer cattle than are really required. I may say, with regard to my own personal experience, that during the last 17 or 18 years I have been in very close touch with land settlement operations in Bombay, throughout the whole Presidency proper and in the Baroda State; and I have had to do—either preparing myself or taking a large hand in the preparation of—over 30 re-settlement reports, I have never found in a single instance that there was any evidence to show that the land was not cultivated properly owing to paucity of cattle. I have known one or two occasions where there has been temporary scarcity, as after the great famine of 1900 in Gujarat and Kathiawar; but this temporary scarcity was soon made good by importation, and it was merely, as I said, a temporary scarcity.

Now with regard to cows and the production of milk, it is a complete fallacy in my opinion to say that we ought to improve it by increasing the number of cows. The amount of milk produced does not really depend on the number of cows, but upon the milk-producing quality of the cows. As the Honourable Mover stated, the Indian cow, as a general rule, is an extremely poor producer of milk. I do not know whether it is right that it only gives one seer—I was going to put it at three seers—but there is no reason in the world why a good milking cow should not give at least three times as much milk.

I would ask Honourable Members of this Council to consider whether it would not be better to have half the number of cows giving three times as much milk. That is the best way to improve the amount of milk produced in this country,—to improve by selective breeding the milking qualities of the cows.

[Mr. C. N. Seddon.]

Sir, there is another aspect of the case. When we are asked to take measures to increase the number of cattle in this country, we should not forget that it is practically impossible. Two years ago there was a severe fodder famine in the Bombay Presidency, and I had to examine the question of preventing cattle mortality by importing fodder. I looked into all the statistics, and I found that what happened in the Deccan districts was this. After the few good years the number of cattle increased. There was then a poor year and a reduction took place of 20, 25, or even 30 per cent. Then a few more good years and the number went up again; a bad year, and it fell again. The meaning of this is simply that the country, after a few good years, carries a greater head of cattle than it can possibly support in a bad year, and the result is that you must have great mortality. If you do not kill them by sending them to the butchers, you must allow them to die by slow starvation. You cannot keep them alive by importing fodder, because it will cost you Rs. 100 to maintain an animal which in the end will only be worth Rs. 20—which is not a business proposition. Then you cannot keep them alive by providing larger areas of grazing land because, in the first place, it is difficult to find the land, and in the second place, if you do find it, it produces no fodder in a bad year; so that while you may have a few more cattle for a cycle of good years, when a bad year comes the mortality is heavier. Again, you cannot send off animals to the forest areas because they generally die, and it is not worth doing as a business proposition, except for the more valuable animals. The position is, therefore, that you cannot have many more cattle in the country. You do not want more cattle, but what you do want to do is to improve the quality of milking animals. That is the true economic proposition. And, if you abolish cattle killing, what it would do would be to deteriorate the quality of milking cattle. We only keep up to our present quality by killing the inferior animals. And whatever my Honourable friend may say to the effect that prime cows are killed and so on, it is quite clear that, as a general rule, it is the inferior animals that are killed.

What can be done to improve the quality of cattle, which is the real thing? Well, the Government are doing something. In Bombay, we have a few cattle farms. There is an excellent one at Charodi in Gujarat, started by Lord Northcote, after the great famine of 1900, a most excellent farm doing a great deal of good, and there are some others. Then I understand that Government have got some scheme for a dairy expert; I do not know how far that has gone forward. But work of that kind should continue to be done by Government, and it will have a great effect. Then, again, District Boards can do a little by providing stud bulls of good breed, and by encouraging villagers to make use of their services. Then there are prominent Indian gentlemen who take an interest in cattle and who wish the welfare of their country. They could do a great deal to encourage this selective breeding, if they would only try. They could establish societies for particular breeds of cattle, for their maintenance and for their improvement. They could organise shows; and they could provide, either themselves or by the help of their well-to-do friends, substantial prizes for successful exhibitors. They could also, I think, open a stock book for pedigree cattle. There are a lot of things which prominent gentlemen could do which would be extremely useful in educating people to understand the value of selective breeding.

Now, Sir, I have stated what I think is the economic position with regard to the killing of cattle. It appears to me that in fact the killing of cows is actually a beneficial process, and not, as my Honourable friend seems to think, a bad thing. And there are great practical difficulties in preventing cows from being killed, or in any prohibition by legislation. How could you in fact do it? You might do it perhaps in municipalities, but how for the whole country? Do you really think that you could succeed in preventing everybody from killing cows? You could only do that by a great deal of tyranny, and by filling our Courts with cases against people charged truly, or very often *falsely*, with killing a cow. Then, Sir, supposing you do not let a man kill a cow? What is he to do with it? What justice is there in asking him to maintain and keep an animal which is useless? Supposing it is barren, supposing it is not worth its keep, what is he to do with it? He cannot sell it to anybody because no one will take a thing which is of no value. It cannot be killed, and it can only be turned out. It would either die of slow starvation or live on the cultivated crops. The destruction of crops by stray cattle is already a very serious nuisance in many parts of the country, and we had in Bombay to make a special amendment of the Cattle-trespass Act to meet it. If we go and add to the cattle of people who let their cattle out in this way—numbers of semi-wild and ownerless animals—the nuisance will become perfectly intolerable. The cultivators will have no remedy. They cannot kill an animal for it will be forbidden. They cannot catch it because it is more or less wild, and if they did catch it, they could do nothing with it. They cannot take it to the pound because no one would take it out and our pounds would become over-crowded, and a kind of *pinjrapol*. The whole idea of stopping the killing of cows is really impracticable, quite apart from the objection which my friends the Muhammadans from their own point of view would have to it.

Now, Sir, I have mentioned these economic points because, I think, we cannot decide this matter entirely upon religious feeling without understanding where it will land us. And I would ask the Members of this Council, before they agree to this Resolution which prohibits cow-killing, fully to consider the true economic position of the question and the really serious practical difficulties which such prohibition will entail.

The HONOURABLE SARDAR JOGENDRA SINGH: Sir, the economic importance of the cow is certainly beyond doubt, in spite of what has fallen from the lips of the Honourable Mr. Seddon. I suppose he was speaking from his own experience in the Bombay Presidency, certainly not from experience in the United Provinces and the Punjab, where you can easily pick out a man who lives on milk diet by his splendid physique. It needs no very careful scrutiny to realise that milk is the most nutritious diet of the villagers in the Punjab and the United Provinces, and I think Bombay and Bengal cannot be excluded. Nawab Abdul Majid said that the Muhammadan villagers in the United Provinces were meat-eaters and they could get only beef cheaply. I am sure he will not assert this because

The HONOURABLE NAWAB ABDUL MAJID: One thing, Sir, still they are meat-eaters.

The HONOURABLE SARDAR JOGENDRA SINGH: I do not deny that. They are meat-eaters in the sense that once a year a man eats meat. On the other hand, I am not prepared to support this Resolution for the very great reason that my Honourable friend Sir Zulfikar Ali Khan is about to move a Resolution proposing to safeguard the religious susceptibilities of His Majesty's subjects in other parts of the Empire, and we in India

[Sardar Jogendra Singh.]

cannot afford to injure those susceptibilities in India. The prohibition of the slaughter of cows should be by mutual agreement and I would ask the Honourable Member, Lala Sukhbir Sinha, to withdraw this part of the Resolution and press only for an inquiry for raising stocks and increasing the number of cows.

The Honourable Mr. Seddon remarked that the stocks were not decreasing. I am not sure whether they are not decreasing in some Provinces. I know the Punjab Government is deeply concerned about the decreasing stocks in the Punjab and they are specially considering how they can provide grazing grounds to keep the necessary stocks in the country. There is no doubt, as Mr. Seddon remarked, that you require good milking cows, and they need grazing grounds. What we need is good milk cows in place of poor milk cows; for that purpose too the second part of the Honourable Lala Sukhbir Sinha's Resolution would be most useful. What is really necessary is, that we should provide good grazing grounds and good stocks of cattle, and specially raise cattle where the military cantonments are for the use of the soldiers. If we can do this, I think we will greatly help in solving the milk problem of India which is a vital problem because it is the food problem. There can be no question that the food of the people is not being properly looked after. Milk is the food of the vegetarians and most of the people in the villages are vegetarians and milk and ghee are becoming scarce. Even a man who keeps cows finds milk so paying by selling it that he does not make use of it at all. The Punjab people say that if you look back twenty years there were more men strongly built and stalwart than to-day. The reason, they say, is simply this, that milk is not available and ghee is exported. The question of the export of cattle from India is another important question. Mr. Seddon said, if the cows are useless, what can you do with them? I do not see why we should not look after them, as we indeed do in India, before we go to the last resort of having to send them off to the slaughter house. I do not think the feeling in India on the subject will allow us to slay an animal, after getting work out of it for 20 years.

In conclusion, I will again ask the Honourable Mover not to allow the discussion to go on because it can serve very little purpose, but to press for the second part of his Resolution for a committee to be appointed to consider the whole question of raising cattle in India and improving the breed.

THE HONOURABLE MR. B. N. SARMA: Sir, the discussion which has gone on so far has placed both aspects of the question before the Council fairly clearly and has simplified my task. There is a good deal of feeling, especially on the Hindu side, in the country that somehow the Government should interfere and protect the cow and respect their religious sentiment. A large body of people, who are not actuated strictly by religious sentiment, seem to be under the impression that the economic situation of the country demands such a step. There is, on the other hand, a very large volume of well-informed opinion that any step taken in the direction in which the Honourable Mover of this proposition asks us to move, would, far from benefiting the country, be disastrous to its true economic interests. This Resolution has led, as has been pointed out by some of the Muhammadan Honourable Members, to a feeling of great uneasiness among our Muhammadan countrymen and telegrams have been sent to Government, protesting against any interference by legislation in

the manner proposed. I shall allude to this aspect of the question later, but shall endeavour to convince the Mover—if anything further than what has been already said be necessary—that there is no need to be an alarmist—so far as the economic situation is concerned, in point of numbers. He himself has promised to respect the Mussalman sentiment and, taking him at his own word, not much can be done by the Government, even if it were otherwise possible. The first position, taking the economic aspect of the question into consideration, that has been put to us, is that there are far too few cows relatively to the needs of the people and relatively to the population in other countries, that the number has been diminishing, that the same may be said of bulls, bullocks and male buffaloes used for agricultural purposes, and that consequently something will have to be done in order to prevent the denudation of the stocks. I think, Sir, that is an inaccurate picture that has been presented to us. The Honourable Mover himself told us that it would be somewhat unsafe to rely upon the figures quoted by him as they appear *prima facie* in some of the books relating to statistics without the necessary qualifications referred to therein. But, if he would analyse carefully those figures in so far as they relate to all the Provinces where such figures are available and take the all-India aspect of the question, as we have to do now, he will realise that the number of cows and cow buffaloes, far from decreasing in number relatively to the population, has during the last decade actually increased. The number of cows and cow buffaloes was computed to be 47·7 millions in 1910-11 and increased to 50·4 millions in 1919-20. After the disastrous famine of 1918 it was computed to be 50·4 millions, that is an increase of 5·6 per cent. And the population, according to a rough census that I have taken from the figures available, could not have increased much faster, is not much more than 4 to 5 per cent. Therefore, the growth of cows and cow buffaloes has outstripped the growth of the population during this decade and there is no reason for alarm. And, if only the cow behaves well, I think we are in an ideal position. There is a cow per every five of the population or one for every household. And I think, therefore, we have no reason to be dissatisfied from that standpoint, if only we can manage to make good economical use of the cows that we have. Then, I shall take the number of bulls and bullocks and male buffaloes. There is no use in generalising here again, because Honourable Members will realise that the duty per pair of bulls or bullocks in Madras is different from what it is in Bombay, and it is different in Bombay from what it is in the Punjab or the United Provinces. It depends upon so many factors. But, if you take the all-India factor and take the figures which my Honourable friend himself has quoted, you will find that there is no cause for alarm even here. In 1910-11, it was 51·5 millions; in 1919-20 it was 54·5 millions, or an increase of 5·5 per cent. as against an increase in area of only 3·8 per cent. So here also I do not think we can say that the area has not increased in a relatively larger ratio. There has been an increase in the cultivated area; therefore the statement that new land could not be brought under cultivation or that existing land has gone out of cultivation on account of insufficiency of stock does not apply when we take an all-India view of the matter. There has been a noticeable increase in the number of ploughs and carts also throughout India, and this is an aspect of the question also which the Honourable Member may take into consideration. I do not mean to say, when I depict this rosy picture that there is no cause for an inquiry into the condition of particular districts or parts of provinces. I know that in parts of the Punjab,

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parts of Agra and possibly parts of Bombay, there has been a noticeable decrease. But that is due, as the Honourable Mr. Seddon put it, to various economic causes, and it is for the Provinces in whose hands Agriculture has been placed completely as a 'transferred' subject to see what can be done in that respect. The Honourable Mr. Jogendra Singh has told us that the question of exports has also to be looked into as being a vital one. It does not really arise on this Resolution, and I shall not deal with it in detail. I will only make one observation, and that is, we went into this in the Legislative Assembly yesterday and we found that there was absolutely no cause for alarm here either or for any adverse comment. We found that about 14,000 bovine cattle on an average went out of India from her ports during the last five years—the number has been smaller than during the preceding quinquennium reckoning from a year backwards—and that this was 0·001, roughly, of the total cattle population of the country. And most of these cattle, again, went from the Madras Presidency to Ceylon and the Straits Settlements where there is a large resident Indian population; and the average number exported to the foreign countries proper was only on the average 711—surely not a very large number. But the Government taking the circumstances of particular areas into consideration has prohibited, or has resolved to prohibit, the export of the Ongole breed from the Madras Presidency, and if any other Province should make out a good case for a similar prohibition on the ground of the undue depletion of stocks in that particular area, the Government of India would only be too glad to do what can be done towards checking the export.

Now, Sir, coming to the question of milk supply, I do not think I can add much to what has been said by the Honourable Mr. Seddon. The point here is one of quality and not of numbers. If, as has been pointed out by the Honourable Nawab Abdul Majid, there has been a diminution in the quantity of the milk a cow gives, it is because the cow is not being fed as well as it was being fed in pre-historic days, if I may so put it. But there do not seem to be any solid grounds for any such inference being drawn suggesting the deterioration of the cow. These averages are meant for the whole of India, and they would be fallacious if we apply them to all tracts alike. In Upper India we find that the yield is much larger than elsewhere. Government fully realise that the problem is an important problem because an increase of one seer of milk per head of cattle means really according to present prices an increase of wealth to the extent of about 300 crores. The milk supply at the rate of one seer per cow and two seers per buffalo cow has been computed to be worth 140 crores. We find that in Pusa we are able to have breed cows which would give at least five to six times, if not larger, supply of milk, and so the problem would be solved, if only the people are resolved to adopt measures which the Government have already indicated. The question therefore is one of improved breeds and not one of increased numbers.

The point has been made that infantile mortality is very high and increasing, and that it is due mainly to the insufficiency of milk supply. There may be some truth about this in particular areas especially amongst the poorer classes in towns where the price has gone up enormously. But speaking for the whole of the country that statement is absolutely incorrect. We find that after 1908 the infantile mortality has been on the decline, or at any rate was very nearly uniform, until 1918 when, owing to influenza, mortality rose amongst all classes of the population. Therefore, it is wrong to say that the infantile

mortality has been on the increase on account of insufficiency of the supply of milk. There are various other factors, such as child marriage, etc., which are accountable for it, and it is well that we should look into these aspects of the question and not suggest that the deficiency of milk supply throughout India has been the cause.

Then, again, the insufficiency of the ghee supply was cited as an indication that there has been a deterioration in the milk supply. What do we find? We find that the exports during the last eight years have fairly kept ground. Therefore, the ghee supply could not have diminished in India relatively to the needs of the population if India has been able to export to foreign countries quite the same quantity as it was able to export some years ago. It might be said that people are unable to buy ghee and consequently it is allowed to be exported. That again is an economic factor, not due to insufficiency of supply, but to inability to buy the supplies that are available.

Sir, if we really analyse the position, there is ample ground and justification for congratulating ourselves when we compare ourselves with other countries on the strength of our cattle position in point of numbers. There is no use of quoting to us the statistics of countries which are young, which have a small population with vast grazing grounds, where the occupation of the people is to rear stocks for export. If we take well-settled countries with an old established population into comparison, we have reason to congratulate ourselves so far as the numbers go. But we have no reason to be satisfied—we have grave reason to be dissatisfied—with the poor quality of our cattle. I will go into this matter a little in detail, for the simple reason that there is such gross ignorance on the subject outside that wild ideas are going about that something might have been done by the Government, which a blind Government does not do. Well, take the 50 million cows. The growth amongst them would be about 25 million calves per year. Well, then, even taking a minimum of immediate increased growth of only 5 per cent., what do we find? The country would be absolutely unable to support it. I have shown already that really the number has not decreased. I have shown also that the number of acres under cultivation and the number of draught bullocks have not decreased. That is the number which the country wants really and which the country can support. All the rest must perish or must be exported unless additional food can be found, and I leave it to the Council to judge whether the economic aspect of the question is vitally bound up with the slaughter problem.

Then it has been charged against the Government that they do not supply sufficient grazing grounds, that restrictions are placed—inhuman restrictions—which naturally militate against the growth of the cattle population. I may say, Sir, there again, taking an all-India point of view, the figures do not support such a charge. The cultivable waste was 115 million acres sometime ago, it is on a proper computation 133 millions now. We have taken the various areas in Assam and Burma into consideration. Excluding them the figures are 74 and 75 millions. Taking the current fallows, and excluding Burma and Assam, again, we have no reason to be dissatisfied. The figures are 39·5 and 44·5. If you take the areas under fodder cultivation, there also there has been an increase. But we must realise that the growth of population would necessarily bring under cultivation vast areas which were used in populous villages as grazing grounds and there is no means of checking that, even if it

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be wise to do so, without the people's confirmation. The pressure of the population upon the foodstuffs of the country is also a factor which means less food for cattle. With these limitations the people have to grapple, and the only way seems to be to be satisfied with smaller numbers and better quality.

Sir, I have only one or two words with reference to the remarks made about the Army and the Burma meat trade. With reference to the Army I wish that no reference had been made thereto. The position advanced is really one which does not admit of much serious consideration. There are only about 70,000 British troops here and you want about 7,000 tons of beef for them. Assuming that that is so, what would be the number that will be slaughtered? Somewhere about 40,000 cattle—I am only putting it roughly because there are no statistics kept. Taking that a cow gives you 400 lbs. of beef, it will be about 40,000. 40,000 cattle as against an annual increase, if only you can feed them, of 25 millions! Or take it even at a smaller figure, what would be the proportion? So, from the economic point of view, is there any justification for saying that the Army is setting a bad example by depriving the people of their cattle wealth by insisting upon beef eating? I am told on very good authority that the Army, if only the Government of India could see their way to pay, would only be too glad to get a better quality of beef than is available in the Indian markets. That the Government of India cannot afford to pay for. But, apart from that, we have it from the Military authorities that prime cows, as such, are not generally slaughtered, that the price paid for animals is so very small, that no really useful cattle can possibly be slaughtered there, that it is only useless animals that are generally slaughtered, I will not say without any exception, and there is no need therefore for any importance to be attached to this factor.

Then comes the question as to the Burma meat trade. Here again, we have no figures. We have no data to go upon to show that there is any large denudation of stocks on account of this Burma meat trade. Well, say that Muhammadan butchers slaughter a number of cattle. You cannot prevent them from doing so. They say it is consumed by the people themselves. Then you must proceed to institute rigorous inquiries as to whether it is for foreign supply or for home consumption. Then, again, I would ask you, when Burma supplies you with rice, feeds you when you are starving, as to whether it is right on the part of India, if Burma wants a little meat, that you should say 'No.' Unless you are able to induce the meat-eating population in India to adopt *ahimsa*, to take to vegetarianism,—a position which I think need not be contemplated as a possibility at any rate, until those who believe in that doctrine are more aggressive in their peaceful propaganda and preach the Buddhist doctrine to the whole world—until that millennium arrives, we need not think of this legislation. But if we cannot legislate to prevent the Muhammadans and other beef-eating people from eating what they think is necessary for them, can we reasonably urge that a restriction be placed upon a part of the British Indian Empire, upon the convenience of a people who are supplying us in times of scarcity with the necessary food, which, if only they had their own way during the last two years, they could have sold to the outside world at a considerable profit? Inter-provincial and Burma trade stand on the same footing.

Sir, apart from these considerations, the Government do not want to say that they would not institute any inquiries whatsoever to see whether

anything further cannot be done towards improving the breeds of cattle, and checking the indiscriminate slaughter of prime cows or of useful calves. It is a large subject and I shall not take up the Council's time by dwelling upon it at any length. A satisfactory solution is dependent upon various economic factors, and it rests with the people of large cities, like Calcutta, Bombay and Madras, with the wealthy Hindus, Marwaris and others, who feel keenly as to whether they would afford facilities for dry cows being economically fed, thereby preventing the *gowalla* from sending them to the slaughter house. That is an undertaking which the Government cannot accept, but this much may be promised that the Government will institute inquiries as to whether any steps can be taken towards preventing indiscriminate slaughter of useful prime cows and calves by any municipal regulations, or otherwise, which must largely depend, again, upon the initiative of the Provinces themselves. The Government of India will exercise and can exercise very little control in a matter of that description. The final control must be in their hands no doubt, but still I think I should not say that nothing need be done, or that nothing can be done towards meeting the grave feeling of dissatisfaction prevailing in the country.

From the larger Indian nationhood point of view, I do strongly deprecate that any Resolutions of this character should be brought up either here or before the Legislative Councils. I would ask my Hindu friends to remember that, though they hold the cow sacred, though many of them are vegetarians, and all are non-beef eaters, the world at large has not been converted to that view. If they feel strongly, what they have to do is to convert the rest of the world to that view before they can ask the Government to move in the direction desired. We are in a democratic age. It is absolutely impossible for any Government to say to the people, 'This you shall eat, this you shall not'. If that is the position, and we have more than 70 million beef-eaters in this country, can we ever solve the problem of nationhood so long as the Hindu insists, by legislation, upon enforcing his view upon an unwilling country?

The very talk, the very agitation of the subject is likely to prevent any correct fusion and solidification of the Indian population. As has been ably put by the Hindu and Muhammadan speakers, it may be that the latter will come round and meet the Hindu view largely by moral persuasion outside the Council Chamber. But no good purpose can ever be served by bringing up questions of this character before the Legislative Assembly or asking the Government seriously to contemplate any steps whatever of this description. I know that the Muhammadan population, when we were discussing the question of reforms, was seriously apprehensive as to what their position would be inasmuch as they are bound to be in a minority and the only way in which their Hindu countrymen can inspire confidence in them and prevent the Government from getting into trouble, is by making it clear to their Muhammadan countrymen that no subject to which they may legitimately take exception would ever even be brought forward for serious discussion in an Assembly of this character. Sir, I have little more to say. Just a word about this committee question

THE HONOURABLE THE PRESIDENT: Does the Honourable Mr. Sarma wish to proceed with his speech?

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The HONOURABLE MR. B. N. SARMA : I shall speak again if the Mover replies.

The HONOURABLE MR. P. C. SETHNA : I beg to move that the question be now put.

The motion was adopted.

The HONOURABLE LALA SUKHBIR SINHA : May I ask, Sir . . .

The HONOURABLE THE PRESIDENT : The Honourable Member will resume his seat. Once a closure is carried, his right of reply and everything else on the paper goes. The question is in two parts. The question is that the portion of the Resolution set out below be accepted :

'This Council recommends to the Governor General in Council the prohibition by legislation of the slaughter of cows in India for food except for sacrifice on Bakr-Id.'

The motion was negatived.

The HONOURABLE THE PRESIDENT : The question is that the second part of the Resolution set out below be accepted :

'This Council recommends to the Governor General in Council the appointment of an all-India Commission that may inquire and report on the measures which should be taken to improve the breed and increase the number of milch and agricultural cattle in India.'

The motion was negatived.

The HONOURABLE THE PRESIDENT : Does the Honourable Member press for a division ?

The HONOURABLE LALA SUKHBIR SINHA : I want a division. May I ask Sir, what will happen to the amendment ?

The HONOURABLE THE PRESIDENT : Order, order. The Honourable Member may speak when the division is over if he has any point of order to raise.

The Council then divided as follows

AYES—15.

Annamalai Chettiyar, Rao Bahadur
Ayyangar, Mr. K. V. R.
Jha, Dr. G. N.
Jogendra Singh, Sardar.
Kale, Mr. W. G.
Khaparde, Mr. G. S.
Lalubhai Samaldas Mr.
Nandy, Maharaja Sir M. C.

Ramabhadra Naidu, Diwan Faha-
dur V.
Ram Saran Das, Rai Bahadur Lala.
Raza Ali, Saiyed.
Roy, Raja P. N.
Sukhbir Sinha, Lala.
Umar Hayat Khan, Col. Sir.
Zulfiqar Ali Khan, Sir.

NOES—27.

Abdul Majid, Nawab Muhammad.
Ahmedthamby Maricair, Khan
Bahadur.
Amin-ul-Islam, Khan Bahadur.
Barron, Mr. C. A.
Chatterjee, Mr. A. C.
Cook, Mr. E. M.
Dadabhoy, Sir M. B.
Edwards, Major-General W. R.
Elliott, Col. A. C.
Froom, Mr. A. H.
Hammond, Mr. E. L. L.
Harnam Singh, Raja Sir.
Holberton, Mr. E. J.
Jaffer, Khan Bahadur E. H.

Lloyd, Mr. E. S.
Murray, Sir A. R.
Richey, Mr. J. A.
Sarma, Rao Bahadur B. N.
Sastri, Mr. Srinivasa.
Seddon, Mr. C. N.
Sethna, Mr. P. C.
Shafi, Mr. M. M.
Smith, Mr. H. Moneriff.
Vincent, Sir William.
Wacha, Sir D.
Wood, Sir John.
Zahir-ud-din Khan, Khan Bahadur
Saiyid.

The motion was negatived.

The HONOURABLE THE PRESIDENT : Does the Honourable Member desire to raise a point of order ?

The HONOURABLE LALA SUKHBIR SINHA : I wanted to say that I had a right of reply, but why did I not get that right ?

The HONOURABLE THE PRESIDENT : Order, order. It is desirable that Honourable Members should know the procedure that follows on the closure. When the closure is moved, if the House accepts the motion, the main question is then put. If there is an amendment which has already been moved, the amendment must also be put. If there is an amendment which has not been moved, it falls and the right of reply and the right of Government to reply on the reply also fall. If the Council wish to continue the discussion when the question is put 'that the question be now put', they should vote against it. I hope Honourable Members will remember that procedure.

RESOLUTION *RE* RELIGIOUS SUSCEPTIBILITIES OF HIS MAJESTY'S SUBJECTS.

The HONOURABLE SIR ZULFIQAR ALI KHAN : Sir, the Resolution which stands against my name runs as follows :

'This Council recommends to the Governor General in Council that he will be pleased to address the Secretary of State with the object of securing that full consideration is given to public opinion in this country before any matter is decided in which the religious susceptibilities of any class of His Majesty's subjects in India are concerned.'

Sir, during the debate which ensued on the motion of the Honourable Mr. Bhurgri some days ago, the question which underlies my motion was discussed to a certain extent. The question naturally arises now as to whether it is wise for me to initiate another debate to-day on the same point. I know that there is a weariness of feeling in this Council that, when this question has already been discussed, why inflict another debate again to-day. My plea against this is this, that the question which I am going to discuss is of enthralling interest, not only to India, but to the whole world and that, as at this psychological moment a very important Conference is being held in London, it is possible that a united effort on the part of this Council, which represents the whole of India, may bring about a desirable result conducive to the world's peace.

Sir, India is a very great country and in the loyalty of India I see not only an assurance of the Empire's safety and future, but also a guarantee of the world's peace. Relying on this conviction I think the Honourable Members here will not grudge me the opportunity if I again initiate this debate. Sir, the present deplorable situation in India is due to the belief, on the part of Indians, that their religious susceptibilities are treated with cold contempt by the Government. Before I develop my theme, I desire to acknowledge frankly and publicly the efforts made by the Government of India on behalf of the sentiments which are foremost in the thoughts of the people in this country. The Government of India have revealed a spirit worthy of the sense of their great responsibility. Their attitude in this matter is beyond praise. It would be the height of ingratitude on my part if I did not acknowledge this benevolent attitude of which the Government have given repeated proof. One could not expect anything else from the sympathy latent in the minds of such people as the Viceroy of India, the Honourable the Home Member

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[Sir Zulfiqar Ali Khan.]

and the Honourable Mr. Bray. But, Sir, the gravity of the situation is such that we may yet make another effort. Although so many other efforts have already been made, we may make yet another effort to capture the attention of the people at Home who are now deciding the destiny of Empires. His Excellency the Viceroy's latest pronouncement leaves no doubt about the great effort that the Government of India has made, and I need not expand on this, but may content myself with the expression of the heart-felt gratitude of the Indians in this matter. The other thing which gives assurance of the Government of India's sympathy is the deputation which has been sent to London for the purpose of putting this question before the Conference which is being held there. The personnel of that deputation has been very carefully selected, and I think it commands the confidence of even the extremist section of the people of India. I have no doubt that in this the Government of India have earned the respect and confidence of the people.

Sir, those who have studied the history of India may find in it how at the time of the advent of the British Government in this country religious intolerance and bigotry prevailed in this country. In those early days people flocked round the British officers because they thought that they received from them impartial justice and scrupulous respect for their religious sentiments. Even private disputes of domestic nature were referred to English people for arbitration, and reports of their unflinching devotion to the sentiments of humanity and regard for justice spread all over this country. I am not exaggerating when I say that the Indian worshipped the English officers for their ideas of justice and liberty. Even on the most recent occasion, when the Durbar was held in 1911, some of us who were present here may have witnessed a most extraordinary sight of Indians rushing to the seat where the King-Emperor sat and kissing the ground on which rested the feet of His Majesty. I do not think that any more touching exhibition could be given of the feeling of loyalty and devotion to the Rulers. It was the Empire builders in those early days who reigned over the hearts of the people. Their house was the place where justice and liberty prevailed. It was, so to speak, the very sanctuary of peace and confidence. One thing which comes out in high relief is this, that British predominance in India was based on moral predominance. The British officers in India turned the minds of the people towards higher and nobler aspirations. They only seemed competent to awaken the benumbed beast to higher and nobler aspirations. The result of all this was that the dominion of Asia was acquired by these Empire builders and they earned the boundless devotion of the people of India. India was conquered by the Indians themselves for the British. From China to the English Channel the bones of Indian soldiers moulder testifying to the devotion of the Indians to the British cause. Sir, when the great War came, unprecedented enthusiasm during this War of Nations was shown by the Indian people without exception. Money, men and material were ungrudgingly given, and Indian troops were some of the first to appear on the scene in France. They not only saved France, but they saved European civilisation from destruction. Europe, Asia and Africa witnessed the deeds of heroism performed by the Indian troops. The British Empire emerged triumphant, more glorious than before. The world saw what India possessed in the wealth and martial spirit of our people, all devoted to the service of the Empire. The people of India went so far as to fight against their own co-religionists in the defence of the British Empire. Both Indians and British in joy and sorrow stood shoulder to shoulder as

citizens of a great Empire. Sir, in the consciousness of pride in their sacrifice and loyalty, the people of India made certain demands on the score of religious susceptibilities. The indulgence solicited was refused. A terrible revulsion of feeling happened, and at this juncture bitterness entered the soul of the people. As all of us are aware, in the East religion provides the most potent motive for all sorts of movements. This unhappy refusal certainly destroyed the trusting faith of early days, and it aroused throughout India a rancour which greatly affected the reputation of Government for respect for religious sentiment. What do we see? We see *hartals* all over the country. There is a wave of angry feeling travelling from one part of India to the other. On top of this the non-co-operation movement is initiated. This is a most gigantic resolve, unparalleled in the history of Asia. The grim mood of the people is such that the severest penalties lose their terror. The Hijrat movement is initiated, which shows that the people are not satisfied with the liberty which they enjoy in India as regards their religious sentiments. It was a pitiable sight to see thousands of people leaving their homes, leaving their dearest ones and their lands behind and going out of India for the sake of religious liberty. Sir, any far-seeing statesman may have discovered in that the symptoms of the times, and it afforded food for reflection. If the Amir had not refused asylum to those people in Afghanistan, I feel that numerous more people may have left this country and gone over to the other side of the frontier. We see another thing, Sir, that people seek glory in prisons; students leave their colleges; people renounce the luxury of their homes for the sake of serving their religion. Well, this is the state of the country which I have briefly outlined. The great Queen Victoria's Proclamation contains an assurance in which she says 'in their contentment our security'. Does this state of affairs, Sir, I ask, exhibit a state of security or contentment? I fear that no man with eyes to see will say that it is a state of contentment. This country has now been in a state of crisis for so many years, and I submit that only magnanimous and generous treatment of the sentiments underlying my motion will save this country from a great calamity. As a great well-wisher of the British Empire, I say that I believe the Home authorities will take such steps as to appease these angry feelings. Now, Sir, if relief is afforded what advantages will accrue from that remedy? I beg to assure the Council that the peril of war in the East will be averted; increase in the military expenditure will become unnecessary; the need for imposition of fresh taxation, which in view of the oppressive rise in prices would augment discontent, will be obviated; and incalculable blood and treasure will be saved. The Indian frontier menace will disappear and internal unrest will cease. These are advantages which, I hope, no Government will lightly throw away. The world invariably judges men of action by their latest deeds. Let the latest deed of the British Government be such as would bring back to the world peace, justice and reconciliation. With these few words, Sir, I beg to move my Resolution.

The Council adjourned for Lunch.

The Council re-assembled after Lunch, with the Honourable the President in the Chair.

THE HONOURABLE SIR WILLIAM VINCENT: Sir, it is unnecessary for me again to express the sympathy of Government with the Honourable Mover, because a very few days have elapsed since I explained in some detail the policy and attitude of Government to this Council on the question which

[Sir William Vincent.]

is the subject of debate to-day, and I am very anxious not to inflict a repetition upon the Council of what I said then; indeed it would be very unfair to the Council if I attempted to do so. The report of the debate has just been published, and any one who wishes to see what Government's views are can ascertain them from it. Further, I may say if the previous motion had been a Resolution instead of a motion to adjourn the House, the present debate would have been entirely out of order, and I believe myself that if the Honourable Member himself had been present and been permitted to deliver the speech which he had prepared, we might have been saved a second debate on the same subject. The only addition I can make to the information given in my previous speech is as follows. On that occasion I said that if the Mussalman members of the two Chambers of the Legislature would formulate their views on this question in a considered document, I would see that they were cabled Home. Since then I have received from the Muhammadan members of the two Chambers a document, the substance of which I cabled Home without delay to the Secretary of State, and I have no doubt that it has been placed before His Majesty's Government. I believe also that certain Muhammadan leaders in Calcutta made a representation to His Excellency the Viceroy on this subject and that he also cabled that Home. We have also received a telegram from the Secretary of State saying that, although he cannot guarantee this—as is quite reasonable—he has reason to hope that the deputation of Muhammadans which left India on the 19th February will arrive in time to enable them to be present before the question is finally decided by the Allied Conference. Turning to the specific motion before the Council, I submit that, having regard to what I said on the last occasion about the anxiety of the Secretary of State and his unceasing efforts on behalf of Indian Moslems to secure adequate representation of their views, it would be a work of supererogation almost, indeed an insult, to press upon him again the necessity of representing these facts to His Majesty's Government. In fact, this Council and the Government of India and every one else is fully aware that he has spared no effort in that matter already. In these circumstances, Sir, the matter having been fully discussed, and as I have already described to the Council the subsequent measures that have been taken by Government which, I hope, Honourable Members will admit, are in full consonance with the undertakings given in the last debate, I trust that some Honourable Member may think fit to move for a closure of this debate, because we are really wasting our time.

The HONOURABLE THE PRESIDENT: Before we proceed further, I may inform the Council that I have received an amendment from the Honourable Saiyed Raza Ali which he wishes to move. It is directed to bringing out more precisely the object which underlies the wording of the Honourable Mover's Resolution. I think I ought to congratulate the Mover on his great skill in avoiding what might have been a breach of the rules, but if the Honourable Mover wishes to move it, I will allow him to do so, subject to Government having no objection.

The HONOURABLE SIR WILLIAM VINCENT: May I state, Sir, that I have got a copy of the amendment, and Government raise no objection to its being moved on the ground of inadequate notice.

The HONOURABLE SAIYED RAZA ALI: Having regard to the brief speech which has just been delivered by the Honourable Sir William Vincent,

I will take care to express myself in as few words before this Council as I can. The amendment of which I gave notice

The HONOURABLE THE PRESIDENT: Of which the Honourable Member did not give notice.

The HONOURABLE SAIYED RAZA ALI: Before 11 o'clock

The HONOURABLE THE PRESIDENT: The Honourable Member did not give notice. If he wishes to move it with my permission he can do so.

The HONOURABLE SAIYED RAZA ALI: Exactly, but I gave notice to the Secretary before 11 o'clock.

The HONOURABLE THE PRESIDENT: The Honourable Member did not give notice. Notice is given in the manner prescribed by the rules, and an amendment handed in to the Secretary at the table is not an amendment with notice.

The HONOURABLE SAIYED RAZA ALI: I am fully aware, Sir, of what is contained in paragraph

The HONOURABLE THE PRESIDENT: Will the Honourable Member proceed with his statement. He did not give notice of his amendment.

The HONOURABLE SAIYED RAZA ALI: I will accept it, Sir, time being precious, I beg to move that the last line in the Resolution of the Honourable Sir Zulfikar Ali Khan be deleted and the following words be substituted in its stead. The words which I wish to be deleted are, 'before any matter is decided in which the religious susceptibilities of any class of His Majesty's subjects in India are concerned' and to be substituted by the words 'by His Majesty's Government on the Khilafat question'.

The Resolution as amended would run thus:—

'This Council recommends to the Governor General in Council that he will be pleased to address the Secretary of State with the object of securing that full consideration is given to public opinion in this country by His Majesty's Government on the Khilafat question.'

I may at once say, Sir, that having regard to the scope of the Resolution of the Honourable Mover, perhaps it would be better if the words that I have proposed to be tacked on at the end of the Resolution are accepted. They would put the Indian point of view, and especially the view point of the Mussalmans in a better and more satisfactory manner perhaps than, if my Honourable friend will excuse my saying so, the words of his Resolution. The Honourable Mover has in a careful speech placed several matters before this Council, and I do not propose to go over the same ground once more. But there are just a few points that I think it is my duty to place before this Council. In fact, Sir, I am sure I voice the feelings of my co-religionists when I say that we are very thankful to all those who have helped us in this movement. I believe I should begin by thanking our fellow-countrymen, namely, our Hindu friends, who have stood by us all along. Nor can I forget the sympathy extended to us by Europeans and Anglo-Indians, whether they are permanent residents or they are birds of passage, so to say, to our cause. Again, I think I shall be guilty of rank ingratitude if I fail to mention the efforts made by His Excellency Lord Chelmsford and the Government of India.

I have very carefully gone through the speech delivered by the Honourable Sir William Vincent on the motion of Mr. Bhurgri. Now that speech

[Saiyed Raza Ali.]

lays down the attitude of this Government, and in so far as it goes I think we should express our sense of thankfulness to the Government. But my complaint on this question—let me put it clearly, Sir, before this House—is not against the attitude that has been adopted by the Government of India; our quarrel is unfortunately with the Home Government. We have been deeply conscious of the efforts that have been made by the Government of India, but the net result hitherto has been very small. A long list of the efforts that have been made by the Government of India was read out to the Council on the 21st February by Sir William Vincent. Now I accept that statement in its entirety. But, Sir, are we not entitled to ask what has been the outcome of the total efforts that have been made by the Indian Government? I must say that the net result has been, if not below zero, almost equal to zero. That, I must say, is not a state of affairs on which either the Indian people or the Indian Mussalmans are entitled to congratulate themselves. Making efforts to put the Moslem point of view before the Home Government is one thing, and influencing the Home Government to adopt that view-point in so far as it is not inconsistent with other interests, is an entirely different matter. Our grievance, unfortunately, has been that you have up till now completely failed to influence the policy of the Home Government. The initial mistake, if I may say so, that was made, either by the Government of India or the Home Government—I do not know which, since the Government have taken very good care to keep the entire matter shrouded in mystery and not taken the public into their confidence—has been the non-inclusion of a Mussalman representative at the Conferences that were held in London in the years 1917 and 1918. I mean, Sir, no disrespect whatsoever to the illustrious representatives that represented India when I say that, having regard to the momentous issues and having regard to the religious character of the questions that came up before those Conferences, it was the clear and the plain duty of the Government of India and the Home Government to have at least one Muhammadan representative. That duty was not discharged satisfactorily by the Government of India, and I must say at once that that was the initial error that was responsible for subsequent discontent among the Mussalman community. They felt, and I believe they were not wrong in feeling like that, that if some injustice was not going to be done at these Conferences, there was no reason against the inclusion of an Indian Muhammadan. I know, Sir, that there is a spirit of amity and friendship abroad between the races in this country, and I shall be extremely sorry to strike any discordant note and will take very good care to formulate my speech in words which will not be unpalatable to any Honourable Member in this Council or to anybody outside. But this much I must say, that the Government—perhaps I mean more the Home Government than the Indian Government—have treated us in a manner which was bound to lead to discontent and unrest. If you sow wind, you must not be surprised if you reap the whirlwind, and that is what we find to-day. Now the plain question is what to do, what should we do in this matter? The Khilafat question, as you are well aware, is a purely religious question. I do not mean that it has got no other aspects, but it is mainly a religious question; and if very deep feelings have been exercised on this question, that is only natural. I am glad to notice that since his speech was delivered by the Honourable the Home Member, the Indian Government has taken care to send two Sunni representatives. I am aware that the Honourable Sir William Vincent the other day told us that the question being a

Muhammadan question, it was not necessary to distinguish between the Sunnis and Shiah. Now that is a statement at which I was surprised, coming as it did from a very responsible Member of the Government of India. If you just for a moment consider the position of the Irish, and if you were to take a case in which a Round Table Conference were to take place between Sinn Feiners and the followers of Sir Edward Carson, would it at all be reasonable to ignore totally the Irish clergy? I submit that the analogy is perfectly the same and holds good in the case of India. However, that is a matter which I should pass over since two Sunni representatives have been included. I myself, being a Shiah, though in entire sympathy with the Sunni feeling on this subject, feel that I have got a greater right to press the claims of my Sunni brethren on this question. I am not at all ashamed of confessing before you, Sir,—and I am glad that Sir William Vincent is present that I feel considerable hesitation though I will try to perform that duty to the best of my poor ability, in representing the real genuine religious Sunni sentiment on this question. The question now is, what are we to do? Without any desire to prolong this debate, I submit, Sir, that the Government have it yet in their power to do a lot in this matter. There have been two wounds under which we Indians have been smarting. I am glad to notice that efforts are being made to heal one of those wounds. I mean the Punjab. Whether those efforts are adequate or not

The HONOURABLE THE PRESIDENT: Order, order, we are not talking about the Punjab. Will the Honourable Member confine himself to the subject of the amendment.

The HONOURABLE SAIYID RAZA ALI: The other question is that before the House to-day. Now I was just going to acknowledge what has been done on the other question, but since you think, Sir, that I should not refer to that

The HONOURABLE THE PRESIDENT: I have already told the Honourable Member he should not refer to that.

The HONOURABLE SAIYID RAZA ALI: Therefore I say that here the Government have got a very good opportunity of pacifying 70 millions of Indian Mussalmans. What should be done, of course, is the main question. I am not in a position to lay before this House any cut-and-dried scheme. The Muslim view-point has been put before the Government by the Khilafat Committee and by the members of the Indian Legislature, as also by the members of several Provincial Councils, and I do not think I can usefully take up the time of the Council in going over the same ground again. But one thing, Sir, I do feel and which I should like to say. It is all very well for Great Britain to say that it cannot base its entire policy on the wishes of the Indian Mussalmans. But, Sir, is it not due to the Indian Mussalmans and to the Indian public in general that the same regard should be paid by Great Britain and the Home Government to their wishes on this question as would have been paid to the unanimous demand, on a similar question or any other question, if that demand were to be presented by the Canadians, Australians or South Africans? I do not think that I am putting my grievance very high; I think that this is the least which we are entitled to expect from the Government. On any question relating to the war, if the Australians, the Canadians or the South Africans put forward a unanimous demand, I do not think the British Government could afford to ignore that demand. Now we, on this question, in India

[Saiyed Raza Ali.]

are unanimous, and I submit that if any real regard is going to be paid to our wishes, at least British policy should be moulded to the same extent in this matter as if the demand had been presented by a self-governing Colony. Cannot we claim the same consideration? I am sure that the Home Government would have not been in a position to treat us in the manner in which it has, if we had complete self-government or *swaraj*—and I can use that word since it has the sanction of His Royal Highness the Duke of Connaught—and there is absolutely no sinister meaning in it. Therefore, I beg to move the amendment which I have just read out to the Council. We have heard quite a lot about what the Government are doing and we know exactly what the Government have done, but I do say that what they have done is not very much. To me, this is the time for action. There is a Conference going to meet in London to which representatives have been sent. The keystone of all professions is action. We have nothing to do with high sounding words or the professions of sympathy which have been made. This is the time for action and the attitude of the Home Government on this question will be judged by the result of the deliberations of the Conference which is meeting in London.

With these few words I commend my amendment to the favourable consideration of my Honourable Colleagues in this Council.

THE HONOURABLE THE PRESIDENT: The question before the Council is that the Resolution, as amended, and which runs as follows, be accepted:

‘This Council recommends to the Governor General in Council that he will be pleased to address the Secretary of State with the object of securing that full consideration is given to public opinion in this country by His Majesty’s Government on the *Khilafat* question.’

THE HONOURABLE MR. DENYS BRAY: Sir, I am considerably embarrassed. On the one hand I have every sympathy—as every member of the Indian Government has sympathy—with the cause which Indian Moslems have at heart. On the other, I am extremely doubtful of the wisdom of the tactics pursued by the Honourable Mover of the Motion and the Honourable Saiyed Raza Ali to-day.

The Honourable the Mover’s speech was one which would have made a very admirable prelude to a debate had he initiated one when the opportunity to do so first offered. Again, it would have made a most valuable contribution to the debate on the Honourable Mr. Bhurgri’s motion. It lost nothing in weight because of its studied sobriety. On the contrary in world politics it is not the most strident or shrillest voice that carries farthest. But, Sir, we have had our debate—a debate headed, I notice, in our printed proceedings by the title *Khilafat* movement. I think myself that it would be most unfortunate if we gave His Majesty’s Government to whom a copy of the proceedings of February 21st is going by this mail any excuse for thinking that that debate of ours, weighty, full, sincere and unanimous as it was, does not represent the full and final views of this House.

And, Sir, I think we should be jealous of the reputation of this Council. It should not be bruited abroad that this Council has so much time on its hands, so little business for its idle hands to do, that it is prepared to discuss and re-discuss and discuss again a matter on which it has passed its opinion in so weighty a manner as it did on the Honourable Mr. Bhurgri’s motion.

THE HONOURABLE SIR ZULFIQAR ALI KHAN: Sir, I have very little to add to my speech and I have very little criticism to make. The only

adverse note struck was by the Honourable the Home Member who unfortunately expressed his criticism of the Resolution which I have moved, in unfavourable terms. I was aware of the necessity when I moved my Resolution, but I explained in my speech at the beginning that the necessity was of such a nature that I felt I was justified in moving this Resolution. I also explained that this was the psychological moment when the expression of unity in this Council could go out to the members of the Conference which is meeting in London to discuss this question. I do not think that any objection can be raised on that score. With these few words, Sir, I hope that the Government will accept this Resolution.

THE HONOURABLE SIR WILLIAM VINCENT: Sir, I am not quite sure what the Honourable Member wishes me to do. I am quite willing to send a copy of these proceedings to His Majesty’s Government by the earliest mail and to send an abstract by telegram, but I do not think it will materially add to what we have already done. If, however, that meets with the wishes of the Honourable Member I shall be very glad to do so, in which case I think he might withdraw his Resolution. It is as I have explained a work of supererogation to ask the Secretary of State to secure that full consideration is given to the public opinion of this country. I think it is an unnecessary proposal and, as I said before, if I promise to forward these proceedings to the Secretary of State, I think the Honourable Member might withdraw his Resolution.

THE HONOURABLE SIR ZULFIQAR ALI KHAN: In those circumstances I think there is no alternative for me but to withdraw my motion.

THE HONOURABLE THE PRESIDENT: Before the Resolution is withdrawn we must get the amendment out of the way. The Mover must either withdraw his amendment or put it to the vote.

THE HONOURABLE SIR ZULFIQAR ALI KHAN: I rise to say that I accept the amendment.

THE HONOURABLE THE PRESIDENT: The question is not whether you withdraw your Resolution, but whether the Honourable Saiyed Raza Ali withdraws his amendment. We must first of all dispose of that. Does the Honourable Saiyed Raza withdraw his amendment?

THE HONOURABLE SAIYID RAZA ALI: May I rise to a point of purely personal explanation? If the Mover of the Resolution is prepared to accept my amendment, does not my amendment stand or fall with the substantive proposition?

THE HONOURABLE THE PRESIDENT: Your amendment stands first and it must be disposed of first. Where an amendment has been proposed to a question the original motion cannot be withdrawn until the amendment has been first disposed of. You have already heard the Mover say he is willing to withdraw his Resolution. Are you willing to withdraw the amendment?

THE HONOURABLE SAIYID RAZA ALI: I for my part would leave it entirely to Sir Zulfiqar Ali Khan.

THE HONOURABLE THE PRESIDENT: That is not possible. You have been told that the Mover is willing to withdraw his Resolution and you must say whether you withdraw your amendment or not, or I must put it to the Council. If the rule was otherwise if you and Sir Zulfiqar Ali Khan were not in agreement as you are on this occasion, he could prevent you from getting your amendment before the Council by withdrawing his Resolution which would be

[Mr. Sethna.]

Member himself who in his opening speech so labelled it, and I hope therefore the Government will recognise the necessity of removing it.

Motor cars and motor lorries are fast substituting horse and bullock traction all over the country. It is fortunate that it is so. But in the larger cities, in addition to helping the people to carry on their work more expeditiously, they contribute in a measure to improve the sanitation of those cities by the fact that a larger number of motor cars and motor lorries brings about a diminution in the horses and cattle stubble, and consequently the roads are kept cleaner. We are living, Sir, in an age of competition, when one has to go through as much work as possible in as short a time as possible, and for this reason the motor car is no longer a matter of luxury, but a matter of necessity to a business man. A business man does on an average about 25 to 30 miles a day and he consumes about 2 gallons of petrol on which the duty is 12 annas, and the duty per mensem amounts to as much as Rs. 20 to Rs. 25 to Government, which at a time when the cost of living has gone up so high, is indeed a burden and a hardship to motor car owners, particularly so because it is a direct tax. It is not the individual alone who is affected. Take the case of smaller industries, those industries which require for their use motor spirit. In his very able Budget speech the Honourable Mr. Hailey only two days ago observed that the trade boom has passed away with uncanny rapidity, and it has left behind it a trough of depression of which it is possible we have not yet seen the worst. This applies equally to large as well as small industries, and I think it is the bounden duty of the Government to promote and further the success of these small industries. The continuance of this duty will, in my opinion, cripple the smaller industries to a very great extent. Government are providing ways and means to meet a deficit of as much as 18½ crores. It is certain that Government, if they so will it, can also arrange for the levying of a further 40 to 50 lakhs from other sources than a duty on petrol. If they do this, they will thereby redeem a solemn pledge and not break faith with the public, but the public will be rid of a duty which is all the more irksome because it is a direct tax.

THE HONOURABLE MR. E. M. COOK : Sir, if I rise so early in this debate it is because, I think, that I may be able materially to shorten the discussion. I think that in moving this Resolution my Honourable friend must have the sympathy of the Council, not indeed on the merits of the Resolution, which are extremely slender, but because of the circumstances in which he has brought forward his motion. If it had come up on the day for which he obtained a place for it in the ballot on the first occasion, *i.e.*, before the presentation of the Budget, he would have had an easier task. For, in that case, he would, with his considerable forensic skill, have been able to make out a fairly plausible—I do not say at all convincing—case for the acceptance of his Resolution. As it is, he is confronted with a position of considerable difficulty, in the shape of a very large gap between the expenditure and the revenue of this country, which has by some means or other to be filled up. He has therefore, it seems to me, Sir, been thrown back on an attempt to expose the methods by which an unscrupulous Government—he did not use the word ‘unscrupulous’, he is much too polite—the methods adopted by an unscrupulous Government to find money at the expense of the payers of this particular tax. In short, not to put too fine a point on it, and to put the matter somewhat bluntly, the proposition that he has put before the Council is this:—Once an

item of revenue has disappeared down the voracious maw of the Finance Department, then, it does not matter what promises were made—it is perfectly hopeless to endeavour to get the monster to regurgitate it. Sir, I think I can give a very simple answer to this accusation. My Honourable friend said that this taxation was imposed for certain specific administrative reasons arising out of the war. I quite agree. He then went on to point out that those administrative reasons have now disappeared. I entirely agree. My answer is that, if the reasons for which the tax was imposed in 1917 have disappeared, so also has the tax. The tax which is now being levied is not the same tax that was imposed in 1917. The fact which my Honourable friend has overlooked in his researches into the matter is that, when those administrative reasons disappeared, the Government considered, and the Legislative Council also considered, whether the tax should then expire, or whether it should be reimposed, not as a war measure, but as a definitely revenue-producing measure. The result of that deliberation was the Act of 1919, which my Honourable friend has not mentioned. I think I need only read from the Statement of Objects and Reasons. ‘The tax, though it originated in administrative necessities, has become a useful source of revenue, and the Government of India consider that it cannot conveniently be rescinded at a time when it is necessary to impose additional taxation. Signed J. S. Meston, 5th February 1919.’ I find by reference to the Legislative Council Proceedings that this came up on two occasions for debate. Not a word was said against it; not a voice was raised against the reimposition of this tax as a revenue-producing measure. I submit that it is rather too late now to come up, two years afterwards, and say that this ought not to have been done, or to ask this Council to pass a vote of censure upon the doings of the Old Imperial Legislative Council. I must decline, therefore, Sir, and I hope this Council will also decline, to assist in the exhumation of the body of this war measure, which died and was buried with all fitting solemnity two years ago here in this very place.

I think, however, we might be a little generous to my Honourable friend, in view of the courage with which he has brought forward his Resolution. Let us endeavour to stretch our imaginations. Let us suppose that, instead of being empty, our coffers were full, that there was a surplus, and therefore a case for remitting taxation. Would this Council then agree that the users of motor spirit should have the first claim upon any remission of taxation? I have heard of other taxes which are paid by other classes of the community, not so well-off and not so easily able to bear taxation. I have heard of the export tax on tea, regarding which there is considerable feeling, I believe. I have also heard of the export tax on hides, which is now alleged to be ringing the death knell of that industry. I have also heard of a large number of other taxes. Therefore, I think, if it is a question of remitting taxation to the extent of something like half a crore a year, this Council would be extremely well-advised to consider what other objects it could devote that half a crore to. But, as I have said, that is all completely academic, and I submit, Sir, that my Honourable friend has not made out a case, either that there has been a breach of our promises, or for a remission of taxation in the way that he suggests.

THE HONOURABLE MR. W. G. KALE.—I rise, Sir, to oppose the Resolution. After the remarks which have fallen from the Honourable Mr. Cook, it is

[The President.]

manifestly unfair. Will you say whether you withdraw your amendment or not?

The HONOURABLE SAIYID RAZA ALI: In view of the statement made by the Honourable the Home Member I ask the Council's leave to withdraw the amendment.

The amendment was by leave of the Council withdrawn.

The HONOURABLE THE PRESIDENT: The question is that the Resolution reproduced below be withdrawn:

'This Council recommends to the Governor General in Council that, he will be pleased to address the Secretary of State with the object of securing that full consideration is given to public opinion in this country before any matter is decided in which the religious susceptibilities of any class of His Majesty's subjects in India are concerned.'

The motion was adopted.

RESOLUTION RE REMOVAL OF EXCISE AND CUSTOMS DUTY.

The HONOURABLE MR. SETHNA: Sir, I beg to move the Resolution which stands in my name and which runs as follows:—

'This Council recommends to the Governor General in Council that the excise and customs duty of six annas per gallon on motor spirit which is being levied since March 1917 be now removed.'

In March 1917 on behalf of the Government the Honourable Sir George Barnes brought forward a Bill before the Imperial Council. the object of which was to levy a duty both excise and customs on every gallon of motor spirit consumed in the country. In introducing the Bill the Honourable Mover explained, and explained in very emphatic terms, that there was no desire on the part of Government thereby to raise revenue, but that the sole object was to introduce the measure as a war necessity—a war necessity in the sense that because petrol was arriving in smaller quantities there was not enough for military requirements and it was necessary for Government to control the supply available for the military and consequently for purposes of the war. The Honourable Mover further explained that he had a precedent to go upon in regard to what he proposed to do in the fact that the Home Government were also levying a duty of 6 pence per gallon on motor spirit imported in the United Kingdom. He added further that in the United Kingdom in addition to the duty of 6 pence per gallon they also rationed the supply of every individual consumer of motor spirit. He explained however that, so far as India was concerned, he would be content with just a levy of 6 annas per gallon, and would not ask for rationing the supply of consumers for the good reason that it would involve a very large administrative machinery for collection, and that further, if there was rationing in India, it would bring in its train both evasion and friction. After this explanation and the assurance that it was purely a war measure the Honourable Mover requested the House to support the Bill ungrudgingly. The Council gave a ready response and the Bill passed its three stages on the very day on which it was presented. There was hardly any discussion on the subject: the only other speaker who followed the Honourable Sir George Barnes was the

* Reproduced at page 371.

Honourable Mr. Bhupendranath Basu, and his speech was more in the nature of a question. He pointed out that, prior to the war, the price of a tin of two gallons of petrol was Rs. 1-12, but since the war it had risen to Rs. 2-12 and he inquired if the duty now proposed would raise the price per tin of two gallons to Rs. 3-8, to which of course the Honourable Member replied in the affirmative.

Now, Sir, Honourable Members in this Council are aware that it was hardly ever the practice of the Imperial Council to allow any Bill, and particularly any Bill which had anything to do with increased taxation, to pass unchallenged. But this Council will also admit that it was the practice of the same Imperial Council during the strenuous years of the war to extend every possible help to Government in passing, and in passing unanimously, any measure which was conducive to the successful termination of the war. This accounts, Sir, for the Bill having been passed without any change. If there was anything in the speech of the Honourable Mover or in the wording of the Bill which might have given any indication that after the war was over this duty would be continued, in any shape or form, I for one am confident that that Council would not have allowed the Bill to be passed without proper reservations. No reservations were made and the Bill was allowed to pass because of the emphatic assurance of the Honourable Sir George Barnes that it was absolutely a war necessity.

The war has been over for two years. Government have neither repealed the duty nor have they given any indication as to when, if at all, they propose so to do. The only inference the public can draw from this attitude of Government, is that the revenue yielded is so fat and tempting that the Government are now chary and very unwilling to give up a source of revenue which has come to them as a windfall. But Government have received no more than what they expected. The Honourable Sir George Barnes explained that in 1915 there was consumed in this country 4½ million gallons of petrol and he expected that in 1917, namely in the year in which the Bill was moved, the consumption would be 7 million gallons, of which at the rate of 6 annas, the duty would amount to 26½ lakhs of rupees. Now, Sir, the consumption of course has naturally gone up as might be expected in a progressive country like India, and I am obliged to the Finance Department for the figures they have furnished me with. According to the same, the excise duty on petrol in the year 1917-18 was 23½ lakhs, in 1918 34½ lakhs, and in 1920 41½ lakhs. I leave out of count the duty derived from customs because it is a negligible quantity inasmuch as the bulk of our petrol supply comes from Burma on which excise is charged.

I quite realise that I shall be taken to task, and perhaps taken to task severely, for my audacity in bringing forward my Resolution even two days after the Honourable Mr. Hailey has presented his Budget estimates for the year 1921-22 showing a deficit of 18½ crores of rupees. I admit that Government needs all the revenue it can possibly get. But my point is that here is a duty which was charged at a time when it was needed for a particular purpose. Government knew that they had to withdraw it. Government might have withdrawn it before our Budget estimates showed a deficit a year ago, and yet Government did nothing of the kind. The public had a right to expect that this duty would have been withdrawn immediately after the cessation of hostilities, and the more so as this duty has been recognised to be very irksome. Sir, that is not my description of this duty. It was the Honourable

[Mr. W. G. Kale.]

really superfluous on my part to add any arguments of my own to show the unreasonableness of the proposal of my Honourable friend Mr. Sethna.

His first argument was that this tax was a war necessity and that it was imposed as a war measure. But we know that many war necessities have the awkward knack of sticking on even in peaceful times. There are many taxes which were imposed in critical times, but have had to be continued on the ground that they were absolutely necessary. Take the case of the salt tax. The salt tax was enhanced as an extraordinary measure, but it has not been found possible for Government to remit or to reduce that tax. In reducing or remitting a tax altogether, one important matter has to be taken into consideration, and it is this. What is the kind and nature of the tax which it is sought to remit? Here is a tax upon petrol, and my Honourable friend has drawn a very piteous picture of the motor-car owner who has to pay such a large additional amount as Rs 25 a month on account of the increased cost of petrol. In the new Budget which has been placed before us, various new taxes have been imposed upon all classes of the community, upon the middle classes, upon the lower classes, and upon the humble classes; and all of them have to suffer more or less from an extra burden of taxation. And here is a proposal for relieving the motor-car owners from the alleged onerous burden of the tax which falls upon them.

Another remark of my Honourable friend was that some other source of taxation may be found to take the place of the petrol duty. The Honourable Finance Member has exhausted almost all sources of taxation, and he has distributed his taxes in such a way that not a class of the community has escaped scot-free. Under these circumstances, it would be very difficult to find out an altogether new source of taxation at all, and my Honourable friend has not pointed out what that source should be. I am afraid that the proposals of the Honourable Finance Member will have to be scrutinised, and we may have to ask him to give up some of his proposals in order to give relief to the humbler classes of the community. We cannot, therefore, afford to lose this existing source of revenue. I am not at all impressed by the argument of the violation of a pledge. I do not think myself that there was a pledge given. It was a tax which was necessitated by extraordinary circumstances. Are not the extraordinary circumstances continuing to-day? We are told that the war has ended. Has the war ended from the point of view of economic and social conditions which have supervened after the close of the hostilities? So far as the consequences of the war are concerned, we may say that the war is going on even to-day, and consequently, the war measures have had to be continued. There are a number of war measures—extraordinary measures that were taken in war times—which have been, therefore, continued. I do not, therefore, think that this Council should recommend to the Government that this source of revenue should be abandoned, especially on account of the fact that the burden of new taxation will fall upon the lower classes of the community, and this is not the time when the motor-car owners, the richer people in the country, should be relieved of the so-called burden with which they are oppressed. With these few words I oppose the Resolution.

The HONOURABLE LALA SUKHBIR SINHA: I move that the question be now put.

The motion was adopted.

The HONOURABLE THE PRESIDENT: The question is that the Resolution, which runs as follows:—

‘This Council recommends to the Governor General in Council that the excise and customs duty of six annas per gallon on motor spirit which is being levied since March 1917 be now removed.’

be accepted.

The motion was negatived.

RESOLUTION RE AMENDMENT OF CERTAIN ENACTMENTS IN REGARD TO USE OF FIREARMS.

The HONOURABLE MR. SRINIVASA SASTRI: Sir, I move that—

4 P. M.

‘This Council recommends to the Governor General in Council that the Code of Criminal Procedure and, if necessary, other enactments, be so amended as to secure the following points in the suppression of riots and unlawful assemblies:—

- (i) No fire-arms should be used except on the written authority of a Magistrate of the highest class that may be available on the spot;
- (ii) In cases of grave emergency when no Magistrate is available in the neighbourhood, the chief Police or Military officer present on the spot may, if he considers that the riot or unlawful assembly cannot be suppressed otherwise, employ fire-arms; but the onus of proving the emergency and the impossibility of securing the presence of a Magistrate within the proper time shall lie on the officer so acting;
- (iii) Before resorting to fire-arms, the Magistrate or other civil or military officer responsible shall read or cause to be read a proclamation, both in English and in the local vernacular, similar to that contained in the English Riot Act;
- (iv) Fire-arms shall not be used for one hour after such proclamation has been read unless, in the meantime, the assembly or crowd actually causes serious damage to person or property;
- (v) Before the crowd is actually fired upon, the fullest warning shall be given;
- (vi) The Magistrate or other civil or military officer responsible shall take all reasonable precautions to see that no more injury is inflicted on the crowd or assembly than is absolutely necessary;
- (vii) The sanction of the Governor General in Council should not be a condition precedent to the institution of a criminal prosecution against officers or other persons who have acted illegally in the suppression of riots;
- (viii) Every such prosecution shall be instituted in and triable by the Sessions Court having territorial jurisdiction, with the previous leave of such Court or the High Court of the province.’

Sir, in this Resolution I separate the use of fire-arms from other means that the authorities commonly employ to put down riots or unlawful assemblies. It seems to me that fire-arms being a deadly weapon, their use should be expressly sanctioned by the legislature and regulated carefully by its provisions. In England, a long series of judicial decisions and a Statute known as the Riot Act have placed this matter on an entirely legal basis, so that the law is definite and clear. In India, on the other hand, a few meagre sections of the Criminal Procedure Code embody all the provisions governing this matter. It is curious that in those provisions there is no mention at all of fire-arms. The words used in that connection are merely ‘force’ and ‘military force.’ I do not mean at all to imply that military force or perhaps even the expression ‘force’ may not include the use of fire-arms. That is not my point. My complaint is this—that the use of such a weapon as a fire-arm in the suppression of a riot should not be expressly mentioned in a Statute that purports to govern the matter and regulate in detail all its provisions. It is to supply that defect that I have brought forward this

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Resolution. I have taken the opportunity to supply what seem to me to be a few great gaps in the law of India, gaps the result of which we have seen too prominently every now and then in the action of the authorities when they are confronted with occurrences of this nature. Now I will try to show you that, although my Resolution reads formidable on paper to those that are not familiar with the law on this subject, and although it includes a great variety of provisions, it really is nothing more than the reproduction of either the existing practice in India or the existing practice in England. Every single point that I make here is taken either from the Indian practice to-day or from the English law. 'No fire-arms should be used except on the written authority of a Magistrate of the highest class that may be available on the spot.' This is the provision in our own Code. Now whether the written authority of a Magistrate is always procurable may be open to question, but I contend that in English law or rather the practice of it, the written authority is an important requirement. I will refer to that matter a little later.

No. ii. I require here the presence of a Magistrate or if a Magistrate be not available, the Chief Police or Military officer may take the necessary action. That also is a provision contained in our own Code. Only I make it clear in the latter half that the onus of proving the emergency and the impossibility of procuring the presence of a Magistrate shall lie on the officer so acting. Now this is merely a recognition of the fact that the suppression of a riot or unlawful assembly is primarily the duty of the civil authority of the locality. If therefore at any time the civil authority has got to be superseded and its functions assumed by another authority, the authority so assuming the functions must be carefully protected. It is in order to protect them that we say that they must secure the presence of a Magistrate, but if they cannot, they must satisfy themselves that when the matter is made the subject of a judicial proceeding or of a public inquiry, they should be able to show that they acted in an emergency which made the presence of a Magistrate impossible.

No. (iii). The Magistrate or other civil authority should read or cause to be read a proclamation similar to that contained in the English Riot Act. Now, here at once, before I make the remarks appropriate to this head, I wish to state that the language of this particular sub-division of my Resolution leaves something out. I have not said anything as to what should happen in case the situation should not allow of the proclamation being read, in case before the authority proposing to act arrives on the spot, the riot or unlawful assembly should have been already committing excesses or should have got completely out of hand. I think, therefore, that a correction requires to be made, and I regret that I left the language in an imperfect state. It would be remedied if I said, for example, 'The Magistrate or other civil or military officer responsible shall, unless the situation has got out of hand in the meantime, read a proclamation, etc.' I am not using exactly legal language, but I am only trying to make the substance of my amendment clear. Now, the reading of the Riot Act is a provision taken out of the English law, which does not find mention in our books. Nevertheless, its object is simply to protect the authorities acting. Now, when life has to be taken and afterwards an inquiry or judicial proceeding takes place, it should not be possible for people who were excited at the time to come and say 'I do not know whether I did this or not.' The requirement that a certain proclamation should be made is so clear and striking, that no officer performing

that operation would afterwards be in a position to plead that he forgot whether he did it or not. It is a land-mark in the course of the proceedings, and it is quite desirable that the Magistrate should, before he takes the extreme step, be compelled, if possible, and if the situation allows it, to take that step. It is not my ingenious view of the matter. That is the view taken by great authorities. Lord Haldane, giving evidence before a Committee that went into the use of the military on such occasions, expressly said that this was a protection. The Riot Act in 99 cases out of 100 is read. 'It is for the protection of the Magistrate and the military. It forms an additional protection.'

Then too, the reading of the Riot Act and the provision that follows, namely, that an hour should be allowed to elapse before fire-arms are actually used, is also for the purpose of giving time for the riotous assembly to disperse. As a matter of fact, those who have been mixed up with such crowds will easily appreciate the difficulty of extricating ones' self from such a place. A man may be perfectly willing to run away from the spot, but he would find it extremely difficult to do so unless he was very strong and very determined and had a number of comrades to help him in the escape. It is really for the separation of the guilty part of the assembly from the innocent part of the assembly that this time of one hour is generally given in the English law. I might say that that is not my view, but the view taken by high authorities. I would just read again the evidence of Viscount Haldane :

'I have known of no case of a riot in which it has not been known that the Riot Act was being read, as the Magistrate is seen with something in his hand and though they could not hear it if he read it ever so loudly they can see it read and the lawful part of them disperses ; it is the riotous part that remains.'

I will read a passage from another writer who says the same thing. He rejoices in the happy name of Wise. He says :

'The timely warning given by the reading, of the Riot Act brings many to a sense of their danger and, as far as possible, ensures the speedy vindication of the law, or at least the separation of the innocent from the guilty.'

Now, it may be said, to allow an hour to lapse might be a very dangerous thing when the authorities are faced with a determined mob. It is perfectly true. Nobody says that this hour should in any and every case be allowed to lapse. I have provided, unless in the meantime the mob gets out of hand and perpetrates felonious crimes, in which case, even before the hour is over, the authorities are free to resort to the use of fire-arms and to adopt extreme measures.

Then the next thing that we come to is No. v :

'Before the crowd is actually fired upon, the fullest warning should be given.'

Now that is a provision already contained in our Police Manual. It is nothing new, that the fullest warning should be given. Now the meaning of this warning has been somewhat misunderstood. People used to think some years ago that this warning consisted in the Police at first discharging a few blank cartridges. That, however, is an idea that has now been absolutely exploded, and I will just read the reason which Viscount Haldane alleges as underlying this abandonment of the practice of using blank cartridges at first.

He was asked 'Do you think it desirable to use blank cartridges first of all, after the Riot Act is read?' 'It is most undesirable, because the mob get it into their minds that you have nothing but blank cartridges and they come out and get killed.' The military authorities say 'We are here and if we

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use our fire-arms it is to kill. That is why we demur to being called on except in the last and most perilous necessity. If the mob get the impression we are there with only blank cartridges they will come along and get killed, and the result will be bloodshed galore. This provision, that no blank cartridges should be used, has been adopted recently in all our police and drill manuals. So that on that point the practice here has been brought into line with the English practice.

No. vi.

'The Magistrate or other Civil or Military Officer responsible shall take all reasonable precautions to see that no more injury is inflicted on the crowd or assembly than is absolutely necessary.'

That is contained in our Code already. It is also in our Police Manual, and it is in entire conformity with the English practice.

Clause (vii) says that 'the sanction of the Governor General in Council should not be a condition precedent to the institution of criminal proceedings against officers or other persons who have acted illegally in the suppression of riots.' This, too, is in conformity with the English practice. In England, it is considered axiomatic that, where a severe step of this kind has had to be taken by the authorities, the individuals aggrieved or the public should have it in their power to bring the proceedings under the scrutiny of a judicial tribunal; a Judge and Jury determine the matter and the individual subject who feels himself aggrieved has his remedy. I do not think the idea would be tolerated for a minute in England that these proceedings should not be made the subject of scrutiny in a Court of law. In fact, if I may read for one moment a great authority on the Law of the Constitution, Dicey, we see this:—

'Officers, Magistrates, soldiers, policemen, ordinary citizens, all occupy in law the same position. They are each and all of them bound to withstand and put down breaches of the peace, such as riots and other disturbances. They are, each and all of them, authorised to employ so much force, even to the taking of life, as may be necessary for that purpose, and they are, none of them, entitled to use more.'

Here follows the important part—

'They are, each and all of them, liable to be called to account before a jury for the use of excessive, that is, of unnecessary force.'

Now, from the evidence from which I have been reading so often, from all text-books on the subject of English law, from the common law text-book written by that great authority, Odgers, passages could be cited which, however, I will not do on this occasion, to show that the judicial tribunals are always open to receive complaints against the use of excessive or unnecessary force. It is only in India that it has been considered necessary practically to shut out all such inquiry from law Courts. I use the word 'practically', because our Code says that such proceedings may be instituted with the previous sanction of the Governor General in Council. I do not know why. We know that in all Provinces there have occurred riots and unlawful assemblies fairly frequently; riots and unlawful assemblies have had to be put down and lives have been lost. Nevertheless, we have not got one reported case on the subject in our body of reports. In other words, either the people have not applied for the sanction of the Governor General in Council and sought remedy in the Courts, or where such application was made it has not been granted. I do not know which the fact is; but one thing we know; we must not draw hastily any inference from this fact. You must not suppose that because there have been

no published reports on this subject, the public in India have always been quite satisfied that on every occasion that the authorities have employed fire-arms, they employed them rightly and they employed them just to the extent required and no more. On the contrary, most of us know that immediately such a thing happens, lots of complaints appear in the papers and loud demands appear for a public inquiry; and I do not think I am exaggerating facts at all when I say that in nearly all these cases, within my experience, there has been left a soreness of feeling in the minds of the public that the law has not been vindicated. At any rate their minds are left in a state of great dissatisfaction. Now, I venture to think that it is absolutely necessary that we should place the Indian law on this matter on just the same footing as the English law, and that we should allow people who feel themselves aggrieved to go to Courts of law without let or hindrance. Sir James FitzJames Stephen, that great authority on Indian law as on all law, has given a reason why in India this very great restriction is placed on the institution of judicial proceedings as a result of the suppression of riots or assemblies by force.

The two great reasons he gives are these, that if that was permitted, a great number of law suits, both civil and criminal, would be launched against the officers acting, and it would be impossible to deal with them. The second reason alleged is, that this particular evil will grow worse and worse as the Indian lawyer grows in strength and in efficiency. Now, I can understand executive officers sympathising with arguments of that kind. I can understand officers called upon to exercise these severe powers naturally shrink from being called upon subsequently to account for the way in which they have been used. But I would ask fair-minded people to consider whether it is perfectly right that such extraordinary power as the taking of life should be given to the executive in any country without their being called upon subsequently to explain the circumstances in which they used that great power. It seems to me that the claim of the executive in this country to set up as their own judges is absolutely without justification. They cannot say 'if we have used fire-arms we will ourselves later on make an inquiry and then publish the information to the world that we have found everything satisfactory'. If you entrusted mere money to an officer and asked him to spend it, you all require that somebody else should come and audit it, not that officer himself or his executive superior. The other day we were told by the Honourable the Finance Minister that we are going to have an Auditor General who is going to examine the way in which all monies are spent by officers of the Government, and being himself independent of the Government of India should report only to the Secretary of State. Now, if that is the ordinary principle to be observed in matters where money is concerned, ought not the same principle to be applied where you have human lives to regard? People come and take away human lives. They may have done so with every justification, but the public have got the right to insist that that matter should be inquired into. It is for the protection of the executive themselves that they must not say 'we are so self-righteous that if we are satisfied that everything was right, everybody else shall be satisfied as well'. I think that is a position which the executive ought not any longer to take. Now the essence of a good law, I have heard jurists explain, is not the mere enactment of substantive provisions, but the embodiment of suitable remedies at law. It is not enough to vest a right in a man. You must further provide that he has the power and the unrestricted opportunity of exercising that right. It is not enough to impose an odious duty on the executive. You must further empower the law

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Courts to see that the executive have used their power properly and with due regard to public safety. It is the presence of remedies rather than the presence of substantive provisions that constitute the merit of any law, and I am afraid the provisions of the Criminal Procedure Code on this subject, judged by this test, fail lamentably. There are no remedies. Now the two ways in which ordinarily this matter is satisfactorily settled are either by a judicial proceeding such as is so frequently reported in English Law Reports, or by means of a public inquiry. Now, I have already explained to the Council how the first remedy is practically shut against us. The requirement that the Governor General in Council should previously sanction such a prosecution has effectually shut that remedy against us. What is the other remedy? A public inquiry, which will satisfy the people concerned that everything has been done with due care and caution. Now what happens in India? It is remarkable, I cannot conceive of people being shot down in England without the Ministers responsible being ready at a moment's notice, to grant an inquiry should any one say he was not satisfied and he wanted an inquiry.

In India, most extraordinary to think, you find that the public have to kick about and agitate and cry aloud and raise a hue and cry before the Government will appoint a public investigation. I think that is not as it should be. The authorities responsible should be ready, especially as they have shut out judicial Courts from access, always to grant a public inquiry: 'here we are, we have done our duty, you come and examine matters.' On the other hand, if after very great trouble we secure an inquiry, I have known a Government appoint the head of the district himself to conduct the inquiry! The head of the district whose conduct and whose mishandling of the situation has brought about the whole affair, he himself, in one case, sat to inquire. In another case that I remember, the finding was that the fire-arm or the rifle went off by accident. Now this accidental firing is a thing with which we are fairly familiar in India. It is not only in the suppression of a riotous assembly. Even in judicial trials, when people have been shot down, we have often known a rifle to go off by accident. Now I do not wish to be very hard, but I think the military authorities would be well advised, if things go on like this hereafter, to require all manufacturers of rifles and all other fire-arms to label every item that they sell 'warranted not to go off at its own will.' Now, we do not want the fire-arms in the possession of the police or the military any longer to go off of themselves. Then, in another case that I know of (it is quite recent) the Government promised an inquiry, but for some reason, they laid themselves open to grave suspicion by subsequently refusing it; the suspicion being that in the course of their own departmental inquiry, they came upon facts which they did not like the public to know and which a public inquiry would certainly have exposed. Now, things of that kind are intolerable in a well-developed system of jurisprudence. I venture to ask one question. This Honourable House may remember time after time when the Executive came to us with requests for power, when the Press Act, for example, was passed, when the Rowlatt Act was passed, and we called in question the provisions, the invariable answer from the Executive was,—'Why do you object to this? Are you ever going to offend against these salutary provisions? It is when a wicked person transgresses these necessary provisions that we are going to collar him by means of this law. Why do you object? You are a respectable man; why need the innocent be afraid of a measure of this kind?'

Now, Sir, in political controversies it is an exceeding joy to be able to hoist people with their own petard. If I ask that judicial remedies should be made available, open and unrestricted after acts of this kind, why should the innocent officers care at all? Should they come forward? . . .

The HONOURABLE THE PRESIDENT: I would remind the Honourable Member that his time is already up and he has yet to develop head No (viii). I would ask him to do so as shortly as possible.

The HONOURABLE MR. SRINIVASA SASTRI: I will only say one word on No. (viii) before I sit down. I am very thankful to the Honourable the President for allowing me to continue after my time is up.

In No. (viii) I provide something like a half-way house between the unrestricted allowance of judicial proceedings which prevails in England and the very restricted manner in which that thing operates in India. Judicial proceedings shall be tried, I provide, only in Courts of high standing, in Sessions Courts, and even in their case they should not be instituted as of course, but with previous leave obtained, because I understand that it would be a check on frivolous prosecutions.

I move the Resolution which stands in my name.

The HONOURABLE SIR WILLIAM VINCENT: Sir, the Government are always anxious to meet leaders of this Council, as far as possible, and I think that in the course of this Session they have given every indication of this desire. I regret to say that I am unable to do so fully on the present occasion, and I hope Members of this Council will believe me when I say that this is only because I feel that some of these proposals are both impracticable and unsound. As I hope to be able to convince the Council, I feel that these proposals would impose what in fact are unreasonable limitations upon the power of executive officers if the Council seeks to have law and order maintained in this country. I feel also that in fact they involve departures both from the Indian law—and again here I would make certain that no misunderstanding arises—and in some respects from the law obtaining in England. I do not say this in regard to all the proposals, but merely in regard to some as I shall endeavour to make clear to this Council. I will now follow the example of the Hon'ble Mover and take the recommendations *seriatim*. The first proposal is 'that no fire-arms should be used save on the written authority of a Magistrate.' I want to be quite clear in regard to this, that this is neither the law in England nor the law in India and anyone who reads sections—I think they are 127 and 128 of the Code—will be satisfied on this latter point. I will cite now from an authority, who really explains what the English law is on this point. Mr. Mayne says: 'Experience has shown that a riotous assembly is the first step in the contest between violence and law, and that, if it is not checked at once, all law is swept away, and every species of crime is certain to follow. So imperative is the necessity of immediately checking such riotous assemblies, that the law not only imposes this duty upon every authority entrusted with the preservation of the peace, and upon every private person who is summoned by him to assist, but also invests every military man, and even every private person with the same power to be exercised under the same restrictions.'

There is no doubt therefore as to the law either in England or this country. Now, let us examine the practical side of the case in India. Let each Member picture to himself a senior officer of police, we will say a Deputy Inspector General or a Senior Superintendent, with a force of armed police at a place,

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say, if you like, a place like Nankana, where there was a riot the other day. There is also somewhere on the spot a Naib Tahsildar or an Honorary Magistrate of the third class. Now, is the Superintendent of Police or military officer to be dependent entirely on the written order of that Magistrate before he can take steps to prevent what may be very serious loss of life or damage to property? Is that a fair obligation or requirement to cast on any executive officer of the Crown? I do not think that anyone will answer that in the affirmative. An Honorary Magistrate or a Naib Tahsildar, possibly timid, possibly ignorant of the law, possibly unwilling to take the responsibility of ordering the use of force, a mob looting and murdering or about to commit such crimes, an urgent necessity to disperse it, and yet a senior police officer, with a force available to do so, knowing that they are going to commit murder or worse, is not allowed to act because he has not got the written order of the Magistrate who is available on the spot. That I say is a wrong theory. A Magistrate can give an officer no greater authority than the right he has under the Code, and the common law, namely, the right to disperse a mob if it is necessary in his opinion to do so for the purpose of preventing dangerous crime. A certain latitude must be given to him. He must be allowed to exercise his discretion as to when and when not he is to use this force. I may say that I know—I speak subject to correction—I know of no country—of no civilised country—where such a direction is required.

Now I want to take up the second item in the Resolution. This proposal is this.—‘That in cases of grave emergency when no Magistrate is available in the neighbourhood, the chief police or military officer present on the spot may, if he considers that the riot or unlawful assembly cannot be suppressed otherwise, employ fire-arms; but the onus of proving the emergency and the impossibility of securing the presence of a Magistrate within the proper time shall lie on the officer so acting.’

Now the first part of the proposal does differ very little from the principles acted on by Government and in that sense, so far as it represents the law on the point, I have no objection to accepting it. The law says “When the public security is manifestly endangered by any such assembly, and when no Magistrate can be communicated with, any commissioned officer of His Majesty’s army may disperse such assembly by military force, but if, while he is acting under this section, it becomes practicable for him to communicate with a Magistrate he shall do so and shall thenceforward obey the instructions of the Magistrate, as to whether he shall or shall not continue such action.” In obeying a requisition from such a Magistrate ‘every such officer of His Majesty’s army shall obey such requisition in such manner as he thinks fit, but in so doing he shall use as little force, and do as little injury to person and property as may be consistent with dispersing the assembly and arresting and detaining such persons.’

Those are the limitations that are now imposed upon officers in dispersing these assemblies. They are exactly those which I tried to explain the other day in my speech on the Punjab affair, in the Legislative Assembly, where I said that the very definite limitations imposed on the use of force in every civilised country obtain in India as much as anywhere else. Therefore, the principle of the first part of this item may certainly be accepted, but as to the second part, namely, ‘that the onus of proving the emergency

and the impossibility of securing the presence of a Magistrate within the proper time shall lie with this officer,’ I say that it is not in accordance with ordinary principles of justice that you should impose an impossible liability on a police-officer or a soldier.

A soldier engaged in suppressing civil disorder is doing, as we have been frequently told, a very disagreeable job, a job which he does not want to do, and which he dislikes being called on to do at all. And if, contrary to ordinary law, he is to be presumed to have acted wrongfully and improperly until he can prove the contrary, then I fear myself that you will have very few soldiers, and indeed very few police-officers, willing to undertake that duty which is essential in the interests of the country and the public peace that they should do so. I think myself that the law at present is perfectly fair and adequate. Turning to section 132 of the Code of Criminal Procedure, we find that an officer is protected against prosecution only when he is acting in good faith; for a definition of ‘good faith,’ you have to go back to the Penal Code which says ‘that a person is acting in good faith if he acts with due care and attention.’ That is the law; so that the only occasion when an officer is not liable to be prosecuted is when he has acted with due care and attention.

Then again, look at the words ‘the chief police or military officer present on the spot.’ Let me take the case of a riot down at the Delhi station. It actually happened a couple of years ago. Delhi station is an enormous place. Suppose there is a senior police-officer at one end and a riot is going on at the other end where there is another police-officer, about a quarter of a mile away, with murder and arson going on under his eyes. What is the police-officer to do? Is he to wait until he receives orders from the senior officer at the other end, to watch men and women being killed, or trains attacked, and do nothing? The chief military officer is quarter of a mile away. He is somewhere on the spot—God knows where he is.—A junior officer cannot get into touch with him. Is all this to go on and yet is he to remain powerless to prevent it? Is not the provision of the Criminal Procedure Code more suitable. I mean the section which provides that if he cannot communicate with the Magistrate, he can act on his own initiative, but shall communicate with the Magistrate as soon as he can do so? What is going to happen to the ordinary right of defence of property and person? Every person has the right to defend not only his own person and property, but the person and property of anybody else from violent attack. Is it not the duty of the police-officer to prevent murder and rioting? Is he to remain inactive when he sees men and women murdered, and not exercise that power to defend the person and property which the law allows to every person? I say that to accept this limitation upon the power of a police or military officer would be unreasonable. As to the English law I shall cite the wording of Tindal, C. J., on this point. This is from an address to the Grand Jury after the Bristol Riots of 1832. ‘By the common law every private person may lawfully endeavour, by his own authority, and without any warrant or sanction of the Magistrate, to suppress a riot by every means in his power. He may disperse or assist in dispersing those who are assembled. He may stay those who are engaged in it from executing their purpose; he may stop and prevent others whom he shall see coming up from joining the rest; and not only has he the authority, but it is his bounden duty as a good subject of the King, to perform this to the utmost of his ability. If the riot be general and dangerous, he may arm himself against the evil-doers to keep the peace.’ The position therefore is that a police-officer or a military officer has no less

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reasonable precautions to see that no injury is caused in excess of what is absolutely necessary.

Turning to the seventh proposal I quite admit that under the English law any one can prosecute a police-officer or a Magistrate or a military officer for any act done illegally without restriction. But it is essential in the interests of our officers to have some restrictions in this country, some half-way house as the Honourable Member calls it, and I would suggest that the reasonable restriction is to require the sanction of the Governor General in Council to a prosecution. I know no case in which an application made to the Governor General in Council has been refused. There is no justification for any fear of improper refusal. At any rate under the new *regime* with these two Chambers of the Legislature ready to press the matter before Government at any time, there need be no fear that justice will not be done. If the idea of going to the Courts for sanction is affirmed I say it is contrary to the principles embodied in the Code. That principle is that the Courts only give the sanction in cases when the offence has been committed in or in connection with the Court. That I believe to be the principle of the law at present, but on the merits I do not think a Court would be the proper authority to give sanction in these cases, because first of all they would give the sanction and then try the persons. I would, therefore, myself retain the present sanction of the Governor General in Council, subject always to the pressure which this Legislature and every local Council can and would bring to bear on it if justice is not being done. If no limitations are imposed there is a great danger, of course, of constant prosecutions of every officer whether he has done rightly or not. Indeed, I may say frankly that there are certain Extremist agitators who would put up a case against an officer every time whether they had acted rightly or not. As it is our officers are daily subjected to the gravest abuse. I saw in the 'Independent' the other day an article which will show what our officers have to suffer: This is the extract I refer to. It is an attack on the Commissioner of Police in Madras, absolutely unjustified so far as I know:

'But it becomes perfectly comprehensible if we realise that the Commissioner of Police had come out with the Assistant Commissioners and the Inspectors not to guard the lorries or to prevent a breach of the peace, but to shoot and kill and teach the labourers a lesson. It becomes comprehensible if we realise that the Commissioner was seeking for a moral effect. Prussianism was rampant.'

That is the sort of thing that our officers are already exposed to, and if they are to do their duty fearlessly and resolutely, they ought at least to be protected from frivolous and mischievous prosecution. I may say that in France executive officers are protected from action in ordinary Courts. The question of punishing them is entirely one for the administrative Courts.

Here, in India, I would suggest to this Council that there ought to be some limit if you are to prevent frivolous and vexatious prosecutions, or if you are to prevent officers from being frightened from doing their duty by the fear of such prosecutions. As to the authority to sanction such prosecutions, I suggest that the proper authority is the Executive Government which will be more and more under the influence of the Legislature; and let the judicial authorities do their duty when they try the men, and then and then only.

In conclusion, there is one general question which I should like to deal with, a point of great importance. We are faced now in this country with the

frequent prospect of disorder here and there. I myself think that we shall be very fortunate if we escape in the next few months without serious outbreaks of sporadic disorder in different places such as you have had quite recently in parts of the United Provinces, in parts of the Punjab and in Bihar too. This Council is anxious to deprive the Executive Government of any power to intern people or to restrain them from speaking by executive order. If we use our present powers in any case we are told we are guilty of great oppression. When even a prosecution is launched against any man for the most flagrant breach of the law, the outcry is raised repression is rampant. If an officer acts with ordinary vigour and initiative in quelling a riot or in suppressing disorder, what is the result? Why articles such as the article which I read from the 'Independent'! This Council consists largely of men of substance and of vested interests. Do they want to make it impossible for our officers to do their duty and maintain law and order? Our officers have already lost a certain amount of initiative, and I can assure this Council that this is in some cases becoming quite a serious matter. They do not know what to do; whatever line they take they are liable to censure, liable to prosecution, liable to attack, and I want to know whether the Council desires to increase their difficulties. Whether at a time of great difficulty it wishes to impose upon them a new burden, impose upon them, if I may say so, a task more difficult than that imposed upon the Israelites in the land of Egypt of making bricks without straw, that of maintaining law and order and at the same time deprive them of all facilities for doing so.

The HONOURABLE MR. E. L. L. HAMMOND: Sir I welcome the opportunity of intervening early in the debate because, if the House will allow me, I should like to put forward, as shortly as possible, the view of that much-abused person, the district officer. I myself, I believe, am the only Member of this House who, when the Session ends, will return to a district where riots may occur at any time. There have already been the mutterings before the storm. Only recently we had out the military police to guard the headworks of a big colliery. Therefore, when I heard from the Honourable Member that this Resolution was intended for the protection of the officers, naturally I felt pleased. Having heard him enlarge on it, my feeling now is 'God save me from my friends!' I can assure the Honourable Member that, so far from giving the District Magistrate any protection, it would make his position absolutely impossible, and I propose to show that by reference to a few concrete cases that have recently occurred. First, however, let me point out one omission. The Honourable Member's Resolution is full of exceptions, relative to grievous hurt, damage to property and the like, but no place is found in these exceptions for self-defence. Now I should like to make it perfectly clear to him that if I see the look of murder in a man's eyes I shall, in the parlance of the ring, try and 'get home first', and if I have a pistol I shoot, nor do I wait for any proclamation or any warning or anything else, and I believe I have that inherent right of self-defence. Apart from that, I would like to point out to the Honourable Member exactly what is the legal effect of his proposal, as laid down by the highest Court, the Privy Council, in what is known as the Mymensingh case in 1907. Mr. Clark was the District Magistrate of Mymensingh. He had to search a zamindar's house for fire-arms. A civil suit was brought against him and he pleaded among other things the Arms Act, section 25 of which says that before making the search the Magistrate 'must record his reasons in writing.' Mr. Clark was in a hurry and he did not record his reasons, and this is what

[Sir William Vincent.]

privileges than the ordinary citizen, and this privilege it is proposed to remedy. For that reason also I maintain that this suggestion of the Honourable Member is really opposed both to English and Indian law.

I now turn to the third and fourth recommendations. I must be brief in my speech, owing to the time-limit. Here it is proposed that before resorting to fire-arms, the Magistrate or other civil or military officer should read a proclamation similar to that contained in the English Riot Act, and he is not to fire until an hour after the warning has been given. Now, this requirement, I believe, is based on an absolute misconception of the English law on the subject. It is certainly not in accordance with our law, nor is it according to the best authorities that I have been able to study in accordance with the principles of the English law.

After a grave riot in England there was one of those public inquiries to which Mr. Sastri rightly attaches such importance. It was after the Featherstone riots, and the Commission consisted of Lord Bowen, Sir Albert Rolit and Lord Haldane, I suppose men of sufficient eminence to carry weight anywhere. The facts were that an officer in charge of troops fired after what is called the reading of the Riot Act, but before the hour had elapsed. That is the point that I want to make quite clear. The hour had not elapsed. On this point this is what the learned judges say :

'The taking of life can only be justified by the necessity for protecting persons or property against various forms of violent crimes, or by the necessity of dispersing a riotous crowd which is dangerous unless dispersed, or in the case of persons whose conduct has become felonious through disobedience to the provisions of the Riot Act, and who resist the attempt to disperse or apprehend them. The riotous crowd at Ackton Hall Colliery was one whose danger consisted in its manifest design, violently to set fire and do serious damage to the colliery property and in pursuit of that object to assault those upon the colliery premises. It was a crowd accordingly which threatened serious outrage amounting to felony, to property and persons, and it became the duty of all peaceable subjects to assist in preventing this. The necessary prevention of such outrage on person and property justifies the guardians of the peace in the employment against a riotous crowd of even deadly weapons.'

They go on to say, 'One salutary practice is that a Magistrate should accompany the troops. The presence of a Magistrate on such occasions, although not a legal obligation, is a matter of the highest importance. But, although the Magistrate's presence is of the highest value and moment, his absence does not alter the duty of the soldier, nor ought it to paralyse his conduct, but only to render him doubly careful as to the proper steps to be taken. The order of the Magistrate has at law no legal effect. Its presence does not justify the firing if the Magistrate was wrong. Its absence does not excuse the officer for declining to fire when the necessity exists. With the above doctrines of English law, the Riot Act does not interfere. Its effect is only to make the failure of a crowd to disperse for a whole hour after the proclamation had been read, a felony, and on this ground to afford a statutory justification for dispersing a felonious assemblage even at the risk of taking life. In the case of Ackton Hall Colliery, an hour had not elapsed after what is popularly called the reading of the Riot Act, before the military fired. No justification of their firing can therefore be rested on the provisions of the Riot Act itself, but the fact, that an hour had not expired since its reading did not incapacitate—(I want to make this clear)—the troops from acting when outrages had to be prevented. All their common law duty as citizen and

soldiers remained in full force.' That is, if they were going to prevent crime and felony, they were entitled to do so. This indicates clearly that the reading of the Riot Act or a proclamation does not affect the right of any man or the executive officers of Government to disperse a crowd. It is a common law right and the reading of a proclamation merely makes the members of the crowd guilty of felony and gives an additional statutory right to disperse such a mob.

I want the Council here also to consider the practical effect of this proposal in India. Let us suppose that a police-officer or a military officer is in charge of 50 troops or police and a mob, say, of a Kisan Sabha, is going to attack a taluqdar's residence—fastness, was the word used in a debate in the old Council,—in Oudh. The police-officer sees the mob on its way, and knows exactly what it is going to do. He ascertains from their cries and shouts, and their leader's exhortations and the arms they carry, that they are going to commit acts of violence. Is he necessarily to address them, 'Here, wait while I read the Riot Act proclamation to you.' I do not suppose that any man would ever hear or understand it in this country if it was read whatever the effect may be at home. At that time is it possible for him to stop the crowd and read the proclamation and then give them an hour's grace to do what they like? By that time they will have scattered themselves round the zemindar's house, they will be looting, burning and murdering to their heart's content. Is the police-officer to wait until that is possible? Is it a reasonable proposition that he should not act 'unless, in the meantime, the assembly or crowd actually causes serious damage to person or property', supposing that he knows what they were going to do? that he is well aware that he can stop this and by the loss of two or three lives, save the loss of 150 lives later. At Katarpur there was an actual instance where if the man in charge had fired at an earlier stage the lives of many innocent Muhammadans would have been saved. And the Judge who tried that case came to that conclusion. Any one who has seen a mob in this country or anywhere else, wild with passion, prone to any kind of mischief, ready for violence and in some countries even for homicide on the slightest provocation, inflamed by wild agitators and absolutely unamenable to reason, must be surely aware that the proposals before the Council are impossible of acceptance. Once the mob is out of hand, and is allowed to resort to acts of damage and violence, it is impossible for the police to act effectively. There is in these cases a moment at which it is possible to disperse a mob with very little loss of life, but if the authorities are to wait until the mob has gained force and courage, it will then often be too late for the available police force to attempt to disperse the mob or to protect those whose life and property are in danger. That is the position which this Resolution will lead to.

As regards the fifth proposal in the Resolution I think that has always been acted upon and, as far as possible, warning is given. In many cases, however, it is impossible to give a warning. In the case of a mob of 10,000 people, and that is the kind of mob in the case of which fire is resorted to, it is impossible to give a warning that will be heard by any save very few in the mob, but so far as possible warning is always given, and I have no objection to accepting this part of the Resolution.

As regards the sixth proposal also I am glad to be able to meet the Honourable Member. This condition is already in the law, as it stands at present, and every Magistrate or other civil and military officer responsible shall take all

[Mr. E. L. L. Hammond.]

Their Lordships of the Calcutta High Court said :

'The present case falls within the class of cases . . . when a Statute creates a special right ; but certain formalities have to be complied with'—formalities of the kind that the Honourable Member suggests—

'A strict observance of the formalities is essential to the exercise of the right. As the defendant in the case now before us did not comply with the required formality by recording the grounds for his belief before he proceeded to make the search this . . .

And the Privy Council said :

'Their Lordships are disposed to agree with the majority of the Court of Appeal that Mr. Clark, not having complied with the preliminary conditions prescribed by the Arms Act, cannot defend his own action under Statute.'

I may add that Their Lordships found he had a perfect right to do so under the Criminal Procedure Code, and that a grave miscarriage of justice had occurred in the Calcutta High Court.

Now take one instance of a riot I picked up in a paper the other day. Let me read this short paragraph:

'During the afternoon Mr. A. R. Wallace, I.C.S., City Magistrate'—this was at Lucknow—'went to the station accompanied by the Superintendent of Police . . .

The strikers were trying to come out. Mr. Wallace had the men arrested for throwing stones at the Punjab Mail. Immediately afterwards he was struck by a brick which knocked out three of his teeth.'

Does the Honourable Member consider that 'serious damage' under the Act which he proposes, and would Mr. Wallace, after having had those teeth knocked out, be justified in ordering the use of fire-arms? Is the Magistrate under these circumstances to be condemned to run the gamut of the Police Court? Can't you hear them cross-examining him in the police court? 'Now, Sir, you are on your oath. Where did the brick come from? You said the rioters were coming from the West. If you were looking for the rioters in the West, how did you get the brick from the East?' and so on in the same strain.

The Honourable Mover referred to a gun going off by accident. I do not know whether he had any particular case in his mind, but I rather fancy he was referring to the Rae Bareilly riot in which a policeman did make that excuse; but actually it was found that he fired in self-defence. Curiously enough when I was looking for the Rae Bareilly account I found another account of another disturbance, a small paragraph from which I shall read to the House. It is headed 'Rowdy Scenes in Bombay. A Moderate roughly Handled'. It refers to an election and runs as follows:

'Undaunted by jeering and hissing, which was persisted in all the time, the lecturer managed to speak though his voice was time and again drowned. When the meeting was over the lecturer's friends had to rescue him from personal violence at the hands of the angry and shouting crowd.'

The subject of the lecture, I gather, was 'The present situation'. I shall presently tell you the situation in which the lecturer found himself. 'A large body of infuriated students surrounded the car of Mr. Srinivasa Sastri . . .

THE HONOURABLE THE PRESIDENT: Order, order. I trust the Honourable Member in his interesting exploration of these cases will, as far as possible, confine himself to cases which have no personal application.

The HONOURABLE MR. E. L. L. HAMMOND: I shall follow the ruling of the Chair. I shall take the case of the ordinary political lecturer who suffers as Mr. Lloyd George did in Birmingham before the war; who has to escape as best as he can. Why I was going to select this particular case was because the lecturer gave an instance of moderation, and I was presenting the Honourable Member with an argument for his use. Here we might say, is a man driving a motor car through difficult traffic, saying 'owing to the fact that I kept my foot on the brake and not on the accelerator, I brought it home without a scratch upon its body'. I suggest that it is not putting the brake on always that is good; indeed having the brake always on is something of a danger; it is the fact that there are people there who insist on the observance of the rule of the road; and if you remove the police—and it is the police whom in point of fact we must go back to eventually for the preservation of law and order—if you do enact as the Honourable Member suggests, if you will place on them the onus of more responsibility, you will also give them a loop-hole for evasion.

After what has fallen from the Honourable the Home Member, there is not a great deal more for me to say; and more particularly I am unwilling to refer to any recent events. The sad chapter of tragic events in the Punjab has been closed; but there is a lesson to be learnt; and if I have learned the lesson aright, the first is that the District Magistrate cannot divest himself of responsibility. It must rest upon him first and foremost and all the time. Secondly, he is to use the minimum amount of force; and the corollary to that is, that he may have to be cruel to be kind—he may have to use force at a very early stage of the proceedings, and if he fails to use the force that is necessary, he fails in his duty; thirdly, he has at once to take such remedial measures as he can.

Lastly, as regards the Court which is to try the District Magistrate; a trial, I fancy, the Honourable Mover regards as inevitable; the District Magistrate according to him must run the gamut of the police-court. Sir, I think any Magistrate would far rather come before a committee of this Council or a joint committee of the two Assemblies than before a law court. And why? Because in the confusion of a riot, in civil tumult, you cannot expect to get proper evidence at all. It is impossible. Take the case of the fire at the Motor Show the other day here. I have heard four persons, all of them giving different versions, and all of them men who were anxious to tell the truth. In the case of a riot, you get interested evidence. It is inevitable, and the very people who may be against the Magistracy are very often the friends of those who are to be upon their trial. It is inevitable that their evidence must be prejudiced. The Council here and the Legislative Assembly which form part, a very important part, of Government can be trusted to look at the thing from a broad point of view. Your Court is bound strictly by the evidence, and in a case like this even the highest Court in the land may, we have seen, be guilty of a grave miscarriage of justice.

That, Sir, is what I ask the House, to protect and trust their officers, to encourage them in the discharge of their duties. Do not make an odious task still more difficult. Do not open the door to irresolution and hesitation where immediate action is often necessary. Do not give the timid man an excuse for his own timidity.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I desire to say one or two words in reference to the Resolution which is before the House, particularly as the defects of military officers are pointed out. The actual legal points have been very fully dealt with by the Honourable Sir William Vincent, and, not being a lawyer myself, I do not propose to go into the details of those. I noticed, however, that the proposer in bringing forward this Resolution expressed his desire, realising the difficulties in which officers sometimes find themselves when they are called out to support the civil power. He expressed his wish to protect them and to help them in the difficult position in which they are sometimes placed. I am sure we all wish to do that. But I cannot quite see how the proposals that he has set forth are going to make the position of officers placed in difficult circumstances more easy than it would otherwise be. The task of supporting civil power, when the military are called out to do so, is one which is most repugnant to all military officers. They are placed in positions for which they are not trained. They are asked to undertake the responsibilities, to bring their lethal weapons to bear upon very often unarmed crowds; they have to judge as best they can whether the moment has come to use those lethal weapons or not. The last two paragraphs of the Resolution, Nos. (vii) and (viii), are certainly not calculated in any way to help the officers. My own feeling is that, though the existing regulations are perhaps not as satisfactory or complete as they might be, they are the outcome of many years of very careful investigation and much discussion not only in this country, but in others as well, and I feel that, when we are sitting here and discussing matters of this kind, it is not by any means easy to put oneself in the position of an officer who has to judge at a moment's notice what is best to be done at a time when opposition is considerable and when brickbats are perhaps flying about. The existing regulations are the best that we can devise. We are always, as the Council knows, most careful to insist that, as far as possible, the minimum amount of force shall be employed. I grant you that it is difficult to regulate exactly what that minimum must be, and that is another of the difficulties to which these officers are subject. But I will just read a paragraph from our Regulations which is published for the guidance of officers placed in this position:—

‘When the Officer Commanding the troops is required by a Magistrate under section 130 or determines that it is necessary under section 131 to disperse an assembly by force, he will, before taking action, adopt the most efficient measures possible to explain to the people that the firing on the people will be effective. If it be found necessary to fire, he will personally order such minimum number of files as he considers the circumstances of the case demands. Care must be taken not to fire on persons separated from the crowd nor over the heads of the latter. Firing must be carried out steadily and stopped the moment that it becomes unnecessary.’

We are, in addition to this, publishing for our officers an amplification to guide them as best we can in the circumstances in which they may at any moment find themselves placed. We realise, and nobody realises more than I do, and I think the House will also realise, the difficult positions in which military officers are liable to be placed, and I am strongly of opinion that we should be wrong in changing the regulations and the law as they stand at present, though of course there are certain parts of the Resolution such as paragraphs (v) and (vi) which we might accept. I take strong exception to paragraphs (vii) and (viii) in the Resolution, for these will, I am quite sure, make the task of our soldiers and police-officers more difficult than at present.

THE HONOURABLE MR. MARICAIR: Sir, I beg to support the Resolution. I think it is high time that something was done by the authorities

to rectify the Act. I can quote many instances in which the authorities have not been acting properly. During my tenure of office as Member of the Legislative Council of Madras, I brought to the notice of Government on various occasions dozens of instances of this nature. The riots that took place between Hindus and Muhammadans in connection with the beating of tom-toms and the playing of music, and in connection with the Mohurram and Dussera festivals. I can quote one important instance when fire was opened wrongly on the authority of the Collector of the District of Nellore. During the festival of Mohurram it often happens that riots take place. The Collector previous to the one last year, I forget his name

THE HONOURABLE THE PRESIDENT: Perhaps it is as well that the Honourable Member has forgotten the name. Would he also take the advice I gave the Honourable Mr. Hammond and refrain, as far as possible, from personal references?

THE HONOURABLE MR. MARICAIR: The Collector in question opened fire whereby there was great loss of life both to Hindus and Muhammadans. I quite understand and realise that the authorities must have certain powers with a view to putting a stop to a great riot, and that there are ways of doing this by means of threats, or by opening false alarm of fire, and so on. The police now-a-days are so free and easy that they open fire and kill people as a sportsman kills birds. As the Honourable Members of this Council are well aware, the lives of people are so sacred, that to take care of life is more valuable than putting a stop to any riot. On my motion, Sir, the Government of Madras appointed the Honourable Mr. Couchman to look into the question and report to the Government on the particular case at Nellore, and after he had studied the question, I asked the Government to place the report on the table. They refused to do so, from which it would clearly appear that the Local Governments always support the action of the authorities, whether they have committed wrong or not, and it is therefore absolutely necessary, in view of incidents that have frequently taken place in various places, that there should be some safeguard with a view to protecting the valuable lives of men. It is therefore necessary, as prayed in the Resolution moved by the Honourable Mr. Sastri, that steps should be taken with a view to amending the Code of Criminal Procedure. With these few remarks, I support the Resolution.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, it is seldom that I have the misfortune to disagree with my friend the Honourable

5 P.M.

Mr. Sastri in this Council. I value his worldly knowledge and his great erudition. But, I am afraid on this occasion, his Resolution is one to which I find it impossible to give my support. I should have very willingly supported the Resolution had it not been for the fact that the alterations and changes which he advocates are subversive of the very principles of law to which we have been accustomed to, and in many ways I may say repugnant to the elementary canons of legislation.

The Honourable Sir William Vincent has simplified my task by the lucid exposition of the law on the subject, and the Honourable Mr. Hammond has stated his case from the point of view of the district officers and the difficulties against which they have to contend, and the protection which they require. His Excellency the Commander-in-Chief has likewise pointed out the regulations embodied in the general manual and considerations which are ordinarily to be borne in mind by military officers in such

[Sir Maneckji Dadabhoy.]

emergencies. I shall now deal with that aspect of the case which throws the burden of proof, as stated by my friend Mr. Sastri, on the accused person. It is an elementary principle of law that every man is presumed to be innocent until the contrary is proved. In all cases, in all trials, whether they be under the category of misdemeanour, felony or any other category, it is for the Crown to prove up to the hilt the accused's guilt. The law favours the position of the accused and watches it with such scrupulousness that nothing is allowed to be presumed against him. Now, in this Resolution, Mr. Sastri seriously asks that the onus of proving the said emergency and the impossibility of securing the presence of a Magistrate within the proper time should lie on the officers who are so acting. I would ask the Council to just consider for a moment the position of a police-officer or a military officer in such a great emergency. He has to act on the spot. There is no time for him to think over the matter; any indecision on his part might lead to disastrous results; any wavering on his part might lead to the loss of numberless innocent lives. He has to make up his mind instantaneously as to how to act. And if his action is challenged or he is prosecuted, he has to appear in a Court of law to show that the emergency was of so great a character that there was no other alternative but to use force. Now I submit, Sir, that this is a position which is wholly indefensible and which is repugnant, if I may say so, to the ordinary principles of law, justice and equity. Is not such a position hard and unenviable? In the case of an ordinary murderer, an ordinary thief, you require prosecution to prove every thing against him. Here a man does his duty and in nine cases out of ten he does so at the risk of his life. When he is in Court he is asked to defend himself and is deprived of the ordinary protection of law. I submit, Sir, what officer of police, what servant of Government would be willing to act in these circumstances?

I submit, therefore, the Council will see the impossibility of accepting an amendment of this nature. As regards the first amendment the Honourable the Home Member has fully explained the situation. My friend insists on a written authority. That question has been fully dealt with by the Honourable the Home Member. I would only ask you to bear in mind that, ordinarily an officer has to act on the spur of the moment, at times he is drawn into a riot, and has often to run up to the spot promptly to quell it, do you seriously expect that he should have the paraphernalia of ink, pen and paper in his pocket to obtain a written order from a Magistrate? My friend has laid great stress on the time-limit and has urged that fire-arms shall not be used for one hour after such proclamation has been read, unless in the meanwhile the assembly or crowd actually causes serious damage to person or property. Now, as regards this, it is true that the Riot Act does provide a time-limit, but you may take it from me that this provision of the law is more honoured in the breach than the observance. It is impossible in a grave emergency, in critical times, to wait for the full statutory limit without disastrous effects and without grave loss of life and property. As regards the other amendment, clause No. (vi), my friend has urged that 'the Magistrate or other civil or military officer responsible shall take all reasonable precautions to see that no more injury is inflicted on the crowd or assembly than is absolutely necessary'. The Honourable Sir William Vincent has said that he is prepared to accept this suggestion, but I see that in the present law that provision is already embodied. It is only different in phraseology. It

reads thus: 'Every such officer shall obey such requisition in such manner as he thinks fit, but in doing so he shall use as little force, and do as little injury to person and property, as may be consistent with dispersing the assembly and arresting and detaining such persons'. This is merely different phraseology. The spirit of the provision now required exists on our Statute-book at present. Then, as regards clauses (vii) and (viii) of the Resolution, my Honourable friend contends that the sanction which is required of the Governor General in Council should not be a condition precedent. Now, probably the Council is not aware that the sanction of the Governor General has been done away with by an Act of last year. The sanction not of the Governor General but of the Local Government is now required. And I say that this is a suitable provision. When the sanction of the Local Government is required, in the generality of cases, as every one knows, the Local Government acts on the advice of the Legal Remembrancer, and in very important cases even consults the High Court. You could not get a safer arbiter than the legal officer of Government. But the question now is that my Honourable friend wishes altogether to dispense with this provision. I would ask the Council what protection police-officers and men doing their duty would have if this provision is to be dispensed with.

In the latter part of clause (vii) of the Resolution Mr. Sastri urges that sanction be dispensed with in case of persons who have 'acted illegally in the suppression of riots'. If you dispense with this provision the result will be that anybody can file a complaint against a police-officer. The Court will have to take cognisance at the instance of any person. Are you to leave to A, B, C, D or E to decide whether a particular police-officer should be prosecuted or not? My submission is, that it would not at all be proper in practice to adopt a course like that. Some responsible person must decide whether the initiative of a prosecution should be taken or not. Now ordinarily, in all cases of offences, as Sir William Vincent has pointed out, such as forgery, perjury and so forth, which are committed within the jurisdiction of the Court, you require the sanction of the Court before whom the offence is committed. To take away such a sanction is a very serious matter. Prosecutions against Government servants, and police-officers cannot be launched with any degree of levity. Such cases must be seriously considered before anything is done. Now, the question is, whether there is proper protection in law or not for prosecutions for acts done under Chapter IX of the Code of Criminal Procedure. I say that a man who does his duty honestly, fearlessly and properly has nothing to fear. Section 132 provides that 'no prosecution against any person for any act purporting to be done under Chapter IX shall be instituted in any Criminal Court except with the sanction of the Local Government; and (a) no Magistrate or police-officer acting under this Chapter in good faith; (b) no officer acting under section 131 in good faith; (c) no person doing any act in good faith, etc., etc., shall be deemed to have thereby committed an offence'. So, the essence of this section is, as Sir William Vincent has pointed out, good faith, which has been defined in the Penal Code in a negative way thus: 'nothing is said to be done in good faith which is done without due care and caution'. So, I submit that there must be some responsible person to decide, in the first instance, whether an offence has been committed by that officer, and whether he has acted in good faith or not. My argument is that this is a valuable protection, and I think every police-officer who does his duty and acts in good faith needs some sort of protection such as this.

[Sir Maneckji Dadabhoy.]

I have a word to say about clause (viii) of the Resolution, which says: 'Every such prosecution shall be instituted in and triable by the Sessions Court having territorial jurisdiction, with the previous leave of such Court or the High Court of the province'. Here of course the Honourable Mover admits in a way that previous approval is necessary. I submit that some of the provisions which the Honourable Mover now asks to be incorporated in the present law already exist, while others are so fundamentally opposed to the principles of general law that they could not possibly be accepted. My Honourable friend at the commencement of his speech made certain observations that the law on the subject in India was not in a complete form, and quoted the authority of Sir James Fitzjames Stephen in discussing another part of his case. My friend probably is not aware that this very Chapter IX was drafted by Sir James Fitzjames Stephen on the principles laid down in the charge of Tindal, C.J., to the grand jury in the great Bristol Riot trial of 1832. Those very principles have been fully embodied in this Chapter IX of the Criminal Procedure Code.

Sir, I will not detain the Council any longer. One word more and I have done. Honourable Members are aware that only the other day we passed a Resolution in this Council recommending to the Government of India to appoint a Committee to decide which of the repressive laws should be removed from our Statute-book. Very probably that Committee will soon be appointed, and I have not the slightest doubt that the Committee will recommend the repeal of some laws. Therefore, a grave obligation, a grave responsibility rests on all of us at this juncture. If you weaken the ordinary machinery of law, if you are going to remove all the special Acts, you will bring the machinery of the criminal law into such a state of absolute helplessness that you will not be able to cope even with ordinary crime. We have to see at least

The HONOURABLE SAIYID RAZA ALI : May I ask, Sir, whether there is no time-limit ?

The HONOURABLE THE PRESIDENT : The Honourable Member being new is probably not aware that the time-limit is 15 minutes in the case of speakers other than the Mover and the Member in charge unless the President allows it to be exceeded.

The HONOURABLE SIR MANECKJI DADABHOY : We must, therefore, see that our ordinary machinery is not emasculated, I will put it in that sense. We are bound to see that the police have got powers to deal with a critical situation efficiently and promptly. Public liberty, public safety, public protection depend on the timely suppression of crime. We are all interested. . . .

The HONOURABLE THE PRESIDENT : I gave the Honourable Member an opportunity of concluding his speech because he said he was going to wind up. As a matter of fact, he has exceeded the time-limit.

The HONOURABLE MR. G. S. KHAPARDE : Sir, I rise to support this Resolution. It appears to me that the main object of the Honourable Mover has been somewhat missed in the discussion that has taken place. He clearly began by saying that the words used in the law are 'dispersing unlawful assemblies, etc., by force'. He wants to distinguish between the methods employed. There is a method of throwing hot water. There is a method of turning the

hose on the crowd to turn them out, and using police batons. The Honourable Mover wants to distinguish between these ordinary mild measures and the use of fire-arms. So far as these mild measures are concerned, he does not want to interfere with the present law. Therefore he made it quite clear, I think, in the beginning that this word 'force' should be so defined as to make out two sets of circumstances, circumstances under which methods not involving loss of life are employed, and methods in which loss of life is involved. Where fire-arms are employed there should be more rigorous conditions, and where simpler methods, such as turning the hose or throwing sand, etc., are employed the law should be left as it is. That distinction, it appears to me, has not been kept in view by the Honourable gentlemen when they criticised this proposition.

There is another thing that I wish to notice and bring out as clearly as possible. My Honourable friend on the right said that he was going to point out the principles and rules against which this proposition goes, and the only principle that I heard him point out was that the burden of proof was wrongly laid. That is the only principle that he spoke of so far as I could gather

The HONOURABLE SIR MANECKJI DADABHOY : I am sorry that my learned friend did not follow me.

The HONOURABLE MR. G. S. KHAPARDE : I believe I followed my learned friend as much as I could. Now, I beg to join issue with my Honourable friend on the point. Whoever wants to protect himself by coming under an exception has got to lay the foundation by showing that the circumstances constituting the exception do exist. That is the rule, and according to that, supposing I want to claim the benefit of an exception, I have got to make out that the circumstances under which the exception comes into operation exist. Here also the Honourable Mover has only done that much, and nothing more. When he says that a military officer or any other person may employ force, he is always thinking of the use of fire-arms, and the officer will have to make out that the circumstances which precluded him from obtaining the order of a Magistrate existed. That is ordinary common law, and I do not see where the burden has been wrongly laid.

That brings me to another point which was made a ground against the acceptance of the Resolution. It is this—Is a high officer,—he may be the Deputy Inspector General of Police, or the General Officer of the Army,—to wait and see whether a naib tahsildar or an Honorary Magistrate gives an order, and until that order is given, is he to act or not to act? I submit that comparison is not very clear, is not good either. It is not the third class Magistrate; it is not the naib tahsildar that is the important person. The important person is the Magistrate. The Magistrate is the person who is used to weighing evidence, who understands things as they go, who is there and perhaps has got a cool and judicial frame of mind, and therefore the officer using force has got to wait and see that the Magistrate also agrees with him and then use force. It is not enough in a case of this kind to depend upon the judgment of one person entirely. Human nature is the same all over, and the highest officers and highest military officers are human beings after all and they may get angry. They may get excited. They may act as much in a panic as the mob. Therefore, it is necessary that there should be a third person using his cool brain to advise, and I think that

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the first provision, that is the necessity for a written authority from a Magistrate, is very wisely provided. It is only provided for those cases where guns have to be used. In other cases, I believe, the Honourable Mover would agree that a written order need not be waited for. Similarly, if a Magistrate is not available there, then a military officer or the police-officer concerned has got to use his own discretion and to prevent that military officer or that police-officer from acting in a panic, because he is angry, perhaps because he has been hit with a brickbat or a stone, it is necessary that the burden should be laid upon him of showing that there was no time for obtaining the order of the Magistrate. We know these circumstances. When I am hit, I very much feel inclined to hit back. That I know very well, but I also should know that I would have to make out in a Court of law afterwards that I had my lawful excuse for hitting back at once. Otherwise I should be liable to punishment. That fear should act on the police-officer or the military officer concerned. It has been said that if we make it like this, then nobody will take the responsibility for carrying out their duty and so on. I am not so afraid. We know that we have got the sections relating to private defence in the Penal Code. I have myself defended a large number of cases and successfully defended, showing that the right of private defence existed and that it was properly exercised. The same thing will occur in the case of the Magistrate or the police-officer or the military officer concerned and after all the matter will not be judged by one person. I believe it will go before a jury and there will be 11 common sense people sitting who will have to decide. One need not feel anxious or nervous about this power being given to the Magistrate. Similarly, about that one hour. I think in that case where that one hour is prescribed there are the words 'unless in the meantime the assembly or crowd actually causes serious damage to person or property' an immediate action is necessary. The Honourable Mover also pointed out that he had through inadvertence omitted to put in that clause saying 'unless immediate action has become necessary'. So that modification is there impliedly and it will be accepted by the Honourable Mover.

Then, there is an argument which I am sorry I cannot accept and that argument is that now it is the Local Governments who have got the power to sanction prosecutions, so that it is not necessary to take away that power and give it to the Courts. I humbly submit that in questions of this kind there are various factors that come into play, and it is very difficult even for a Local Government to give the judicial consideration that becomes necessary in matters of this kind. I have great respect for executive officers, but oftentimes they think that their district will acquire a bad name, that their province will be marked down as bad, and so on, and there are circumstances which induce them sometimes not to let these things go further. I put it most mildly. In the best interests of the province itself they consider that it is not necessary to give prominence to small unfortunate incidents that may have happened. Well, these cases may be small and may be unfortunate, as I quite agree, but we have to look at them from this point of view, that justice has to be done even though the Heavens fall. Then, what did the Honourable Mover say; he only said that the case should be submitted to the High Court and that, if the High Court agreed, it should be tried, it may be tried by the Sessions Court. An application would be made in Chambers,

enough evidence in the shape of reports would be presented to the judge of the High Court, and he would be in a position to say whether that case should be gone on with or not. So there is nothing very terrible in this, as it is sought to be made out in clauses (vii) and (viii).

I humbly submit that this Resolution is very good; it is exceedingly prudent just now, for various reasons, and one of those reasons is that our Criminal Procedure Code is under revision. We know that it will come up for discussion. It will be very useful if the Committee which revises the Criminal Procedure Code has an opportunity of knowing what we think about the matter. This section, I suppose, will come up and to give them a lead in that matter is very useful. Another reason why this portion of the law is coming a great deal into prominence just now is because of that unfortunate Punjab affair and because there is a danger of affairs of that kind taking place elsewhere. It is necessary, therefore, that officers who have got to carry out the law must clearly know what they are doing. It is also necessary that the people should understand that, if the Riot Act is read, it means that force is going to be immediately used. My Honourable friend (Sir M. Dadabhoy) thinks that that question of law in England is more honoured in the breach than in the observance. I humbly doubt that . . .

THE HONOURABLE SIR MANECKJI DADABHOY : I spoke about the hour limit.

THE HONOURABLE MR. G. S. KHAPARDE : It may be so, but it is in force in England. When we say that so and so read the Riot Act the meaning is that he was very angry and that he intended using force. That one hour limit has been very unfortunately misunderstood. All that the Honourable Mover meant was that if there was time for it you should give them one hour's limit. If there was no time and the acting officer thought that immediate action was necessary, that proviso leaves him full scope to take action. It does not say that fire shall never be opened except after an hour relapses from the time of the reading of the Riot Act. The provision merely says if there is time for it and if the officer thinks it proper to allow it, he should allow one hour's time; if there is no time for it he acts on his own responsibility. There is no difficulty in understanding it. So I say there is no justification for saying that the Riot Act is observed in the breach. It is not so and I join issue with my friend the Honourable Sir Maneckji Dadabhoy . . .

THE HONOURABLE SIR MANECKJI DADABHOY : Again I join issue with the Honourable Member. I never said that.

THE HONOURABLE MR. G. S. KHAPARDE : In these circumstances, Sir, I heartily support this Resolution and I wish that the Honourable Council will kindly pass it.

THE HONOURABLE MR. SRINIVASA SASTRI : Sir, I am rather saddened that the Government seem to have made up their minds to resist this attempt of mine to give them an opportunity of showing that their executive officers in the exercise of the severest powers that they have will be allowed to come under the domain of law. It is extraordinary that this resistance should be offered to an attempt to place the Indian law on a level with that system of jurisprudence which it is pride of the British race to have evolved, after a struggle of

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centuries, after sacrifices made of an unparalleled character on the part of the people, after heroic defences conducted by the Bar and manful deliverances from the Judges—it is extraordinary that an attempt should be made to resist this desire of mine to place the Indian law on a footing with that magnificent system of English law under which it is our privilege to have come. His Excellency the Commander-in-Chief, whose intervention in this debate I welcome for various reasons, told us that there were regulations already in existence and more regulations being framed. Sir, I knew of these regulations. I knew there was no dearth of regulations. Our police manuals are quite full of them; our drill manuals are quite full of them. I have no objection to them at all. But they are not law and an aggrieved subject cannot make them the ground of an action at law. If the provisions were in a legal Code they could be made the ground of action.

Besides, an appeal was made to our sympathy—an appeal, strangely enough, on the part of the officer who shoots, not on behalf of the victims who suffer. But let that pass. I am not without sympathy with the officers concerned. Their duties are extraordinarily difficult; but those duties are difficult, not here only, but in England as well. Lord Haldane described the condition of one of these officers as that of ‘a man compelled to walk on the edge of two precipices’—not one precipice, but two precipices; but he adds law is a sensible institution after all; in 99 cases out of 100 the thing works out somehow well. People do not apply the rigour of the law, but they take into account all the attendant circumstances of the case, and where a concrete consideration is given, however a theoretical study might raise difficulties, they somehow or other square out well in the end.

Now, let me read to you one extract from the Manual of Military Law which cannot be unfamiliar to the officers of Government. This point, that the officers called upon to exercise military force in the suppression of riots are placed in an extraordinarily difficult situation, has been allowed. The point was raised by no less a person than Sir Charles Napier. The answer is given in the judgment of Mr. Justice Littledale in the case *Rex v. Pinney*. ‘Now a person’—I wish the Council to listen to this:

‘Now a person, whether a Magistrate or a police-officer, who has the duty of suppressing a riot, is placed in a very difficult situation, for if by his action he causes death he is liable to be indicted for manslaughter or murder, and if he does not act he is liable to an indictment or information for neglect. He is therefore bound to hit the precise line of his duty, and how difficult it is to hit that precise line will be a matter for your consideration. But that difficult as it may be, he is bound to do. Whether a man has sought a public situation, as is often the case with Mayors and Magistrates, or whether as a peace officer, he has been compelled to take the office that he holds, the same rule applies and if persons were not compelled to act according to law there would be an end of society.’

And then this Manual proceeds to say:

‘At the same time the law has made liberal allowances for the difficulties of persons so circumstanced and persons whose intention is honest and upright and who act with firmness to the best of their judgment need seldom fear the results of inquiry into their conduct.’

Now, that is the law that I seek to embody. I ask, is it fair to wish to have it all in favour of the officer who takes life, no doubt

under a sense of duty? The Honourable Sir William Vincent made much capital out of the fact that I asked for an hour before shooting should begin. I made it clear, I thought at that time, even if I did not incorporate it here as I have, I made it clear that there may be cases where even during that hour a mob should get out of control and it may be necessary for the officers to start firing, that I did not object to it at all. In fact that is the English law; and as I seek to reproduce only the English law he need not have objected to it; and as I say the Honourable the Home Member made some capital out of the circumstance that I had failed to provide for it.

Now, there is one little circumstance which I might point out. The Honourable the Home Member and several others who spoke thought that I was demanding an extravagant requirement when I said that the permission of the Magistrate should be in writing. This is from Odgers' Common Law. ‘It is primarily the duty of the Magistrate, if one be present, to decide whether the time has arrived to use deadly weapons; if he decides that it has, it is for him to instruct the officer to take action, and he generally does so in writing.’ I did not say it was the English law; I only said at that time that it was the English practice. I quite remember, because I knew it definitely. Now let me read another thing which may be interesting. There is a King's Regulation which I have not been able to verify, to which Mr. Odgers refers; that is King's Regulation No. 963. Apparently this requirement of a written order is there, but I have not been able to verify it. The Police Code in England, however, has this provision. ‘If after the Riot Act has been read and an hour has been allowed the mob to disperse it is found necessary to adopt more forcible measures, to prevent further damage to property or danger to life, either by firing on the people or charging them either with drawn swords, fixed bayonets or drawn truncheons, the written order of the principal Magistrate present should be invariably first obtained, either by an entry in the pocket book of the officer in command of the police or troops, or the signature of a pencil memorandum to this effect:—

‘I authorise you to charge the mob with drawn swords or truncheons (or fixed bayonets) or to fire on the mob.’

The very form of the written order is given. It was not then an extravagant thing that I was asking for, it was not an unimaginable thing.

Then about that important matter, the Honourable the Home Member said that if the Governor General's sanction was required, it would be given in proper cases. The Honourable Sir Maneckji Dadabhoi told us that the Governor General's sanction is no longer required, but the sanction of the Local Government would be enough. I do not know what is the present state of the law, but whatever it is, let us consider a little. A grave occurrence is the subject of a communication to the Governor in Council or the Governor General in Council. His police-officers, probably the military, his Magistrates, are accused of having used unnecessary force. His sanction is sought for a prosecution. We know how these things go in such cases. The Governor in Council has hitherto tried every means even of avoiding a public inquiry. Is he likely to afford the sanction for a criminal prosecution? Is that the way things go in England? When one officer errs and you wish to bring him to book, do you go and ask the permission of his immediate superior? Or do you go and sue him in a Court of law? It is something that Indian law cannot be proud of? It belongs, if I may say so, to a barbarous age. It ought to go out of the Statute-book. To require the sanction of the Governor General in Council or

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the Local Government to prosecute an officer for what would be murder or manslaughter is to ask, I think, for the impossible. The executive hang together, high and low. It is the commonest thing. When an officer is accused, the whole of his department with all its moral force comes down whether in a Court of law or in the public or anywhere to prove that the officer is in the right and the complainant is in the wrong. To make a prosecution conditional on that superior giving his previous sanction to it, is effectually to close the jurisdiction of the Court. Now I object to all legislation which shuts Courts out of their natural and proper jurisdiction. There is too many a law in the Indian Statute-book of this character vesting the executive themselves with powers which ought properly to belong to a well constituted and independent judiciary. I beseech Government not to stand by this requirement of the Governor General's or the Local Government's previous sanction. That is really, as His Excellency the Commander-in-Chief pointed out, my principal complaint, the head and front of the offence of that Chapter in the Criminal Procedure Code. That sanction has never been given, and I am sure it will only very very rarely be given. If you let it stand, it means you want for the executive in this country far greater powers than the executive in England possess. There they do not want altogether to be shielded from all prosecution. They are quite prepared to go and stand their trial. As I said before, not only every officer but every individual citizen stands in a difficult position. If I am called upon by a Magistrate to help him in suppressing a riot and I do not assist him, I stand liable in law. If I assist him to do things which he ought not to have done, I stand liable also. This difficulty does not exist peculiarly in the case of the officer for whom so many piteous appeals are made, but it exists in everybody's case. The officer has abundant facilities to protect himself from frivolous or vexatious prosecutions. The whole of his Government is behind him, the best legal talent will be engaged for him. Is he to be pitied or the private citizen who has been shot down or who has been maimed? Really I am amazed that people should seriously sustain a provision which throws him entirely out of the protection of Courts which are constituted for the protection of the poor and the needy just as well as for the protection of high placed officers. It appears to me, Sir, that the Government will be well advised to produce an impression by accepting my Resolution, or at least by accepting my Resolution in substance, if not literally, and establishing the hope that future legislation will go on healthy and wholesome lines; at least I hope that this particular provision, which gives the executive in this country illegitimate protection, protection to which they are not entitled in any enlightened system of jurisprudence, that this provision will disappear.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I understood that the argument of the Honourable Mr. Sastri in his reply was that he is simply seeking to put the law here on the same basis as the English law. That was what I understood him to say. If I can show to this Council that this is not the effect of the Resolution that he is not proceeding on the basis of the English law, and that some of the proposals which he makes are supported, as I believe, by the law of no civilized country in the world, then they will see that these arguments are of no avail.

I will take the very first item, 'No firearms should be used except on the written authority of a Magistrate'. The Honourable Member was in some difficulty there. He first said, as I understood him, that this

was according to the English law, but later he said 'I did not say it was English law; it is only English practice.'

If Members will read the Resolution they will see that the Honourable Mover then asks that the Code of Criminal Procedure should be amended so as to insert this provision in the law, that is a provision which is not any part of the English law at present, nor, to the best of my knowledge, ever has been. I believe that there used to be some such rule in the old Military Regulations but that it has now been excised. In any case it was not part of the law but an executive instruction inserted by executive officers for their own protection.

Now let us turn to the second item I cite the following words.—'. . . . but the onus of proving the emergency and the impossibility of securing the presence of a Magistrate within the proper time shall lie on the officer so acting.'

Where is there any provision of that kind in the English law? It is not to be found. It is a mistake to say that such a provision exists in the English law.

Now let us take the third item. 'Before resorting to firearms, the Magistrate or other civil or military officer responsible shall read or cause to be read a proclamation; both in English and in the local vernacular, similar to that contained in the English Riot Act.'

There is no such provision in the English law. The Riot Act does give a statutory protection to the people who fire, but power to fire on a mob in certain circumstances is given by the common law irrespective of the reading of the Riot Act altogether, and that is laid down in Dicey's work from which I now read:—

'Now the error into which an uninstructed reader is likely to fall, and into which Magistrates and officers have from time to time (and notably during the Gordon riots of 1780) in fact fallen, is to suppose that the effect of the Riot Act is negative as well as positive, and that, therefore, the military cannot be employed without the fulfilment of the conditions imposed by the Statute. This notion is now known to be erroneous; the occasion on which force can be employed, and the kind and degree of force which it is lawful to use in order to put down a riot, is determined by nothing else than the necessity of the case.'

That is it is a mistake to suppose military force cannot be employed, if necessary, without the reading of the Riot Act

The HONOURABLE MR. SRINIVASA SASTRI: I expressly said that that particular part of my Resolution was defective and I made the correction before I began.

The HONOURABLE THE PRESIDENT: The rule as regards personal explanations is that a Member may make them as an interjection to a speech only when the speaker gives way. The Honourable the Home Member did not give way.

The HONOURABLE SIR WILLIAM VINCENT: I am quite willing to accept the explanation. The only point I wish to make is that this Resolution as moved by the Honourable Member is not in accordance with British law as suggested by him.

Item (iv) of the Resolution reads as follows:—

'Firearms shall not be used for one hour after such proclamation has been read unless, in the meantime, the assembly or crowd actually causes serious damage to person or property.'

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That, again, I may say, is not consistent with English law. The incident of the Ackton Hall Colliery riots shows that firing is justified to prevent a mob from committing outrage.

In the circumstances, I submit that it is an unfair appeal to the sympathy of this Council to say that the Mover is really only trying to bring the law of this land into accordance with the law of England, for in fact the Honourable Member seeks to go very much further and to incorporate in the Indian law provisions which are no part of the law of Great Britain. That is the position. Where, however, the recommendations are in accordance with the English law, for instance, in the case of the recommendation in the 7th item, I said so quite frankly.

The Honourable Mr. Khaparde took up a different position. He said 'The Home Member has misunderstood the recommendation; it is restricted to the use of firearms.' What I want to know is, how and why is the Council going to distinguish between the use of fire arms and a bayonet charge, or a charge with lances or the use of swords? What is this amazing proposition that some exceptional measures are necessary for the use of firearms only? Bayonets in the hands of a body of trained soldiers are far more likely to kill than buckshots from a musket fired even at a short distance. Do not let us have any attempt therefore to make special provisions for the use of firearms. The same principle must apply to the use of any force and the same limitations and troops and police must be allowed to use the most effective weapon, whatever it happens to be; sometimes the flat of a sword, sometimes the butt of a rifle, sometimes the bayonet, and sometimes firearms. On this last point, about prosecutions, I must frankly admit that the Honourable Member is in a stronger position in regard to the English law. But what I tried to put to this Council was that in this country officers would be subject to extraordinary danger in the way of legal proceedings and that this would be unreasonable, and we would have innumerable prosecutions if no restrictions are imposed. For example, if you had a Hindu inspector firing on a Muhammadan mob, or if you had a Muhammadan inspector dispersing a Hindu mob, what would be the result? Whether he had acted rightly or wrongly, he would be always prosecuted the next day. The fact being that this sectarian feeling runs so high in this country and the result would be to frighten officers from doing their duty. To say that this is the law in England is really not a sound argument because conditions in this country are very different, and this is a factor that cannot be neglected. When this country has advanced to the same sense of civic responsibility as England it might be possible to change the law. We are advancing and I do hope that we shall continue to advance, but in the meantime I suggest it is not right to expose your officers to unreasonable danger. I gave the reasons why, in my opinion, the sanction in such cases should not be given by the Court because this would involve double trials and delays. Nor do I think the Court would be in a position to ascertain what the real facts of such a matter are. If the Government acts unfairly in this matter pressure can be brought to bear upon it by the Legislature, and that affords all the protection to the public the Honourable Member really requires. In most European countries outside England the trial of an officer in cases of this kind before ordinary Courts is unknown. The whole work is done by the administrative Courts both in France, Belgium and elsewhere. The general point I want

again to make is that the Council should not do anything to destroy the power of initiation and confidence of our officers that they will be protected in doing their duty. The country is in a very disturbed state. Extremist agitators seize upon every grievance, real or imaginary, to promote disorder here and there, sometimes over agrarian questions, sometimes over labour question and sometimes over religious questions. The officers of Government have, therefore, daily to face those dangers and to maintain order. Is this Council going to restrict their powers more and more? The Government cannot intern a man without being at once attacked as highhanded; they will not prevent him from speaking seditious without being subjected to abuse in the press and now it is proposed to impose impracticable and unsound restrictions on the power of the officers to suppress disorder. I hope the Council will not accept the proposals.

THE HONOURABLE THE PRESIDENT: I think it will be better to put the Resolution in its separate parts. I will now put the first part:

'This Council recommends to the Governor General in Council that the Code of Criminal Procedure and, if necessary, other enactments, be so amended as to secure the following point in the suppression of riots and unlawful assemblies:—

- (i) No firearms should be used except on the written authority of a Magistrate of the highest class that may be available on the spot.'

The motion was negatived.

I will now put the second part:

- (ii) In cases of grave emergency when no Magistrate is available in the neighbourhood, the chief police or military officer present on the spot may, if he considers that the riot or unlawful assembly cannot be suppressed otherwise, employ firearms; but the onus of proving the emergency and the impossibility of securing the presence of a Magistrate within the proper time shall lie on the officer so acting.'

The motion was negatived.

THE HONOURABLE SIR WILLIAM VINCENT: May I suggest that the next two parts be put to the vote together?

THE HONOURABLE THE PRESIDENT: I think it would be better to put them separately.

The question is that 'this Council recommends to the Governor General in Council that the Code of Criminal Procedure and, if necessary, other enactments be so amended as to secure the following points in the suppression of riots and unlawful assemblies:—Before resorting to firearms, the Magistrate or other civil or military officer responsible shall read or cause to be read a proclamation, both in English and in the local vernacular, similar to that contained in the English Riot Act.'

I think the 'Ayes' have it.

THE HONOURABLE SIR WILLIAM VINCENT: I ask for a division.

THE HONOURABLE THE PRESIDENT: The Council will now divide.

The Council divided as follows:—

AYES—15.

Aiyangar, Mr. K. V. R.
Harnam Singh, Raja Sir.
Jaffer, Khan Bahadur E. H.
Jogendra Singh, Sardar.
Kale, Mr. Waman Govind.
Khaparde, Mr. G. S.
Po Bye, Maung.
Raza Ali, Sayid.

Ram Saran Dass, Rai Bahadur Lala.
Roy, Pramada Nath, Raja.
Samaldas, Mr. Lalubhai.
Sethna, Mr. P. C.
Srinivasa Sastri, Mr. V. S.
Sukhbir Sinha, Lala.
Zulfiqar Ali Khan, Sir.

NOES—26.

Amin-ul-Islam, Khan Bahadur.
Barnes, Sir George.
Barron, Mr. C. A.
Bray, Mr. Denys.
Chatterjee, Mr. A. C.
Cook, Mr. E. M.
Commander-in-Chief, His Excellency the.
Dadabhoy, Sir M. B.
Edwards, Major-General W. R.
Froom, Mr. A. H.
Hammond, Mr. E. L. L.
Holberton, Mr. E. J.
Jha, Dr. Ganga Nath.
Lloyd, Mr. E. S.

Murray, Sir A. R.
Ramabhadra Naidu, Dewan Bahadur V.
Richey, Mr. J. A.
Sarma, Rao Bahadur B. N.
Seddon, Mr. C. N.
Shafi, Mr. M. M.
Smith, Mr. H. Moncrieff.
Umar Hayat Khan, Colonel Sir.
Vincent, Sir William.
Wacha, Sir D.
Wood, Sir J.
Zahir-ud-din Khan, Khan Bahadur
Sayid.

The motion was negatived.

The HONOURABLE THE PRESIDENT : The question is that part (iv) of the Resolution, viz. :—

‘Firearms shall not be used for one hour after such proclamation has been read unless in the meantime, the assembly or crowd actually causes serious damage to person or property’

be accepted.

The motion was negatived.

The HONOURABLE THE PRESIDENT : The question is that part (v) of the Resolution, viz. :—

‘Before the crowd is actually fired upon, the fullest warning shall be given’

be accepted.

The HONOURABLE THE PRESIDENT : The question is that part (vi) of the Resolution, viz. :—

‘The Magistrate or other civil or military officer responsible shall take all reasonable precautions to see that no more injury is inflicted on the crowd or assembly than is absolutely necessary’

be accepted.

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is that part (vii) of the Resolution, viz. :—

‘The sanction of the Governor General in Council should not be a condition precedent to the institution of a criminal prosecution against officers or other persons who have acted illegally in the suppression of riots’

be accepted.

The motion was negatived.

The HONOURABLE MR. SRINIVASA SASTRI : I ask for a division.

The HONOURABLE THE PRESIDENT : The Council will now divide.

The Council divided as follows :—

AYES—12.

Aiyangar, Mr. K. V. R.
Jaffer, Khan Bahadur E. H.
Jogendra Singh, Sardar.
Kale, Mr. Waman Govind.
Khaparde, Mr. G. S.
Samaldas, Mr. Lalubhai.

Raza Ali, Saiyid.
Roy, Pramada Nath, Raja.
Sethna, Mr. Phiroze C.
Srinivasa Sastri, Mr. V. S.
Sukhbir Sinha, Lala.
Zulfiqar Ali Khan, Sir.

NOES—28.

Amin-ul-Islam, Khan Bahadur.
Barnes, Sir George.
Barron, Mr. C. A.
Chatterjee, Mr. A. C.
Cook, Mr. E. M.
Commander-in-Chief, His Excellency the.
Dadabhoy, Sir M. B.
Denys Bray, Mr.
Edwards, Major-General W. R.
Froom, Mr. A. H.
Hammond, Mr. E. L. L.
Holberton, Mr. E. J.
Jha, Dr. Ganga Nath.
Lloyd, Mr. E. S.
Po Bye, Maung.

Murray, Sir A. R.
Ramabhadra Nayudu, Diwan Bahadur B.
Ram Saran Das, Rai Bahadur Lala.
Richey, Mr. J. A.
Sarma, Rao Bahadur B. N.
Seddon, Mr. C. N.
Shafi, Mr. M. M.
Smith, Mr. H. Moncrieff.
Umar Hayat Khan, Colonel Sir.
Vincent, Sir William.
Wacha, Sir D.
Wood, Sir John.
Zahir-ud-din Khan, Khan Bahadur
Sayid.

The motion was negatived.

The HONOURABLE SIR WILLIAM VINCENT : On a point of order, Sir. May I draw your attention to the fact that there was a stranger inside the precincts of the Chamber when the last division was taken?

The HONOURABLE THE PRESIDENT : It is difficult to take a point of order during the division, but as this refers to the taking of the division, I shall ask the officers of the Council to produce the stranger before me if he is here.

The HONOURABLE SIR WILLIAM VINCENT : He is a member of the Legislative Assembly. I am not sure whether he is here now.

(b) Was any Reverse Council Bill paid out of the gold held in England in the Indian Paper Currency Reserve?

(c) If so, what is the total of outgoings from the Indian Paper Currency Reserve on this account?

(d) Was it ever intended that payments would be made out of the Indian Paper Currency Reserve for Reverse Council Bills?

(e) If not, why this deviation from the principle on this occasion?

(f) Has the partial depletion, if any, of the London section of the Indian Paper Currency Reserve been made up?

(g) If so, how and to what extent?

(h) If not, what is the Government's intention on the subject?

The HONOURABLE MR. E. M. COOK: (a) The total amount of Reverse Councils sold since the 2nd February 1920 is £49,988,000. I am afraid I do not precisely understand what the Honourable Member means by 'incidental loss,' but if he means the difference between the market rates and the rate at which the Bills were sold, then the answer is that at the prevailing market rates at the time the above sum represented Rs. 2,82 lakhs more than was actually received. I must point out however that these calculations are based on the improbable assumptions, first that the sale of Reverse Councils had no effect on the market rates, and secondly, that if Reverse Councils had been sold at market rates, the latter would not have been affected thereby.

(b) No.

(c) This does not arise.

(d) Payments of Reverse Councils were made from the Home Treasury balances, but whenever these needed to be replenished, transfers were made from the Paper Currency Reserve to the Home Treasury against corresponding payments from Treasury to Paper Currency Reserve in India. The Paper Currency Reserve was used only as a channel of remittance, and the payments did not constitute a final charge on it.

(e) There was no deviation from past practice.

(f) The depletion in the London section was met as already explained by a corresponding increase in the Indian section.

(g) and (h). The value of securities withdrawn from the Paper Currency Reserve in England in aid of the Home Treasury balances between the beginning of February and the close of September 1920 was a little over £44 66½ crores including 32½ crores in Indian Treasury Bills. It is intended to reduce these Treasury Bill holdings gradually, and legal provision has been made to this effect in section 13(3) of the Indian Paper Currency (Amendment) Act XLV of 1920.

ADJUSTMENT OF WAR ACCOUNTS.

197. The HONOURABLE SIR MANECKJI DADABHOY: (a) Will Government be pleased to state if the War accounts between this Government and the Imperial Government have been adjusted and with what results?

(b) Will information be supplied as to the balance due to this Government in January 1920, for expenditure incurred by them on account of the Home Government during the War?

(c) Has any portion of this balance been liquidated?

(d) If so, to what extent and in what manner?

The HONOURABLE MR. E. M. COOK: The annual accounts of the Government of India are compiled according to the financial year ending 31st March and not according to the calendar year. The Government of India receive from the Home Government monthly advances against estimates of recoverable expenditure prepared by the Controller of War Accounts, and the Home Government have made final payment of all sums claimed in the War Accounts rendered by the Government of India up to the 31st March 1920, although certain items in these accounts are still under examination on the part of His Majesty's Government.

RUPEE STERLING EXCHANGE.

198. The HONOURABLE SIR MANECKJI DADABHOY: (a) Do Government hope to be able to steady the rupee sterling exchange at the adopted rate of 2s. to the rupee?

(b) If so, when?

(c) If not, what measures, if any, do Government propose to take to remove the present uncertainties of the rupee-sterling exchange?

(d) Do Government intend to make a full statement on the whole question of the rupee-sterling exchange, with special reference to the future policy of Government?

The HONOURABLE MR. E. M. COOK: I can only refer the Honourable Member to the Finance Member's remarks on this matter in his Budget speech.

CONFERENCE IN LONDON.

199. The HONOURABLE SAIYED RAZA ALI*: (a) Is it true as announced by certain newspapers that a Mussalman gentleman has been sent to England by the Government of India in connection with the forthcoming Conference in London?

(b) Will Government be pleased to state the nature of his mission and the scope of his authority?

(c) Will he take part in the deliberations of the Conference or simply assist His Majesty's Ministers?

(d) Have the Government of India sent him with specific instructions or will he be allowed to put forward his own views on questions coming up before the Conference?

(e) Will Government be pleased to state whether representative Moslem bodies like the All-India Moslem League and the Khilafat Committee were consulted about the choice of the representative?

*The Honourable Member was absent.

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The HONOURABLE THE PRESIDENT: When a division is taking place, it is extremely improper for a stranger to be in the Division Lobbies or the passages adjoining thereto, and if there are any strangers here when the division bell rings, they should at once withdraw.

The HONOURABLE THE PRESIDENT: The question is that Part (viii) of the Resolution, *viz.* :—

‘Every such prosecution shall be instituted in and triable by the Sessions Court having territorial jurisdiction with the previous leave of such Court or the High Court of the province’

be accepted.

The motion was negatived.

The HONOURABLE THE PRESIDENT: The Council now stands adjourned to Tuesday, the 8th March, in the other Chamber where, I trust, some amelioration of the existing conditions in the matter of ventilation will be rendered possible by the good offices of the Honourable Member in charge of Public Works.

The Council adjourned till Tuesday, the 8th March 1921, at 11 A.M.

COUNCIL OF STATE.

Tuesday, 8th March, 1921.

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

QUESTIONS AND ANSWERS.

RICE CONTROL PROFITS FOR BENEFIT OF CULTIVATORS.

194. The HONOURABLE MAUNG PO BYE: (a) Is it a fact that the Government of India agreed that the whole of the rice control profits derived last year should be placed at the disposal of the Local Government of Burma for expenditure for the benefit of the cultivators?

(b) If so, do the Government propose to inquire and see that the allotted sum of money is not spent on any other purposes than for the benefit of the cultivators?

(c) Do the Government propose to see that the whole cost of the proposed construction of railways at three sections, Pyinmana to Taungdwingyi, Alon to Saingbyin and Moulmein to Ye, may not be taken from the rice control profit allotment?

(d) If the answer to (c) be in the negative, do Government propose to see that the profit or income from these railway extensions be earmarked for the future benefit of the cultivators only to relieve them of indebtedness and for veterinary aid to the agricultural cattle?

The HONOURABLE MR. B. N. SARMA: (a) Yes.

(b), (c) and (d). The decision as to what schemes will benefit the cultivators is a matter which the Government of India are content to leave to the Local Government which has intimate knowledge of local conditions and opportunities of consulting local opinion. The expenditure will of course be subject to the sanction of the Government of India in cases where this sanction is required by financial or other rules.

DEFLATION OF G. C. NOTES.

195. The HONOURABLE SIR MANECKJI DADABHOY: Will Government be pleased to state the total amount of G. C. Notes deflated during 1920-21?

The HONOURABLE MR. E. M. COOK: The total note circulation in 1920-21 had been contracted by 10 crores 70 lakhs up to the 15th February 1921.

REVERSE COUNCIL BILLS.

196. The HONOURABLE SIR MANECKJI DADABHOY: (a) Will Government be pleased to state the total amount of Reverse Council Bills sold since 2nd February 1920, as also the incidental loss, if any, to this Government?

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(j) Has the gentleman referred to gone to England as the representative of the Government of India or of the Indian Mussalmans and the Indian people?

The HONOURABLE SIR WILLIAM VINCENT: The attention of the Honourable Member is invited to the Honourable Member's speech in the Council of State on the 21st February.

(a) It is assumed that the gentleman referred to is Dr. Hasan Imam.

(b), (c), (d) and (f). He, His Highness the Aga Khan, Mr. Chotani and Dr. Ansari have proceeded to England to represent to His Majesty's Government the views not of the Government of India, but those of their own community on the Treaty of Sevres.

(e) No.

DISTRIBUTION OF LEGISLATIVE ASSEMBLY LIST OF BUSINESS, ETC., TO MEMBERS OF THE COUNCIL OF STATE.

The HONOURABLE THE PRESIDENT: I have received a suggestion from one of the Honourable Members of this Council proposing that I should direct copies of the List of Business and Questions for meetings of the Legislative Assembly to be circulated to members of the Council of State for their information.

With reference to this, I should like to say, in the first place, that the distribution of papers of the Legislative Assembly is primarily a matter for the orders of the President of that Assembly, but that, if there were any general desire on the part of this Council for such a distribution, I should be prepared to approach him. I understand, however, that there are certain facilities and I will ask the Honourable the Secretary to inform the Council what those facilities now are.

The HONOURABLE MR. H. MONCRIEFF SMITH: Sir, to meet the convenience of the Members of the Assembly who live at Raisina, I have taken steps to send copies of all Council Lists of Business, Bills, and so on to Raisina to be posted on the Boards of the various Hostels. That practice has been going on for some time. For the convenience of the Members of the Council of State, who live at Metcalfe House, I am taking steps to have notices similarly posted in two places in Metcalfe House so that they may readily obtain Lists of Business and copies of Bills that are taken up in the Assembly. In addition to that, any Member of the Council of State who happens to be at the Secretariat will always be able to obtain a copy of Assembly Notices from the Notice Room adjoining the Assembly Chamber.

The HONOURABLE THE PRESIDENT: If Honourable Members, after considering the remarks of the Honourable Mr. Moncrieff Smith, desire to proceed further in the matter, I shall be happy to entertain and consider any suggestions if made to me in writing or outside this Council.

RESOLUTION RE RELEASE OF PRISONERS SENTENCED BY MARTIAL LAW COURTS.

The HONOURABLE SARDAR JOGENDRA SINGH: Sir, in moving the Resolution which stands in my name, viz. :—

' This Council recommends to the Governor General in Council that the persons detained in India without trial and those imprisoned under the sentences passed by Martial Law Courts be released or, failing that, be given an opportunity of proving their innocence in regular Courts '.

I do not wish to awaken any dying controversies but to put them to sleep by inviting the Government of India to do the last and the final act of justice and mercy. We, who have heard the moving words of His Royal Highness the Duke of Connaught and the statement made on behalf of the Government of India, know that His Majesty the King-Emperor has heard of our wrongs, and that the Government of India has discovered its mistake. And now what is likely to humiliate our Government is no less humiliating for us.

In inviting the Government of India to release the remaining prisoners detained under Acts which the Government of India is appointing a Committee to repeal, I am only asking that all those who have not been given a chance of proving their innocence be released. I must, however, acknowledge the very careful consideration which His Excellency the Viceroy and his Government have always given to any proposals placed before them. If His Excellency had permitted me to publish the long interview he gave me over the Punjab affair, he would have escaped much of the cruel criticism to which he has been subjected. I found Sir Edward Maclagan no less anxious to help. Indeed, he told me to bring any hard cases that came to me to him. The kind consideration he gave to all the cases and his unfailing courtesy and patient courage in spite of many difficulties have won for him the confidence and the respect of the people. From my long experience of the Government of India, dating back to the days of the late Melabari; I am glad to say I have never known a good cause fail. It is not, therefore, to embarrass the Government that I am moving the Resolution, but to lead the Government to paths of justice which won for it the confidence of the world. The Government have admitted that some men who were detained were wrongly detained. Some of the influential and powerful men who were then apprehended are now occupying positions of responsibility and trust. Why, then, should the poor men be still under detention? My Honourable friend Sir William Vincent will soon tell us that their cases have been carefully scrutinised and some of them revised by two Judges. I do not for a moment doubt that the evidence as it stands has been carefully considered, but my submission is, and I am sure Sir William Vincent from his long experience of judicial work in India will admit, that prosecution evidence is of little value generally. Do you not agree with me Sir William?

The HONOURABLE SIR WILLIAM VINCENT: If I may say so, I certainly do not agree.

The HONOURABLE SARDAR JOGENDRA SINGH: In a great many cases where prosecution evidence seems altogether complete and without a single flaw it fails altogether in ordinary Courts every day. Take the case of Mr. Labh Singh, Barrister-at-Law. The Martial Law Court

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held that he was against the disorder and helped the Government and yet he was given a long sentence. Mr. Labh Singh was released and is now the President of the Gujranwala Municipal Board. Rai Bahadur Ganga Rama told me of a poor man from the United Provinces whose master sent him to get a pair of eye-glasses mended and who happened to be in the crowd when it was fired upon, and received a pellet which was considered sufficient evidence of his being party to waging war against His Majesty's Government. I am not going to weary the Council by further details which can be easily traced in the Hunter and the Congress Committee Reports. As for some of the political prisoners and the Sikh prisoners specially, I am bound to say that some of them are detained for expressing opinions which are now expressed everywhere. At one time the merest mention of Swaraj was sedition, and to-day His Royal Highness the Duke of Connaught spoke of Swaraj as the goal of responsible government. I ask this Council is it fair to detain these men?

I may mention the case of Sikhs concerned in 'Komagatu Maru'. Some of our men went to settle down in Canada. They were told that if they reached there without breaking journey, they would be allowed to settle down there. These men mortgaged their properties and set sail and were not allowed to land. They had spent all that they had and were naturally discontented.

I approached, not the Honourable the Home Member, but Sir Charles Cleveland who was Head of the Intelligence Department and asked him to let some of us go and rescue these men and bring them home. We wanted to know why they were not allowed to settle down in the British Empire for which their kith and kin laid down their lives. No arrangements were made and the result was that things happened in Calcutta which led to the imprisonment of some and the apprehension of others. The Sikhs feel deeply that some of those prisoners have not been released, and I very earnestly ask the Honourable the Home Member to consider the question of Sikh prisoners and release them.

I will come to the point directly. It used to be said that under British rule the tiger and the goat drank from the same fountain; to-day judgment of common opinion on the question is cynical. Sir William Vincent will perhaps see and defend what has been done. I appeal to him to defend justice, rough justice, yes, but justice. Nothing has done more harm in the Punjab than the attempt at camouflage that followed; and in this way the fair name of the Province won in many a battlefield under the British flag was besmirched to cover errors of judgment. People in the village understand justice and clemency, and they know the facts; when justice miscarries they say it has been miscarried and their verdict is final. Popular opinion holds many a man now in jail wholly innocent. I have rarely in my long experience found this judgment wrong.

A belief is abroad that men of influence have been released, while the cause of the weak and the poor has found little sympathy. The moving words of His Royal Highness are ringing in our ears, the Government has been largely idealised, the dawn of a new era is on its wing calling for clemency and British justice, holding every man innocent till the contrary is proved in an open Court of law. That is why I appeal to you to recommend to the Government the release of prisoners who have not been given the chance; and failing

that, permit them to have their innocence proved. I have no doubt that the Resolution will be whole-heartedly supported by this Council, particularly by my European Colleagues, for on them rests the greater responsibility to uphold and vindicate British justice and British honour and thus strengthen the links of partnership.

THE HONOURABLE COLONEL SIR UMAR HAYAT KHAN: After having served along with the Sikh troops, I consider them the best comrades-in-arms, and one cannot help admiring them.

I think a large number of Sikhs as well as others in jails were only accomplices of some of the arch leaders who since have been set free.

Like other religions, a Sikh can be a saint as well as a criminal; thus some discrimination is necessary. These men who are detained in jails, whatever religion they may profess, I think, should be divided into classes.

To allow the desperadoes to ravage the peace-loving subjects would be to allow the wolf to play havoc among the sheep, as it is said in Persian that to do good to the wicked is equal to doing bad to the good. It is for this that I would suggest they should be divided into four classes.

1. The least offenders might be pardoned altogether.

2. Another class, next to it, might be allowed to leave jail, but their movements should be restricted till they prove that they are not harmful, and on the understanding that if they do mischief they will have to undergo their previous sentences.

3. Those of a more objectionable nature should be kept under heavy securities to be given by more than one surety, say for three years.

4. I think the most serious offenders should be kept in jail.

With these reservations I support the Resolution, but I do not altogether agree with the remarks that things were camouflaged and magnified. If it has been so, it is the other way about.

I offer my support on the score of clemency alone and not on account of innocence as many mistakes equally occur in the ordinary law Courts where sometimes the guilty escape and the innocent suffer.

THE HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU: Sir, every one of us is well aware that His Imperial Majesty the King Emperor wants to govern India through his officials with sympathy and justice. Of this fact we have been reassured by His Royal Highness the Duke of Connaught; and also that it is the intention of our Sovereign to rule India not by force and not by terrorism.

No doubt the art of governing so wide a country as India, abounding with millions of population, is a difficult task. It is only known to those who actually govern it. The task is all the more great when unrest prevails. The success of a British statesman in governing India is due to his ability to adapt himself to the needs of the times. It is a wise thing to understand the present situation and the temperament of the people. Already the non-co-operationists are gaining strength day by day. They are out of control of the educated people. The rural population are being captured by their teachings. May I venture to appeal to the Government that they should accept the Resolution and thereby catch the imagination of the people earlier and forestall the non-co-operationists? The sooner the Government

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do it the better. Belated action on the part of the Government, however, well intentioned it may be, will have no desired effect. With the inauguration of the Reforms, let us begin with a clean slate, when we find now that 'co-operation and good-will' is the theme of every speaker.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I want to begin by referring to one or two remarks which fell from the Honourable. Mover. He said that the Government had on a previous occasion admitted its mistakes in relation to the Punjab disorders. I think that if my remarks are to be cited, it is only fair that they should be cited in full. What I did say—I am speaking from memory—in the discussion on the Punjab disorders was that it was necessary for both parties to be perfectly candid and admit that reprehensible acts had been committed on both sides. I never suggested at all, as was put by the Honourable Member, that the Government alone was to blame.

The Honourable Member then went on to say that in the same discussion I had admitted that certain persons had been wrongly arrested and detained. I did. But what was the reference to? I referred to certain persons who were arrested during the martial law disorders, detained in custody for a certain time, and were released after detention without trial. None of those persons are in custody at the moment. This Resolution does not therefore apply, directly or indirectly, to any one of those persons. It is, in these circumstances, I think, a little unfair to cite that admission as affecting the present debate.

The Honourable Member went on to say that the injustice done to many persons under confinement has been admitted in the Hunter Report. I have read that Report—for my sins I have had to do so very frequently, and I am unaware of any admission of that kind, any statement of that nature regarding any person convicted by the Courts. Another statement of the Honourable Member was that men are in jail at the present moment merely for desiring to attain Swaraj. There is no person that comes within the category of those mentioned in this Resolution under confinement for any such thing, and I defy the Honourable Member at this moment to give me any single case of that kind which comes within the scope of this Resolution. I put to him now, and I should like to pause, if I may, for one moment for a reply. Otherwise, I will deal with it later.

The HONOURABLE THE PRESIDENT: I think the Honourable Member would be well advised to deal with it later.

The HONOURABLE SIR WILLIAM VINCENT: Perhaps you are right, Sir.

The Komagata Maru affair was again referred to. Now, this was a matter into which I personally inquired very fully at the time. The position was that when these men were detained in the Punjab they had been guilty—on provocation or no provocation, I did not go into the merits—of shooting down a number of people in Calcutta. In any case, this again is a matter entirely outside the scope of this Resolution. In fact these statements are purely attempts to prejudice this Council in favour of this Resolution which deals with a different subject. There is not one of these men in jail at present or under detention, unless he has been convicted for some later offence. There were a

certain number of trials at that time for sedition. Honourable Members will remember that there was about that period a definite conspiracy in the Punjab to cause a revolution during the war, and I believe—and I am assured by my Honourable Colleague who sits by my side—that at that time the efforts of Government to suppress this revolutionary movement during the war had the full support of public opinion in the Punjab.

Now, let me turn to the subject-matter of the Resolution. I have hitherto merely attempted to divest this Resolution of all these side issues which are really not concerned with it—these attempts to make out that men are in jail for the Komagata Maru affair, that men are in jail under the martial law régime, for wanting Swaraj and so on. I say that that these are absolute misstatements of the facts. What are the facts about the martial law courts? and what persons are now under detention without trial at all? I refer again for one moment to the wording of the Resolution. It begins by a reference to 'persons detained in India without trial'. Now, if I tell this Council that there are three persons only detained without trial in the whole of India, will that satisfy them? Three persons, two men arrested for conspiracy in the North-West Frontier Province, whose cases are now under consideration by the Foreign and Political Department, and one Arab about whom I am afraid the Home Department have little or no information, and with whom this Resolution is not concerned. So that, so far as the release of persons detained without trial is concerned, the answer is very simple—there are none except those three that I have mentioned at any rate. That is my information.

Now let me come to the persons who were convicted. The Honourable Member has cited a certain number of cases in which he said men were wrongly convicted. I do not know whether that is so or not. But I do know that the Government made every effort to secure the immediate release of any person about whose case there was any possible doubt. And when I cite the figures to this Council, I believe that I shall be able to satisfy them that this is so. Now the facts are as follows:—There were 1,779—I hope Honourable Members will note these figures which are important—persons convicted in connection with the disturbances in the Punjab last year. I believe that approximately 1,700 have now been released, some on expiry of reduced sentences, some on remission or pardon. The real point however is that there are 86 persons only now in jail for offences connected with the Punjab disorders. We did everything we could at the time of the King's Amnesty, and from the date on which disorder ceased, we have unceasingly endeavoured to give full weight both to the Amnesty proclaimed by the King and to every political consideration for the exercise of clemency. I say further that there is no person who can be alleged to have been convicted of what can be fairly called a political offence now under detention unless you call murder and similar crimes political offences. Of these 86, I may add that originally all but 4 were sentenced to death or transportation for life, and the sentences have been very largely reduced. The Honourable Member said that these men did not have proper trials and that no steps were taken to sift the evidence. Of these 86 men now in jail, the cases of 72 were reviewed by two Judges, one being an Indian Judge from another Province, and both, I may say, Judges of the High Court. I will show later what their report on these cases was. As a matter of fact, of these 86 men 6 were not tried at all by martial law commissioners at all, but by tribunals of another character. Further, from time to time, since the disorders were suppressed the Government of India have been in communication with the Local Government on this subject, as

[Sir William Vincent.]

to whether it would be safe to release any more of these prisoners, and the opinion has been expressed that in present conditions this would be unsafe, and when I recite the offences for which these men have been convicted, I believe this Council will agree with that opinion. Far from saying that these men were not properly tried, what did the Hunter Committee say? They said:

'It is not within the scope of the inquiry with which we have been entrusted for us to consider individually the different cases presented to the tribunals. Without however expressing any opinion whether, in any particular case, a right or wrong conclusion was reached.'

That alone contradicts the statement made by the Honourable Mover that the Committee expressed the view that men were wrongly convicted.

'Without however expressing an opinion . . . we desire to make one or two general remarks upon points arising in connection with the institution and working of these Courts. The substitution of tribunals, similar to those under the Defence of India Act, for courts-martial ensured that cases would be tried more in consonance with the rules prevailing in civil Courts than would otherwise have been the case. A copy of the rules dealing with the preliminary stages of a trial before the Commission and with the procedure to be followed at the actual trial was submitted to us. The trials seem to have been correctly described to us as lengthy, detailed and careful.'

That is their verdict on it.

When we come to the remarks of the reviewing Judges, they also said that the Judges of these Courts were entitled to great consideration—I think those were the words, and, having regard to the fact that these tribunals were in most cases presided over by a High Court Judge, I think the remarks were justified.

We were, however, very anxious that all these cases should be carefully investigated, and we appointed two Judges to review them and I want to cite their remarks on some of these cases. We have examined them ourselves repeatedly. Here is one case, Harnam Singh's. This man was concerned in the attempt to murder Mr. Wale. I do not know whether Honourable Members are sufficiently familiar with the details of this unfortunate case. What did the Judges say?

'We consider the guilt of the convict proved beyond all doubt . . . We have no recommendation to make.'

Here is another case—a very sad case. I do not want to dwell on it, but every one's heart must have been moved by the National Bank murder, one of the saddest in the whole of this unfortunate event.

'We have examined the whole case carefully and are of opinion that the evidence is sufficient to warrant the conviction in the case of all of the convicts with the exception of one man.'

That one man has since been released. Here is a case of an attack on an unfortunate woman—a Mrs. Easdon.

'We have considered the case of all the convicts. As regards Muhammad Akram, we consider that there is ample evidence to prove that he took an active part in the offence and that his own version is quite false. As regards the other convicts also we consider that their guilt is fully proved by the evidence, with the exception of Muhammad Sadiq.'

Muhammad Sadiq has been of course released. Here is another case of the murder of a man named Robinson.

'We are satisfied that there is ample proof that Kanhya took part in beating guard Robinson to death. We see no reason to doubt the evidence of eye-witnesses, and we consider that the case is fully proved against Kanhya.'

Now I should like to go on and show what all these men were convicted of, but time will not admit. I may say, however, that there is no man now in jail who has not been convicted of some grave offence. It is no question of minor offences, cutting telegraph wires or anything of that kind. These men have all been convicted of very serious and grave offences of which I can detail a good many in this Council, if I may, because I am anxious that Honourable Members should understand that the Government have only detained in custody those men whose release would be dangerous to society. The first is the Kasur case, that case everyone probably remembers in which a train was attacked. Two unfortunate men were murdered. I think they were warrant officers. This was one of the cases which the authors of the Congress report said was the worst case they had come across. Then you have a railway derailment case—a very serious matter, derailing a train; I forget whether it was in this case or another that it resulted in the death of several innocent persons. Surely that is a very serious offence. The third case is the Hafizabad case. There is also the Nizamabad case. Then you come to this National Bank case, and the Alliance Bank case. Now everyone knows what those cases were—they were cases of murder, dacoity, arson and looting. Then you have this case to which I have already referred, the attempt to murder Mr. Wale; the attack on Mrs. Easdon, Guard Robinson's murder and the burning of a railway station and so on.

The actual position is this, that we have carefully examined these cases. We have released persons convicted in any case in which the offence could be described as of a minor character. We have only detained in jail those men who were guilty of serious offences, such as murder, arson, dacoity and wrecking of railway trains with resulting injury to human life and property. Those are the only men who have been kept in jail at present. I see that in the motion of the Honourable Member he has contended or rather suggested that there might be a retrial of these cases. He has not referred to that in his speech, and I think every Member of this Council will admit that it is really an impossibility that such a course would be, in point of fact, a legal impossibility. The men have been tried and cannot be tried again: there is an end of it, and even if such a course were legal, it would be impossible after the lapse of so much time to secure any kind of evidence, and any new trial would mean the re-awakening of bitter feelings and unrest throughout the Province to an extent which nobody could desire. As to a further review of the cases, they have already been reviewed by two Judges, and I am not willing to cast any slur upon their work by getting the same work done again, knowing that they are both Judges of eminence and very just and impartial officers. We are left therefore with the question of release.

Now, if there is one person, I suppose, who would be anxious to exercise clemency, if it were possible, it is His Excellency Sir Edward Maclagan.

Those who have any acquaintance with his administration in the Punjab, those who are intimately acquainted with him as I am, know how anxious he has been always to exercise the utmost clemency in all the cases, and it is not

[Sir William Vincent.]

without reason that he says that he cannot agree to release the men now with due regard to public safety. Honourable Members of this Council are aware of the state of unrest that prevails in the Punjab and of the dangerous and anxious time through which the officials and non-officials of that Province are passing. Dangerous elements are now abroad in parts of the Province working up disorder to a serious, and, in my opinion, a dangerous, degree—so dangerous is the position that I have myself, on the invitation of His Excellency Sir Edward Maclagan, thought it necessary in the past month to proceed twice to Lahore to discuss the situation with him, and I am satisfied that it would be unsafe, in the public interests at this moment, to add to any of those elements of disorder. We have released all prisoners that it is safe to release; we have gone to the verge of safety; only these 86 men are left in jail, all of whom are convicted of the gravest offences. Is this Council going to take the responsibility of advising the Government of India to let loose men of this character—desperate criminals who have been tried and convicted of grave offences—upon the community at large at this juncture?

Turning now to a large number of men who have been released under the Amnesty, has their conduct been such as entirely to justify us? Have we been treated with any consideration by many of them? What have many done? They have concentrated attacks on Government. Many of them are engaged in promoting serious disaffection and disorder. I am not in the least afraid of naming some of them. I will say that two men who were interned and were released at the Amnesty, Muhammad Ali and Shaukat Ali, have never done anything but preach disaffection against the Government ever since they were released; that they have done their best to stir up disorder and almost revolution. In these circumstances, are you going to ask the Government, which has already proceeded far—too far as many think and possibly not without reason—at a moment of the gravest danger to proceed further and release a large number of dangerous criminals? I hope not.

I want now to go back for one minute, before I finish my speech, to a question of general principle. I refer to these perpetual applications that are made to us to release prisoners of certain classes for no reason sometimes. Any appeal for clemency naturally finds sympathy among a charitable people. But what is the result? It is this, that directly any man is sentenced, he says,—it does not matter to me, “I know quite well that within six months I shall be released”, and the deterrent effect of punishment is lost. Take, for instance, the Katarpur case. 30 Muhammadans killed, some roasted alive, and a charitable individual, a Member of this Council, I think, gave notice of a Resolution that all these poor persons convicted in that case should be released. In the present case you have in this case men who were murdered, unoffending people, not only Europeans, but both Indians and Europeans. You have men who were guilty of causing death to harmless and inoffensive men and of injuring women, and we are asked to release them. I maintain that this is an unsound principle of administration, and I will go a great deal further; I will say that many of the unfortunate murderers and criminals who are kept in the Andamans and in jail year after year for ordinary offences are far more deserving of sympathy than these particular people. Think of the many who, to protect their honour, commit some crime of violence. It happens every day. They are sent either to the Andamans or to jail and there is never a word said for them. Think of the men driven to crime by poverty,

by the oppression of the money lender; I never hear of applications for their release, and I say that these men for whom the Honourable Mover asks for clemency, convicted in these so-called political cases which are not political cases at all are much less deserving of the sympathy of this Council than any of those who receive none.

Now, having regard to the points which I have placed before the Council, namely, 1,700 of these men have already been released and that we have now under detention only those men whom we believe to be really dangerous, men who have been convicted of serious crime; having regard to the fact that His Excellency Sir Edward Maclagan—a Governor whose mind is always attuned to mercy—is averse to this action, and having regard to the fact that the condition of the Punjab is now such that it would in my judgment, and, I believe, in the judgment of the Local Government, be unsafe to release these desperate criminals at this moment, I ask this Council to reject this Resolution. I am quite prepared, however, if the Honourable Member puts before me any individual cases which for good reason he thinks deserve re-examination or re-consideration, to go into them; but I ask the Council at this moment not to embarrass the whole of the administration by calling upon Government to release wholesale a lot of criminals upon the Province at this dangerous juncture.

The HONOURABLE LALA SUKHBIR SINHA: Sir, I had no intention of speaking on this subject to-day, but as the Honourable Sir William Vincent has referred to my Resolution about the Katarpur prisoners, I think I should say something on this Resolution.

Of course, I agree with him that the men in the Punjab were tried by Court-martial and the Katarpur case was tried by a Court under the Defence of India Act; but is there any guarantee that all these prisoners, who were tried, were guilty? Does not my Honourable friend Sir William Vincent know the proceedings of these Criminal Courts, and does he not know that these cases were tried at a time of excitement when little evidence was forthcoming in defence of those who were accused and convicted? I know that in the Katarpur case many prisoners could not find evidence on account of police *zaburdusti*. They tried to get evidence from here and there, but were not able to produce it before the Court. Have we any guarantee that all the prisoners who were convicted—of whom 135 were sent to jail and 4 hanged—were really guilty. Of course I admit that the offence was very grave, and many Muhammadans were burnt and killed, but is there any proof that all those who were accused and convicted were in reality the culprits? I admit that some of them were so, but not all of them. Four of them have been hanged and many of those who were sent to jail are innocent Sadhus, Mahatmas and Pandits who never committed any crime in their lives. Anyhow, they were accused and brought before the Court by the police.

As regards the Punjab, everybody knows that the people who were accused were tried and convicted at a time of excitement, and therefore if Government shows mercy to them, at this time when we are introducing reforms all over the country, I think it will be an act of justice, and the Government of India will be well advised to release all those men who have been in jail for a long time. Whether they have been there for a few years or for a few months, they have been in jail and they will not forget what they have done, if they have done anything at all.

[Raja Sir Harnam Singh.]

all they who are responsible for peace and order in the country, and I should leave the matter entirely to them. But the excellent spirit the Government have shown in the debate in the Legislative Assembly on the Punjab disturbances leads me to hope that they will not fail to show clemency wherever it is consistent with peace and order, in this new era of goodwill.

The HONOURABLE SARDAR JOGENDRA SINGH: Sir, the Honourable the Home Member has spoken with his usual finality. It 12 P.M.

reminds me of a story that I was reading in Mrs. Asquith's Biography the other day. She went to a French school which was kept by Mlle. de Mennecey, and whenever the girls approached her, she used to say: 'I do not want to discuss things'. One of the girls spilt some ink, and Mrs. Asquith met this girl and asked her: 'Why did you not complain to madame' and the girl replied 'She never listens'. Mlle. de Mennecey was never wrong. Now, I think this habit, which somehow overtakes any one who becomes a Member of the Government of India, this belief in official infallibility is responsible for shaping the policy of the Government which results in a great many mistakes, not only outside but also inside this House itself. You cannot be infallible. Sir William Vincent has told us that they have acted on evidence. I have got all the evidence. I have seen all the papers they have put forward. I do not for a moment doubt it that the Government of India has been very anxious to do these things rightly. But the question is whether the evidence which is before the Government of India is the right evidence on which the Government of India can base its conclusions. This policy of not taking outside opinion into consideration is affecting us in many ways. For instance, I was reading the other day a telegram saying that the Persian Government was making an alliance with Bolsheviks. Well, why should the Persian Government make an alliance with Bolsheviks, when there are the Government of India and the British Government to make an alliance with? It means that our policy has created mischief. This policy is based on their own opinions and does not take into consideration the opinions that exist outside. What you need is a wider view in coming to conclusions and to ascertain what public opinion on a certain question is. I did not move this Resolution merely for the purpose of moving a Resolution. I based it on public opinion as it existed in the Punjab and in the other Provinces. I knew that people were talking about prisoners not being properly tried and convicted. And that is why I come to the Government of India, and why I ask this Council to take into consideration this popular opinion and meet it. Why should you not meet it? It is an opinion asking for justice. Sir William Vincent says that special tribunals have examined these offences. But these are not tribunals which the Government of India created for ordinary times. These tribunals that have examined these offences were created for a special purpose. Sir William Vincent has told us that out of 1,700 cases that have been convicted by these tribunals, only 86 persons are now in jail. For my part, even if a single innocent man is detained in jail, I think this Council is justified in coming to the Government now and saying: 'Release him.'

There is one more point that I wish to draw attention to. I think it is unfair that the good name of the Punjab should be brought under discussion on all occasions. It is said that the Punjab was on the verge of revolution last year

The HONOURABLE THE PRESIDENT: Order, order. The Honourable Member must resume his seat. I merely wish to say that we are anxious to hear his arguments to the full. But owing to the acoustic properties of this Chamber, it is absolutely impossible for me to hear him and I am sure it is equally impossible for Honourable Members on this side of the House (further away from the Honourable Member) also unless the Honourable Member keeps his voice up.

The HONOURABLE SARDAR JOGENDRA SINGH: Thank you, Sir. I will keep it up. Sir William Vincent has remarked, and it has been remarked before that Punjab last year was on the verge of a revolution

The HONOURABLE SIR WILLIAM VINCENT: May I rise to a point of order, Sir? I never said anything of the kind.

The HONOURABLE SARDAR JOGENDRA SINGH: I am sorry if I did not properly catch his meaning. He certainly said something about a big conspiracy to overthrow the Government in the Punjab. And I say that for the fair name of the Punjab it rests with the British officers here to assert that the Punjab is one of the loyalest and the best provinces of India. It has given always the largest number of soldiers. I would only remind the Honourable Member that Sir Michael O'Dwyer on the eve of his retirement, in his farewell address, could not withhold the remark that he thought that the Punjab was as faithful and as loyal as ever. Why should the name of the whole of the Punjab be brought into disrepute because some mistakes have been made?

Now, I think my Honourable friend Mr. Sethna raised a very just question. It is this. If these men are convicted of murder, if these men are convicted of arson, if these men are convicted of rioting, certainly they must pay the fullest penalty for their acts. But my point is that the evidence on which these men were convicted is not reliable evidence. It was evidence brought before the tribunals at a special time when the psychology of the place was at fault. At that psychological moment this evidence was collected and on that evidence these men were held guilty. I am not prepared to say how far that evidence is reliable and how far that evidence will stand the test, which is applied to all evidence. If those people have committed murders, they ought to be detained in jail. But on that very same evidence it has been found that 1,700 men could be released. Well, I have not seen the evidence myself. But is it sufficient to convict them? Would the ordinary Courts convict those men and hold them responsible for these murders? One thing more I want to say, and it is this. European life must be held as sacred as ever because the gods have willed that we must work together. They are few and we are many. We must remember the gratitude which we owe to the British people and the assistance we can get from them in future years, to lead us on the path of reform and constitutional development, development of our industries and so on. And in these unrestful days I think every Indian ought to uphold the life of a European sacred, help and guard him. Of the things that have happened, I will say nothing more.

Sir William Vincent asks us to take thought of the danger of the times, and I quite agree with him that the times are very dangerous and anxious. But what are the remedies? The remedies are to remove the causes. What are the causes of this unrest? We must find out the causes. We must see

The HONOURABLE MR. SHAFI: Sir, I had no desire to intervene in this debate, but in view of what the Honourable Lala Sukhbir Sinha has just said, it is necessary for me to inform the Council of what actually took place in connection with the Katarpur appeals to His Excellency. As the Council may be aware, ordinarily appeals for mercy made to His Excellency are disposed of in the Home Department.

But in this case, that is to say, the Katarpur case, my Honourable friend Sir William Vincent himself proposed that the records be examined, not by the Home Member alone, but by the Law Member and another Member of the Council. His Excellency was pleased, therefore, in view perhaps of the somewhat long experience I have had at the Bar, to choose me as the third Member. Three of us—the Honourable the Law Member, the Honourable Sir William Vincent and myself—carefully went into the case of every single one of the prisoners convicted in the Katarpur case; and if Honourable Members were to see those records, they will find that in several of the cases we actually reduced sentences materially. I can assure the Council that there was not a single case in which there was even a slight difference of opinion between us where some remission was not made. In the remaining cases all three of us were unanimously of opinion that there was no ground whatever for the Government of India to interfere in the judgment of the special tribunal, appeal against which had also been rejected by the Local Government. And so far as the Punjab cases are concerned, in addition to the fact already mentioned by the Honourable Sir William Vincent, that is to say, that the cases of these particular individuals who are now in custody were carefully examined by two Judges of the High Court, one from Bihar and one from the Punjab, I can assure Honourable Members of this Council that many of the really serious cases—of the big cases—were gone into by the whole of the Executive Council.

The HONOURABLE THE PRESIDENT: Before any other Honourable Member speaks I should like to say that the Honourable Sir William Vincent introduced the Katarpur case as a side issue in his speech and I allowed the Honourable Lala Sukhbir Sinha to deal with it in his remarks as it seemed only fair he should be allowed to comment on what had been said. I put it to the Council, however, that the case is really not relevant to the Resolution before us, and I trust that future speakers will abstain from dealing with the matter.

The HONOURABLE MR. SETHNA: Sir, the Resolution as worded had enlisted the sympathy of Honourable Members of this Council, but I must confess that the explanation given by the Honourable the Home Member has perhaps taken the sting out of it. Reading the Resolution as it stands, one would think that the number of prisoners detained without trial was very large. From the speech however of the Honourable Sir William Vincent, it is clear that there are only three such prisoners, one of whom is not an Indian subject. In regard to the other prisoners tried by martial law Courts one would naturally conclude, again from the wording of the Resolution, that they were all political prisoners. But from what the Honourable the Home Member has said not one of them is in jail for political offences, but they are there for such offences as murder, arson, dacoity and train wrecking.

The Honourable Sir William Vincent took exception to some of the remarks made by the Honourable the Mover which he cited from his

speech made in another place. Whatever that may be from the speeches made by Sir William in another place within the last few days, it is evident to this Council and to the Legislative Assembly that it is indeed the intention of Government to respect Indian public opinion as best they can, and I do not think in a matter like this that Government can view public sentiment in the manner in which they do, with safety.

From the facts which the Honourable the Home Member has placed before us, we learn that there are 86 persons in prison at present whose offences are what he has enumerated. I do not think that the Honourable the Mover could urge that those persons who are responsible, namely, the particular cases Sir William referred to, Hernam Singh and others responsible for the death of so many innocent persons, should be released or that they be given a fresh trial. If, on the other hand, the Honourable Mover can satisfy us that in his opinion the persons who have been sent to jail are not the actual culprits, but are innocent people suffering for the misdeeds of others who have escaped scot-free, the case will be different. Sir William has given us the history of half a dozen men out of the total of 86 who are still in prison and who deserve no sympathy. It would appear from his remarks that the other cases are just as bad.

Sir, we who sympathise with the object of this Resolution will feel thankful to the Honourable the Mover if he can show us that amongst these cases quoted by the Honourable Sir William Vincent there are, in the opinion of the general public, persons who are innocent; and also if he can satisfy us that out of the 86 cases mentioned, there are any persons who have been convicted for offences other than murder, arson, dacoity and train wrecking. If he does so, he will elicit more sympathy and support but if otherwise, as the Honourable the Home Member has put it, we will be letting loose on society elements of disorder and disturbance, particularly dangerous at a time like the present.

The HONOURABLE RAJA SIR HARNAM SINGH: Sir, the detention of persons without trial and the imprisonment of people under the sentences passed by the Martial Law Courts have aroused a good deal of feeling in this country. It is not impossible that there may be some innocent men among those detained without trial who are now suffering the humiliation and inconveniences of loss of liberty which they did not deserve, when no opportunity was given them to prove their innocence. The Martial Law Courts dealt with cases in a summary way, and they have not the same confidence of the people as the regular British Courts have. I do not in the least insinuate that the Judges of the Martial Law Courts were consciously unfair or led by any other motive than the desire to do justice. But the atmosphere at the time was charged with excitement, and the procedure of the Martial Law Courts could not be so elaborately judicial as that of the regular Courts. All punishments are futile when the sentences are not accepted as just by the guilty. On the other hand, they produce resentment and hostility. The Resolution, therefore, has my sincere sympathy. One of the greatest blessings of the British rule in India has been the unimpeachable justice of the British Indian Law Courts. I do not like to see the worst criminal deprived of the benefit of British justice, but I strongly deprecate the idea of raking up the memory of the unhappy incidents of the Punjab disturbances. I would, therefore, plead for mercy, where mercy can be shown, consistently with safety. I do not however want to embarrass the Government. It is after

[Sardar Jogendra Singh.]

the psychology of the movement and then remedy the evils. This is what I ask the Council to do here. We want to make the Government strong, healthy and just, and we want to do this by insisting on justice, by insisting on truth, and by giving the Government of India greater strength than they have at present, by taking the exigencies of the time into consideration and by the pursuit of justice. There is no other way of meeting the dangers that are before us. I appeal to Honourable Members to regard the matter as one of British justice. British justice can only be upheld if we have not a single man detained in jail until he has been given a proper trial, and until he has been given his chance of proving his innocence. Why should we deny even these few people—86 in number—the chance of proving their innocence, if we have released 1,700 men on the same kind of evidence? I hope Honourable Members will support this Resolution.

THE HONOURABLE SIR WILLIAM VINCENT : Sir, there are only a few points on which I wish to address the Council in reply. There was one statement in particular, which, I think, I ought to correct. It was suggested, seriously suggested, by the Honourable Mover that 1,700 persons had been released because they were found to be innocent. Now, is that a fair way of putting the case? We were asked to exercise the King's clemency on behalf of all those still in jail in the beginning of 1920—(The sentences of many had been reduced and expired and many had already had remissions)—on behalf of all those who could be released irrespective of their innocence or guilt, if we thought that that course could be taken compatibly with the public safety, and it has never been suggested that these 1,700 men were released because they were innocent. Many served short sentences. Many remissions were given out of clemency, and the rest were released in obedience to the mandate of His Majesty that we should exercise clemency to the utmost extent possible, and to suggest that these men were all released because they were innocent is a gross misstatement of the case.

I was then told that I claim infallibility for the Government in the matter. I have no desire to do anything of the kind. We heard criticisms of these convictions and appointed two Judges to examine the records; it was and is in my opinion legally impossible to put these men on their trial again, even if we wanted to; and we did not want to. We therefore took the only course available. We were asked to submit the cases of the men convicted to two judicial officers whose opinions might command confidence, and we did do so. Is that a sign of a claim to infallibility—to ask two High Court Judges to decide what should be done, taking one, an Indian, from another province entirely unconnected with the Punjab? If that is claiming infallibility, we have been guilty of it. Our only intention was to get the best advice possible. When the cases came up to me, I did the best I could. I constantly took the advice of my colleagues, both Indian and European, to see whether we could find any ground for further exercise of clemency, consistently with justice, and the figures I have given speak for themselves. I maintain that the fact that so many men were released in itself shows that we have proceeded with the utmost consideration in this matter. The men now under sentence were, it is true, convicted in connection with the Punjab disorders. They were convicted of serious offences—murder, dacoity, arson and the derailment of trains. I am quite prepared to show the Honourable Mover of this

Resolution the list of cases in which they were convicted. If he can give any case in which he can say 'This is not a serious offence' or 'this particular case is one in which the men deserve to be released', I am quite prepared to re-examine it or submit it to the examination of two of my colleagues, the fullest examination possible. But I do feel that there must be some finality in judicial proceedings. The Honourable Member says, 'Oh, you must yield to public opinion in this matter.' I am quite willing to consider public opinion; the Government of India is always willing to do so. I am not attempting to lay down the law to this Council. What I have done is this that I have sought to convince them—that is a reasonable attitude to take up; even a Member of the Government under present conditions is entitled to try to convince the Council that he is right; even if he cannot secure support for his action he has that privilege of putting his case before the Council and appealing to the justice of the Council; that, even the new Reforms have not denied to us. But in matters of judicial trials, surely it is right that the Government should say—'These matters have been judicially investigated in every way possible and we cannot re-open them.' At a Council meeting in September last, I was asked to appoint two Judges to examine the record and I agreed. I met with a good deal of opposition at the time. We put two Judges on to this work. They investigated nearly all of these cases and we acted on their recommendations. Is there to be no finality in these matters? Why, the Honourable Mover has not read any of the records. He was unable to cite any single case of proved injustice. I noticed that the Honourable Mr. Sethna asked him 'Will you cite me any case in which the Government convicted which was not a serious case?'—I think that was a very pertinent question, and I waited to hear what the Honourable Member's reply would be; but he has not cited a single case of that character. At the same time I am very anxious to meet him in this matter in every possible way. I do not wish to take up an infallible or bigoted attitude. I want to convince the Council that I am right. I will take up any case now which he can produce where he can show the man was unjustly convicted or which is a reasonable case for the exercise of clemency. This Council was told that the accused was not given fair trial. This is what the two Reviewing Judges said on this point:

'The Commissions were presided over by officers of considerable legal experience, and their findings are entitled to considerable respect. No complaints appear to have been made by legal practitioners as to the shortness of time allowed for preparing a defence or as to lack of opportunity of cross-examination. In all cases the accused were defended by counsel and in no case was there any trace of counsel objecting to the Court that sufficient opportunity for cross-examination was not allowed, or that anything material to the interests of an accused person was brought out in evidence and not recorded.'

That was the opinion of the two Judges who went into these cases after the trials were concluded. Do not let me be accused of claiming infallibility in making this statement. I am merely citing the opinion of two Honourable Judges in this matter.

Another point relates to the detention of persons without trial. I put it to the Honourable Member, when I got up to reply, that there were no persons so detained in connection with the disorders. What reply have we had from him? Has any explanation been given to this Council why the Honourable Member thought it necessary to move this part of the Resolution? Did he make any inquiry into the matter before he came here and suggested that the Government were keeping in confinement men connected with

[8TH MARCH 1921.

[Sir William Vincent.]

these disorders without trial at the present moment, when this is not the fact? In his reply I thought perhaps he would offer some expression of regret for his suggestion. Possibly the Honourable Member forgot the point. In spite of all this, however, I know what the Honourable Mover is really anxious for. I know him quite well, and I know that he is only anxious that justice should be done in this matter, and though I have to oppose his Resolution as framed, I am quite ready to do anything I can in any individual case in which he can show me on reasonable ground that the release of a particular man or particular men—I do not limit him to one or two—is desirable in the interests of justice or in which clemency can safely be exercised.

In view of this assurance, I hope the Honourable Member will not press his Resolution.

The HONOURABLE SARDAR JOGENDRA SINGH: Sir, in view of what the Honourable Sir William Vincent has said, I do not wish to press my Resolution.

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

The HONOURABLE THE PRESIDENT: Before I adjourn the Council, I have to inform Honourable Members that it has been brought to my notice that two Resolutions should have been included on the paper for to-day. One is by the Honourable Mr. Khaparde regarding the High Commissioner, and the other by the Honourable Sardar Jogendra Singh regarding certain leave rules. A supplementary list of business will be issued and the Resolutions, if the Honourable Members so desire, will be taken to-morrow.

The HONOURABLE SARDAR JOGENDRA SINGH: I should like to move my Resolution to-morrow.

The HONOURABLE MR. KHAPARDE: I also.

The HONOURABLE THE PRESIDENT: Then they will be placed on the list for to-morrow.

The Council will now adjourn till to-morrow in this Chamber at 11 o'clock.

The Council adjourned till Wednesday, the 9th March, 1921, at 11 A.M.

COUNCIL OF STATE.

Wednesday, 9th March, 1921.

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

GOVERNMENT BUSINESS FOR THE 17TH MARCH, 1921.

The HONOURABLE THE PRESIDENT: I do not know whether the 11 A.M. Honourable Member representing the Government is prepared to make any statement with regard to the business of Thursday, the 17th of March, being a day for the transaction of official business.

The HONOURABLE SIR WILLIAM VINCENT: Sir, on the 17th the following official business will probably be brought forward: Motions to consider and pass the following Bills:—

1. The Legislative Assembly Deputy President's Salary Bill;
2. The Bill to incorporate Boards of Trustees appointed for Enemy Mission Property;
3. The Bill further to amend the Land Acquisition Act, 1894.

Government have also agreed to give time for the discussion of a Resolution to be moved by the Honourable Mr. Kale regarding the necessity of a special representative committee to inquire into the exchange situation.

HOUSING COMMITTEE.

The HONOURABLE THE PRESIDENT: Before we proceed to the business of the day, I should like to mention to Honourable Members a matter in regard to which I have been in consultation with the President of the Legislative Assembly. The question is in regard to the formation of a House Committee to facilitate in various ways the convenience, and look after the comfort, of the Members both of the Council of State and of the Legislative Assembly. I have received a communication which summarises the directions in which it is thought the activities of such a body might be useful, and I will just briefly mention them to Honourable Members. These are the matters amongst others which it is suggested might come before such a body:—

Questions relating to Members' residences.

The suitability of plans of quarters for Members who live in the European style and in the orthodox Indian style.

Catering arrangements, furniture, water and electric supply.

Then, as regards public rooms at the Hostels, the provision of reference libraries, stationery, telephones, inquiry office, and, as regards the Chamber, arrangements for a common room, the extension of the library and arrangements for the loan of books.

The management of the restaurant.

[The President.]

Arrangements for refreshments for Members living in the orthodox Indian style and other matters, such as transport between Raisina and old Delhi and the provision of postal and telegraph facilities, particularly at Raisina.

Another matter I see that is mentioned, but which perhaps will have less interest for Honourable Members of this Council, is the provision of tennis courts.

Another matter which has been put forward, which is of great importance, relates to religious facilities for Muhammadan gentlemen.

A point for your consideration is, whether this Council would prefer to have a separate Committee of its own, or whether it would prefer to join the Legislative Assembly. On that, of course, the decision must be yours, but, if I might make a suggestion to you, I think it would be in the interests of both Assemblies if you had a Joint Committee. For one thing this Committee can be nothing but an Advisory Committee. It will, as it were, sift the complaints of Members; it will relieve the Legislative Department of the invidious task that sometimes, at any rate in my time, used to arise of negating a suggestion by a Member. Any suggestions that are put forward will now have the support of representatives of the whole of your body and are, therefore, bound to carry far more weight than would otherwise be the case if they were put forward by a single Member. It has been pointed out in favour of a Joint Committee that this Council frequently uses the Assembly Chamber and that, therefore, many of the questions that will arise will be questions that equally concern you. Again, it has been pointed out that many of the Members of this Council live at Raisina and will continue to do so; and, therefore, anything that improves Raisina will be in your interests.

Now, the question of the constitution of a Committee presents some difficulties. I think I am right in saying that I have gathered that the feeling of this Council is in favour of a Joint Committee. (Cries of "Yes") I think that is clear. That being so, I think we must also recognise that we are less numerous than the Legislative Assembly. If it had been a constitutional matter, and had you any statutory powers, I think you must have insisted upon being equally represented. This, however, is not such a case. I have discussed the matter with the Honourable the President of the Legislative Assembly, and I think, and he thinks too, that if we had four Members and they had six, reasonable representation would be given to both Chambers.

Then, I think, as to those four Members, the classes to be represented are undoubtedly, in the first place, Indian Members living in the orthodox style. Then, there is another class of Member, and that is the Indian gentlemen who live more or less in the European style. The third class is the class of Muhammadan Members, and the fourth class are the Europeans, in which I include not only the non-official gentlemen, but also those gentlemen who come from the Provinces. I think it is right that they should have an opportunity of expressing their views. I think the easiest way, if the Council will agree with me, would be for the Members of those classes I have mentioned to select and communicate to me the names of the gentlemen that they desire should represent them on this Committee. Honourable Members will have a very convenient opportunity of doing that to-morrow when there is a ballot in this Chamber at 11-15 A.M., and I suggest that

afterwards—there are ample rooms here for consultation—they should come to a conclusion on these points and let me have the names of those whom they select. I will then communicate them to the Honourable the President of the Legislative Assembly. He is extending a similar courtesy to me and will communicate to me the names of those selected by the Legislative Assembly.

I trust this Housing Committee may prove a real benefit to the Members of this Council.

RESOLUTION *RE* SEVERANCE OF JUDICIAL FROM EXECUTIVE FUNCTIONS.

The HONOURABLE MR. BHURGRI: Mr. President, the Resolution which I beg to move runs as follows:—

'This Council recommends to the Governor General in Council to make a definite declaration that the time has arrived for the complete severance of judicial from executive functions, and that early steps will be taken to accomplish the severance almost immediately.'

I need not remind the Council that this is not a new question. The Indian National Congress had adopted it as one of the foremost planks in its platform and had been pounding away at it year in and year out. But its origin extends far back into the last decade of the eighteenth century. From the literature that I looked up on the subject, I gather that it was so far ago as the year 1792 in Lord Cornwallis' time that the objectionable nature of the combination of these two functions was declared. Great statesmen who rose to the positions of Governors and Lieutenant-Governors in the country have pronounced their anathema on it—men like Sir Bartle Frere, Sir Cecil Beadon, Sir John Peter Grant and others. Sir Frederick Halliday, as the President of a Committee appointed in about the thirties of the last century, delivered himself in the following terms on the subject: 'The union of Magistrate with Collector has been stigmatised as incompatible, but the junction of thief-catcher with judge is surely more anomalous in theory, more mischievous in practice. So long as it lasts the public confidence in our criminal tribunals must always be liable to injury, and the authority of justice itself must often be abused and misapplied, and the power of appeal is not a sufficient remedy. The danger of injustice, under such circumstances is not in a few cases, not in any proportion of cases, but in every case. In all, the Magistrate is constable, prosecutor and judge.' In 1888, Lord Dufferin speaking at St. Andrew's Dinner made the Congress activities as the chief theme of his speech, and while generally attacking its propaganda made an honourable exception of this item of its programme by blessing it with the title of 'A counsel of perfection'. But leaving aside ancient times the history of the question in times within our own memory began thus. While the Indian National Congress was passing its annual sentence of divorce upon what I style as an unrighteous *mesalliance* this ill assorted union, Mr. Man Mohan Ghose who was a leading figure in the Congress, who enjoyed a princely practice in the Criminal Courts of the country, whose services as a Barrister in criminal cases used to be requisitioned far and wide from Himalayas to Cape Comorin, from Assam to Karachi, and whose experience placed him in the most unique position of being one of the best authorities on this question and who, therefore, was allowed to assume the rôle of the

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petitioner against the respondents of the unholy union, inspired a galaxy of some of the most eminent *ex-judges* of Indian High Courts, such as Lord Hobhouse, who at one time was Law Member of this Council, Sir Richard Garth, Sir Richard Couch, late Chief Justices of the High Court of Bengal, Sir Raymond West, one of the most eminent and learned judges and jurists India has ever had, Sir John Budd Phear, Sir William Markby, Judges of the High Court of Calcutta, Mr. Reynolds of the Revenue Board of Bengal, to memorialise the Secretary of State for the preparation of a scheme for effecting the separation of the two functions, who in 1899 forwarded the memorial to the Government of India, who, as usual, referred it to Local Governments and judicial officers for opinion. From that time has begun the process of incubation from which the question has not yet emerged. The Local Governments and the officers consulted sent their opinions, but the Government of India has not yet taken any action in the matter.

In 1908, the Honourable Sir Harvey Adamson, the then Finance Member, speaking from his seat in the Viceroy's Council in his reply on the Budget debate, dilated on this subject at great length—in fact except for a short paragraph on another matter the whole of his speech was occupied by this question—and informed the Council that an enormous mass of correspondence had arisen out of the opinions of Local Governments and judicial officers consulted. He further said that the study of the correspondence had been a tedious and laborious process. He said the preponderance of that opinion was for the continuance of the *status quo*, as was of course natural the official world in those days being averse to the reforms proposed. Then he fairly presented both sides of the question and gave as his own opinion that 'the inevitable result of the present system is that criminal trials affecting the general peace of the district are not always conducted in the atmosphere of cool impartiality which should pervade a Court of Justice. Nor does this completely define the evil, which lies not so much in what is done as in what may be suspected to be done; for it is not enough that the administration of justice should be pure; it can never be the bedrock of our rule unless it is also above suspicion'. Proceeding further, while analysing the various stages of a country's development, he in effect admitted that whilst in the earlier stages such a combination of functions would be either necessary or desirable, it would not be so when a country had made a larger advance in its development, and in winding up this argument he said: 'It thus follows that in such a Province the combination of functions must inspire a distrust of the Magistracy in all who have business with the Courts'. Then dealing with the prestige stunt, which has constantly haunted the imagination of the District Officer, he said: 'Can it be said that under such circumstances the combination tends to enhancement of the prestige and authority of the executive? Can any Government be strong whose administration of justice is not entirely above suspicion? The answer must be in the negative. The combination of functions in such a condition of society is a direct weakening of the prestige of the Executive'. *En passant*, I hope these reasoned and thoughtful words carrying as they do the weight and authority due to the eminent official status of the speaker will everlastingly lay the bogey of prestige which will not be able to raise its head and frighten us with its ugly face. Proceeding further Sir Harvey concluded with the announcement that 'On these grounds the Government of India have decided to advance cautiously and tentatively towards the separation of judicial and executive functions in those parts of India where the local conditions

render that change possible and appropriate. The experiment may be a costly one, but we think that the object is worthy'. Here, again, I pause to draw the Council's special attention to this last sentence as constituting an effective reply to the financial objection to my proposal which is always urged.

Then Sir Harvey concluded by placing before the Council the scheme he had framed to carry out the Reforms, which I do not propose to weary you by reading, but which will be found at page 250 onwards of the printed proceedings of 27th March, 1908.

The next stage in the history of this question was reached when there was a full dress debate on the Resolutions moved in the same Council by Mr. Surendra Nath Bannerji on the 7th March, 1913, wherein the Honourable Mover proposed that the Government of India should make grants to Local Governments to carry out the experiment of separating the two functions. Speaker after speaker on the Indian side went on supporting the motion, but the Government Member, Sir Reginald Craddock, opposed the motion on the ground that it was vague and that the question had not yet emerged from the stage of consultations with the Local Governments and was still under consideration. Thereupon one Honourable Member, *viz.*, Mr. Vijayaraghavar Chariar, asked the question whether it was the principle that was under consideration, or the principle being accepted it was only a workable scheme that was under consideration, to which the answer given was that it was impossible to differentiate between principle and details. The interpretation I put upon the answer is that Government were not yet prepared to commit themselves to the final acceptance of the principle—The motion was lost, one interesting feature of voting being that all Indian members (excepting the Government Member), including even those who generally see eye to eye with Government, voted for the motion, and all the European Members against it.

From 1908 and 1913 to this day it is a far cry. I make bold to say that the objection raised on the score of the country not being sufficiently advanced has by the lapse of so many years been swept away. No more conclusive answer to that objection could be given than the introduction of the Reforms which give a potent voice to the representatives of the people in the government of the country. What clearer evidence could there be of the recognition of the country's advance. I do not consider it desirable to take up your time by discussing the merits of the proposed Reform. I am confident that all of you are familiar with the arguments *pro* and *con* which have been threshed out time after time *ad nauseam*. The arguments *pro* are summed up in the quotation I have given above from Sir Frederick Halliday. As to the *cons* I have already shown that the demon of prestige has received a decent burial at the hands of Sir Harvey Adamson, and that it will no longer rear up its head and expose its none too savoury features. And I do not find that point pressed in recent years since the time of the debates in the Council to which I have referred. Sir Harvey convincingly demonstrated that there would be an access of prestige when administration of justice is purer than now.

Another argument is advanced which is worth serious consideration, *viz.*, that the suggested separation of functions will involve us in financial liabilities which will impose additional burden upon the Exchequer. There are several replies to this argument. One is that the cost will not be so heavy as to frighten us. Another answer is furnished in the quotation from Sir Harvey

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Adamson where he says 'the experiment may be a costly one, but we think that the object is worthy' the sentence to which I drew your special attention when quoting it. What proposal for Reform is there which does not entail expenditure? As the proverb runs 'You cannot make bricks without straw'. In all walks of life whenever we wish to provide ourselves with an additional comfort we cannot escape additional expenditure. What a great boon will it be to the country if you give it pure administration of justice? And why should you grudge expenditure for such a lofty purpose?

I think it will be a happy augury for the successful working of the new régime if we adopt this Resolution and Government give effect to it. I reckon it to be of a piece with those measures which have been recently passed both in this and the other Chamber for which it is claimed and justly claimed that they symbolise that true liberalism which characterises the new era ushered in and which will make for general peace and good-will in the country. Sir, with these remarks I move the Resolution which stands in my name.

The HONOURABLE THE PRESIDENT: Before the Honourable Raja commences, I would like to draw the attention of this Chamber to the fact that, although this is a very small room, it is exceedingly difficult to hear in. Therefore Members must raise their voices.

The HONOURABLE RAJA SIR HARNAM SINGH: The separation of the judicial and the executive functions is by no means a new subject. It has been discussed, times without number, in the press and in popular assemblies; and public opinion to-day is unanimous, I believe, in condemning the present system of concentrating all the powers, including judicial and executive, in the hands of the District Officer and his subordinates. It is needless for me to discuss the merits of the Resolution. In all civilised countries, judicial and executive functions are under different controls. But here in India, owing to administrative and financial reasons, this severance has not yet been secured. This delay is not due, I believe, to the slowness of the Government to recognise the evils of the combination of the two functions. The people must have the fullest confidence in our Courts of justice; and to secure this, they must be independent of the executive. One of the fundamental principles of the British Constitution is, the independence of the English Judges—they have little to do with the executive. Here the District Officer is not only the Chief Magistrate, but the Head of the District Superintendent. He is also the head of the public prosecutor of the district. The prejudices of the investigator of crime and the preconceptions of the prosecutor are fatal to the judicial mind; and yet the District Officer, being the District Magistrate, may try important criminal cases in the district.

The other Magistrates in the district, dependent on the District Magistrate, for promotion and advancement, may take a hint from his superior, and in trying to please him, be led by his prejudices. I do not say that miscarriage of justice is a common occurrence; but the suspicion in the public mind is not altogether groundless.

I do not believe that the concentration of all the authority of the Government in the same officer adds to the efficiency of the administration. On the other hand, the burdens of the District Officer are too heavy for the

shoulders of a single man. The proposed separation would give him some necessary relief.

Objections may be raised, however, on financial grounds. I sympathise with the Government in their present financial difficulties. The Budget which was presented to this House, the other day, showed clearly the need for economy. I do not know to what extent the proposed separation of the two functions would involve an additional expenditure, nor do I pretend to be able to work out a scheme which may accomplish the end without further financial burden on the Government. Even supposing that additional expenditure, to some extent, is unavoidable, I would still support the Resolution, for it touches a great fundamental principle, and no expenditure is too large for reform in a matter of such vital importance. In paying new enhanced taxes which the present budget proposes to impose, the people ought to have at least one consolation that a long-standing grievance has been now removed.

The HONOURABLE SIR WILLIAM VINCENT: Sir, the subject of this Resolution has been, as Members of this Council are aware, in the forefront of political controversy for many years. When I first came to this country 33 years ago, I am sorry to say, it was a leading feature of the debates of the National Congress. There have been innumerable opinions on the subject, one way and the other, noting of the most voluminous character—so voluminous indeed, that of one celebrated minute it has been said that it was both exhaustive and exhausting. Indian opinion generally has been strongly in favour of the separation of the judicial and the executive. And I do not think that it would be possible to attempt to controvert that as the general feeling. And I quite admit that it is a matter on which the influence of the Legislature may very legitimately be exercised upon the Government. It is, however, impossible for me to review the whole subject at all adequately in the time which is available to any Member of this Council. My predecessor, Sir Reginald Craddock, made this subject, if I may say, peculiarly his own and dealt with it at great length, on one or two occasions; but I think that the Honourable Mr. Bhurgri is in error in supposing that during his time there was ever a full-dress debate on it, because I was in the Council when the debate to which he referred arose, and it was raised as a side issue during the Budget and not on a regular Resolution at all. Further, Sir Reginald Craddock on that ground refused to discuss the general question of principle. But I ought, I think, to explain the policy of Government somewhat since 1908 when the announcement of Sir Harvey Adamson's, to which the Honourable Mr. Bhurgri referred, was made. A great deal has been said about that announcement, and I should like to put the words before the Council. Sir Harvey Adamson said: 'The Government of India have decided to advance cautiously and tentatively towards the separation of judicial and executive functions, in those parts of India where the local conditions render that change possible and appropriate.' Later he said: 'It is a very easy matter to propose as an abstract principle that magisterial and police functions should be separated, but in the descent to actual details the subject bristles with difficulties. A solution has been attempted and is being sent to two Local Governments for criticism. It is desirable that it should be submitted to the criticism of the public at the same time'. He added: 'This tentative solution is not the final expression of the decision of the Government of India. It merely is a suggestion thrown out for criticism with the idea of affording assistance in the determination of a most difficult problem.' The

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position really was that Lord Minto's Government were anxious to find a solution of the question and they prepared a scheme, which they thought might be found possible and appropriate. Well, that scheme was submitted to the criticism of the public and circulated to Local Governments, and it was found—by the Local Governments concerned—unsuitable; it is rather interesting here to notice that Sir Edward Baker, who was one of those, I believe, who had in the Government of India supported the principle of the separation of judicial and executive functions, found that he was unable at any rate to apply that particular scheme when he was Lieutenant-Governor of Bengal. In March 1910, Sir Harvey Adamson again announced that the experiment had been postponed.

The question was again examined in Lord Hardinge's time, and after much discussion the Government arrived at the conclusion that there was no urgent need for separation. They considered that the separation could only be applied gradually with due regard to local circumstances. There was a proposal at that time of trying the experiment of the separation in some particular area. The views of the Government of India on this point were that, if such an experiment were to be made, it would have to be made in the whole province and for some time, but that the times were singularly inappropriate for such an experiment. They, therefore, referred the matter again to the Secretary of State, and, after discussion with him, it was agreed that there was no commitment to any particular scheme or to any definite time for introducing separation. To this view the Secretary of State assented. That is the history of this case up to now.

It has been alleged that the idea that the functions of the prosecutor and the judge should be combined in the same person is unsound in principle. This is an argument of very great weight, though, as a matter of fact, since the various Police Commissions have sat and the direct control of Magistrates over the police has been minimised by the appointment of superintendents, the combination is more apparent than real. Certain new sections have also been inserted in the Code of Criminal Procedure which provide expressly against any accused person being prejudiced by the present arrangement. I refer to sections 191 and 556. Section 191, I may say, was inserted in the Code at the instance, I think, of Mr. Justice Ameer Ali in order to meet the very difficulty which has been felt over this question of the union of functions. Again, it is alleged that Magistrates under the system now prevailing are too ready to convict and that they do not scrutinise the evidence with sufficient care. Well, mistakes do occur in the trial of cases, but such mistakes will be found in any judicial system in the world. Human nature being what it is, all judges are liable to error, and I do not think that our Magistrates fall into error any more than Magistrates in other countries.

The Honourable Member referred to the criticisms of Mr. Man Mohan Ghose of this system and they were of a very cogent character on general grounds. But he will remember, I think, that Mr. Man Mohan Ghose, after an exhaustive inquiry, was able to cite 20 cases only in which he thought that the combination had resulted in injustice. I think that subsequent inquiry resulted in ten more cases being discovered, but these were spread over a very large number of years, and, on investigation, many of the complaints proved to be groundless. I want to give here some figures to show that

really this accusation that our Magistrates are unduly ready to convict does not bear examination. We have collected the figures from 1902 to 1911 for certain Provinces. I did not, my predecessor did—I have told you that he had made this subject greatly his own. In four provinces, Madras, Bombay, Bengal and the United Provinces, there were in ten years 1,465,000 persons sent up in police cases. I only take police cases because it is in relation to them that this separation is more important. 37 per cent. of those men were acquitted or discharged. That is not an indication, I think, that Magistrates are unduly prone to convict, and I was very glad to hear Honourable Raja Sir Harnam Singh say that he did not think in practice the system was productive of injustice. Now, let me take the question of appeals. Honourable Members of this Council are aware, that appeals lie from certain classes of Magistrates to Sessions Judges and from others to District Magistrates. We have tested the figures showing the results of successful appeals, that is, appeals in which the Sessions Judges thought that the Magistrate had gone wrong, and cases in which the District Magistrates acquitted the accused thinking he had been wrongly convicted. The figures are for the same period and for the same Provinces. In the case of Sessions Judges' Courts, the percentage of successful appeals varies from 22 to 31 per cent., and in the case of Magistrates it varies from 25 to 37 per cent. That does not shew, I think, that Magistrates are unduly prone to convict.

My own feeling is that the actual injury caused by the present system is exaggerated. But it is purely a personal opinion, and I have no authority to speak on behalf of the Government in this matter. I think myself that to suggest that they act unjustly is really an unwarranted slur both on our European and Indian Magistrates. I believe they do their work, taking it big and large, very justly and conscientiously, and in any case they have always before them the question of an appeal to the Sessions Judge. Indeed, it may be said of Magistrates 'Whatever they do, they are never in the right.' And there is still a good deal of truth in the following citation from some verses written in 1863 by a civilian of great ability:—

Toil as he may, his guerdon is the same—
The scantiest praise, the largest meed of blame,
Acquit? And brave the Superintendent's curse?
Convict? To see a dubious Judge reverse?
What tho' Assessors fail to find a flaw,
And trust the Judge alike for facts and law:
Tho' link in link of evidence appear—
Proof piled on proof make clearer and more clear
The prisoner's guilt—the bland High Court shines out
More skilled than Eldon in the art of doubt,
'Twixt right and wrong an even balance keeps,
The prisoner is released—and Justice weeps.'

But the Honourable Member is on sounder grounds when he speaks of the necessity of trials being held in an atmosphere of cool impartiality. That is a matter of great importance, and there is in many cases, a fear, an unjustified fear I believe, but still an apprehension that an over-zealous officer in his anxiety to preserve his good credit as an administrator in a sub-division or to maintain the peace, may be too ready to credit prosecution evidence and not likely to be absolutely fair to the accused. I do not think there is any ground

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for that apprehension, but I believe in some cases it does exist. There is on this account a feeling of mistrust of our Courts in some cases. I believe there is little foundation for it, but it is there, and it is all important in a judicial trial that the Court should be such as to command the absolute confidence of those who appear before it. That is indeed a general principle of the greatest importance whether the apprehensions are sound or not. Also sometimes there is a suggestion that there may be a tendency on the part of some officers to disregard the rights of individuals and to consider rather the benefit to the community at large particularly in certain classes of cases and miscellaneous proceedings under the Criminal Procedure Code. But my own experience—I was a Judge for many years and a Magistrate for many years—is that the defects of the present system are very largely exaggerated. Nevertheless, there being this feeling, the Government of India are perfectly prepared to go, as far as possible, to meet the Honourable Member.

The meaning of this word 'separation' has been very well put by a great Law Member in the Government of India, and it is this: 'I think that our judicial officers should be specially trained for their duties, and that in performing these duties they should not be subjected to any form of executive pressure. For this purpose, that there should be some separation is undoubted.' But how far that can be carried out is a matter of methods and resources.

Now the Honourable Member referred, I think, to the administration of justice in England, and it seems to be believed that there is a complete separation between the judicial and executive, much more complete than, I believe, in fact exists. Up till quite recently the connection in England between the Magistracy and the Police was very marked and the Magistrates exercised very great control over the police. In the boroughs, for instance, the police are under the control of the Watch Committee of the Town Council, of whom the Mayor is the Chairman, and he is also a Magistrate. The County Police are administered by joint Standing Committees composed both, half of County Councillors and half of County Justices. But I suppose the most familiar example of a combination of executive and judicial functions in England is the case of the office of the Lord Chancellor, who combines very important judicial and executive functions. In fact, it may be said, so far as the rural area is concerned or the Magistracy is concerned, that the maintenance of peace has never been divorced from judicial functions.

I turn now to a practical question which always has puzzled me in regard to this separation in India. In any scheme for separation subordinate Magistrates must have some local authority to supervise this work, if they are to do their work properly, that is, if it is to be done expeditiously, carefully and with due regard to the public convenience. In one scheme for separation the suggestion is that they should be subordinated entirely to the District Judge, that he should control them and that the Magistrate's control should be exercised only over the police. That, I believe, speaking as a Judge of many years' experience, is entirely impossible. A District and Sessions Judge has at present more executive work to do than he can possibly carry out. He has a large number of subordinate Civil Courts under him, and he would be quite impracticable for him also to keep in touch with the Criminal Courts as well. If, on the other hand, you say that the District Magistrate should control the subordinate Magistracy but shall have no control

over the police, you are reducing what is in fact a very effective check over abuses of power by the police. It has been admitted times out of number that the District Officer is able to do a great deal in checking improprieties on the part of the subordinate police. So, that is a practical difficulty in regard to this scheme. I am aware of Mr. Romesh Chandra Dutt's scheme. I have examined it, but it has been proved on examination to be both defective in many ways and expensive. Sir Harvey Adamson's scheme was another one which, when it was referred to Local Governments for criticism, was found to provide insufficient protection for the maintenance of law and order, which is a very serious matter; incidentally also, although this point has been dealt with very lightly, it involved very large expenditure. I think the Council will be interested to hear the figures of the additional cost which the introduction of that scheme involved. They were in one province 23 lakhs of rupees initial and 15½ lakhs recurring. And under present day conditions, having regard to the various increases in the cost of material and the cost of salaries, allowances, and so forth, this figure would have to be largely increased. The real question therefore before this Council is, whether, in these circumstances, the separation of judicial and executive should precede other more urgent work. That is the question. But there is another point. Honourable Members were all very generous on this question of finance. They said, 'Never mind. Let it cost what it may; let us have this great advance'. Let me remind the Council that the cost will not fall on the Imperial revenues. It will fall entirely on the Provincial revenues, and it seems to me that it is a little unwise for this Council to attempt to impose upon Provincial revenues, at a moment when we know that every Province is struggling very hard to make both ends meet and when two of our great Provinces, at any rate, are budgetting for a deficit, an additional burden of this kind.

This leads me at once to another point. The administration of law and justice is pre-eminently a Provincial subject. The Provinces have got to find the money and they are responsible for the administration of this branch of Government. Ought the Central Government in such circumstances to interfere with them and say 'We do not mind what the cost is; we do not mind whether the present system is productive of evil or not, but we are going to urge you to undertake this large additional expenditure'. And this in face of the fact that some of the Provincial Governments have already declined to take up this matter immediately. I have before me a telegram from the Government of Madras. A Resolution was moved in that Presidency for the separation of the judicial and executive and, when I got notice of this Resolution, I immediately wired down to Madras to find out what the result was. This is the reply I received:—

'Your telegram 326-Judicial, dated 20th February. Resolution moved in Legislative Council recommended that steps should at once be taken to separate executive and judicial functions completely in this Presidency, and that all judicial officers should be placed directly under the control of the District and Sessions Judge and of High Court. Stop. Resolution was opposed by two non-officials, one of whom opposed it on its merits and the other considered it not feasible or capable of practical application. One urged that the administration of justice would suffer and the other that the public as well as Government would be inconvenienced. Strong objection was taken by another Member to administrative work including appointments, transfers and promotions being transferred to the High Court. Objection rested partly on question of communal representation in making appointments. An attempt to amend Resolution by leaving out the words 'at once' was defeated by 46 votes to 36, the main Resolution being also defeated by 45 votes to 33. The discussion exhibited no very great enthusiasm, and the Member of Government in charge did not find it necessary to speak at all.'

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That is the position in regard to this in one Province. The administration of justice is a Provincial matter. The question under discussion is a matter for them to decide, and they have to find the money for any changes in the present system. This Council now knows that, in one Province at least, they are not anxious to undertake this difficult task at present.

Further, as a matter of fact, we have done a great deal in order to avoid and get rid of many of the practical objections against the present system. For instance, the original jurisdiction of the District Magistrate, who is the nominal head of the police, has been reduced almost to nothing, in many districts I may say, absolutely to nothing. The number of Magistrates who exercise powers under section 30, that is, powers of giving imprisonment for long terms, have been largely reduced, not because they have not exercised them properly, but because we thought that serious cases should be tried by Sessions Judges. In many Provinces the system of territorial jurisdiction has also been introduced. Finally, every effort has been made to disabuse subordinate Magistrates of any idea that their promotion or welfare will in any way be prejudiced by executive criticism of their judicial work, and I do not think that now it can be suggested that any officer can complain that his promotion has been affected by any criticism of his judicial work based on the ground that he is too ready to acquit persons brought before him. This is a charge that used to be brought. I remember the case of one Deputy Magistrate in Bengal myself who always thought his promotion had been prejudiced by his case work. I believed even then the accusation was groundless and it certainly is so now.

The Government will meet the Honourable Member as far as possible, and I hope that the following undertaking will satisfy him. The matter is a Provincial one, but if any Local Government decides to take up this question of separating the judicial from executive functions—the matter is one for them—the Government of India will raise no objection, and will proceed to make such legislative changes as may be necessary to give effect to the proposal of the Local Governments. We are not, however, prepared at this juncture to interfere in any way with the discretion of the Local Governments in a matter which is purely one of Provincial administration.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: Sir, I wish to say only a few words by way of observation. I have heard both the able speeches of the Honourable the Mover of the Resolution and also the Honourable the Home Member, and I am not going to follow them, because on the one hand some utopian ideas have been put forward and on the other a few statistics. These do not coincide with the things that exist in practice. Sir, I am a Magistrate of 20 years' standing, and I have seen a great deal of the working of the present system in the districts. I know of some cases,—I will not say that it is the case everywhere, but I have known of cases in which District Magistrates have practically interfered and dictated the policy to be adopted in judicial cases to their subordinates. I remember a case of one of my friends, an Honorary Magistrate, who was told to do something, which he could not do and so he resigned. He had of course lots of money and could afford to resign, but the same is not the case with all, who have to live on their salaries, because these people cannot afford to fight with their superiors. There are many cases in which the subordinate officials have to carry out the instructions of their superiors and cannot decide cases as they

think proper; they have simply to do as they are asked to do in order to please the head of the department or district. Since the time I speak of much water has flowed down, even our adjacent river the Jumna, which has got very little water left, so that things have changed very much. The civil service men, the pick of the English nation, whom we used to get, have greatly deteriorated. Some of the best men also do not care to come out, and lots of young officers are now called upon to take the place of senior officers. Every one of them naturally wants to become a Governor. And what do they do? They rush things along so fast that the ordinary people of our country cannot follow their methods. As somebody pointed out sometime back in the course of the debates in the previous Legislative Council, they have got to look after something like 21 or 31 departments. Naturally, a man who has so many things in hand, cannot be a master of anything. As the proverb says, 'Jack of all trades and master of none,' this is the case with the junior officers now-a-days. So, as the Honourable the Home Member has just quoted a telegram, if the judicial work is entrusted to judicial officers like Sessions Judges, these men would not have to comply with the wishes of Deputy Commissioners, as their work would go direct to the Sessions Judges and Chief Courts, which are the best judges of the work of these subordinate officers. Their character rolls have simply to be transferred to the Sessions Judges to decide about the merits of these people, and then they will no longer suffer in the matter of promotions in the service. This will not involve any fresh expenditure. At the same time I think the Deputy Commissioners will have ample time in hand to look after their other duties, and this will be very much to the interest of Government.

I have stood up to-day to put in a strong plea, and that is, that before Mr. Gandhi came to the front, there was already dissatisfaction among 50 per cent. of the population on account of hasty civilians. These officers never stick to one district. If they did so, the matter would be all right, but every year or every second year they go round, and wherever they go, they cause discontent. I myself have been a Magistrate for the last 20 years, and I support the Resolution to this extent that the system should be changed and that character rolls of the subordinate officials who do case work should be transferred to Sessions Judges and Chief Courts instead of to Deputy Commissioners.

The HONOURABLE SIR MANECKJI DADABHOY: Sir, I think it will not serve any useful purpose to prolong the discussion on this Resolution any further after what has fallen from the Honourable the Home Member. So far as the merits of this Resolution are concerned, we have heard a long story from Sir William Vincent. He has spoken of his experience as a District Judge for a number of years, but my experience as a legal practitioner for a number of years has been quite the contrary. I should have very strongly supported the Resolution of my Honourable friend, Mr. Bhurgri, had it not been for the fact that this scheme has been fully threshed out both in this Council and outside this Council, as well as on the public platform. We have noticed to-day with gratification an absolute change in the attitude of Government in respect of this important matter. We have heard from the Honourable the Home Member that, if the Provinces choose to introduce this scheme, there will be no opposition from the Government of India. I congratulate the Honourable the Home Member on this expression of opinion. He has rightly pointed out that the matter is purely a Provincial one, and my opinion

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also is that the Provinces should be left alone to work out their own destinies in this matter. There is an all-important question of finance at present. We know how the Provinces have to contend against financial difficulties on the eve of the reforms. The Provinces have got a great deal to do. They will have to set their house in order before they can take up new or urgent works.

And if the Provinces hereafter take up this subject and demand a complete separation of the executive from the judicial functions, I am pleased to note that there will be no opposition from the Government of India. In view of this assurance it would be hardly fair to protract this debate or to press this Resolution. I would therefore advise my Honourable friend, Mr. Bhurgri, to accept this assurance and at this stage not to press this Resolution. There is another aspect of the question. We will be putting the Provinces in a state of some predicament if we now press this Resolution. We have heard that in the Madras Council this Resolution has not found much favour. I presume it was purely due to the financial stringency of the Madras Presidency. A similar stringency appears at present in many Provinces, and in my opinion works of more urgent character should be taken up first on the eve of reforms rather than such a scheme. I do not underrate the importance of this scheme, but Honourable Members must realise that the scheme will cost the country large sums of money; that to separate the judicial entirely from the executive and to separate it effectually means a large capital expenditure. Whether we are in a position to undertake it at present, I am not able to state. At any rate, speaking for the Central Provinces, I do not think the finances of the Central Provinces will permit of taking up this scheme immediately. It is for these reasons I think Mr. Bhurgri ought not to press his proposition at this stage.

The HONOURABLE MR. SRINIVASA SASTRI: Sir, this Resolution is somewhat like several other Resolutions which the Council of State has had to consider during these last few days. It is a matter primarily concerning the Provinces, but owing to the long habit which our public men have had of threshing out certain subjects, it has been brought into a House which for various reasons might have been spared a discussion on it. But I have been told by a lawyer of great repute that if this reform is to be carried out in its entirety and to the whole logical extent of its principle, legislation might have to be undertaken here, for at the present moment various duties of a strictly judicial character are cast by the law of the land on the District Magistrate. However that may be, since the financing of this reform will form a burden on the Provinces, it is, I think, quite appropriate that we should leave such subjects to the Provinces. But I must say a word with reference to the way in which Government have met this Resolution. The Honourable Sir William Vincent, instead of contenting himself with the provincial character of this Resolution, went further afield and, as he sometimes does, discussed the whole subject from top to bottom, in some respects seeming even to go back on the ground which in previous times the Government of India seemed to take up in reference to this matter. Some of us thought that the Government of India would not care to question the principle. The Honourable Sir William Vincent told us that, even in England, there is a certain sphere in which the judicial and executive functions are mixed up. He said: 'After all it does no harm; and it might cost money to change the

system.' And for one reason or another he seemed to think that there was no particular harm in this combination of functions, but if people felt it to be very harmful the Government of India were inclined to give way; but on the whole let us leave it to the Provinces, as it is a matter of money, it will take time, and there is no hurry; there are other objects which seem to be more immediate; and in all these ways he seemed to cast doubts on the propriety of the policy, a matter which I regret somewhat. I must also demur to the way in which he brought in a quotation—some doggerel written by a tired civilian—very clever no doubt; but I think the Honourable the Home Member might have shrunk from quoting it in this serious discussion because it does cast some unworthy reflections on the work of the High Court as an instrument of justice. However, that is a matter of good taste, and no one has a right to dictate to another. Now I do wish to say one word about the dragging in of the Southern Provinces into this discussion. I must hang down my head in shame that after all these years of political work in this country, the Madras Province should have given the go-by to this principle of judicial integrity. This has not always been the case with my Province. Till a very recent date, when a most unfortunate social quarrel arose, we were true to the principles of political propriety. It is only quite recently that in Madras the fashion has sprung up of looking at everything, however well-established, however hoary, however indisputable by every law and canon of propriety, it has become the fashion in that Province to look at everything from the point of view of Brahmin *versus* non-Brahmin. The Honourable the Home Member read a telegram which, however, omitted to state that the aspersion cast on the High Court Judges was due to the fact expressly stated during the debate in Madras that a certain number of them were Brahmins. Now, that evidence coming from Madras is obviously tainted with that prejudice, and it does not help the discussion very much to quote it. I am, however, not at all disputing the right of the Honourable the Home Member to make use of that fact. I am only pointing out to the Council the value of the Madras testimony in this matter, which is entirely negligible.

The HONOURABLE LALA SUKHBIR SINHA: Sir, I rise to give my support to this Resolution. The Honourable the Home Member admits that there is a volume of public opinion in favour of it. The question has been discussed on the platform and everywhere. It is also the opinion of all of us that the District Officers and Deputy Commissioners are overworked. They have to look after a good many things as enumerated by my friend, Sir Umar Hayat Khan, about 32 departments they have to look after. In such a case, I think the time has come when this separation of judicial and executive, should be made. It has been said by the Honourable the Home Member and the Honourable Mr. Sastri that it is a Provincial subject, and therefore this subject or similar subjects should not be brought before this Council. With due deference to them, I beg to point out that these Resolutions are simply recommendations. They are not binding. If we, Members of this Council, discuss any Resolution of importance and if it is addressed to the Governor General or the Governors in Council in the Provinces, I think it will have very good weight. With this view . . .

The HONOURABLE THE PRESIDENT: Order, order. The Honourable Member does not suggest that Resolutions of this Council can be sent as

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food and we need have no anxiety about it. The agriculturist keeps enough grain for himself and his family. He keeps the seed and only offers the surplus for sale. This surplus he cannot store for any length of time. Weevils attack wheat and other crops and he must sell in good time, which is generally within three to six months of harvesting. The restriction on exports, therefore, means the accumulations of stocks in the hands of middlemen. The cultivator loses his legitimate profits and the middleman speculates for gain. Will the Government be pleased to say the amount paid in discount to the exporters during this period of control? To the tradesman again the rise in the prices of food is of no great importance, and the wage-earner can always depend upon getting better wages when the price of food-stuffs rise in the same proportion as the rise of prices all round. Now I ask you, is there any other industry so controlled? The manufacturers of every other country have been allowed to maintain a race between wages and prices, and it is only the agriculturist who must spend more on his produce but gain no more than before. Is it because he is patient and dumb that we can deal with him in this way? He has to meet his obligations in the matter of revenue and rent from the sale of his surplus produce. He has to buy himself and his family clothes, bullocks and cows, implements and other things for which he has to pay three times as much as he did before the war. How can he do so if the price of his own produce remains unchanged? Is it any wonder that he, too, is getting discontented? His needs are few and if even these he cannot meet, it means almost the end of things for him. If better prices for other things bring prosperity to the manufacturer, why should better prices be wrong for the food producers? Indeed, I hold that high prices of food-stuffs are necessary for agricultural prosperity. There can be no stability in wages till the agricultural wage is fair and fully established. The Revenue Member made futile answers to my questions

The HONOURABLE THE PRESIDENT: Order, order. What did I hear the Honourable Member say?

The HONOURABLE SARDAR JOGENDRA SINGH: I said the Revenue Member made futile answers to my questions.

The HONOURABLE THE PRESIDENT: What kind of answers?

The HONOURABLE SARDAR JOGENDRA SINGH: Futile answers.

The HONOURABLE THE PRESIDENT: You must not use the word 'futile'.

The HONOURABLE SARDAR JOGENDRA SINGH: I am sorry, but that is how they impressed me.

The HONOURABLE THE PRESIDENT: Order, order. I must ask the Honourable Member to withdraw the word 'futile'.

The HONOURABLE SARDAR JOGENDRA SINGH: I withdraw the word. The Revenue Member made unconvincing answers to my questions asking him to tell us what the agriculturist's wage was in various Provinces and what were the agricultural incomes on which land-revenue was assessed. I can assure him he cannot pass over these questions lightly. The agriculturist must have a fair wage and the revenue assessed on his income should bear some relation to other taxes.

I know how educated and uneducated men look back to the days that are gone, when grain was cheap and ghee was plentiful. Imagination can always invest the past with a mystery and a splendour, but we have pictures of ancient India in history and of famines which came in spite of the supposed plentitude. The conditions from Province to Province differed from starvation by famine in one place to plenty of food in another. We have dear food, but nowhere now in India need a man die of starvation. If the prices of food-grains are to be kept down, it is like telling the agriculturist that he can have food, but he must not buy for himself clothes or any other necessities of life. It is like cutting him off from all that the civilised world offers. Railway travelling, labour-saving machine, clothes and other little comforts knock at his door and call him to open his purse strings. You could raise protection walls in the days of the bullock cart, but now when the world is interlinked it is impossible to create stagnant pools of protected production. You cannot buy in the markets of the world and keep your own produce out of these. The Budget just presented proves the folly of such an attempt. We came with a trade balance in our favour and to-day we are a debtor nation and new taxes have to be raised to meet our expenditure. More than half our income is needed for our army. When shall we realise that free trade and International understanding is the only remedy for the many preventible ills from which the nations of the world suffer? Here and there men get lucid moments in this mad house of a world and call for unity, but the ideas which rule the crowd have not yet been dethroned. Germany will have a lesson for all of us for the future. Her misfortune may prove her salvation. The money she may have to pay in reparation may not equal the military expenditure which victorious Germany might have been called upon to shoulder. The world is now a united whole. We must produce freely and exchange freely, if humanity is to come to its own and inherit its share of labour and joy.

Man-made machines have out-stripped the minds of men. Railroads and steamship lines have linked the world, while we still think in old ways when the bullock cart and the camel ruled the road and set limits to districts and countries; to-day trade currents are racing through the world and the wheel of wealth is moving. I only wish it did move more freely and was not selfishly retarded by interested nations. It can gather and distribute, but standing still it has nothing to offer and is soon stripped of its treasures. By retarding it we starve ourselves and inflict starvation on others. The world can only prosper together, living apart, it can only refuse to enjoy the bounties which nature distributes every morning in the name of the gods.

The restrictions on export if we look clearly and closely do not really work towards the provision of more food. Increased production only can regulate the level of prices. Continued food control means cutting India off the markets of the world. High prices would have stimulated production and provided natural remedies against unreasonable prices. Controlled prices mean controlled production, which means delaying the restoration of normal conditions.

We have now considered the general economic grounds. Let us now pass under review some of the special facts and figures relating particularly to our exports. The question whether exports of food-grains are to be allowed or restricted can hardly be decided on the figures available for the outturn of the particular crops. There are no published estimates of the outturn of some of

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[The President.]

recommendations to Governors of Provinces? The rules provide that Resolutions are recommendations to the Governor General in Council, and there must be no doubt on that point.

The HONOURABLE LALA SUKHBIR SINHA: I admit, Sir. In this Council such Resolutions should be discussed as relate to the Government of India and not those that relate to the Provincial Governments. Therefore, I beg to submit that Resolutions of importance should be discussed here, and they should be sent either to the Governor-General for his consideration, or to be sent by him for consideration to the Provincial Governments. As regards this Resolution, I think the time has come when the separation of judicial and executive functions should be made without any further delay, because the public want it, and justice wants it. The District Magistrate cannot look after so many things, and he should be relieved of his judicial functions. If a District Magistrate will find more time to attend to the executive business, I think he will be able to do more justice and satisfy his people more than he can possibly do now. I will give an instance here of a District Magistrate named Mr. Marsh. Although he is a District Magistrate, he looks after all things that are in his charge, and he devotes his time to a study of the needs of the people. He goes about, he looks after them, he finds out what the people want, and he gives them all possible help. Therefore, if we have such men in this country, I think this unrest, this discontent that is going on, will come down very soon, and therefore, I think that the time has come when the District Magistrates and the Deputy Commissioners should be relieved of their judicial work and be given time to look to the needs and requirements of the people in their charge.

The HONOURABLE SIR DINSHAW WACHA: Sir, I think that this question may be called the Odyssey of Indian Legislation. Like Ulysses of old, it has gone up and down for the last fifty years and more, and I am glad to see that the Legislature is going to find it a haven of rest permanently. I should say so from the way in which the Honourable the Home Member has spoken about its destination on behalf of Government. They are going to meet us halfway so far as it is possible to do. The question is one of Provincial legislation no doubt. At the same time, I must say that I do not make a bogey of what is called the 'burden of taxation,' for, even 23 years ago, when I and Mr. Gokhale went together to give our evidence before Welby's Commission, we brought this matter before them; and so far as Bombay was concerned, we pointed out as to how far this separation could be effected without much of a burden to the tax-payer. The evidence is there. Sir Pherozeshah Mehta had previously spoken about it in the Provincial Conference. And I think that if only Provincial Governments give due attention to the question of finance involved in the separation, they will find in the long run that it is not so burdensome as it is supposed by many to be. That being the case, I do say that, as far as the Provincial Governments are concerned, you ought to go to them; and I believe that with the advent of the new Viceroy, Lord Reading, who has made, as it were, Justice as his gospel and wants to see it firmly rooted in India—Justice which is the greatest pillar of the British Indian Empire—I am confident we shall be very soon in a position to see Justice done to India in consonance with Indian sentiment. India will then be satisfied, and this question which I call the Odyssey of Indian Legislation will be set at rest for ever.

The HONOURABLE MR. BHURGRI: Sir, after the assurance which the Honourable the Home Member has given and after the debate which has taken place to-day I ask leave of the Council to withdraw my Resolution.

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

RESOLUTION *RE* EXPORT OF FOOD-GRAINS.

The HONOURABLE SARDAR JOGENDRA SINGH: Sir, I beg to move the following Resolution:—

'This Council recommends to the Governor General in Council that all restrictions on export of food-grains from India be removed forthwith.'

The HONOURABLE THE PRESIDENT: I should like to hear the Honourable Member on one point before he proceeds. It seems we discussed a Resolution very similar to this the other day. Will he show in what way he considers his Resolution different from the one already disposed of?

The HONOURABLE SARDAR JOGENDRA SINGH: That related only to rice and this relates to all food-grains.

The HONOURABLE THE PRESIDENT: Do I understand his arguments are different?

The HONOURABLE SARDAR JOGENDRA SINGH: The arguments are

The HONOURABLE THE PRESIDENT: What I wish to be satisfied is this that this Resolution is not in substance the same as was moved by an Honourable Member. If the Honourable Member can give me an assurance that the arguments he proposes to give and the instances he proposes to cite are different and the object of the Resolution is different, I will permit him to proceed.

The HONOURABLE SARDAR JOGENDRA SINGH: I think it is different. I have not got the other Resolution with me at present. But, so far as I remember, that Resolution asked only that certain quantities of rice be released for export. This Resolution asks that the entire restrictions be removed.

The HONOURABLE THE PRESIDENT: In the circumstances, on the assurance of the Honourable Member, he may proceed.

The HONOURABLE SARDAR JOGENDRA SINGH: In moving this Resolution I wish to clear certain misconceptions which are obscuring the question. There were no restrictions on export of food-grains before the war. It was only towards the end that restrictions were introduced. It is too late now to question the wisdom of this policy, but I can assert without any fear of contradiction that the loss to India on account of this control runs into millions. Perhaps the Revenue Member or the Minister for Commerce, will tell us the exact figures representing difference between Indian prices and world-prices for the goods supplied by India during the war. India is an agricultural country. The bulk of Indian population (nearly 80 per cent.) is agricultural. The remaining 20 per cent. include the labouring and the trading classes. So far as the agricultural population is concerned, it produces its own

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the coarse food-crops such, as jowar and bajra, which are generally used by the consumer for food. If, however, we take up the position that the amount of any particular crop available for export must depend on the outturn of that particular crop, we find that past figures in normal times do not support this view. Take for example wheat figures of outturn and of export of wheat for the following five years before the war :—

1	2	3	4
Year.	Production in 000 tons.	Export in 000 tons in following year.	Percentage of column 3 on column 2.
1908-09	7,632	1,050	13.74
1909-10	9,633	1,266	13.14
1910-11	10,061	1,361	13.53
1911-12	9,924	1,660	16.73
1912-13	9,599	1,202	12.52

(At this stage the President vacated his seat and the Honourable Mr. Sastri occupied the Chair.)

If out of the 1910-11 crop only 1,361,000 tons (one million three hundred and sixty-one thousand) were exported one might assume that the internal needs of the country for wheat were 10,061,000 tons *minus* 1,361,000 (one million three hundred and sixty-one thousand) or say 8,700,000 (eight million and seven hundred thousand), and yet we find that out of a crop of which the outturn was only 7,632,000 (seven million six hundred and thirty-nine thousand) tons in 1908-09, as much as 1,050,000 (one million and fifty thousand), tons were exported. It will be seen that whatever the outturn of the crop, normally 13 per cent. to 14 per cent. of it is actually available for export. The matter is not surprising when we consider the vast population of India. If three hundred millions of people save a pinch of grain a day say $\frac{1}{8}$ of a pound, we would have available for export in the year nearly 3 million tons of food, so it is not difficult to see how a large quantity of food can be spared for export without any necessity for examining the figures for the outturn of particular crops.

There will be some justification for restricting exports if in times of famine it could be proved that food moved cheaply. But the holding up exports does not increase the resources of the people to buy the food that might be available. In famine areas the people are too poor to buy food-grains and have to be supported in some way or the other by Government. The only effect of restriction on exports can be that the agriculturists not being able to find a full market for their food-grains will be driven to substitute non-food crops for food crops, thus to reduce India's food supplies in the long run. In the year 1919 because there was plenty of money in the country the maximum number of people on relief at any one time was 560,000, as against a figure of over 6½ millions in 1900. To-day, again, a large population would require relief if famine established itself in some parts of India.

It was chiefly owing to the dislocation produced by the war and the consequent demand at high prices in foreign countries for India's produce that restrictions on export were imposed. There is now no reason to believe that the removal of the embargo would result in forcing up prices in India either by the offer of high prices from abroad or by draining this country of supplies. The world-price of rice has since last year fallen so much that, although 1,000,000 (one million) tons have been allowed to be exported from Burma to foreign countries, only 103,180 (one hundred three thousand and one hundred eighty) tons have up to date been exported. The reason is that the main rice-exporting countries in the world have now plenty of rice to spare. French Indo-China has had a good crop, and Siam has now resumed her place as an exporting country having had a favourable harvest, while in addition it has recently been officially estimated that Japan, which usually has little or no rice to spare for export, will owing to bumper crop this year have no less than a 4,000,000 (four millions) tons surplus for export. It might be argued that in that case there is no need for India, which includes Burma, to give any rice supplies to the world. But there are certain countries, such as Mauritius, Ceylon and others which prefer certain qualities of Indian rice to any other, and the result of the restrictions on the export of these qualities will be to give up growing these qualities of rice for which he cannot get the superior price which these superior qualities of rice command. Both the trader in India and the agriculturist and the Indian consumer in foreign countries, such as Mauritius and Ceylon, will suffer from these restrictions, while there is no corresponding advantage to the consumer in India who is not accustomed to consume these particular qualities. While restrictions last, it is impossible to distinguish between all the many varieties of rice, and allow any particular kind to be exported without allowing other kinds to be exported also, and the only means of coping with the difficulty is to remove the embargo altogether. Similarly, with wheat—prices on the Continent and in the United Kingdom have fallen from 125s. per quarter in October last to 75s. per quarter and even lower now. There are large supplies of wheat for export from Canada, America and Australia, while the internal wheat resources of most Continental countries and of the United Kingdom have been increased by the special measures of encouragement given to the local producer to put land under wheat. There is not the slightest ground for the apprehension that India will be called upon to give more than she can spare to the outside world. Of the 400,000 (four hundred thousand) tons of Indian wheat released for export on Government account in October last only some 250,000 (two hundred and fifty thousand) tons have been purchased and sold to foreign countries.

(At this stage the Honourable the President resumed his seat.)

This may be taken as an indication of the probable demand for Indian wheat.

There may be some false ideas as to the amount of food-stuffs which normally do leave India. In normal times India proper takes a fair quantity of rice from Burma, and exports the better qualities of rice and wheat. For the four years ending 1912-13 the average exports of Burma rice to India were 432,411 (four hundred and thirty-two thousand, four hundred and eleven) tons.

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but during the same years the net exports of food-stuffs from India proper, *i.e.*, excluding Burma were as follows:—

Year.	Quantity in tons.
1909-10	632,062
1910-11	1,294,584
1911-12	2,835,370
1912-13	3,135,482

This year the Government of India have provisionally reserved over 1,000,000 tons of Burma rice for India, *i.e.*, 567,589 tons more than the average imports of rice from Burma to India

The HONOURABLE THE PRESIDENT: I thought, when he began his Resolution, he had promised me that he would not talk about rice.

The HONOURABLE SARDAR JOGENDRA SINGH: I did so in a different way, Sir. The question now is limited only to exports of rice.

The HONOURABLE THE PRESIDENT: Order, order. I have been out of the Council, but I understood that he was discussing the question of export of Burma rice. Did we not deal with that question in this Council before?

The HONOURABLE SARDAR JOGENDRA SINGH: I submit to your ruling, Sir, and I leave it there. Since the question of rice has been ruled out, I will not say anything about it, and I will conclude.

It is not in the economic interests of the country to continue the embargo; there is no need for Indian wheat in foreign countries so there will be no export. The normal condition is that exports of food-stuffs are unrestricted, and the onus of proving that there is any need for an embargo should be on those who assert that it is necessary, not on those who take up the position that it is unnecessary. If the embargo is removed on the export of wheat and rice, there is no need to retain restrictions on the export of any other food-grains, the export of which from India is normally so small as to be negligible.

The HONOURABLE MR. SETHNA: Sir, before I begin, may I request your ruling on a point of order. You ruled that no reference need be made to rice because of the Resolution on this subject having been before the House once before. The point of order is this. Suppose this Resolution passes, then are we to assume that Government are to take no action in regard to rice?

The HONOURABLE THE PRESIDENT: My point is this. It is a very simple one. If we did discuss—I believe we did,—a Resolution dealing substantially in some respects with this subject, then a Resolution in so far as it deals with that subject, cannot be moved in the same Session, as it is quite obvious that the whole includes the part. If I were to allow a revival of the

discussion on a Resolution, which appeared under a different form, then in so far as we have covered the ground, we should go over it again. It is a very simple point, and I think it will appeal to the Council. It is difficult for me to apply that in individual cases, and if Honourable Members do not give effect to this ruling in general terms and in the spirit, it is impossible for me to intervene to stop every member who mentions rice and who indeed may well be in order. The main thing is, we should not re-discuss what we have already discussed.

The HONOURABLE MR. SETHNA: Thank you, Sir. I will take care to be wiser.

I rise to support this Resolution and say a few words in that connection. I think the Honourable Sardar Jogendra Sangh is rendering a service both to the Government of India as also to the public of this country in bringing forward a discussion on this Resolution at the present stage.

And if the Government of India are now disposed to remove such restriction they will certainly welcome a mandate from the representatives of the public such as this Council is composed of. I am sure that the thinking public of this country will also welcome a discussion on the subject, because a time has been reached when perhaps this control might well be removed. Sir, the control of food-stuffs is something new in the history of this country. There is no country in the world which suffers from drought and famine as does India, and yet in its past history we do not know of restrictions on the export of food-grains having been introduced by Government at any stage. If Government had done so during the war, it was because of the conditions that then arose. Our Allies who, even if they could grow cereals, were prevented from doing so on account of conditions prevailing, had to rely on those friendly countries which could give them food supplies, and India certainly was one of those countries. But, Sir, the position was this, that those Allies did not care to bargain, but were quite prepared to pay whatever price was demanded, with the result that prices in this country rose to such giddy heights that exports were on a much larger, a very much larger, scale than before and, worse still, the position of affairs helped the profiteers in their rapacity. The question now is, Sir, whether that condition now continues? The Honourable Sardar Jogendra Singh has referred to the fact of 40,000 tons of wheat being released by Government, and I think he mentioned that 250,000 tons were purchased and exported. If my information is correct, the purchases have been to the extent of 300,000 and perhaps shipment to the extent of 250,000 as he mentioned. But, Sir, what we have got to ascertain from this release is, whether the release of 400,000 tons has so appreciably raised the price of wheat in this country as to enable us to continue to control exports. I contend, Sir, in the first place, that although 400,000 tons have been released, not more than 250,000 tons have been shipped, and I further contend that the purchase of these 250,000 tons has not helped prices to the extent that should be possible to the consumer. Then, Sir, it must be borne in mind that both the Government of the country and also the public are convinced of the necessity for removing the control which exists to-day. I welcome the Resolution coming as it does just at the present moment, because the crop is being reaped and the northern exports of wheat are generally made in the months of April and May. If exports are made in April and May, purchases have to be made in regard to such exports some months in advance, and it is high time that they were made. If

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therefore Western countries desire to participate in the purchase of Indian wheat they must instruct their agents in this country to do so just now. But the exporting firms in this country are, and must be, in great suspense, not knowing their position, or whether, if they make any forward contracts, Government will allow them to ship the quantities they desire to. Therefore, I say, Sir, the Resolution is most opportune coming as it does at the present moment.

Sir, only yesterday we received the Gazette of India in which we find from the departmental statistics that there is considerable improvement in the total acreage of this country. In the Report dated Calcutta, February the 8th, we find that the area reported in the first forecast for 1920-21, made in January, was 22,575,000 which has increased in a month's time to 23,350,000, showing an increase of 775,000 acres. And I hope, Sir, that the latter rains that we have had will also improve the yield per acre, all of which tends to the conviction that perhaps the time has arrived, as the Hon'ble Mover has said, for considering the question of removing control. Again, Sir, I would ask the House to bear in mind that this Resolution was moved by some one who possesses not only first-hand information and who, as I understand, owns several hundred acres himself, but also comes from a Province which is the granary of India. For I understand that the area under cultivation in the Punjab is responsible for nearly one-third of the 23½ million acres of land to which I have just made a reference.

All things considered, therefore, Sir, I take it that this is the psychological moment for Government, as well as for the public, to consider this matter, and I do hope that this control, which was introduced as a war measure, will be admitted to need removal for the benefit of the country at large, and I contend, Sir, that the removal will go far to benefit the country. The Honourable Sardar Sahib in the course of his speech gave us some very interesting figures, figures, even the best that I have met, are never entertaining, but there is one figure which he quoted for which I need ask no excuse of the House for quoting again. It is this. He observed that if the total population of this country deprived themselves to the extent of only $\frac{1}{16}$ th of a pound of food-stuffs per head, it would result in the saving of a quantity as large as one million and a half tons which would be available for export. I leave it to the House to imagine what this means, particularly at a time when the balance of trade is against us and, if these exports were allowed, how greatly it would improve the position of India.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN : Sir, after the able speech which has been delivered by my friend the Sardar Sahib I think it is very difficult to add anything. All the Zamindars ought to be grateful to him. I, as a Zamindar, cannot but support the Resolution, and thank him on behalf of all the Zamindars. We in India, I think, form the bulk of the population, and yet we are told that, though we form the bulk, we must be under the minority which does not cultivate the land. This has been the case for a very long time. It is not only that we suffer in this way, but we cannot sell our own produce or our own property. It is a curious thing. Suppose I had this thing, this bundle of papers of my own, a man gives me Rs. 20, another offers Rs. 10, and I am told that I must sell it for Rs. 10 and not for Rs. 20. If this was all the trouble, perhaps we would

submit. But each day comes heavier taxation on the land and this is because we have not got a sufficient voice. All those men who have got money and not land, educate their sons, and they predominate everywhere. They are in the Councils, they are in the services, in fact they dictate to Government, and because they are also agitators Government thinks it is rather difficult to shut their mouths.

They know that the Zamindars are not going to agitate and so nobody listens to them. I think it is high time to stop their influence and that justice should be done to us. We have heard a lot about justice. Everybody gets justice who asks for it, except we poor people who do not get it. Apart from all this, unfortunately, we have been the prey of everybody. The lambardar, the zaildar, the patwari and various others come and live on us. If we cannot sell our grain, and Government does not allow us to sell it for better prices—and low paid officials live on us—our lot becomes unbearable. Again, these *bandobasts* or settlements are in themselves an awful trouble. . . .

The HONOURABLE THE PRESIDENT : We are not discussing the question of settlement, but the question of export of food-grains, and the Honourable Member has already wandered at some length from the Resolution, and I hope he will now come close to it.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN : These are also the difficulties that bear heavily on us. If we were merely stopped from exporting our grain we might bear up, but we have got other difficulties to contend with, and that is why I say, Sir, that we should get justice. Again, the produce that we can get from a particular area sometimes forms a bare subsistence, and if anything further is imposed, really it is our stomach that is taxed, and so it is taken out of the stomachs of the poor Zamindars. People who have not got land may earn Rs. 2,000, but still would not pay a single pice to Government, but if we earn ten annas we must pay a tax on it. That is very unequal treatment. So, in conclusion, I would only say that I hope the Sardar Sahib will not follow the example of many other friends who, after talking the matter over with others, withdraw their motions. I would ask him to stick to his motion and let us see who are for the Zamindars, and who are for the money-lenders.

The HONOURABLE B. N. SARMA : Sir, the Government welcome the Resolution, for the simple reason that they are anxious to know what the mind of the country is on this important question, and I hope it will be possible for the Legislative Assembly also to find some time to give us an expression of their opinion on this vital problem.

The Honourable Sardar Bahadur dwelt at some length upon elementary principles of free trade, and upon the violation of those principles by the Government in the past in restricting the export of food-stuffs in the manner in which they have done. I have already, on a previous occasion, informed the House that the Government were only too anxious to remove the embargo at the earliest possible date, if they can only see their way to do it, and even now they are exploring all possibilities for adopting such a course. I looked for some light to be thrown on the subject by the Honourable Member who is speaking for the Zamindars in the Punjab, but I must confess that I have been disappointed. I should have liked him to have told us what he expects would be the condition of the food-supply in his Province, how many are the landholders in his Province who have suffered by reason of this embargo on export, who are

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suffering now by reason of its continuance, whether he has got any reliable estimate, better than the one which the Government has, of the stocks of food supplies in the country which are rotting in the granaries because they are not exported—I should have liked some information on that subject to enable the Government to come to some definite conclusion. But I suppose it was too much really, because this is a matter on which only vague generalities are possible, and I was not surprised that Government could get no nearer to the solution after hearing the speech than before.

I would like to correct one misconception in the beginning, that the policy of the Government has been somehow hitting very hard the Zamindars in the Punjab and in other Provinces who are cultivators. I do admit that a few of them would have made much larger profit from the surplus in their hands than they have been able to do during the last two or three years, but that probably is, I submit to the House, a very very negligible number, though very important from the point of the men affected, commanding men of influence in the country who have got the ability to make themselves heard. It was curious that in the Punjab, where the term Zamindars is applied to landed proprietors among whom are included what we call ryots in the Madras Presidency, out of a total of 3,951,000 there were only 317,538 majors—I am excluding minors and females—who paid a land revenue of Rs. 20 and more to the Government. Therefore, it is only one-tenth of these peasant proprietors or Zamindars in the Punjab who paid a land revenue of Rs 20, and I should think it is not improbable, therefore, that the remaining number who would not have been in a position to export to any appreciable scale, could have suffered much, and I have no figures to show of this number 317,538 what the number is who really pay any considerable revenue, and who are likely to be in possession of large surplus stocks, and must presumably have suffered by reason of this embargo, but I venture to think that that number cannot be considerable, though the mere smallness of the number is not a point which the Government can afford to neglect. And have these proprietors done so badly? The price of wheat on the 15th February 1914, before the war, was in Lyallpur Rs. 3-8-10. It was in the neighbourhood of Rs. 5-11-0 on the 15th February 1921. It was between that period very much higher, somewhere nearer Rs. 6 and more. Even as it is, the percentage increase is 60 per cent. over the pre-war price, and I would ask the House as to whether the landholders in the Punjab, who even now are able to make 60 per cent. more on their wheat produce than before the war, can be said to have been so cruelly hit by a stupid Government which neglects the interests of the Zamindars, and whether it is not, on the other hand, probable and possible for the poor men who may be classed among the consumers—consumers of the produce—to say that the landholders are out for profiteering if they ask for more than 60 per cent. profit. Well, Sir, this is a question which has a wider bearing and wider issues, and I shall try to approach it from that standpoint, and not from the standpoint as to whether a few people suffer by reason of what they may consider their fair and legitimate profits having been reduced in amount.

Owing to the famine of 1918-19, Government felt the wheat situation was so difficult that they were obliged to import Australian wheat to the extent of 140,000 tons in 1909. Well, let us for a moment forget the period prior to 1918-19. The import of wheat, I suppose, is an indication that the Government felt that the stocks in this country were so unduly

depleted, whatever may have been the causes, that, instead of being an exporting country, we had to be an importing country. Well, I need not allude to the enormous death-rate during that period, I need not allude to the great suffering during that period owing to an insufficiency of the food-supply; it was phenomenal. Well, the Government, I think, can take credit for a wise resolve when they said 'we will allow some time to elapse for the food-stocks to be replenished in the country so that we may be able to meet an adverse season, if such an adverse season has to be faced.' In 1919-20 there was a good season, and there was a production of ten million tons of wheat. Therefore, in September of last year, the Government, both in the interests of the agriculturist as well as in the general interest, examined the question and felt that something might be done to ascertain how the position stood, and whether there could be an export of 400,000 tons subject to the limitation of a price of Rs. 5-8 per maund in Lyallpur. There was an outcry. Well there will always be an outcry from interested quarters, whether from the Zamindars or from other people, but I think we shall have to steer our course clear between the opposing currents, without paying attention to any ignorant outcry whether it comes from one side or the other. The Government were exposed to the attack that they were selling the life-blood of the nation in order to retrieve their exchange position; but the Government were not moved in the slightest degree by such an ignorant criticism, and felt that they were doing right in trying to see whether there were any surplus stocks which waited to be exported, and to give facilities for their export so long as the price of Rs. 5-8, which was more than 50 per cent. over the pre-war price, was not exceeded. I think it would have been foolish on the part of Government to permit, if possible, an increase in prices beyond 50 per cent. over what they were in pre-war times in order to allow export of any little stocks that might have been possibly exported if there had been no fixation of prices. Now, what was the result? We could export only 250,000 tons. Does that indicate that there is such a surplus stock in the country as finds a difficulty in finding a market inside India and have to be exported outside India. To my mind it looks as if the fact that the 400,000 tons were not readily forthcoming showed one of two things, either that the men who were in possession of the stocks thought that, when the embargo was removed, the prices would go up, or that there is a little surplus beyond 400,000 or 500,000 tons. But let that pass. What is the situation with which the Government is confronted to-day? The Honourable Mr. Sethna rightly said that we had an improvement of 300,000 odd acres over the crop estimates in January with regard to area. But may I point out that this is no real improvement, because the Indian States' figures have been subsequently added to it. But, howsoever that may be, we find now that there are 23 million acres under cultivation as against 31 last year, or a decrease of eight million acres. And this is the description of the crops: 'The prospects of the standing crop in the Punjab are slightly below normal on irrigated, much below normal on unirrigated land. There has been slight improvement owing to the rains, but still even in the irrigated areas below normal, unirrigated much below normal.' 'Central Provinces, poor.' 'Bombay, fair in irrigated parts, in other places withering or poor.' Therefore, it cannot be said that the outturn can be very much larger than it was in 1918-19 when the area under wheat was 23,798,000, or slightly higher than the area according to the present forecast. I hope our forecast will prove disappointing in the sense that we get a better outturn, but as things stand at present we cannot reasonably expect a very much better

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outturn than in 1918-19. The area is smaller and, if the facts are as stated, the total production will be about 7½ millions, as it was then, as against 10 millions of last year. So there will be a deficit of 2·5 as against the wheat crop of last year, and of 1·7 millions as against an average during the last five years. What was the amount that was being exported? In the best year it was short of one million and a half. It varied, sometimes it was 1·2 or 1·3, sometimes 800,000 tons, and even lower. Therefore, the normal deficit of this year will be much larger than the normal export during previous years. Well, it may be said that in one year which my Honourable friend quoted, if the figure is correct, there were six million tons of outturn, but there was a large export. Assuming it to be so, there is this difference. The exports of the previous year were very small and there are generally stocks of previous good years. Consequently, we can only take the position on the average of a certain period and not during that very year in which there is a deficiency of supply.

Now, the second point worthy of observation is that the various outturns of crops have been considerably revised during previous years on a more accurate basis, and consequently we can only go on the estimates of the last five years usefully in comparing the present, and we cannot go back for a comparison to a period very anterior, when there were no proper statistical figures for parts of some Provinces and for large areas. Well, taking that, what do we find? We find that in 1915-16 the yield was 8·6 million tons of wheat.

In 1916-17	10·2
1917-18	9·9
1918-19	7·5
1919-20	10·09

or an average of 9·2, against which we expect 7·5. I wish that the picture were a little more rosy and bright, that the Government may act as suggested. That is the reason why, although the Government are willing to examine the question almost immediately and to accept the proposal to withdraw the embargo on exports as early as practicable, they cannot accept this Resolution which asks the Government to remove the embargo forthwith or immediately.

Now, it may be said that people living on wheat may live on rice or other food crops. Some of the other food-stuffs may replace one another within limits, so you cannot look only to the yield of a single crop in order to ascertain the total deficiency of the food-supply. I will not go into the rice question again, but here also we expect a deficiency according to the latest estimates of 5·5 million tons as against last year. Honourable Members will realise that India proper has never had really any surplus of rice during the last six years, or even previously. What she was doing was this. She was getting inferior rice from Burma and exporting her superior rice. Therefore, from the point of view of the food-supply of rice, India has never been really more than a self-supporting country. If, therefore, we have to preserve Burma rice for India, how can we adopt the suggestion of removing the embargo on rice or embark on a new experiment immediately.

With regard to the other food-stuffs, the Honourable Member will find that although there are no forecasts made in respect of barley, jowar, bajri, maize and gram, figures of production are given, and if he will only take the

trouble to find them—he can find them in the statistics of crops published every year. But to the deficiency of rainfall I need not allude at any great length, as it does not in any way considerably relieve the situation in dealing with the other crops.

The Honourable Mover put me some questions in the course of his speech and he was sorry that my answers on a former occasion were not very convincing. He asked me as to whether I could tell him what the agricultural income per head of the population is. He was evidently of opinion that the Curzonian figures of Rs. 30 per head still hold good, and that the Government dared not throw any additional light on the subject. I may say that the question was gone into in 1914, and it was found that the agricultural income, even at the prices ruling in 1911, was somewhere about Rs. 86, and according to the present prices it will be much more, say 50 per cent. higher, but as Government feels its responsibility to be thoroughly accurate, it did not publish the figures about which it had some doubts, and I do not think I can enlighten him further on that subject. The answer may be unconvincing, but no one can answer that question accurately. A good deal depends on what may be included under the head agricultural income, *e.g.*, milk and straw. These are things which are considered as agricultural produce by one set of persons and not by another. But Honourable Members will find that the agricultural produce is very much larger per head than what the Honourable Mover imagines, and I may, for his benefit, allude to a remark of the Punjab Government in its Administration Report for 1918-19 that the landholders in irrigated areas had crops estimated previously in 1917-18 at 33 crores, and in 1919 they had similar crops valued at 55 crores, and all this was without paying a single additional rupee to the general exchequer. So I wish there would be less talk about the Government imposing unnecessary burdens, and these figures are a sufficient refutation on behalf of Government to prove that the assessment, if any, is only perhaps too light.

Then it was asked, if you are going to serve him in this fashion what is the poor landholder to do, has he not to provide for his cattle; has he not to build his houses? I may tell the Honourable Member that the increase on the building materials has been only 27 per cent. as against 51 per cent. for food-stuffs, or even 55 per cent., sometimes including cereals and pulses. Cattle are generally owned by cultivators, and if the farm servants are paid their wages in money there will be some gain. If they are paid in kind, the cultivator does not lose anything at all, so the Government does not hit him as hard as is sometimes represented. But I do not wish that the Zamindars or the landed proprietors, here or elsewhere, should be under the impression that the Government have any the least desire to minimise the profits of cultivation, or that they wish to tax them indirectly for the benefit of the other classes. It is far from their intention and that is the reason why Government have taken particular care that no additional burdens are thrown upon the agricultural classes in respect of taxation this year. I think that is enough to prove the solicitude of the Government on their behalf. I am sure there is not much danger of land under food-crops going out of cultivation from under that head, because if you analyse the figures further, you will find that in respect of raw jute the increase has only been 18 per cent., as against 50 to 60 per cent. for food-stuffs. Cotton has been falling considerably, and there is a general decline in prices, and consequently the man who grows food-stuffs is not hit so hard as the others.

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Apart from that, it is not so easy to change one method of cultivation for another. Therefore, I put the case for Government in this way. I do not wish that the Government should be understood as fighting for a position of hostility to the Honourable Member. While they regret that they cannot accept his Resolution, which asks that they should remove the embargo on the export of food-stuffs immediately, I have already given an assurance more than once that the position will be examined and the embargo will be removed as early as practicable. The only reason why I have gone at such great length is to convince the members of this House that the Government have taken the only attitude that they could possibly take on this subject, in holding the scales evenly between the producer and the consumer in India. They have to remember that the margin, at the best of times, is very very narrow. They have to remember that the prices of food-stuffs have gone enormously high; they have to remember that wages would take some time to adjust themselves. They have to remember that they had to face very heavy mortality in 1918-1919; and they had to remember that various parts of India are now in deep distress, Central Provinces, parts of Bombay, parts of Orissa, Madras and the United Provinces. Many are in relief works; many are in test works; many are being gratuitously relieved. We have to remember these things and, therefore, I think nobody can say that the Government have been wrong in not taking any precipitate action. Gentlemen, even now the price of food-stuffs in outside countries is higher than what it is here, and consequently the removal of the embargo may lead to a sudden increase in prices. The Government have to be careful, at least for a few months, until they know where they are and what the future position is going to be. However, I need not labour the point, further. I hope this assurance that the question will be examined immediately, and, if possible, steps taken, will satisfy the Honourable Member.

The HONOURABLE SIR M. DADABHOY: May I inquire from the Honourable the Revenue Member if he can give us some indication of the time when he expects this embargo on food-grains to be removed? We have heard his very interesting speech and he has said that the restriction will be removed at an early date. I would like him to give the Council some indication of the time when he thinks it will be possible.

The HONOURABLE MR. B. N. SARMA: I cannot give any definite assurance but I think that, as soon as the Executive Council is relieved of its present business and His Excellency the new Viceroy has assumed charge, it will be possible to have the position examined and a conclusion reached. Further than that, I am not in a position to say at present.

The HONOURABLE MR. FROMM: Sir, when I came to this Council to-day I did not intend to speak on this subject, because I thought that it would be only right to keep away from it any commercial aspect. We do not want to profit over this question of the removal of food-stuffs. I would rather hear the views of the other Honourable Members of this Council and the reply of the Honourable Member in charge of Revenue and Agriculture. But I cannot help rising to place before the Council one point which, if I may be allowed to say so, I think the Honourable Member has viewed from an entirely wrong standpoint. I will only take up the time of the Council on this one point. First of all, we all know and we have been told many

times that the Government are anxious to get rid of this control. Then, some six months ago, the Government announced the release of 400,000 tons of wheat. Up to date only 250,000 have been shipped. From that the Honourable Member adduces that either sellers are holding back for higher prices or that there is not sufficient wheat to go abroad. I do not think that is the lesson we should learn. The lesson we should learn is that there is no demand from Europe, and my point is are you going to release this control over the export of food-stuffs when all the other countries are rushing to get it, or is not this the time to do so, when there is no demand? This is the point for the Council to consider. There is no demand from European countries by reason of financial crises and financial stringency—I know that from the business with which I am concerned, so I can speak with authority on this point. Is not this the time to release the control which the Government is so anxious to get rid of? I contend that it is the time. I do not wish to discuss any other point.

The HONOURABLE MR. LALUBHAI SAMALDAS: I rise to support this Resolution moved by my friend the Honourable Sardar Jogendra Singh. We in this House will have full sympathy with what fell from our Honourable friend, Sir Umar Hayat Khan. He said that he wanted to see whether this House was for the agriculturists (or Zamindars as he called them) or for the money-lenders. I think we may assure him that we are all for the agriculturists. Agriculture is the backbone of the country and, unless we improve the condition of the agriculturist, the country as a whole would go no further. I would have supported the Resolution on this ground only, but there are other grounds for my support. The Honourable the Revenue Member tried to prove that the advantage of the higher prices would have gone only to affect only a very very few persons. If I remember the figures correctly, he said that out of 3 millions and odd only 3 lakhs and odd men pay revenue assessment of more than Rs. 20, that is in the Punjab. I will take the Punjab only. I was not able to catch the figures given by the Honourable Member, but he said that the assessment was light and he proved from figures quoted from the report of the Punjab Government in 1918-19 to show that the assessment was very light. I will take it at 10 per cent. In the Deccan we make it out to be 7 per cent. It varies a great deal, but I will take 10 per cent. which means that, if a man's income was Rs. 200, he was paying Rs. 20. The figure of the assessment paid is not the figure to be taken into consideration, the figure of the actual income that has to be considered. Now, if the prices had gone up, say instead of 60 per cent. as the Honourable Member puts it, prices had gone up to 75 or 80 per cent., he would have got 250 instead of 200. After all an increase of Rs. 50 to a family man is not a matter of no importance. It is quite enough to enable him either to buy cattle or to have a small house or to have a little more luxury. Is that a matter which could be easily brushed aside as the Honourable the Revenue Member wanted to do? Then he tried to show that as only 250,000 tons of the 4 lakhs released could be purchased, there was very little spare stock demanding export. My Honourable friend Mr. Froom, said that, as there was no demand from the Continent, this was the time to remove the embargo on export. I put my case for the removal on other grounds. If the Honourable the Revenue Member thinks that there is not sufficient extra wheat in the country, if that is the inference that he wants us to draw—that from the mere fact that out of 400,000 only 250,000 can be got, it follows that there is no more wheat in stock, why all this

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formed his own convictions in this matter in early days, and these opinions he cannot get rid of.

The Honourable Mr. Lalubhai Samaldas pointed out to the Revenue Member that in the Punjab, the number of people who paid revenue above Rs. 20 a year, was very small, but that did not affect the case. The Revenue Member ignored the fact that the people who paid Rs. 20 a year were very large and that they in any case have to sell each of them Rs. 20 worth of grain every year, and if he would only multiply the figures he would find that several hundred thousand tons of wheat have to be sold by these small growers. The Honourable Member based his conclusions on statistics which, as the Honourable Mr. Lalubhai Samaldas pointed out, you can twist one way or the other. My attention was drawn, the other day, to an article in the *London Times* where Mr. Drew, in a letter which he addresses on the question of wheat, said that official statistics are absolutely of no value. If they can be so in England which is a small country, so far as agriculture is concerned, the figures in India, in any case, cannot be very much depended upon. In England they have made a mess of wheat control as many articles appearing in the *London Times* point out. I was going to read quotations, but I must not exhaust the patience of the Honourable Members.

But I repeat that these artificial controls cannot be really enforced. You may talk about them, think about them, but when it comes to carrying them out, it is impossible to carry them out, because the factors which rule the level of prices are not within the control of any Government anywhere.

The arguments adduced by the Revenue Member about the prices of food cannot hold. I do not know how he would fare if he went to-morrow to Calcutta or Bombay where the mill-owners are working at a tremendous margin of profit, and tried to regulate prices. He would find that the objections raised would be stronger than those which have been raised against the control of food.

Then, again, he remarked that if there had been no control, only a few people would have made profits. I do not know how he makes that out. All those who grow wheat, rice and other crops, will share in the profits to the extent that they bring their produce to the markets. You may say that the profits of the larger growers would be larger, but the profits of the smaller growers would be there.

Then, again, talking of the increased profits from the food crops, he said that the prices in any case are now 60 per cent. higher than they were before the war. Well, he did not take into account that the cost of production was nearly 300 per cent., which is higher than it was before the war. He tried to deal with the matter very mildly. He said that the bullocks and the cows belonged to the agriculturists. Well the bullocks and the cows certainly belong to him; so does the land belong to him. But do not the bullocks and the cows and the land represent capital? I think if you were to consider the capital that is invested in land, you will find that the agriculturist makes the smallest possible profit on the capital which he has put into the land of any other person in the world.

Then, again, the Revenue Member alluded to the larger death rate in a certain year. Well, it is an alarming thing, if you come to think of the larger death rate, but he did not say that it was due to influenza. I have never seen so far an admission by any Honourable Member that the death rate has been due to the want of food, and I should very much like to know how the Revenue Member arrived at the conclusion that in the year he mentioned, I forget which year, the death rate was alarmingly high because food was scarce. I hope he will clear up that point when he speaks on this subject again.

The argument that last year only 250,000 tons of wheat were exported has been very clearly dealt with by the Honourable Mr. Froom.

There is hardly anything more to say, because I feel that the Council is with me and I am bound to win. If the Council passes this Resolution it will certainly strengthen the hands of the Revenue Member. It needs courage you know to remove the embargo, and I think he ought to take his courage in both hands now and remove this control on the export of food-grains, because he will have to do it sooner or later. Why delay it, when public opinion favours the removal?

The HONOURABLE MR. B. N. SARMA: Sir, the point mentioned by the Honourable Mr. Froom did not escape my attention, and I think did not escape the attention of the Government of India, that inasmuch as there is not much demand at present from the outside world for Indian wheat the present may be a convenient time for removing the embargo. What may perhaps be said is that, if there is so very little demand for Indian wheat from outside, no very great injustice is being perpetrated upon the landholder if the embargo is not forthwith removed. But that is another point. The real question which the Government had to consider was as to whether these fluctuations in prices in the outside markets are not merely temporary in character, (although a downward tendency may be perceived), by reason of the absolute dislocation of the Continental trade markets and the abnormal position of the exchange. It is absolutely difficult to know what 65 shillings would mean. If the exchange is 1s. 3d. and odd, as it is now, you can pay a much larger price in India than if it were 2 shillings or 1s. 8d. similarly with freight. Then, when the Continental demand is brisk, if there should be a large export of food-stuffs from this country at a time when there is no real surplus in the country, the danger would be that, when we are faced with a slack season, the Indian prices would go up so phenomenally high so that the poor people who already have to pay 60 per cent. more than the pre-war prices would be hard hit. That is a consideration which we had to bear in mind, but I want to say it was not a decisive consideration

The HONOURABLE MR. A. H. FROMM: My point was this, Sir, that the Government had announced times without number that they are going to withdraw this control, and I was not looking to the future. It would be very much better for them to withdraw it now than when the demand from Continental countries begins

The HONOURABLE THE PRESIDENT: The Honourable Member must not argue. He must make a simple statement of what he said.

The HONOURABLE MR. B. N. SARMA: We have pledged ourselves not to allow any exports until the 31st of March, so the removal of the embargo forthwith is out of the question. I was only trying to meet the position that

[Mr. Lalubhai Samaldas.]

insistence on control? Why should the agriculturists not be allowed to act on principles of free trade. My Honourable friend the Member in charge of the Revenue and Agriculture Department said that the Honourable Mover had, in his opening remarks, referred to the principles and theory of political economy and free trade. I do not see anything wrong in doing so. There are occasions when we must go back to the basic principles of political economy. Why should not the principle of free trade prevail and agriculturists be allowed to get the best price for their produce, and why should Government practically force them to sell at a lower controlled price? I am not making any charge against Government. I quite sympathise with the Honourable the Revenue Member in his anger, because Government has so often been abused that Government Members are sometimes justified in being angry when Government is abused within this Hall. What he says is we wanted to release 400,000 tons and we are accused of doing it to help the exchange. Well, whatever their motive was, they did it, and now that they have done it, they do not want to release any more. They do not want to give up the control. I ask the Honourable Member if he is not inconsistent in his arguments when he says there are no stocks and then says we still want control. If there are no stocks, why not allow freedom to the agriculturists? Statistics, Sir, can be used by both parties to serve their own purpose.

The Honourable Mover said that when the total produce was 6 millions we were able to export one million. The Honourable the Revenue Member says there must be more accumulated stocks of the previous years or the figures are taken of times when statistics were not correctly kept. But may I ask one more question? When the crop, as my learned friend Sardar Jogendra Singh Bahadur said, was 6 millions, 1½ millions were exported. I believe, Sir, that on another occasion when it was about 7 millions, more than one million tons was exported. My Honourable friend says this year there has been a decrease in the acreage of 8 millions acres and he says that the net deficit will be 2·7 million tons. He says, how can we export? May I ask, is it in the interests of the consumer in India that this control is kept or is it in the interests of other parties? Let us be clear about it. If it is in the interests of the consumer in India, why is there any wheat export even under control? Let all export be barred, that will mean something, and then we can very well understand that the Government is taking the action for the consumer. Here, the consumer is not benefited. The producer loses, the money goes to the middlemen, and that is why I protest against it and support this Resolution.

THE HONOURABLE MR. E. J. HOLBERTON : Sir, like the Honourable Mr. Froom I had no intention to take part in this debate, but it seems to me, if I may say so, that we have wandered off to so many side channels that, in the hope of bringing the debate to a conclusion at an early moment, I have ventured to speak a word.

It seems to me that the question of control, and control alone, is the one which we are discussing. The differences or difficulties of classes of the population are not concerned here. Control was unknown with reference to the food-crops of India before the war. It came to us as a war necessity. It remained afterwards as a temporary necessity, but only for one reason, i.e., so far as I have ever been informed by any responsible Government officer, it

was retained for the protection of the people. There was no question of assisting the markets or the merchants or the cultivators as sellers or barterers of food-stuffs. It was merely a question of conserving a sufficiency of food-stuffs in the country and building up the resources which had been depleted. It seems to me that at the present moment everything points to there being a sufficiency. Allotments which have been allowed for export for various provinces—I do not dare to mention the names of the food-stuffs concerned for I shall be ruled out of order—the various allotments have not been taken up largely for reasons which have been given by the Honourable Mr. Froom. The position now is that there is plenty of food-stuffs in the country and there is no disposition for an undue portion of it to be taken away. Now is the time for the Government to come out and take its courage in both hands and decide to revert to the state of affairs in which India has lived for centuries, namely, freedom of export of food-stuffs.

THE HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU : Sir, I do not like that this Resolution must go without a support from the Madras Members. The Punjab difficulties which my Honourable friend Sir Umar Hayat Khan has so bluntly described as appertains to a soldier, are equally applicable to the Madras Presidency also. You know that under the Madras Estates Land Act, though the tenants do not pay the *kist*, the zemindar is obliged to pay his *peishkush* in time to Government. He is obliged to borrow at rates of interest ranging from 12 to 18 per cent., while the ryot can pay at the end of the *fasli* at six per cent. The zemindar and the mirasidar, to pay off the Government dues, have to sell their food-grains at a low price. They are put to a great loss in order to satisfy the Government dues. The loss is terrible. We have vast areas like the Periyar tract where large quantities of food-stuffs are being grown. The mirasidars are put to the greatest difficulty. They are not able to sell at a profitable rate. They are obliged to sell at a low price. If this embargo on food-grains is not taken away, I do agree with the Honourable Mover and other friends that our community, high and low, will be put to the greatest loss.

THE HONOURABLE SARDAR JOGENDRA SINGH : Sir, I wished to begin with a quotation, but my Honourable friend Mr. Sastri took exception only a little while ago to the Honourable Sir William Vincent making use of one. The Honourable Mr. Sastri thought that the introduction of light matter was not befitting the seriousness which should be observed in this House. Personally, I think we ought to have some laughter. We Indians respect philosophy, and I am sure when I refer the Honourable Members to Bergson's *La Reri*, they will admit that laughter too has its uses. Most of the Members, I feel, are ready for lunch and I have no desire to detain them a moment longer in discussing matters which have been fairly well discussed by Messrs. Froom, Sarma, Holberton and others.

I think the Honourable the Revenue Member himself is not prepared to vote for this Resolution, because as he pointed out in reply to a question by Sir M. B. Dadabhoi, that he expected to discuss the question as soon as the new Viceroy arrived. I think an expression of opinion by this House would greatly strengthen his hands in putting this matter before the Viceroy when the time arises, which is going to arise at no remote date. So I am quite sure that an expression of opinion in this matter by this House would strengthen his hands. He is not really opposing the Resolution. He only

the present may be a very convenient opportunity and hence our doubts in that respect.

Then there was one pertinent question which was put to me, as to whether I am prepared to say that the death rate in 1918-19 was due to lack of food-supply. Every one is aware that it was due mainly to influenza. You cannot differentiate between the death rate which was due to influenza, the enfeebled body not being able to meet the ravages of the epidemic and death rate due to other causes, but I think it is common knowledge that an enfeebled system would not be able to stand the ravages of an epidemic to the same extent as perhaps a virile, strong system, speaking in the aggregate and for vast populations, and here comes the relevancy of the pinching process argument which was referred to by the Honourable Mover. Before we can adopt the suggestion of the Honourable Mover, we have to consider whether Government can permit at this time of high prices the pinching process to be carried on any further, but he thought that perhaps the time had come when we could do so.

Then with regard to the inaccuracy of statistics, generally, that is a matter, I think, I need not refer to. I may however point out to him that in 1908-09, the exports were 2,100,000 cwts.; it was only in later years that they were one million tons and more. Consequently we cannot draw any deduction from that. The outflow of wheat from this country depends largely upon the demand from abroad, and the capacity of India to consume or to pinch herself a little for the purpose of exporting it. I think therefore Government have shown adequate reason for not agreeing to remove the embargo forthwith. If the Honourable Member is willing to accept as an amendment in the Resolution the insertion of the words 'as early as may be practicable or at a very early date', I have not the slightest objection to accept the Resolution.

THE HONOURABLE THE PRESIDENT: I must really point out to the Honourable Member that it is not for him to accept a Resolution, but it is for the Council to do so. Moreover, if at the last moment the Honourable Member rises in reply after the Member has spoken and then proposes what is in substance an amendment, I shall have to re-open the whole debate for every Member will have a right to speak on it, I must request the Honourable Member not to do it.

THE HONOURABLE MR. B. N. SARMA: Then I would drop it. I have already said what the intentions of Government are, and they will be only too glad to know what the wishes of this House are in regard to this Resolution. As far as Government is concerned, they cannot accept the Resolution, in the terms in which it stands.

THE HONOURABLE MR. E. J. HOLBERTON: Sir, am I in order in asking the Honourable Member to explain what he means by saying that Government have already made up their minds?

THE HONOURABLE THE PRESIDENT: The Honourable Member would not be in order.

THE HONOURABLE THE PRESIDENT: The question is that the following Resolution, viz :—

'This Council recommends to the Governor General in Council that all restrictions on export of food-grains from India be removed forthwith' be accepted.

The motion was adopted.

The Council then adjourned for Lunch.

The Council re-assembled after Lunch with the President in the Chair.

RESOLUTION RE ADVISORY BOARD FOR HIGH COMMISSIONER.

3 P.M. THE HONOURABLE MR. G. S. KHAPARDE: Sir, the Resolution which I wish to move reads as follows :—

'This Council recommends to the Governor General in Council that the High Commissioner for India in London be provided with an Advisory Board of six members, not less than four of whom shall be Indians.'

This subject has a short history of its own, and I have been connected with it one way or the other almost from the beginning. In September 1918 in the Simla Session I moved a Resolution for the appointment of a High Commissioner in London. That Resolution was opposed by Sir Fazulbhoy Currimbhoy and also by the Honourable Sir George Barnes, and it fell through. But apparently the idea underlying it was good and Lord Crewe's committee adopted it. And then we went to London in a deputation all of us and the moderate party went to the India Office and they also adopted the idea and put it forward in their memorandum. Then the Joint Committee of the House of Commons and the House of Lords accepted the idea, and it got embodied in section 35 of the Government of India Act. On that His Most Gracious Majesty issued what is called a Council Order and on that Council Order the Government of India issued a Communiqué and appointed Sir William Meyer as the first High Commissioner for India in London. Then, to bring the history up to date, on the 14th of February the Honourable Maharaja Manindra Chandra Nandi put a question about the establishment, as to how many offices would be for Indians, and that brings the history up to date. So this appointment has been made now. Originally I proposed to give this High Commissioner something like eight departments. I proposed them and they are in my speech made then—it is not necessary to recount them here. And it was then pointed out that the business would be very burdensome and so on. Now it has succeeded to this extent that the Students' Department, the Stores Department, accounts connected with the Stores and the Trade Commissioner's Department, all these have been now made over to this High Commissioner in London. And the present Resolution proposes that to this High Commissioner we should give an Advisory Board of six gentlemen, four of whom will be Indians. The point to notice and the point which I wish to emphasise is, that we have got the men. Naturally, the first question would be, are there six Indians in London or four Indians in London who would be able to serve? I submit there are. I know them personally—there are a large number of our people who are practically settled in London. One of my friends has been practising as a Barrister for the last ten years. Another has been practising there for the last sixteen years. Then there are two merchants, then there are two doctors. Then there are a certain number of pensioners who, having retired from the army, etc., have settled in England. So they are like a small colony of Indians, and it will be easy to get four gentlemen out of them. The question of finance in these days is rather important and they always ask whether this will cost anything. I submit in the beginning

[Mr. G. S. Khaparde.]

these duties may be honorary and these gentlemen will be very glad as I know from a conversation which I had with them when I was there last, to go to the office of the High Commissioner once or twice a week, and give their opinion on such matters as he may require. So that there will be no difficulty so far as cost is concerned and money matters need not enter into the question. They further think that there will be some saving now because of the creation of this new office since a good deal of business that was done in the India Office will be transferred to the High Commissioner, as the calculations go of all the committees that have been there, and this saving could be utilised for this Advisory Board if it should at all become necessary to spend money on it. But for the present I do not think it will be necessary to spend any money on it. So that the point of finance may be dispensed with.

Then they want to know why I wish them to be Indians. That also has a little history of its own. One is that in the beginning, when I moved my Resolution at Simla, I said that they should be Indians and, if possible, the High Commissioner also should be an Indian, for this reason that the colonies maintain a High Commissioner in London. Sometimes he is called a High Commissioner, sometimes he is called an Agent General, sometimes he is called the Resident Minister. The Resident Minister is the more favourite name, and Agent General was apt, as I said last year, to get converted into being painted as a general agent, which was derogatory to the position of the High Commissioner. So, there is the precedent of all the colonies that maintain a High Commissioner in London, who generally appoint a colonial to that place. Secondly, they also try and man his office, as far as possible, with colonials. The obvious advantage of this is that the High Commissioner's office and the High Commissioner himself is in constant contact—in live contact—with the colony itself and looks after the interests of that colony more. So that he becomes a sort of a living link between the colony and the central country or the chief ruling country, or mother country as they call it. India should also have a similar connection, and indeed it is desirable also that we should have as many Indians as we can have in London. I think I have told the story before, how in the part of London where I lived in 1908 there were something like 20,000 Germans settled, and these Germans were more or less about the German High Commissioner and their Embassies, and so forth, and I found that they could get their business done much earlier than I could. I had to go to the India Office and was referred from one department to another, and I had a great deal of trouble, whereas these people simply went to the Embassy and had the thing done at once. We should have similar facilities, and I think our connection with England is closer than the connection of Germany or any other country except the colonies. So, just as the self-governing colonies have their own office, we should have a person there with his office, manned, as far as possible, by Indians. That would establish a link between the different parts of the Empire and contribute, I believe, to the solidarity of the Empire. So that is the point. Then they ask: why do I want a Council, why do I want to give him an Advisory Board? For this reason: that out of the eight departments which I originally intended to make over to him, four or three and a half have already been given to him. Those departments are the Stores Department, the Students Department, the Department of Accounts connected with the Stores and the Trade Commissioner's Department. Now these four departments each involve some

amount of outside advice, especially the Students' Department. I proposed a Resolution last Simla Session under circumstances which need not be detailed now. From what I could gather, if it had not been for political portents, as I call them, my Resolution about students would have met with a favourable reception. From what I could gather at the time the political portents, as I call them, it would appear that my Resolution about students would have met with a favourable response, and it was found that it was necessary in the case of students to have somebody who would have constant contact with the students and with whom the students would be in constant contact, and that the last Students' Department, which has now disappeared, was not in constant contact, and was not, therefore, popular with our students that were in England. To restore this, it will be said that the Students' Department has been now made over to the High Commissioner, and Sir William Meyer, whom I have the honour to know, is a very nice gentleman and a very friendly person, and very likely is more in contact with the students than the previous persons were. That may be, and I have no objection whatsoever, but still I do wish that we should follow the example of the Colonies. They maintain a High Commissioner, and we should, as far as possible, Indianise the office, and in course of time the High Commissioner should himself be an Indian. We have got plenty of Indians with the requisite intelligence and knowledge and ability to carry on those duties, and it is not understood, therefore, and there is no reason, at any rate, why an Indian should not be there in the position of High Commissioner.

The HONOURABLE THE PRESIDENT: I merely point out that the question before the Council is not whether the High Commissioner is to be an Indian, but whether he should have an Advisory Board of six members.

The HONOURABLE MR. G. S. KHAPARDE: I was explaining that my idea goes so far, but at present my proposal is modest enough, that in the Advisory Board there should be four Indians at least. It is a moderate kind of proposal that I have put forward, as I wanted to say. If there is any doubt about that matter I shall read out one small sentence out of the representation that was then submitted by the moderate deputation. It is at page 124: 'We hope that suitable Indians will be appointed to this new office'

The HONOURABLE THE PRESIDENT: Order, order. I am not quarrelling with the Honourable Member's desire that an Indian or anybody else should be appointed High Commissioner. I merely point out to him that it is irrelevant to the present Resolution. If he desires to move that the High Commissioner should be an Indian, it is open to him to do so, but it is not open to him to stray from the present Resolution in the manner in which he is doing.

The HONOURABLE MR. G. S. KHAPARDE: I omit that portion as to an Indian being the High Commissioner. 'We suggest that the High Commissioner should be assisted by an Advisory Board or Committee of which not less than one-half of the Members should be Indians.' That was their recommendation. I have modified it, that out of six, four should be Indians. That is in view of the altered circumstances now, and I believe that even that deputation would agree with me in that modification. One of them was the gentleman who sits opposite to me, the Honourable Mr. Sastri; another was Mr. Samarth, who is in the other House, Mr. (now Sir) Surendranath Bannerjee, who has now become a Minister; Mr. Chintamani, another Minister now—all these gentlemen, they are influential people I mean to say and their opinion counts.

The special point that is of interest with regard to this question is that these four gentlemen will be in constant contact with the students, and we

[Mr. G. S. Khaparde.]

have heard very many complaints from the students themselves. When I was personally in England they came and saw me and told me a number of things and I believed them ; I might be right or wrong—I believed I was right in doing it then—those complaints would be remedied, and those complaints being removed, there will be some opening for Indians who have already settled down in England, and there will be some sort of a little colony which will be very useful as a connecting link between England and India.

I believe all the proposals that I have made are more or less supported by precedent as can be seen from the histories of the self-governing colonies. So I need not labour that point further.

With these few words I place the Resolution before this Honourable Council.

The HONOURABLE MR. SHAFI : Sir, in dealing with the Resolution moved by my Honourable Friend, it is unnecessary for me to trouble the House with a lengthy speech. A reference to paragraph 5 of the Communiqué issued by the Government of India in the Department of Commerce on the 20th September last, to which my Honourable Friend has already referred, will make it clear to Honourable Members that the Stores Department of the India Office and the Accounts Section connected therewith and the Indian Students' Branch have been transferred to the control of the High Commissioner. He is also to supervise the work of the Indian Trade Commissioner already located in the City. Now the Government of India are of opinion that the appointment of an Advisory Committee to the High Commissioner in the Stores Department is, in the highest degree, undesirable. I feel sure Honourable Members will agree with me that this is one of those cases in which the responsibility should remain undivided, and should rest entirely on the shoulders of the High Commissioner. Indeed, any departure from this principle is likely to be prejudicial to the interests of India.

The case of the Indian Students' Department is, however, somewhat different. Honourable Members may be aware that the Government of India have in this country already recognised the utility of Advisory Committees in matters educational. In the Provinces, Selection Boards have been appointed to assist Local Governments in the selection of suitable candidates for our Educational Service. Here, in the Government of India, a Central Educational Advisory Board has been organised in order to advise the Central Government on such matters as may be referred to them by the Member in charge of Education. Following that principle, the Government of India are prepared to accept the principle of the Resolution moved by my Honourable Friend so far as the Indian Students' Department under the control of the High Commissioner is concerned. I am sure my Honourable Friend himself will recognise that the question of the constitution of this Advisory Committee is a matter which must be settled subsequently in consultation with the High Commissioner for India. But I am prepared, on behalf of the Government of India, to accept the principle of an Indian majority in the membership of this Advisory Committee, and assure my Honourable friend that early action will be taken on these lines. I hope that my Honourable friend will be satisfied with this assurance and will withdraw his Resolution.

The HONOURABLE MR. LALUBHAI SAMALDAS : One word, Sir. I want to speak on only one branch of this Resolution and that is about the

Students' Advisory Board. I am thankful to the Honourable Mr. Shafi for having given us a promise that Government are prepared to consult Sir William Meyer and to appoint a Committee, more than half of whom would be Indians. We have provincial Advisory Boards in all the provinces and we find that they are very useful. I think it will be an advantage if we have an Advisory Board in London to help boys who go to England from this country. I hope that, after the assurance given by my Honourable friend Mr. Shafi, the Honourable Mr. Khaparde will see his way to withdraw his Resolution.

The HONOURABLE MR. G. S. KHAPARDE : I am glad, Sir, that so far as the students go, my proposal has commended itself to the Honourable Member for Education.

As to the purchase of stores and the Trade Commissioner, I endeavoured last year to see what the report of this official was like and what work he did, but, unfortunately, I could not get a copy of his report.

As the purchase of stores, this involves an expenditure of something like 4 million pounds every year, and if an Indian were associated with this work he would be able to say such and such articles are now produced in India and they are easily procurable, and so on, and this would be helpful. My proposal does not divide responsibility because an Advisory Council does not mean a Council whose opinion is to override the opinion of the High Commissioner. An Advisory Council only means that the Council meets and advises the High Commissioner, and, if he does not agree with them, nobody can call him to account. Therefore, it does not divide responsibility, as has been supposed.

Under these circumstances, I gratefully accept the Advisory Board, so far as it goes for the Indian students, and the rest of the Resolution will depend upon what the Council thinks about the matter.

The HONOURABLE MR. SHAFI : Sir, I should like to invite the attention of the House to the exact wording of the Press Communiqué to which I have already referred. So far as the work of the High Commissioner in connection with the Indian Trade Commissioner is concerned, the words are these :

'He will also supervise the work of the Indian Trade Commissioner already located in the city.'

I could have well understood a proposal to give an Advisory Committee to the Indian Trade Commissioner, but, I confess, I cannot understand any reason for giving an Advisory Committee to an officer who is merely to supervise the work of that officer. The proposal would be entirely unnecessary and undesirable.

The HONOURABLE THE PRESIDENT : The question is that the following Resolution be accepted :

'This Council recommends to the Governor General in Council that the High Commissioner for India in London be provided with an Advisory Board of six members, not less than four of whom shall be Indians.'

The motion was negatived.

The HONOURABLE MR. G. S. KHAPARDE : I ask for a division.

The HONOURABLE DEWAN BAHADUR V. RAMABADHRA NAIDU : Is it not possible to divide the Resolution into two parts?

The HONOURABLE THE PRESIDENT: The Honourable Member should have raised that point at an earlier stage. In any event there are not two parts to this Resolution.

The Resolution was again rejected.

RESOLUTION *RE* LEAVE TO MEMBERS OF THE PROVINCIAL SERVICES.

The HONOURABLE SARDAR JOGENDRA SINGH: Sir, I beg to move the following Resolution:—

‘ This Council recommends to the Governor General in Council—

- (a) that the new leave rules under which the members of the Provincial Services in India can be granted furlough on average salary only if the leave is spent out of India or Ceylon, or is obtained on medical certificate be amended, and the members of these services be allowed to take furlough on average salary even though the leave is spent in India;
- (b) that the leave rules contained in paragraph 271 of the Civil Service Regulations under which the members of the Provincial Judicial Services throughout India can obtain privilege leave on half pay, be so amended as to allow these officers to obtain privilege leave on full pay for 15 days in a year instead of privilege leave for a month on half pay.

The matter is really very simple and does not need a long speech to explain, and, if the Honourable the Home Member accepts the arrangement that I propose, I need say very little about it. I am confident that the Council will support me in this matter realising the very hard and patient work which our judicial officers have to perform in outside places. Those of us in the districts who have seen them at work, sitting from 10 o'clock in the morning sometimes till 6 o'clock in the evening, listening to evidence and writing judgments, can realise how necessary it is for them to have some relaxation and some long intervals when they can have the necessary rest and the means of recuperating their health. The foundations of British rule in India rest on even-handed justice, and this justice is administered for the millions by these officers belonging to the Subordinate Judicial Service, and I think it is most desirable that we should do all that we can to make their lives as happy and as comfortable as we can under the circumstances. Sir William Vincent, I think, this morning paid a high compliment to the work done by our Magistrates and Judges in all parts of India, and I think this Council will endorse it that the work done and the efficiency and the standard of justice reached by these officers is really very high.

In consideration of the work that they do, I think it should not be difficult for Government to remove the distinctions between European and Indian Services regarding leave rules that now exist and allow them to spend their furlough in India. Most of the Indians who are orthodox,—and many orthodox Indians are in judicial service,—cannot go out of India. They could only go to a hill-station in Kashmir or some other place for rest, and hill-stations too are no less expensive in these days. Indian officers can get leave on medical certificate under the present rules, but why should we compel them to go on leave only when their health breaks down? I think they would serve the Government much better, and Government will find them more efficient and strong if the leave rules permitted their taking leave before they completely broke down. The first part of the Resolution, therefore, which I have

the honour to place before the Council, submits that judicial officers may be allowed to take their furlough in India instead of going to Ceylon or outside India. The new rules which have recently been issued are very generous in the matter of leave and furlough, and I think the Honourable the Home Member will agree with me and will extend the benefit of these rules to these hard-worked officers and place them on the same footing as members of the European services.

Now the second part of my Resolution deals with privilege leave. Provincial service men get only half pay if they take privilege leave, and one month's privilege leave is admissible to them

The HONOURABLE SIR WILLIAM VINCENT: May I know, Sir, if the Honourable Member means provincial judicial officers?

The HONOURABLE SARDAR JOGENDRA SINGH: Yes. Leave on half pay is not allowed to provincial judicial officers because they are allowed one month's vacation in the year. But then the Judges of the High Courts who are much better paid do get two months' vacation, and I believe two months' privilege leave also, in addition to other concessions. I think they can get two months' leave.

The HONOURABLE THE PRESIDENT: Will the Honourable Member kindly proceed?

The HONOURABLE SARDAR JOGENDRA SINGH: In the United Provinces in 1909 a committee, known as the Greeven Committee, was appointed by Sir John Hewett to consider the whole question, and the Committee observed as follows:—

‘ It is an undoubted fact that officers have refrained from applying for privilege leave although really in need of it owing to indifferent health because they have been unable to afford to take leave on half pay, and we think that we are not far wrong in ascribing to this hesitation some of the causes of breakdown in the service.’

Sir, after the findings of the Greeven Committee on this matter, I think there remains very little for me to say, but that if the Government is pleased to allow these officers privilege leave for 15 days on full pay instead of privilege leave for one month on half pay, it would afford them much greater facilities than the privilege leave on half pay for one month does. Under the present rules, privilege leave on half pay can be obtained for four months, and it would be a concession to these officers if they could be allowed to accumulate their privilege leave for two months on full pay. I think I need not explain the position any further because I can depend upon the Honourable the Home Member to consider the matter in the interests of the officers whom he supports in a very favourable manner.

The HONOURABLE SIR WILLIAM VINCENT: Sir, the Resolution, as Members of this Council will have seen, is divided into two parts. The first part refers not merely as Members of this Council might have been led to believe from the speech of the Mover, to judicial officers, but to all officers of the Provincial Service. It is very difficult for me to explain here the intricacies of the leave rules, and if I fail to make myself quite clear, I hope Honourable Members will give me some indulgence in the matter. I am very anxious not to weary the Council by a detailed examination of the whole subject, and particularly this afternoon I do not wish to detain the Members if I can avoid it.

There are two separate sets of rules, called the European Service rules and the Indian Service rules, though in fact they do not apply strictly to Europeans

[Sir William Vincent.]

or Indians. They apply to certain services, whether the members of those services are Indians or Europeans. That is the first point. Save in so far as particular services consist more of Europeans or Indians, there is no racial distinction in the rules. The Indian Service rules apply to all officers who do not come under the European Service rules and whose pay is over Rs. 100 a month, but there again the distinction is not *qua* race but *qua* service though naturally most of those coming under the European Service rules are Europeans. Well, the Public Services Commission recommended certain privileges in the way of commuting furlough by those to whom the European Service leave rules apply, and to these recommendations the Government of India have given effect by a recent Resolution. The privilege is really based on the fact that generally these officers are serving in a foreign country as distinguished from persons serving in their own country. The Government considered that it is advisable in the interests of Government that their European servants from time to time should have an opportunity of going to Europe. The new rules also recognise the modern rapidity of communication and to some extent the great increases on the rates which have been imposed upon a suffering public by the steamship companies. The idea is, as I said before, that an officer of the European Service should from time to time be able to get Home to Europe for a reasonable period and under modern conditions that was impossible,—I say quite definitely, it was impossible for them to do so,—unless some additional leave facilities were given to them. I may say that business firms, and I believe some Colonies, send their employes Home free of cost from time to time. In any case, these are the recommendations of the Public Services Commission and these we adopted.

Sir, I have every admiration for the Provincial Judicial Service of which the Honourable Mover spoke, but I do not think that we could extend to any one of the Indian services particular privileges which we did not extend to others. The rules for all the Indian services are alike in the matter, and any change would have to be applied to all. The present rules are, however, very generous as has been admitted by the Honourable Mover himself. We have no recommendation from the Public Services Commission for the commutation of furlough in the case of officers serving under the Indian Service leave rules. A recommendation was made that these officers should be allowed to accumulate privilege leave up to four months, and that recommendation has been given effect to. Nevertheless, when we were giving certain privileges relating to furlough to those who came under the European Service rules, we thought it would be only fair to give some additional privileges to those who came under the Indian Service rules who similarly might wish to spend their furlough outside India or those who were forced to go on leave on medical certificate, and we made this concession to these services. As it is, I may say that the rules under the Indian Service rules are very favourable as compared with the Home Civil Service Rules for officers who are serving in their own country. Finally, I may say that, if this concession is granted to the judicial service, it will have to be granted to all those coming under the Indian Service rules, and it will impose a very heavy liability on the revenues of the country. It will necessitate obviously a large leave reserve, and I do not believe myself that there is any great demand for it. The Honourable Member has very generously not suggested that the commutation allowed to European officers should be reduced, but he says the same commutation should be allowed in the case of Indian officers who do not proceed out of this country in nine cases out of

ten on leave and who really are not put to very much extra expenditure when they go on leave and have no reason to ask for this privilege. That is the position in regard to the first part of the Resolution.

Now as regards the second part, the position really is this, that vacation officers—I am again in a difficulty in explaining the rules—vacation officers do not get privilege leave, and this rule applies, I think the Honourable Member will see also, to officers of the High Courts. It applies also to High Court Judges and to officers in the Education Department too. It applies also to subordinate Civil Judges who enjoy the vacations provided for the Civil Courts. If, however, they are detained during vacation, then they are allowed privilege leave. If they are detained for any portion of the vacation or prevented from taking the vacation, then they get privilege leave granted for a proportionate time on full pay, and this rule applies to Munsiffs and Subordinate Judges and all officers of that class. Now, if I tell this Council that Judges in the Civil Courts in one province at least already enjoy 131 days leave out of 365—I have added it up—131 days out of 365—well, I doubt whether they will think it right to impose on the provinces any additional burden of cost which the grant of additional leave will involve. For if these officers are going to get full pay for a period of privilege leave, undoubtedly more men will take leave, they will have to be paid full pay while they are on leave and Government will have to increase the leave reserve. That is a proposition which everyone will see. It is very easy again to be generous on a Provincial subject. The Provinces will have to pay for it and Honourable Members here, if they pass the Resolution, will be being generous at the expense of others. I however hope that this Council will not be guilty of such vicarious generosity. At the same time, I may say that certain fundamental rules have been framed and it is impossible to state definitely that Local Governments will be able, if they wish to do so, to class these Sub-Judges and Munsiffs as not belonging to a Vacation Department, and give them the privilege leave given to other departments, though I confess that I myself think that it would be very difficult for them conscientiously to take that step. But if the Local Governments think that these officers are not getting sufficient leave, they can take this step and, similarly, if this Council thinks that 131 days out of 365 is not a fair holiday from a business point of view, then of course they will vote for this Resolution. I trust however that they will not impose this additional burden upon Provincial revenues.

The HONOURABLE SARDAR JOGENDRA SINGH: I do not think, after what the Honourable the Home Member has said, that I can say very much upon the first part of my Resolution. I think one might well wait for better times. As for the second part of the Resolution, I do not think it can be said that we would be committing ourselves to an act of vicarious generosity if we passed it. It would really only amount to a re-arrangement of the leave rules. The officers now have leave for four months on half pay, and I think there can be no objection to allowing them the option of taking two months' leave on full pay instead of four months on half pay. It would be a concession to those officers which would be greatly appreciated and would impose no burden on either the Provincial or the Imperial revenue. However, if the Home Member is not prepared to consider it, I will not press the motion.

The HONOURABLE SIR WILLIAM VINCENT: The Honourable Member said something about leave on full pay. I understood him to say that he abandoned the first part of his Resolution. I want to be quite clear about it.

The HONOURABLE SARDAR JOGENDRA SINGH : Yes.

The HONOURABLE SIR WILLIAM VINCENT : As regards the second part, he said that there was no harm in giving these officers leave on full pay for two months.

The HONOURABLE SARDAR JOGENDRA SINGH : Giving them the option of taking two months' leave on full pay instead of four months' leave on half pay.

The HONOURABLE SIR WILLIAM VINCENT : But that is not what the Resolution recommends. I will read it out :—

'That the leave rules be so amended as to allow these officers to obtain privilege leave on full pay for 15 days in a year instead of privilege leave for a month on half pay.'

The HONOURABLE SARDAR JOGENDRA SINGH : That is true.

The HONOURABLE SIR WILLIAM VINCENT : I, therefore, understood the proposal to be something slightly different. Perhaps the Honourable Member meant that officers should be allowed to accumulate leave on full pay up to two months. In any case the Honourable Member's suggestion that this was merely a re-arrangement, that there is nothing in it so far as Provincial finance is concerned, is not quite correct, and I do not think anyone in this Council will accept his view. The proposal is to confer on these officers a new privilege and means that more men will take the leave. It means that during the leave they will get more pay and the leave reserve will have to be increased. It means that men who now have 131 days' leave in the year will enjoy 146. That is the proposition. We must hesitate in accepting such a proposal, though I am anxious to do these Provincial Services well and have shown throughout my service a desire to treat them as fairly and generously as possible. This concession would, however, be an unfair burden on Provincial finance, and I hope this Council will not defend it.

The HONOURABLE the PRESIDENT : The first point for the decision of the Council is : Is it their pleasure that the Honourable Sardar Jogendra Singh is permitted to withdraw part (a) of his Resolution, *viz.* :—

'This Council recommends to the Governor General in Council—

(a) that the new leave rules under which the members of the Provincial Services in India can be granted furlough on average salary only if the leave is spent out of India or Ceylon, or is obtained on medical certificate, be amended and the members of these services be allowed to take furlough on average salary even though the leave is spent in India.'

Part (a) was, by leave of the Council, withdrawn.

I understand that he wishes the second part put. I therefore put the second portion.

The question is that the following Resolution be accepted :—

'This Council recommends to the Governor General in Council—

(b) that the leave rules contained in paragraph 271 of the Civil Service Regulations under which the members of the Provincial Judicial Services throughout India can obtain privilege leave on half pay, be so amended as to allow these officers to obtain privilege leave on full pay for 15 days in a year instead of privilege leave for a month on half pay.'

The motion was negatived.

The Council adjourned till Thursday, the 17th March in this Chamber at 11 o'clock.

COUNCIL OF STATE.

Thursday, the 17th March, 1921.

The Council assembled at Metcalfe House at Eleven of the Clock, with the Honourable the President in the Chair.

STATEMENT LAID ON THE TABLE.

The HONOURABLE MR. E. M. COOK : Sir, I beg to lay on the table a statement on the subject of applications made by Income-tax assesses to the Chief Revenue Authorities under section 51 of the Income-tax Act, 1918, which was promised in reply to a question* asked by the Honourable Mr. Chettiyar at the meeting of the Council of State held on the 14th February, 1921.

Statement of applications to the Chief Revenue Authorities under section 51 of the Income-tax Act, 1918, since the passing of the Act.

	No. of applications received.	No. of applications granted.	No. of cases of intervention by mandamus.
† Madras	34	2	4
Bombay	18†	1	1
Bengal	4	3	...
United Provinces . .	2	1	...
Punjab	1	1	...
Burma	3	1	...
Bihar and Orissa . .	2	2	...
Central Provinces . .	...	...	...
Assam	...	...	...

† For 1919-20 only.

‡ This includes 4 applications which are still under consideration and also applications under Excess Profits Duty.

QUESTIONS AND ANSWERS.

SALARIES OF PROVINCIAL FOREST SERVICES.

200. The HONOURABLE SARDAR JOGENDRA SINGH : Is the Government aware that the revised scale of salaries of the Provincial Forest Service

*Vide page 20 of Volume I, No. 3 of the Council of State Debates.

has given rise to great discontent among the members of that service? Have the Government received memorials from that service, and if so, what action has been taken?

The HONOURABLE MR. B. N. SARMA: Memorials are being received and are under consideration.

EMPLOYMENT OF INDIAN TROOPS OVERSEAS.

201. The HONOURABLE RAJA SIR HARNAM SINGH: (a) Will the Government be pleased to state what the practice has been in the past, governing the employment of Indian troops overseas?

(b) Has there been any recent departure from this practice, or is any such departure contemplated for the near future?

(c) If so, what are the reasons for the change?

(d) Was public opinion or the Legislature consulted by the Government before coming to a decision in the matter?

(e) Will the Government be pleased to lay on the table the correspondence, if any, relating to the employment or non-employment of Indian troops overseas, between the Secretary of State for India and the Governor General in Council?

(f) Will any distinction be made, in future, in the matter of service overseas, between the Indian and the British troops?

(g) If so, why?

(h) Are the Government aware of the fact that there is in India a school of public opinion which holds that all questions relating to the employment or non-employment of Indian troops overseas should be decided with the general consent of the Indian Legislature?

The HONOURABLE SIR WILLIAM VINCENT: (a) Prior to the war, Indian troops were employed overseas at the expense of His Majesty's Government, on garrison duty at Hong Kong, in North China, at Singapore, in Ceylon and the Persian Gulf. Indian troops have also been employed overseas in active operations in Egypt, Somaliland, China, and other parts of the World.

(b) The Honourable Member must, of course, be aware that there has been a very considerable departure from this practice during the Great War, when hundreds of thousands of Indian troops fought for the Empire in practically every theatre of war. Since the Great War, considerable numbers of Indian troops have been employed in Egypt, Palestine and Mesopotamia, and a few in East Persia. These troops are being repatriated as rapidly as circumstances permit, but considerable numbers of Indian troops are still employed in the areas mentioned. As regards the nature, the policy of the Government of India has been to press for the return of Indian troops to India, on the ground that their continued employment overseas is contrary to the wishes of the people of India, and moreover renders it difficult for the Government of India to reorganise the Army on a post-war basis.

(c) The main reason for the extensive employment of Indian troops overseas has, of course, been the needs of the Empire when waging a world-wide war.

(d) If the Honourable Member refers to the decision to employ Indian troops overseas in the Great War, the answer is that public opinion, as expressed in the Press, was clearly in favour of such a course. The Legislative Council was not sitting at the time when the first Indian Expeditionary Force was despatched to France, but a reference to the debate which took place in the Imperial Legislative Council on 8th September, 1914 will show that the action of the Government of India received the hearty support and approval of the Legislature.

(e) The Government of India regret that they are unable to comply with this request.

(f) and (g). The Government of India are not primarily concerned with the service overseas of British troops. The only British troops under their administrative control are those which are supplied by the Home Government for duty in India. As regards the Indian troops, the Government of India have no reason to fear that, if a national emergency were to arise in which the services of Indian troops were required for active service overseas, India would not afford the same generous assistance to the cause of the Empire as it rendered during the Great War. If the Honourable Member, however, refers to garrison duty overseas, the answer is that the matter is still under the consideration of the Government of India and the Secretary of State.

(h) The Government of India have no definite knowledge on this subject. They note, however, that a notice has been recently given of a Resolution on this subject in the Legislative Assembly, from which they infer the existence of a school of public opinion holding the views mentioned in this part of the question.

VEXATIOUS PROSECUTIONS UNDER DEFENCE OF INDIA ACT, 1917.

202. The HONOURABLE MR. G. S. KHAPARDE: (a) Will the Government be pleased to state whether the Secretary of State for India forwarded under his memorandum No. F-14435 of 30th November, 1920 to the Government of India, a petition from C. S. Sitaram Aiyer of Conjeeverum asking for payment of damages for vexatious prosecution against him under the Defence of India Act in 1917?

(b) If the answer to (a) be in the affirmative, have any, and if so, what steps been taken to pay the damages to the said C. S. Sitaram Aiyer of Conjeeverum?

(c) Did C. S. Sitaram Aiyer of Conjeeverum submit to the Government of India petitions dated 17th September, 1920 and 29th October, 1920 for employment and general pardon?

(d) If the answer to (c) be in the affirmative, what are the orders passed on the said petitions?

The HONOURABLE SIR WILLIAM VINCENT: (a) and (b). A copy of an original petition which had been submitted to the Government of Madras was received from the India Office, but not with the memorandum cited by the Honourable Member. This was accordingly forwarded to the Local Government for disposal.

(c) and (d). A petition dated 17th September was received but not one dated the 29th October, 1920. It was returned for re-submission through the Madras Government.

APPOINTMENTS FOR THE SUBORDINATE ACCOUNT SERVICE.

203. The HONOURABLE NAWAB MUHAMMAD ABDUL MAJID: Will the Honourable the Finance Member be pleased to lay on the table a statement showing the number of permanent, probationary, temporary, provisional, sub. *pro tem.* and officiating appointments of the Subordinate Account Service filled by the members of the Christian, Hindu and Muhammadan communities, respectively, in the office of the Accountant General, Posts and Telegraphs, Calcutta, and the offices subordinate to it?

The HONOURABLE MR. E. M. COOK: A statement is laid on the table.

Offices under the Accountant General, Posts and Telegraphs.

Office.	Per- manent.	Proba- tionary.	Provisi- onally Substantive.	Officiating.	Tempo- rary.	TOTAL.
Central Office	9	1	...	...	...	10
Calcutta Postal Office . .	11	2	...	2	2	17
Telegraph Audit Office . .	16	...	2	2	2	22
Telegraph Check Office . .	1	...	...	...	...	1
Delhi Office	12	...	1	1	1	15
Nagpur Office	10	...	...	1	1	12
Madras Office	10	...	...	3	2	15
Total	69	3	3	9	8	92

Eight of the members of the permanent establishment (one in each of the Central, Calcutta Postal, Telegraph Check, Offices, two in the Nagpur Office and three in the Madras Office) are Christians. Two are Muhammadans, one a permanent man in the Telegraph Check Office and one a probationer in the Central Office. The rest are Hindus. There are at present no sub. *pro tem.* vacancies in any of these offices.

MUNITIONS DEPARTMENT, GOVERNMENT OF INDIA.

204. The HONOURABLE MR. G. S. KHAPARDE: (a) Will Government be pleased to state whether the prosecutions now proceeding in Bengal on charges of fraud and other allied offences in connexion with the supply of war materials to the Board of Munitions, were undertaken at the instance of the Munitions Department (Government of India)?

(b) If the answer to (a) be in the affirmative, who is financing the prosecutions?

The HONOURABLE MR. A. C. CHATTERJEE: (a) The prosecutions were undertaken at the instance of the Board of Industries and Munitions.

(b) The prosecutions are being financed by the Government of India.

INDIAN EDUCATIONAL SERVICE.

205. The HONOURABLE MR. G. S. KHAPARDE: Will the Honourable Member for Education be pleased to state the steps that have been taken as the result of the recommendation of the Public Services Commission for the Indianisation of the Indian Educational Service by (1) direct recruitment, and (2) promotion from the Provincial Educational Service?

The HONOURABLE MR. SHAFI: The Royal Commission on the Public Services in India recommended that three-quarters of the posts contained in Class I of the Indian Educational Service, in accordance with the reorganisation they proposed, should be filled by officers recruited in Europe, provided suitable candidates could be obtained, and that one-quarter of the posts should be filled through recruitment in India. As new posts were created recruitment in Europe and India should be so adjusted that the additional officers would be taken half from the one country and half from the other. The Government of India, in addressing the Secretary of State, recommended that the proportion of Indians who could suitably be included in the Indian Educational Service was 50 per cent., and that this should be regarded as the average proportion throughout India as a whole, variations being permitted in different provinces and Burma being for the present excluded from the calculation. This recommendation of the Government of India constituted a marked advance on the proposals of the Public Services Commission. It was sanctioned by the Secretary of State in November 1919. With a view to showing the manner in which this recommendation has already been carried out, it will be convenient to consider the proportion of Indians in the Indian Educational Service at the time when the Commission concluded its sittings and the proportion which exists to-day. On the 1st July, 1915 the number of Europeans in this service was 201 and that of Indians 5. The percentage of Indians to the total number was 2.42. On the 1st March, 1921 the number of Europeans and Anglo-Indians in the Service was 205 and of Indians 111. The proportion of Indians to the total number was thus 35.12. Of the 111 Indians in the service 31 have been appointed direct, 75 have been promoted from the Provincial Educational Service, and 5 have been promoted from outside posts. The figures which I have given exclude Directors of Public Instruction, Members of the Women's Indian Educational Service and Members of the Chiefs' Colleges cadre.

EXECUTIVE COUNCIL, BIHAR AND ORISSA.

206. The HONOURABLE MR. LALUBHAI SAMALDAS: With reference to the reply to *question No. 9 (b) of the Honourable Mr. Sethna saying 'It was not considered desirable that the European official element should form so small a proportion of the Bihar and Orissa Government',

* *Vide* page 20 of Volume I, No. 3 of Council of State Debates.

will Government be pleased to say if that is the opinion of the Bihar Government or of the Government of India or the Secretary of State?

The HONOURABLE SIR WILLIAM VINCENT: The opinion was that of the Government of India and was accepted by the Secretary of State.

As regards the Bihar Government I would refer the Honourable Member to the debate which took place in the Legislative Assembly on the 5th March.

UNDELIVERED GOODS AT PORTS.

207. The HONOURABLE MR. LALUBHAI SAMALDAS: With reference to the reply to *question No. 47 of the Honourable Mr. Chettiyar, regarding goods lying undelivered at ports, will Government be pleased to say if they are aware that delivery is not taken because exchange has gone down?

The HONOURABLE SIR GEORGE BARNES: The Government of India have no doubt that there are cases in which delivery has not been taken for the reason stated by the Honourable Member.

BURMA'S RECRUITMENT FOR TERRITORIAL FORCE.

208. The HONOURABLE MAUNG PO BYE: (a) Is it a fact that Burma showed the highest average of recruitment when called for by the Government to enrol in 1917 in the Territorial or second line force in India?

(b) What action is being taken for the formation of a unit of Indian Territorial Force in Burma as recommended by the Esher Committee in Part VI of their Report?

(c) Is there any complaint in the Burmese regiments that the ration standard should be different in kind from Sepoy regiments?

(d) Is it proposed to allow the ration standard of European soldiers with the alteration of bread to rice, to those Burmese soldiers who desire to have such ration?

The HONOURABLE SIR WILLIAM VINCENT (*on behalf of His Excellency the Commander-in-Chief*): (a) The answer is in the affirmative.

(b) The draft Rules under the Indian Territorial Force Act, 1920, have recently been published in the Gazette of India, for information and criticism. As soon as the rules are finally approved, action will be taken for the formation of a unit in Burma.

(c) No complaints or requests have been received from Burmese regiments, excepting a demand for beef. It is not proposed to accede to this request as meat is not included in the Indian ration. If required, a supply can be arranged by the Commanding Officer and paid for from the monthly messing allowance.

(d) It is not considered necessary to give a British ration to Burmese soldiers. The Indian ration is its equivalent in food value generally, and the scale of equivalents enables variations to be made.

POWER OF MAKING WILLS.

209. The HONOURABLE MAUNG PO BYE: (a) Are the Government of India aware that Burmese Buddhist people are claiming to exercise the power of making wills?

*Vide page 36 of Volume I, No. 3 of Council of State Debates.

(b) Is this a matter which relates to a central subject under Rule 3 (1) and Schedule I, item 16 of the Devolution Rules, with which the Burma Legislative Council cannot deal?

(c) If so, will the Government of India be pleased to announce what steps it proposes to take in the matter?

The HONOURABLE SIR WILLIAM VINCENT: (a) The Government of India have no official information on the subject.

(b) While it is true that the question of enabling Burmese Buddhists to make wills would be a central subject under the rules referred to by the Honourable Member, Legislation to this end could be undertaken in the Burma Legislative Council, with the previous sanction of the Governor General, under section 80-A, sub-section (3), clauses (e) and (h), of the Government of India Act.

(c) The Government of India do not propose to take any action in the matter. They have observed that it was announced in the Burma Legislative Council on the 17th April, 1920 on behalf of the Local Government that the Local Government had decided to defer the consideration of the question of extending the power of making wills to Burmese Buddhists until the Local Council is enlarged on the introduction of the scheme of Reforms for Burma.

DR. SIR RASH BEHARI GHOSE.

The HONOURABLE THE PRESIDENT: Honourable Members will recollect that on the occasion of the lamented death of the late Sir Rash Behari Ghose, I gave a promise to this Council that I would cause its sentiments to be communicated to his relatives. A letter has now been received from Mr. Bipin Behari Ghose, Vakil of the High Court, who, I understand, is the nearest relative of the late Member, which I will ask the Secretary to read to the Council.

Dated Calcutta, the 15th March 1921.

From—BIPIN BEHARI GHOSE, Vakil, High Court,

To—The HONOURABLE MR. H. MONCRIEFF SMITH, C.I.E., Secretary to the Council of State.

I beg to acknowledge, with thanks, the receipt of your letter No. 1330, dated the 1st March, communicating to me and to the other relatives of my late brother, Sir Rash Behari Ghose, the deep sympathy of the Members of the Council of State with us in our grievous loss, and the proceedings of the Council of State of the 28th February last, enclosed with your letter dated the 10th March.

I should feel much obliged by your kindly conveying to the Honourable the President and the Members of the Council our deep sense of appreciation of the feeling terms in which reference was made in the Council about my deceased brother, and our grateful thanks for their kind message of sympathy in our great bereavement.

REPRESENTATION ON THE HOUSING COMMITTEE.

The HONOURABLE THE PRESIDENT: I would remind Honourable Members that this Council has to provide for its representation on the Housing Committee to which I referred the other day. I understand that the various

[The President.]

groups of Members met on the occasion of the last ballot. The names of the following Members have been submitted to me, and I have much pleasure in nominating them to that Committee. They are as follows :—

The Honourable Lala Sukhbir Sinha to represent the orthodox Hindus.

The Honourable Mr. Altaf Ali to represent the Muhammadans.

The Honourable Mr. A. H. Froom to represent the European Members.

The Honourable Raja P. N. Roy to represent the non-orthodox Hindus.

I trust these appointments have the concurrence of the Council.

GOVERNMENT BUSINESS FOR SATURDAY, 26TH MARCH, 1921.

The HONOURABLE THE PRESIDENT: I have one other announcement to make. I understand that for purposes of Government business it will be necessary for this Council to meet on the 26th March—a somewhat inconvenient day, being Easter Saturday, but it is unavoidable.

I propose, therefore, that the Council should meet on that date at the usual hour, but should not sit later than 1-30 P.M. If, after Government business has been disposed of, any time is available, I propose to take any Resolutions remaining over from the list of the 24th March.

ENEMY MISSIONS BILL.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move—

‘That the Bill to validate certain indentures transferring properties formerly held by certain Enemy Missions in Trustees and for the incorporation of such Trustees and for other purposes be taken into consideration.’

I explained the objects of this Bill when I introduced it and Honourable Members have now had an opportunity of examining it for themselves. I have received no suggestions from any Member, nor have I received any notice of amendment. I conclude, therefore, that the Bill has met with the approval of this Council and I need not detain Honourable Members over this motion.

The motion was adopted.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move that the Bill be passed.

The motion was adopted.

LAND ACQUISITION (AMENDMENT) BILL.

The HONOURABLE MR. B. N. SARMA: Sir, I move—

‘That the Bill further to amend the Land Acquisition Act, 1894, be taken into consideration.’

The question as to whether, and under what conditions, appeals should lie to the Privy Council in Land Acquisition Act cases has been before the country for some time past. I explained at some length the objects of the Bill on a previous occasion to the Council, and no criticism or comments have been

received by me up to date. I take it, therefore, that the Bill, as introduced, has the approval of the House and the country generally. I ask that it be taken into consideration.

The motion was adopted.

The HONOURABLE MR. B. N. SARMA: Sir, I move that the Bill be passed.

The motion was adopted.

LEGISLATIVE ASSEMBLY (DEPUTY PRESIDENT'S SALARY) BILL.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move—

‘That the Bill to determine the salary of the Deputy President of the Legislative Assembly, as passed by the Legislative Assembly, be taken into consideration.’

This Bill was introduced in the Legislative Assembly on the 15th February. It was passed on the 22nd February, was laid on the table of this Chamber on the 24th February in accordance with the rules, and, if I remember right, I gave notice then that I should move later that it be taken into consideration. The Bill is framed in accordance with one of the provisions of section 63-C of the Government of India Act, 1919, which runs as follows :—

‘The President and Deputy President shall receive such salaries as may be determined, in the case of an appointed President by the Governor General and in the case of an elected President and Deputy President, by Act of the Indian Legislature.’

The present President of the Indian Legislative Assembly has been appointed and not elected, but the Deputy President was elected. The proposed salary is Rs. 1,000 per mensem for such time as he may be engaged in the business of the Assembly, and if any difference arises as to the period during which he is so engaged, the point is to be settled by the decision of the President. The Government of India, in introducing the Bill, inserted Rs. 1,000 purely tentatively, and were quite prepared to alter it if any other amount had appeared more suitable to the Legislative Assembly. They accepted the proposals of Government and, as this is really a domestic matter for the Assembly to fix for themselves, I trust that this Council will give effect to their wishes in the matter.

The motion was adopted.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move that the Bill, as passed by the Legislative Assembly, be passed.

The motion was adopted.

RESOLUTION RE EXCHANGE SITUATION.

The HONOURABLE MR. KALE: Sir, the Resolution which I beg to move runs as follows :—

‘This Council recommends to the Governor General in Council the urgent necessity of an inquiry by a special representative committee into the exchange situation with a view to suggest suitable remedies to relieve the existing tension connected therewith and to consider if it is not desirable to propose an alteration in the exchange value of the rupee fixed by law, and a modification of the currency system so as to place it on a gold standard basis.’

I regard it as a distinct advantage that the discussion on the Resolution has come up before this Council at this stage of the Session. We have had

[Mr. W. G. Kale.]

the benefit of the lucid exposition on the financial and exchange and currency situation which has been given by the Honourable the Finance Member. There are also discussions going on in the Press and on the platform on this subject, so that my task has been simplified by the fact that Honourable Members are in possession of certain facts regarding the existing exchange situation.

The Resolution, as it stands, is likely to appear unwieldy, and it might be thought that it includes too many subjects which must be separately dealt with. As a matter of fact, the Resolution makes one request to Government, namely, that they should cause a formal inquiry to be made into the exchange and currency situation. This is the immediate aspect of the problem which we have to face. The exchange situation has become very difficult and very serious, and in my opinion that question should be settled once and for all. If this is done, it would be to the advantage of all parties concerned, Government included.

The second aspect of the question is, what are the Government going to do in reference to the permanent system of exchange and currency in this country? That is the two-fold aspect of the exchange problem which I want to place before this Council.

Coming to the first aspect, let me briefly put the whole situation before this House. But in doing so, I do not wish to take up much of the time of the Council, inasmuch as most Honourable Members are acquainted with the way in which the exchange situation has developed during the last six months. As Honourable Members are aware, the rupee in this country has long been linked to the English sovereign and the ratio has been one rupee equivalent to 16 pence. During the period of the war, on account of various causes into which it is not necessary for me to go at this stage, on account of the contribution that India made towards the successful prosecution of the war, on account of the rise in prices of ordinary commodities all over the world, on account of the strain which was put upon the available supplies of silver, on account of the consequent rise in the price of that metal and on account of the impossibility of India receiving payment in gold for its exports, the Government found it necessary to raise the exchange value of the rupee from 16 pence, at which level it had remained for many years. The exchange was raised by steady stages till eventually it went up to the neighbourhood of 28d.; but the Government did not know where the exchange would stabilize itself. The situation was so uncertain that the Secretary of State found it necessary to order an inquiry into the whole question, and that question was as to where the exchange value of the rupee should be established. That was one of the chief terms of reference given to the Committee which began its work in the month of May 1919. The recommendations of that Committee, which were published at the beginning of last year, were that the rupee should be stabilized at 2 shillings (gold) and that other measures should be taken in order to carry into effect this policy.

The recommendations made by the Committee were accepted by the Secretary of State and whole-heartedly supported by the Government of India. It was in consonance with that policy that the Government of India found it necessary to sell Reverse Councils on a very large scale, and those Reverse Councils happened to be sold at a rate which was considerably higher than the market rate which prevailed for the time being. The justification for the

policy of Government was that inasmuch as the recommendation of the Currency Committee had been accepted that the equivalent of the rupee should be 24 pence (gold), Reverse Councils had to be sold if effect was to be given to that policy. There were ~~and~~ protests against the reckless sale of Reverse Councils, and the Government realised very soon afterwards that it could not maintain the exchange at 24 pence gold, and it came down to the rate of 24 pence sterling. Even the new rate could not be given effect to later and ultimately—about the month of September last year—it had to be abandoned. But the policy was not abandoned before legislative sanction was secured for the high rate of exchange, viz., 24d. (gold). Government was told:—‘You have not succeeded in giving effect to the recommendations of the Currency Committee; you were in a hurry to give effect to the main recommendations; wait and see how it will turn out before you legislate.’ As I said, the Government persisted in its policy and the rupee was fixed at 24 pence gold. All financial calculations were made on that basis, and even in the year to come you will see the effect which calculations made on that basis will have, though allowances have been made. A large number of Indian merchants were under the impression that they would be doing well if they ordered goods from abroad owing to the very favourable conditions then existing and on account of what they regarded as an assurance from Government that every effort would be made to maintain the exchange at 24 pence sterling, if not at 24 pence gold, and here an important point arises.

On behalf of Government it was contended that no promise was made and that no assurance was given that Government would maintain at any cost the high exchange value of the rupee. On the other hand, merchants found that their goods were flooding the harbours and quays and that they were not able to take delivery and that they were faced with enormous losses. They said: ‘We were under the impression—and the Government is responsible for that impression—that the exchange would be maintained at 24 pence sterling if not at 24 pence gold.’ Prices have gone down in the markets while importers have to pay the old high prices. Contracts were made when it was expected that certain prices would rule and a certain exchange rate would also rule. But what do we find? We find that the prices have collapsed and the exchange has also collapsed. The difficulty, therefore, is a double one, difficulty in connection with the rate of exchange, and the difficulty in connection with prices. The market is flooded with goods at the present time and there is no demand. How are merchants to meet their contracts? How are they to carry on their business? Even though they are willing to fulfil their contracts, how are they practically to do it? Government say that they are not responsible for what has happened; that it is a matter in which two parties, buyers and sellers, are concerned and that they have nothing to do with it, as they have made no promises. The strongest objection has here been taken to certain statements which have been made by the Honourable the Finance Member when he said something about the commercial morality of the import merchants. This is what the Honourable the Finance Member said:

‘Ordinary commercial prudence should have led merchants to cover their exchange. Common commercial morality should at all events prevent those who desire to dishonour their contracts from pleading so unsubstantial an excuse as the failure of Government to make its policy good.’

I am not here to plead the cause of import merchants. I do not want to speak on behalf of any class of commercial people. I am here to deal with the question as a detached student of the commercial and general economic

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conditions of the country. I want to look at the question from the general citizen's point of view, from the point of view of the nation as a whole. And yet, I cannot but feel that this attitude on the part of Government is absolutely unjustified. Government say they are not responsible. I cannot understand how they are not. If there is want of commercial morality on the part of importers, can they not retort and say: 'If there is want of commercial morality on our side, have Government carried out their pledge? Have they fulfilled their promise?'. In a few minutes I hope I shall be able to convince Honourable Members what is the responsibility of Government. The very fact that we have in this country a Gold Exchange standard devolves on Government the responsibility of maintaining the exchange. Apart from that, Government deliberately assumed that responsibility. They said: 'This is the policy recommended by the Currency Committee. We whole-heartedly accept it.' Not only that. They began to carry out that policy and they tried to do it against loud and universal protests on the part of the country. Then in the month of June they declared for 24*d.* sterling. In September they came to the Legislature and asked for legislative authority for the rate of 24*d.* gold. In the face of these, are the importers not correct in carrying away the impression that Government want to stabilize exchange at 24*d.* sterling? What can any business man have done in those circumstances? Here is a Government which is ordinarily responsible for the maintenance of the exchange, a Government which has wasted 55 millions of India's wealth in a vain attempt to maintain the exchange. Here is a Government which has gone to the Legislature for sanction to maintain the rate of exchange at 24*d.* gold. The law is passed. And yet Government say that they are not responsible. If an all-powerful Government—I may be pardoned for saying so—cannot foresee the future, how can importers foresee the future? How can they be expected to cover their operations? On what basis can they cover their operations in the face of so much uncertainty about the future? Of course I am not one of those who argue: 'Well, you have made your bed; you must lie on it.' At the same time I cannot refrain from saying that Government cannot shirk their responsibility. They must assume the responsibility which belongs to them. They cannot turn on the importers and say that their business policy is lacking in morality when the same charge can be brought to them that they have not been able to carry out their own declared policy. What is a promise? What is a pledge? Need it be a written bond? Is not the very system a sufficient promise? Are not the measures taken by Government a sufficient promise to the importers?

I want to place before the Council another aspect in connection with the question of the present exchange situation. Granting for a moment that Government cannot do what they are called upon to do, should not Government try their best at least to minimise the evil? I am no supporter of some of the Resolutions which have been passed by import merchants in various parts of the country. I do not wish to encourage the idea of wholesale repudiation of the contracts by import merchants. But I want to bring to the notice of this Council the fact that the importers have been driven to desperation. When they are threatened with bankruptcy, what are they to do? Is it not the duty of Government, as representing the whole nation, to come to their rescue? But they may say: 'Place before us concrete proposals; let the merchants who are suffering propose concrete

schemes'. Of course, it is very difficult to propose concrete schemes, and I would also say that it is not fair on the part of Government to ask people to propose practical measures. However, the import merchants and others, who are interested in this question must try their best to help Government. I do recognise that nothing ought to be done by any class of people at this moment which would embarrass the Government, whose financial difficulties are very serious, and that nothing should be said or done which would multiply those difficulties or intensify that embarrassment. But at the same time, cannot Government do something in the matter? For example, cannot Government use their influence with people in Manchester and with the large importing houses? I think that if Government were to take it into their head to do so, they could do a good deal. Honourable Members must have seen the controversy going on in England at the present moment. I shall not weary the Council by reading extracts. But I will simply show that Sir Claude Hill, a former Member of the Government of India, has taken a very reasonable view of the matter. He has written to the London papers and he has said explicitly that the wrong which is attributed to import merchants is after all not justified. A correspondent of an Indian paper observes as follows:—

'The fact is that both sides need patience and goodwill in understanding the point of view of the other. Sir Claude Hill argues to-day that the heavy fall in exchange has involved the importers in such enormous potential loss that the gains of an earlier date from high exchange are negligible. He holds that the importers in many cases are unable to meet the losses incurred, and that the alternative to the repudiation which the meeting so rightly criticised is for them to go into liquidation forthwith. Happily there is a third alternative in mutual adjustment, and the way thereto can be greatly simplified by the rescindment of the provocative Resolutions to which the meeting on Monday took justifiable exception'.

Some measure of this character, I think, must be taken by Government for bringing together the two parties which are pulling in opposite directions, and finding a common ground, a sort of half way. It will not be an unusual step on the part of Government to take. During the war Government has interfered very often in this manner? Government has very often called upon merchants to help them in this way. I have a copy of a telegram from the Government of India, Commerce and Industry Department, issued in August 1914 to merchants and the Resolution passed by those merchants:

'In view of dislocation caused by war and consequent impossibility of merchants adhering to contract time, it is requested that you will appeal through Chambers of Commerce to the various Native Piecegoods Associations to extend deliveries under Force Majeure clauses for two months for goods now under contract.'

And this is their Resolution:

'As Delhi is a season's market which opens in September and closes in November, the greatest latitude for extension of shipment that the Committee feel justified in recommending Members to agree to, provided their buyers concur, can only apply to goods contracted for shipment in July. They recommend buyers to accept July's shipment goods provided they are landed in India on or before 31st of October 1914. In view of the exceptional conditions caused by the war, the Committee appeal to the piecegoods traders to meet the situation in a patriotic spirit.'

That is the wording of the Resolution passed by those merchants. It was through a sense of patriotism that these merchants helped Government and also the Manchester manufacturers. Is it not the duty now of manufacturers and shippers and of the Government also to meet import merchants when they find themselves in a hole. We cannot but sympathise with them. It is not

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a question of sympathy alone. It is the interest of the country itself. What will be the consequences of a repudiation of the contracts? The whole country will suffer on account of the dislocation of trade and business and of the money market. This will be a disaster to the country which the country must try to avoid and Government in this way and other ways can certainly relieve the situation. There is another aspect of the situation. Even if merchants are actuated by a desire to meet their contracts, I am told they are unable to pay and we have to consider everything that can be done to enable those people to tide over the difficulty. I do not want to say anything about the rate of exchange to be settled. I do not think it will settle at 2s. However, if by mutual agreement anything can be done in these two directions and if the Government can help the merchants to tide over the difficulty, I think everything ought to be done, if possible. It is for this purpose that I have proposed that a committee should be appointed, so that confidence may be restored to the money market and the importers. The merchants will feel that 'something has been done; our people are being consulted by Government; Government is trying its best and if Government tries its best and fails, then nobody is to blame.'

The reason why I bring in the question of permanent arrangements in the second part of my Resolution is that during the next few months the situation with regard to exchange will have to be watched and a permanent policy adopted. There is, I may tell the Council, a good deal of very strong feeling in the country relating to this question. Rightly or wrongly, there is suspicion abroad with regard to Government's financial policy, and if confidence is to be restored it can be done only by a public inquiry. But it will be said, how can an inquiry be made into conditions relating to exchange and currency, when we do not know what will happen to-morrow? I do not mean to suggest that the Committee of Inquiry will be immediately able to propose a particular rate of exchange. I do not mind if it is 16d. or 18d. or whatever it may be. I want an inquiry and I strongly feel that in the near future such an enquiry should be made. I want to warn the Government that there is a feeling in the minds of the people that the Government of India cannot control its own exchange policy. The Finance Member himself declined to give the information that was asked for in this connection. He said :—

'We have frequently been asked to explain how far the persistence in the selling of Reverse Councils on the system first adopted was due to our deliberate choice, or how far the responsibility lay with the home authorities. Particular emphasis has been laid on the failure to adopt the system of sale by competitive tender. I regret that it is not within the power of Government to answer these inquiries.'

The Council will, of course, draw its own conclusion. The conclusion is obvious. If that is so, is it not desirable that an inquiry should be made in this country largely by experts from India, by people who are interested in the affairs of India and who have got a stake in the country? Is it not necessary that such an inquiry should be made? Whenever an attack is made upon Government with reference to its exchange policy, it cries: 'Hold, hold, I have a partner in this business.' We know that Government has a partner in this business and that he is the predominant partner. Now the spirit of the reforms is, we have been told, that the people in this country will be consulted more and more as to the national policy to be adopted. We have been told that though the people have no real power in the Central Government, we

shall be able to influence the decision of the Government. How are we going to do this unless the people of this country are consulted and consulted in due time? It is no use instituting a committee for making an inquiry when Government is in a position to confront them with an accomplished fact. Already there is evidence in the speech of the Honourable the Finance Member that he is calculating all along on the basis of a rise to 24d. exchange. Whether it is 24d. sterling or 24d. gold he has not told us, but all calculations have been made on that basis. Then, again, he tells us that the time for supporting exchange at 24d. gold or sterling, will arrive, that the psychological moment will arrive once more, when the balance of trade will be in favour of India. I cannot understand this attitude. Is it meant that Reverse Councils will be sold when exchange will rise to the neighbourhood of 24d. sterling? We do not want the Government to make up its mind with regard to the future policy. We know that all those grounds on which the recommendations of the last Currency Committee were made have been cut off from under our feet. There was the argument of high prices. There was the argument of the price of silver. All those arguments have gone. Circumstances have entirely changed. Everything is in a flux. Exchange has gone down to 15d. Is it not the proper time to consider what our future policy will be? Or will the time come when something or other has happened and Government is in a position to say, 'Well, we have arrived at this stage that we do not think an inquiry is necessary.' I should like to give here the story of a gentleman, charitably disposed, who had at the gate of his house a signboard. Beggars used to come at a certain hour to his house to beg for alms. On one side of the board was a legend 'Too early', and on the other side 'Too late,' and they were alternately displayed. This is what happened with regard to Indian currency. It is too early to make an inquiry because we do not know what is going to happen. Something or other does happen and then Government says, 'It is too late: we have already reached a certain stage when an inquiry would be of no use.' I do not want that the Government should take upon itself the responsibility. We have already had sufficient experience in the past, and there are admissions in the speech of the Honourable the Finance Member himself that mistakes have been committed. Why should Government pursue their policy without consulting the wishes of the people, I do not see. Why should we once more leave our exchange policy to drift? Whenever an inquiry is asked for, the same thing happens. We have had enough experience in the past. The Imperial Legislative Council and the public outside complained, and bitterly complained, with regard to high prices. Government said, 'It is no use having an inquiry made; our currency system is yet too young to be disturbed.' All the same an inquiry did come. When later the Government's currency policy was again attacked in England and in India in 1912, Government said, 'It is no use appointing a commission or committee of any kind.' But the Chamberlain Committee did come. So that, I think, that the Government will have to make an inquiry, and the earlier the better. I know their difficulties; I am not minimising them. I know that a Committee even of archangels will not be able to find a proper solution for the exchange rate at the present moment. But I am now speaking of the immediate future and if the Government says, 'Well, when the time comes for an inquiry, we will take the necessary measures then'. I say that the question must not be disposed of in this fashion. There is a very strong feeling in the country about it. People realise the difficulties of Government, of course, but Government, on the other hand, have alienated

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the sympathies of those very classes who have stood by Government, classes who have a stake in the country. They feel that there is something sinister in the Government's policy, some influence around and behind the Government that is working to their detriment. These influential classes have been driven to desperation. Government will be giving a handle to its enemies by refusing an inquiry. Let it be a public inquiry made in India—an inquiry that will inspire confidence in the minds of Indians, whatever the result. The Government has committed mistakes in the past. Even this Committee might make mistakes. In England when all the direct consequences of the war were in full swing, a Currency Committee was appointed to make inquiries, and this Committee made recommendations for the restoration of old currency conditions after the war. Similar committees are always appointed under the like circumstances, and I hope that this House will support me in my request that Government should not, wherever it is possible, resist an inquiry, and that they should take into consideration the strong feeling that exists in the country on this subject, and that having taken all these facts into consideration they should support the request I have made.

With these words, Sir, I move the Resolution.

THE HONOURABLE SIR ALEXANDER MURRAY: Sir, the Honourable Member, when moving his Resolution, started off by using the very words I proposed to use myself, namely, that this Resolution is a very unwieldy one. That it decidedly is. Personally I have seldom seen such an omnibus Resolution either in the Legislative Assembly or in the Council of State. It however divides up easily into three parts. The first deals with the present difficulties, the second is the Honourable Member's proposition that the legal ratio should be changed, and the third that the existing gold exchange standard ought to be removed and replaced by an effective gold standard. I think these were the essential points in his speech.

Now, personally, I have no objection to the appointment of Committees. But it is just another way of shelving difficult subjects, and as far as I can see, that is really what our friend has in view, because he pointedly said that even a Committee of archangels could not settle the existing difficulties, neither are they likely to point out any suitable method of remedying them for some time. I am sure that also is the opinion of the House. At the same time he pointed out that if such a Committee is appointed it ought to contain a substantial element of Indians. I think that was what he was driving at. I quite agree with him there—especially if the Committee is going to take into consideration the circumstances, presently or in the near future, prevailing in India. At the same time, I cannot accept any reflections on the personnel of previous Committees. I think my Honourable friend will agree with us that the Herschell Committee in 1893 was a very well constituted Committee. So was the Fowler Committee, and, I think, the Chamberlain Committee was equally so. It had on it an Indian member and four or five people with intimate knowledge of Indian conditions. Coming even to the last, the Babington Smith Committee, it also had an Indian element and several well-known merchants and officials who knew all about Indian conditions. But while I do not accept any reflections on the character of past Committees, I do agree that in future Committees there ought to be a substantial Indian element, and I have no doubt this will be so on the next Committee when it does sit.

The first part of the Resolution recommends the appointment of a Committee to suggest suitable remedies to relieve the existing tension. Now our Honourable friend has told us in very general terms what the existing tension is, and with reference chiefly to the attitude of certain dealers who refused or delayed to pay their drafts unless at a different exchange rate from that now ruling. He points out that goods were ordered from home on certain assurances—well, they took them for assurances—on the part of Government. The point we have to get at is really who is to blame for these goods being ordered from Home on such a wholesale scale, and who is to be held responsible? Let us admit even that a mistake was made in connection with the report of the Babington Smith Committee, and even in connection with the action that was taken on it. That Committee formed their recommendations largely on the understanding that silver, as our Honourable friend pointed out, would remain high, and also largely on the understanding that exports would exceed imports and give a large balance of trade in favour of India. I take it that these were the outstanding features of the Report, and I do not think on the whole that we can blame them, because in 1914-1915 at the beginning of the War silver ranged between 23 pence and 27 pence per ounce. In 1919, when the Babington Smith Committee was considering the matter, it was as high as 79 pence per ounce.

When the Report was promulgated and the necessary action was taken on it, silver was away up at 89 pence. Now I do consider that the Committee and the Government both had to take into account these very remarkable figures in framing the report and taking action on it, and I am quite sure that neither the Committee nor the Government nor, I believe, any member of the public, ever realised that we were to-day to have silver down at 32 or 33 pence, as it is at the present moment. So much for silver.

Now, as regards the balance of trade. I think that here also the Babington Smith Committee and the Government of India were largely justified in assuming that the balance of trade would continue in favour of India. Because, if you take the five pre-war years, the average balance of trade in favour of India so far as Indian merchandise only is concerned—I am taking only these figures because it is only the interests of importers with which my Honourable friend is concerned—showed an excess of exports over imports of Rs. 78 crores. In the five years of the war the average was Rs. 76 crores per annum, and in the last financial year ending the 31st March 1920, the exports of Indian Merchandise exceeded imports by no less than Rs. 119 crores. In other words, Sir, excluding this year, for the 11 years ending March 1920, the balance of trade was altogether in favour of India, the average being to the extent of Rs. 6½ crores or Rs. 6¾ crores every month. Now, even in the first months of this year, that is to say during January, February, March, April and May, the balance of trade was still in favour of India to the extent of over Rs. 6 crores monthly. That being so, I think that we were all more or less justified in assuming that there would continue a favourable balance of trade so far as Indian Merchandise was concerned. The point is that exception is now being taken to the high rate of exchange, no matter how that was arrived at. I would like to remind my Honourable friend that exchange had risen very high before ever the Babington Smith Committee reported and before any action was taken by the Government of India. As a matter of fact, exchange began rising in a small way in 1917 when it was at from 1·4 to 1·5; in 1918 it rose to 1·6½

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and in 1919 it had risen steadily by steps to 2·4*d.*, that is in May to 1·8*d.*, August 1·10*d.*, September 2*s.*, November 2·2*d.* and December 2·4*d.* That was before the Babington Smith Committee reported at all and before any action was taken on their report. When the Committee's report was published exchange was actually at 2·4*d.*

Now I take it that my friend, Professor Kale, was quite in favour of exchange being raised by these steps up 2·4*d.* At least, I have read publications by Professor Kale which lead me to believe that he preferred, when silver was high, exchange being raised and following silver to debasement of coinage, that is to say, reducing the silver contents of the Rupee. So that, I think we may take it that up to the time the Babington Smith Committee reported, our friend, the mover of the Resolution, was quite in favour of the steps that had been taken. I think myself—we are speaking after the event and we can all say it—that probably Government did make a mistake in taking the action that resulted in pushing exchange up to 2·10*d.*; but so far as this question of importers and the Government's responsibility to importers is concerned, I beg to point out that exchange did not stop up there very long. It only moved up in February 1920 to 2·8*d.* and to 2·10*d.*, and for four weeks there were sales made at 2·10*d.* Then for the next four weeks the rate dropped to 2·8*d.*, 2·7*d.*, 2·5*d.* and 2·4*d.* or so. That is to say, the abnormally high rates lasted only a couple of months in February and March 1920. In April, May and June of that year exchange continued at 2·4*d.* and 2·5*d.*, practically where it was before the Babington Smith Committee reported or any action was taken by the Government on that report. I am not speaking here of market rates; I am only dealing with the Government's own rates for Reverse Councils, and to tell the truth, I feel that in introducing this question of Reverse Councils a red herring is being drawn across the trail, because it does not concern this question of high exchange or low exchange except in so far as selling Reverse Councils kept up exchange, which would otherwise have fallen, and in so far that had fewer Reverse Councils been sold there would be more money now available to maintain the gold standard exchange policy of the Government of India. But we need not take that into account at the present moment. Let us assume that Government are to blame. Government are always to blame, of course, when anything goes wrong, and I can point out steps taken where, I think, the Government were to blame. But Professor Kale goes further and says, not only were they to blame, but they must accept responsibility for everything that has happened. Now let us assume that they are going to accept the responsibility and that this committee is going to be appointed; what are the claims that will have to be met? What claims will importers who have refused or delayed to take up their drafts lay before Government and this committee? One of the first things to be taken into account would be when were these contracts placed regarding which our Honourable friend has spoken in such affecting terms? Were they placed before the 2nd February 1920, that is to say, when the Babington Smith Committee reported and exchange was at 2·4*d.*, or were they placed after September 1920, by which time Government had clearly indicated that they were not to take any further steps by way of selling Reverse Councils? If before February 1920 or after September 1920, I think we must more or less rule them out of account, and that only leaves a period of practically 8 months in between, during which exchange ranged from 2·10*d.* down to 1·11*d.*

Now the next point we would have to find out would be for what deliveries contracts were placed. Will claims arise in respect of due date differences or in respect of actual delivery date differences? That is to say, will the importer rests his claim on the date on which his contract fell due or on the date when he actually got the goods?

Then, further, there will be all sorts of disputes to settle as regards quantities. We know that when we could not get things during the war, we ordered 10 in the hope of getting 1, and then we again ordered 10 in order to get another 1. For some time we used to get 1 and 1 for the 10 and 10 ordered, making 2; but suddenly we began to get the 10 and the 10 making the 20 and that is what is largely at the bottom of the trouble at the present time. We suddenly began to receive the 10 and the 10 ordered, and so naturally we are in trouble. We cannot help being in trouble in the circumstances. Now, having worked to get all this information, the next point is on what basis are the Committee going to recommend a settlement in particular cases? I should just like to give you one or two cases that will have to be settled. The Honourable Member said he did not wish to go into details; but I do not think a committee should be appointed unless you are prepared to go into details. We will have to take up the question whether the seller on the other side delivered the proper quantities at the proper time, and if not, who is to be responsible, the man here or the man on the other side? almost certainly the man on the other side over whom we can have no control. Then, perhaps the buyer on this side did not fix his exchange when he might have done. How can we say what difficulties stood in the way of his fixing his exchange and how are we to apportion the blame? Then again, let us take the case of say three different persons. Take the buyer A, who took delivery and stood up to his losses when the stuff came forward. Take another buyer B, who, after some delay, compromised with his seller and the other parties concerned to take up the goods and share the losses amongst them. And take the buyer C, (for whom largely my Honourable friend is now speaking, I take it) who has refused or delayed to do anything.

Now, how are the Government to apportion the claims to be put forward by those three different persons? Take also the case where goods have been lying in Docksheds and on the quays incurring very heavy storage charges. Who is to decide the party responsible for this? What is to be done where the markets have gone against all three buyers. A's loss is least because he took up his contract. C's loss is greatest because he has done nothing but howl and expects Government to do something to put him in a better position. I can imagine all sorts of other difficulties in the way of this Committee; difficulties in assessing the various losses in different parts of the country; the troubles which will arise in taking into account the conditions existing in Calcutta where contracts have been taken up—and about which not much has been said—and the conditions in other parts of the country, where I believe contracts are also being taken up, but about which a great deal is being said. If this Committee were appointed, everything would be in a state of suspense. A moratorium would be declared. If I were an importer I would say I know that a Committee is going to be appointed and I will sit tight and do nothing. We would have to await the appointment of a committee and it would be a difficult proposition. For my own part, I would want half the committee to be Indians, and yet, I am sure, you would find it a very difficult task to go round India and pick out suitable Indian

[Sir Maneckji Dadabhoy.]

it would immediately restore confidence and that it would be in a position to give some solution of this controversial question. I wish that was so. If a committee could be appointed which could lay certain concrete proposals before Government for adoption, which would mitigate the severity of the situation, I would readily vote for the appointment of such a committee. But my experience of these committees has been different. I am not standing here to defend the action of Government in any way. I should not be misunderstood. Government certainly made a mistake, in the first instance, in accepting the report of the Babington Smith's Committee, and acting upon it at a time when exchange, as pointed out by my friend Sir Alexander Murray, since 1917, was gradually becoming favourable to this country. My friend says that because Government accepted the recommendations of that committee and took some action, it is its duty now to move further in the matter and come to the rescue of the importers in their critical condition. The logical result of this argument, Sir, is this. Government did make one mistake and there was a muddle over this business. Let the Government now appoint another committee and make another mistake, and let the people suffer further. That is the only result of my Honourable friend's arguments. I have carefully listened to the arguments of my friend. He spoke from the standpoint of a student of politics, a student of economics, and so far as the academical aspect of the discussion is concerned, I quite agree with him. I am speaking to-day, Sir, as one of the people who have suffered by this terrible fall in exchange, and I say that the remedy which is suggested is worse than the disease. What can this committee possibly do? What is the data upon which this new committee can possibly proceed? I have been a student of commercial and financial columns of the public press for some time past, and I have read, studied, and at times examined the proposals that have been placed from time to time for the settlement of this important question. But in all this discussion one main point is lost sight of, and that is, that in this matter of exchange between England and India, it is not only monetary considerations and other causes such as prices of foodstuffs, etc., that govern the exchange, but there are world factors which cannot be ignored. If an international commission was appointed to consider the question of international exchange and how it directly affected other countries, probably some good might result out of an investigation of that character. But here what remedy is suggested? My Honourable friend suggests the appointment of a local representative committee. I expected my Honourable friend to have first pointed out to the Council at least the personnel of such a committee, and we could have then at once known, or at any rate his proposal would have made some impression upon this Council, and would have guided it in coming to a conclusion whether or not to accept the proposal suggested by my Honourable friend. To my mind, I cannot think of any man at present who can successfully deal with the situation and suggest remedies for the immediate settlement of the question. As Sir Alexander Murray has pointed out, the appointment of a committee—and I quite agree with him—will make matters worse. It will bring all business practically to a state of stagnation. Trade in this country will be ruined—in fact, nobody will think of the settlement of their liabilities.

Now, as far as I am aware, only three bold remedies have been suggested which might possibly lead to a settlement of the question. One is a return to the policy of Reverse Councils. The second is the stoppage of imports to

which my Honourable friend Sir Alexander Murray alluded, and the third is the reimposition of the duty on silver. I have not seen any other practical suggestion put forward up to now, either in the press or by merchants and other people who have been afflicted by the sudden fall in exchange. Now, as regards the first suggestion, even if a suggestion of that nature was again adopted, is it at all likely to inspire confidence in the public? Honourable Members are all aware of the great opposition, the persistent opposition that was made in the public press when Government adopted the policy of Reverse Councils, and put the country to a loss of 55 millions as pointed out by my friend Professor Kale. It was then openly said, as the Council is aware, that it was an organised loot; that Indian capital was being depleted, money was going out from this country; and many other similar arguments were advanced. Is it likely that the country is now in a mood to accept even as a temporary measure, apart from its financial consequences, a return to the policy of Reverse Councils? I think my Honourable friend, Professor Kale, will at least admit that this is not the psychological moment when such a measure could be justified even if it could be at all justified.

Then, as regards imports, very many wild suggestions have been made. I was especially shocked to hear it suggested by the Madras Piece-Goods Association that imports should be stopped for a period of one year, and that we should request Government to discourage imports by the imposition of a customs levy equivalent to the depreciation of the rupee below par.

And I submit, with great respect to that Association, that a more grotesque suggestion could hardly have been made. In the first instance, I cannot see how from a practical point of view it is possible to do such a thing. Who has got the power to stop exports? Can Government at present undertake any legislation, stopping wholesale all import of commodities coming into India. Legislation like that would be absolutely impossible, and no responsible body of legislators would ever sanction a proposal like this, and, further, this could not be done except by special legislation. I will not enter into the economic aspect of it, but decidedly it would not be fair that such legislation should be undertaken. Then as regards silver, it has been said that reimposition of a duty on silver might retrieve the position. This duty existed all these years, I say, to our shame and it was a right thing for the Government to have removed it two years ago, and yet I have heard some Members in the other House seriously advocating the reimposition of this duty. Now what does this mean? I suppose Honourable Members are aware, that even in the Babington Smith's Committee Report, if they were certain and unanimous on one point, it was that the import silver duty should be removed immediately. I will only quote one passage from their report. The Majority Report declared:

'That there is a strong feeling in India against the retention of the duty, in that it is an obstacle to the establishment of a world market for silver in Bombay, and places the Indian consumer of silver at a disadvantage in comparison with that of the population of other countries.'

In no country in the world are there, I may say, restrictions on the free import of precious metals. No country in the world has levied such a duty, and if it is done in this country it will be disastrous to the interests of the country. I will give you a few figures to show that, so far as the volume of gold and silver trade is concerned, Indian dealers have been considerably benefited. At the present moment India is exporting gold at the level of Rs. 30 per tola and

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business gentlemen who are not interested, directly or indirectly, in the subject. The deliberations of the Committee would take a long time, the preparation of their report would take a long time, the consideration of it might take even longer. By the time the day came to promulgate its findings to the public, and the necessary steps had to be taken, a long time would have elapsed. The present financial position of the country would be entirely changed, the circumstances would be quite different from those obtaining when the Committee was constituted.

I have seen several remedies suggested for the present state of affairs. Karachi sent a representative over to Calcutta to discuss this matter with us and they suggested :

'Let Government sell enough Reverse Councils through the local branches of the Exchange Banks at two shillings to the rupee to cover all the goods that were actually ordered last year—not before, indeed, nor after September of last year—when the rupee was over two shillings and which have not yet been paid for and delivered.'

We have had other suggestions. Here is one from Madras which was sent up to Calcutta. I will read it to you :

"Having regard to the present financial crisis and in the interests of future foreign trade in India the members of the Association resolve that all further imports should be stopped for a period of twelve months, and urges importers of foreign goods in other parts of India to support them.

Requests Government to pass a measure temporarily discouraging all imports except foodstuffs, drugs, machinery and books by imposing, for a period of twelve months, an extra customs levy fully equivalent to the depreciation of the rupee below par.'

It does not say whether that par is to be a sterling par or a gold par. I could read out a lot more, but I am afraid that time will not permit me to do that.

Professor Kale said in the course of his remarks that something should be done by the Government similar to what was done in 1914. I largely agree with what was done in 1914, but was that not largely a matter of arrangement between the different parties? It is very much the same here. Government did not really do anything, they simply left it to the buyers to make their own arrangements. It is not feasible to argue that Government should exercise any influence on the manufacturers at Manchester in regard to the controversy that is going on at present at Home. What would happen if the Government of India approached the Manchester merchants and asked them to go easy? They would say 'you have just jumped the export duty on us. Why should we go easy?' It has gone up from 7½ to 11 and for all we know it may possibly go up to 12½. What consideration would the Manchester manufacturers give to us if Government were to intervene? I do not think that Government could usefully intervene between the Manchester merchants and the merchants out here, at the present moment. At the same time, I do believe that some measure of compromise might be arrived at between sellers on the other side and buyers on this side. I have every sympathy with importers in this country, but the acceptance of this Resolution for the appointment of a Committee will not make matters easier for anyone, in view of what the position is now, and it is therefore with much reluctance that I am compelled to differ from the Honourable the Mover as to the necessity of even appointing a committee of this description. Now I have taken so long over the first part of the Resolution, which is really the important

part, that I must deal briefly with the second portion, namely, that dealing with the proposed alteration in the exchange value of the rupee fixed by law, and the modification of the currency system so as to place it on a gold standard basis. We have had various standards in India. We have had both gold and silver standards. Down to 1893 we had a silver standard, and then the introduction of a gold standard was recommended. I suppose my Honourable friend Professor Kale will say it was really through the administrative action of the Government that the proposed gold standard has been developed into a gold exchange standard. At the very end of his Resolution he suggests that the gold exchange standard should be scrapped and replaced by an effective gold standard. I do not think myself that we should be justified in even considering this in the present state of affairs. In any event the Babington Smith Committee made their position clear in this connection. For in their report I see the following—'Indian trade is not likely to suffer any permanent injury from the fixing of exchange at a high level. If contrary to expectation a great and rapid fall in world prices were to take place, and if the costs of production in India fail to adjust themselves with equal rapidity to the lower level of prices, then it might be necessary to consider the problem afresh.'

I do think, Sir, that a time will come for discussing the problem afresh, but I do not think, having regard to the present state of flux and the abnormal conditions, that any committee, such as that suggested, could do useful work yet in setting matters straight. I therefore cannot give my support to the Resolution which has been moved by the Honourable Mr. Kale.

The HONOURABLE SIR MANECKJI DADABHOY: Sir, I should like to say a few words on this Resolution which has been moved by my Honourable friend Mr. Kale. I have every sympathy with the class of people who have suffered on account of the unprecedented fall in exchange during the last few months, and I may say I view with concern the marked depreciation in the financial market of the country. But I feel very strongly that a committee of the kind contemplated by my Honourable friend the mover would not be in the interests of the country at this critical juncture.

My Honourable friend suggests that a representative committee be appointed at this stage to find out means by which the severe tension caused by the sudden fall in exchange may be removed. My task on this occasion has been very much simplified by the lucid speech of my Honourable friend Sir Alexander Murray, who has practically, I may say, taken the wind out of my sails and has forestalled me on many points on which I had intended addressing this Honourable House. My friend has laid before us a lucid examination of the arguments regarding the balance of trade and the work generally done by the preceding four currency committees. I quite see the force of many of the arguments which have been advanced by my Honourable friend, Professor Kale, and I am in deep sympathy with them. But I am not convinced that a committee of the nature now suggested will be of any service to India.

(At this stage the Honourable Mr. V. S. Sastri took the Chair.)

My friend has said that it is the duty of the Government to run to the rescue of these unfortunate importers, and that, if the Government takes it into its head to help these importers, it will be able to do a great deal. It was also suggested that it was the duty of the manufacturers to meet half way these importers, and that, if a committee of the nature suggested was appointed,

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importing silver at the level of Rs. 85 per 100 tolas. It is advantageous for India to sell gold the price of which as measured in rupees is high. (At this stage the Honourable the President took the Chair).

Later on it will be in a position to repurchase its gold at least 20 to 25 per cent. cheaper. I may also point out that since the repeal of the import duties on silver, India has supplied silver to China at the level rate of Rs. 105. This happened almost synchronously with the high prices of silver, and India is now repurchasing with great advantage at the level of Rs. 85. In other words, India had bought its gold some time ago much under Rs. 23 per tola and she is now reselling it and exporting it at a higher rate, at a large premium. My personal opinion is that we are fed up with these committees and the sooner we allow things to take their natural course, the sooner we allow things to run into their natural channels, it would be better for the country. I know the situation is very critical, but things will assuredly improve. Let us hope for a normal monsoon next year. If we get a normal monsoon next year and if the embargo on food grains is removed, and I hope my Honourable friend Mr. Sarma will soon see his way to remove the embargo on the export of food grains in this country, and further if hides and skins are freely exported and jute begins again to move, I am not so unhopeful of the situation as my friend Professor Kale seems to be. We must get our trade restored to its normal condition, and that normality can only be achieved not by tinkering legislation and by erratic recommendations of committees, but by letting things adjust themselves. It is no use our adopting empirical measures for the purpose of settling a problem which is beset with immense difficulties and is complicated by factors relating to world conditions of trade and commerce. In this matter I am deeply in sympathy with my friend, but I do not think that any committee of this nature will be of any assistance in solving the present situation; and I think this Council will not commit another error in giving its approval to the appointment of any such committee. It will be committing a grave error if it accepts this Resolution, because it will not be productive of any good. As regards the settlement of this question I am deeply concerned. If the manufacturers could be brought to meet the importers half way it will relieve the tension, and nobody will be more pleased than I; but can Government legitimately exercise any influence either over importers or manufacturers? We might as well safely suggest from this House to the manufacturers in England and the importers in India to come to some reasonable settlement, but the Committee will not have the power of imposing their recommendation upon these people. It is a mere matter of contractual obligation, it is a mere matter of contractual responsibility and parties are at liberty to act as they like. If they choose to adopt our suggestions then all right and good. I think, however, we must not become altogether hopeless about the situation. Things will improve. We must not overlook the other aspect of the subject also, namely, that the English manufacturers were seriously hit when we were making a profit out of a high exchange. The manufacturers had very bad times for 6 or 8 months. You must not forget that. There is always a cycle of prosperity and a cycle of depression in trade. I therefore sincerely hope that this Council will leave this question severely alone. When we know that committees presided over by eminent financiers, such as the Herschell Committee, the Fowler Committee, the Chamberlain Committee, and the Babington Smith Committee, when these committees consisting of financial experts have not been able to suggest a solution, is a

representative committee in India going to do anything? It is, in this aspect of the case, that I feel constrained to vote against this Resolution.

The HONOURABLE MR. A. H. FROOM: Sir, I listened with a considerable amount of pleasure to the speech of the Honourable Mover as we all know that exchange and the many questions connected with it have been the object of his careful study for years, and I think that what we have heard from him to-day has been a pleasure to all of us to listen to. Whether we agree with him entirely in his views is perhaps another matter.

I am afraid that I am not convinced that there is any necessity for a Committee—at the present juncture—at any rate. I listened with a certain amount of amazement to the Honourable Member's speech in one respect. He proposed this Committee, and then to a certain degree proceeded to show that it would be rather useless—perhaps that may be putting it a little too strongly—but he proceeded to show what difficulties it would be attended with, and I quite agree with that view, namely, that any Committee appointed now would find obstacles which it is very difficult for us in this Chamber to imagine, such would be their magnitude.

The Honourable Mover referred to Government dropping their policy in connection with Reverse Councils some time ago. I am sure Government regretted that they had to drop that policy, or rather, the circumstances that required them to drop that policy. A few of us indeed would have liked to see the policy dropped a little earlier than it was. Then look at the divergencies of views on that policy. When the Government were selling Reverse Councils, there were shrieks all over the country. When they stopped selling Reverse Councils, the cry arose, 'Why do you not sell Reverse Councils.' So my sympathies are with the Government to some extent as regards that question.

Then when I was up at Simla last autumn in the Legislative Council, an Honourable Member got up and said, 'This high exchange is a great drag on the export trade; a dreadful thing for the export trade.' Now that you have got a low exchange, where is your export trade?

I just mention these instances to show you, gentlemen, how difficult this question is; and how if you adopt one exchange policy to-day, circumstances may arise so that you may have regretfully to drop it in a few months' time and to look at the whole matter in a different way altogether.

Now, there is another point, perhaps I shall be corrected if I am wrong. There are representations from certain quarters as to the losses people are incurring owing to the low exchange. Did these people make any profits when exchange began to rise? I am not quite satisfied they did not? Why, of course they did. Human nature is human nature. You forget the profits you make and you only recognise the losses. Another point in connection with this is that there are two kinds of losses. One is when a merchant looks to make a profit and he does not. He calls it a loss. The next kind is actual loss which a man incurs. I am not certain that in looking at this import question and in making representations to Government, the merchants have taken into consideration the profits they must have made when exchange began to rise.

There is still another aspect which, I think, we are inclined to lose sight of. India was extremely fortunate in escaping the consequences of the war. In comparison with other countries, India has been more than fortunate, and

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he calculated at the time that for that he would have to pay say Rs. 10,000, or perhaps only Rs. 9,000, or even Rs. 8,000. Now the goods have arrived, and he is called upon to pay Rs. 15,000 or even Rs. 16,000. That is a very serious matter indeed. I do not want it to be thought that Government does not realise the extreme gravity of the financial position of many of these dealers. Some of these men, rather than incur the odium of repudiating their contracts, have paid up, as my friend Sir Alexander Murray pointed out this morning, frequently at considerable cost to themselves. There are others, and I suppose they are in the majority, who are at the present moment standing out for some sort of compromise, and undoubtedly there are a number of others who simply could not pay at almost any rate of exchange.

As we heard this morning, those dealers who are in places where there are Piece-goods Associations, have passed Resolutions which, from their form and wording, might imply that the whole trouble is due, in some rather undefined way, to the action of the Government, and that somehow or other it is up to Government to indemnify them and to help them to fulfil their contracts. Well, as the Council is aware, any such idea was emphatically repudiated by the Honourable the Finance Member in his Budget speech. I do not want to go into the merits of this point, but I want to make it clear that, although Government cannot for a moment admit that the piece-goods dealers, who were hoping for a continuance of the high rate of exchange that obtained last year, have any kind of claim, either in law or in equity, to be indemnified at the expense of the general taxpayer. At the same time I do not want it to be inferred that Government is in any way inclined to take sides in what is essentially a business dispute. I think it is likely, if the truth were told, that the responsibility would be found to rest almost, if not quite, as much, at the door of the exporters in the United Kingdom. We all know what happened during the war, and for some time after the war—the Indian markets were starved of all imports, and dealers were unable to obtain delivery of goods which they had ordered, perhaps, a year or eighteen months before. After the Armistice, the manufacturers in England set to work as quickly as possible, and, when they had fulfilled the requirements of the European markets, or, rather, had supplied as much as European countries could afford to pay for, turned their attention to the East and started shipping to India vast quantities of piece-goods and other imports, orders for which had been on their books sometimes a year, and, I believe, in some cases, even two years or more. The consequence was that the Indian markets very soon got overstocked, and I daresay that if those exporters in the United Kingdom had not been in such a hurry to dump their surplus goods on India, and if the conditions under which those contracts had been entered into had been less abnormal, the present position would probably have not arisen. Speaking personally, and as an onlooker, and not on behalf of Government, I will say that it seems to me that this is one of those business disputes which is possibly a case of "six of one and half a dozen of the other," and it is essentially, therefore, a matter of compromise. At the same time, I do wish to emphasise—and I do hope that Honourable Members in this Council will endorse the view—that this is not a matter for Government to intervene in. It is essentially a business matter, and I have no doubt that the good sense of the business people on both sides will work out an equitable compromise. You may hold a contract from a man, and you may have certain legal rights against that

man, but if you try and take your full pound of flesh from him you may ruin him, and get nothing at all. As my Honourable friend, Sir Alexander Murray, would say, 'Ye canna tak' the breeks off a Highlander.' That, however, is a digression. I have been waiting to hear from the Honourable Mr. Kale, but I did not hear, how a Committee would get those merchants out of their difficulties, or why he thinks it is the function of the State to intervene in a matter of this sort. It is not as if there was any real demand on the part of the business public for Government intervention or for a Committee. There is in the other House a representative of the Piece-Goods Dealers' Association in India and an expert on these questions. I refer to Mr. Man Mohan Das Ramji and I remember the other day, during the debate on the Budget, he repudiated most emphatically any idea that Government should appoint a Committee, to intervene in that way

THE HONOURABLE THE PRESIDENT: Order, order. If the Honourable Member is referring to a debate which took place in the other House during the present Session, then I must request him not to do so, as such a practice must lead to inharmonious relations between the two Chambers. It might result in fruitless arguments between members of two distinct bodies who are unable to reply to each other and one of whom must be discussed in his absence.

THE HONOURABLE MR. E. M. COOK: I should be the last person to wish that, Sir.

I admit it is an extremely difficult position which will require very great patience and compromise on both sides, if it is to be got over, and I can only hope—and I may say that Government hopes—that the good sense of the parties on both sides will soon lead them to come to a compromise, as the present situation is not in the best interests of this country. But I think, Sir, that any enthusiastic ill-advised interference by Government, or by a Committee would do more harm than good, and might actually prevent the two sides from coming together. That is all I have to say regarding the present position of the Indian import markets.

I should like to say just two or three words regarding the second part of the Resolution, which has such a very wide and general application. I must say that when I saw my Honourable friend's Resolution it nearly took my breath away. To think that any committee—even a committee of archangels as my Honourable friend suggests—could at present fix any sort of rate of exchange, is, I think, to shut one's eyes to the real facts that are at the bottom of the present situation, and to all that has happened in Europe since the Armistice. We all know what the position is, and what it is due to. India's best customers are now either actually bankrupt or on the verge of bankruptcy. Does my Honourable friend think that a committee could enable the starving population of Austria to buy India's goods? Does he think that a committee could put Italy on her feet again financially, and enable her to buy our seeds and ground nuts? Could a committee solve the problem of Germany's reparation payments which is, I am afraid, holding back the resumption of trade between Germany and other countries of the world? Could a committee evolve order out of chaos in Russia, and so enable her to buy our tea, etc. Those are the things that readily count in the present state of affairs. I do not wish to go over the ground covered by the Honourable the Finance Member in his Budget speech, but I take it that the Council is fully seised of the actual factors which are at work in the world now, and

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if at the present time we are experiencing some disturbance which we might regard as the aftermath of the war, I think we should keep well before us that we are in a very much better position than most of the other countries of the world, or many of them. India has been exceptionally fortunate in that respect, and we must expect some of these disturbances. We did not hope to get them, but we have got them at the present time.

Now, as regards Committees : a Committee is formed and then makes its recommendations, as my Honourable friend from Calcutta pointed out for you to accept them or not accept them. If you accept them, then you are subjecting yourself to a control, or a species of control in another form, and I object to control altogether. It was necessary during the war, no doubt, but it will be remembered that not very long ago we voiced our objection to control in a certain trade, and I object to control altogether so far as it can be avoided. Well, then, if we suggest that another committee should be formed, they must in due course make recommendations. What is the use of our suggesting that this Committee should be formed, if, when their recommendations are made, as I suppose they would be made, by men of experience in finance, we do not accept them. When we say 'Let us have a Committee' we bind ourselves to accept their recommendations, and if we accept their recommendations, then I say we shall be introducing another form of control which I dislike intensely.

I do not think I have very much more to say. I do not propose to go into the figures. I listened with very great interest to my Honourable friend from Calcutta, but I should like to make one further reference, and that is to the views of the Bombay Chamber of Commerce. We expressed our views not very long ago in a letter to Government on this whole question, or part of the question. That letter was published in the papers, and no doubt all you gentlemen have seen it. In our opinion, the only salvation for the country in this matter of exchange is the revival of trade. I am sure that is the only thing that will help the present situation. By the revival of trade I mean the revival of exports, and in connection with the revival of exports, many other conditions are bound up with it, such as getting your railways in good order, which I have no doubt Government are keeping well before them. You cannot have a revival of exports unless you can move your produce about from one part of the country to another. We have had difficulties about moving coal, and goodness knows what we are going to do if we have a revival of exports next year.

Our only salvation, I repeat, is in a revival of exports, for you must have a balance of trade in favour of the country in order that the country may be in a flourishing condition. I have nothing further to say. I am afraid I cannot support the Honourable Member's Resolution to appoint another Committee, which, as I have already explained, spells to me only another form of control.

The HONOURABLE THE PRESIDENT : Before the Honourable Member (Mr. Cook) commences his speech, I should like to say that I propose to adjourn at one o'clock punctually. It is common knowledge that what we are really waiting on is the possibility of a message from the other Chamber, and I do not know whether Honourable Members would prefer to adjourn now. I think the feeling is that we should adjourn now. The Council is therefore adjourned till a quarter to three.

The Council adjourned for Lunch.

The Council re-assembled after Lunch with the President in the Chair.

The HONOURABLE MR. E. M. COOK : Sir, after the very interesting discussion we have had before lunch, and the very illuminating speeches that were made, I do not think I need detain the House at very great length. On one point I can re-assure the Council, namely, that I do not propose to mention the words Reverse Councils.

I should like, if I may, just to bring the Council back to the actual wording of this Resolution. It is rather cleverly worded. The first part of it asks us to recommend the appointment of a committee in order to suggest suitable remedies to relieve the existing tension. The second part has a very much wider application, and asks that apparently the same committee should consider the desirability of making some alteration in the exchange value of the rupee (the Resolution does not say what alteration) as a permanent arrangement.

Now, Sir, I am afraid I must agree with the other speakers who addressed the Council before lunch in saying that I think this Council will be well advised if they do not adopt this Resolution. I want just to make two preliminary points. I do not object to this Resolution on the ground that, so far as the existing state of affairs is concerned, all is for the best in matters of trade and exchange. Of course it is futile to pretend that the present conditions of trade and exchange are either normal or satisfactory. I will return to this point in a minute because my Honourable friend made rather a lot of it. In the second place, I need hardly say that I do not object to this Resolution on the score that it seeks to appoint a committee. I do not for a moment pretend that the problems which, sooner or later, will have to be faced are such as can be solved by the unaided wisdom of the officials of the India Office or the officials of the Government of India sitting in their office rooms. What I do say is that if this Council commits itself to the proposition of my Honourable friend, it will, I am afraid, be asking the committee so appointed to undertake a task which, from the very nature of things, must be impossible.

Let me just consider for a moment separately the two very different parts of my Honourable friend's Resolution. He has spoken of the very serious condition of the Indian import trade, and especially of the piece-goods trade. Now, I fully admit that the condition of the piece-goods and other import markets in this country at the present moment is extremely serious. The majority of importers, as we all know, entered into contracts, a year or more ago, for the delivery of goods without settling their exchange. I do not say at present whether they ought or ought not to have settled their exchange; the fact is that they did not. They made their arrangements at a time when exchange was well above 2 shillings, and they no doubt supposed, in all good faith, having regard to the Currency Committee's recommendations and to the Government of India's endorsement of those recommendations,—I say that they had every reason to suppose that exchange would not fall below 2 shillings. Those goods have now arrived in this country, and these people are being called upon to fulfil their contracts when the market rate is, in many cases I believe, less than one half the rate which obtained when they made their contracts. Of course that is a very serious position. Take the case of a man who, let us say, ordered £1,000 worth of piece-goods. Probably

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so long as they operate in their present intensity, they must, I am afraid, prevent any large amount of revival in India's export trade.

As an instance of the present state of the world trade let us take the case of the export of jute. I must speak with very great diffidence about jute in the presence of my Honourable friend, Sir Alexander Murray. But every one knows that the condition of the jute trade is always a very good indication of the condition of the world trade. If there is a great demand for jute, sacks, hessians, wool and packs and other similar things, it is an extremely good indication that the markets of the world are busy, that wheat is moving, that wool is moving, and that the products of all the countries of the world are moving from one place to another, for they must have our jute fabrics to carry their goods in. At the present moment, I believe that the jute trade is practically dead or stagnant. I am afraid I do not quite see how a committee could solve that problem. I quite admit that a no-policy is the hardest to defend and the easiest to criticise. But I think that in the present circumstances it is the only safe policy, even if it does make some demands upon our courage and upon our patience. Honourable Members in this House who represent business interests have, I think, indicated to the Council that there is no real demand on the part of the commercial community in this country to attempt to arrive at once at any permanent solution of our present difficulties, and I think my Honourable friend himself in his speech rather recognised that fact, in fact he was, I think, inclined to whittle down the very definite wording of his Resolution. What I understood him to say was this: 'I admit that we could not arrive at a solution now. But let a Committee be appointed and let them think over the matter. If not now, perhaps in a few months' time, or in the autumn, they may see daylight'. That is all very well, but it is not the Resolution before us. The Resolution speaks of the 'urgent necessity' of an inquiry, with a view to suggest suitable remedies. The question, I submit to the Council, is whether it is possible to form a committee, however well-constituted—and I quite agree with the previous speakers that any committee to command confidence in this country must be such that its personnel will ensure that its recommendations shall be accepted—which can possibly solve the present difficulties. I am not prepared to say that in the course of a few months, or possibly next year, things may not have so altered that we may be able to see some daylight in the present darkness. If so, then I have no doubt whatever that Government will consider whether or not the time has come to have a thoroughly representative committee. And I may say that this Council may rest assured that, if there is going to be any fundamental change, any new rate to be settled, or any attempt at a permanent solution, neither the Government of India nor the Secretary of State will do this off their own bat.

The HONOURABLE SIR DINSHAW WACHA: Sir, I think that my Honourable friend, the Mover of this Resolution, might have exercised more practical wisdom by refraining at this hour from moving it. For, so far as the practical question is concerned, I agree with my Honourable friend, Sir Alexander Murray, and the other speakers who have spoken on the subject, that the present flux of exchange is such that no committee, however expert it may be, whether here or in England, can arrive at the right solution on the problem. The stabilisation of exchange all over the world is a

problem of the greatest difficulty. Even the Brussels Conference were unable to come to any practical decision, and only concluded their proceedings with the appointment of a smaller committee to further investigate and report on the matter by June in order to arrive at some practical recommendation. Therefore, it does not stand to reason that we here, whatever committee may be formed, will be able to achieve any good. Moreover, we do not pretend to be such experts as those who assembled at Brussels last year. As they say, in the dark the only cuts are the shortest. That is an old maxim, but a very truthful one. We all grope in the dark as far as the exchange question is concerned. But my Honourable friend the Mover seems to think that he could devise a short cut through the darkness to view the early dim rays of light. He expects everything will go right if only a committee were appointed! May I say he is greatly mistaken and will be greatly disappointed if even at the end of the next 12 months and more, after the world's economic improvement and the betterment of conditions in Europe, he finds that the stabilisation of exchange is remote and in no way an accomplished fact. There are so many complex factors in exchange, whether inland exchange or universal exchange, which need to be unravelled. Universal exchange is just now in an erratic condition. I wish to say, Sir, that the science of economics, particularly of exchange, theoretical and practical, is empiric still. The science of astronomy is an exact science where the astronomers are able even to-day to fix the erratic movements of comets and predict their advent with precision. But I beg to say, Sir, that the exchange question is even more erratic than the movements of comets themselves. I repeat that astronomers are able to predict with precision their movements when they will appear on the earth, when they will disappear, and again re-appear. But none can predict at present, even for a week, what course exchange may take, upward or downward. The science, I say, of exchange is so exceedingly difficult and inexact that we cannot for months forecast when stability might be expected, not only in India, but in the whole of the world.

Well, Sir, that being the case, I do earnestly hope that my Honourable friend, for whose economic knowledge I have great respect, will be wise, after the expression of opinion of such great practical business and experienced persons as the Honourable Sir Alexander Murray and the Honourable Mr. Cook, and tell us that he would withdraw the Resolution. The Honourable Mr. Cook has assured the Council that the Government are fully alive to their responsibility and that the time will come when they might with advantage think of a move in the matter. But for them to take a move at present will be simply to wander more and more in the region of darkness and uncertainty. As far as the cloth contracts question is concerned, I do agree with the Honourable Mr. Cook that it is one between trader and trader. There are, as we all know, traders and traders. There are traders who are the very pink of morality, while there are others, Sir, who consider commercial morality to be a zero! With them morality is an earthquake. Their moral standard is so low that they do not understand the honesty of commercial transactions. It comes to this, Sir, that it is a question of struggle between the one side and the other, as to who shall win in the end. Meantime all sorts of suggestions are being made, suggestions which are mostly bizarre. I think a little prudence, a little wisdom, and a little patience need to be exercised at present before the difficulty can be satisfactorily solved. It cannot be entirely solved, for we have to remember that so long as we have to depend on the monsoon for our exports and a favourable balance of trade, there must be uncertainty to

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a limited extent. How can we predict the future? How can we say what the monsoon will itself be next year? We hope—we fervently hope—that the monsoon may be a good one, and that following a good monsoon, we may have good crops and an infinitely better trade every way. Without better trade it is not possible to do anything at the present moment. I repeat we are not quite sure of the monsoon itself. If the monsoon fails—I hope it will not—then the situation will in all probability become worse than it is to-day. But if that worse situation unfortunately comes, will the committee that is appointed, supposing the Council agrees to the appointment of one, be able to do anything? I think, Sir, the committee will find itself in exactly the same position in which the Currency Committee found themselves on the 2nd of February last year when exchange rose to 2s 8d. Therefore, Sir, the dictates of wisdom, the dictates of prudence, the dictates of everything sound and practical, as also the universality of the flux of exchange everywhere, suggest that it will be wise on the part of the Honourable the Mover not to press his Resolution but to withdraw it, and I do hope, as the Honourable Mr. Cook anticipates, that the commonsense of this Council will assert itself and request Mr. Kale to withdraw his Resolution.

The HONOURABLE LALA SUKHBIR SINHA: I think I shall be failing in my duty if I do not rise and give my support to this Resolution. The tradesmen and commercial people in this country are now getting very anxious, and these two questions of exchange and currency are becoming very troublesome. Trade is now at a standstill. Imports and exports are suffering very much. I think the time has come for the Government of India to take steps to settle these questions once for all. Otherwise trade will suffer greatly. Much opposition has been made to the appointment of a committee. I agree that these committees take a long time to make inquiries and to make their report. But what I find is that the previous four committees sat in England and not in India, and the last committee consisted of only one Indian Member, Mr. Dalal, while ten Members were Europeans. In such a case can it be said that the interests of India were fully considered and not overlooked? I think the time has come when the Government of India should appoint a committee of its own with more Indian Members on it, and having some Europeans from outside, to consider the whole question of exchange and currency having the interests of India before them. Therefore, I strongly support this Resolution and commend this Council to give their vote to the appointment of a committee.

The HONOURABLE MR. G. S. KHAPARDE: Sir, I wish to support this Resolution on the three counts which it contains, namely, the Committee, the exchange and lastly, the currency, the three questions involved. I am not a financial expert and I speak with no authority, but there are certain points which even a man of commonsense, I suppose, may submit. About the utility of this committee, it has been said that it will do no good at all, that it will cause a great deal of delay and will be ultimately infructuous. Perhaps it may be so. I am not sure that it will be so, but it might be so. But even then it will be wiser that our best people should sit together and take counsel and find out some remedy or try to find out some remedy rather than do nothing and merely stand by with folded hands, saying 'Well, nature will have its course and ultimately I promise nature will decide for the best'. That, I suppose, is not the proper attitude to assume in a case of this kind. When this la

Commission met I happened to be in England and one member of the Commission returned in the same boat with me to India. That was Mr. Dalal, and had his views been accepted and been acted upon, this crisis would never have arisen at all. That makes me immensely proud that after all there is one Indian financier who made a correct diagnosis of the situation. He spoke about the inflation of prices, the effect of a good monsoon and all that kind of thing, and prophesied nearly everything which, as I understand from my limited knowledge of finance, has actually happened, but unfortunately the Government of India, going on the rule of the majority, rather than on the reasonableness or the correctness of opinions, as they should, said that when so many members say so and so they must be right. They acted on the democratic principle, I quite agree, but in matters of intellectual theory and intellectual forecast I suppose numbers cannot count for much. Anyhow Mr. Dalal's conclusions were not accepted, and here we are confronted with this crisis. Then there is a further thing. The Honourable Mr. Cook said that there is not a real general demand on the part of the merchants. Perhaps as a member of the Government, he has got more sources of information than I have. But all the merchants I have met and all the people I have spoken to told me that this exchange question is the one about which we should try to remedy the situation and they wanted me to do all I could. I told them, 'Look here, I am not at all an expert and perhaps I shall say something very foolish'. They told me 'That does not matter. We want you to press this question and bring it to the notice of the Government and we want Government to seriously apply their minds to it.' They referred, or used to refer, to a case when similar things occurred in 1914, when, I believe, Government intervened and gave two months' time to Manchester merchants for settlement. The Indian merchants now say that Government ought to come in now also, more especially as it in a manner held out hopes that led us into obligations which cannot be met just now. They are not strictly and legally accurate, but anyhow Government is a party to it in some form. I do not say that Government must be called upon to make good their losses. That is not my point, but certainly Government is bound, I suppose, having made those representations, to take steps now to show to the merchants that it is exerting itself in their favour and trying to save them to such extent as is possible, also to soften the blow and it may even be to tranquillise and remove the irritation that has been produced now. There is a great deal of feeling among the Indian merchants, anyhow on the part of those whom I have met, that Government is doing nothing, that the Government intervened in 1914 and did this and that to save Manchester, and now that the scales have turned against us, Government simply sit tight saying: 'We cannot do anything at all. We want to leave it to nature'. I wish they had left it to nature nearly a century ago. This brings me to the question of our exchange. This is a question of really modern origin. Perhaps one might say it began rather within the last 100 years. India had a gold coin of its own called the Mohur. The Muhammadans had a gold coin called the Ashrafi. Our account books also show that there was a gold coin. How is it that this gold coin disappeared straight off, and that this rupee was substituted? This rupee has brought about the question of exchange and this question of exchange has become so intricate that even people who have been engaged in it the whole of their lives cannot find a solution. As the Honourable Sir Dinshaw Wacha told us just now, the times are so dark that even experts cannot see ahead. Then I put the simple question—that being so

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and an ignorant man being in very much the same position as an expert, what is the good of an expert? He may as well sit at home if he cannot help us in these difficult times. When I am suffering and my physician tells me that he can do nothing to save me, then no physician should exist in this world. This is exactly the time when the most experienced financiers should sit together and try and save this tremendous ruin that is coming upon our people. Well, as I say, Mr. Dalal has justified the financial intelligence of India in his own person, and I believe even now that, if sufficient people sit together in India, and I think they should sit in India, they will, in communication with the merchants who are engaged in these dealings, probably arrive at a solution which will command the admiration of all future generations. Supposing nothing comes of it, then it does not matter. There have been four Commissions which have been unsuccessful and this will be a fifth. There is no harm in any case. Therefore this committee, if appointed, will encourage the merchants to believe that something is being done for them. If something is really done, then so much the better. If nothing comes of it, it is all right, the position is no worse than it is at present. Since the days of my boyhood upwards, when I began to study Fawcett, Mill and others, I could not understand why this double standard, as it was called, was imposed on India and also why what was called the silver standard was forced into India. We had our own gold currency. Well, however, I do not wish to go into old matters. Last year I suppose Honourable Members who were here will probably remember it was said that arrangements were made in Bombay for a gold mint and gold coins were to be issued after the dies were received from England. We found afterwards that gold was prohibited from coming to India. At least it had to come under certain licences and with some difficulty and gold coins were not therefore issued.

So far as I can see, it may not materialise for another 20 years. So these are all matters which really ought to be put before a Committee, and I think they ought to make some recommendations, and if they cannot stave off our losses, at any rate they will provide an insurance against loss. So I submit that this Resolution will serve a very useful purpose if it is carried out. It will hearten many people and provide remedies for the situation with which we are confronted.

With these words I heartily support this Resolution.

The HONOURABLE MAUNG PO BYE: Sir, as a layman, not even a novice, in the question of the exchange problem, it strikes one's intelligence that there is a large and influential body of capitalists and financiers somewhere in this world—it may be in America, in England, in China or in India—who are playing with the exchange, and making huge incomes on account of the fluctuations in exchange. I am not convinced that the capitalists and financiers of India have no hand in it, if not as members then as nodding outsiders, reaping the same benefit. They are such able businessmen that they can manipulate the question so as to show us one side of the shield only and not the other, to effect their own interests. So my point is—I want to put it very shortly—I ask the Government to inquire deeply into this matter, not only in India but in England and in other countries, and to shape the currency policy on a sound basis. I therefore support the Resolution.

The HONOURABLE MR. KALE: Sir, the reply I shall give those who have spoken against my Resolution will be a very short one. It would have given me very great pleasure to accept the suggestion which has fallen from my revered friend, the Honourable Sir Dinshaw Wacha. I should not like at any time to go against his wishes, but I regret very much to say that I am not at all convinced by the arguments which he and others advanced against the request I have made for an inquiry by a committee. The Honourable Sir Dinshaw Wacha was inclined to be too kind and too liberal in this matter towards Government. I do know what he would have said with regard to the present exchange policy of Government a few years back. However, I will say one thing, that when the gold standard policy was adopted, the mildest language he used in speaking of that policy was that the policy was a 'crime.' I am not going to use such hard language, but I cannot absolve Government from the responsibility which attaches to it in the matter of what has been called the exchange muddle. I have been asked, how is the Government responsible? I have already replied and showed how Government is responsible. The very currency system and policy of Government implies the maintenance of gold reserve. Has that reserve been used? Has it been functioning? Government had in the Paper Currency Reserve its first line of defence, as it was called. That first line of defence has been broken through. The very citadel of the currency system has now been attacked, and no use has been made of that gold standard reserve. I ask, why has that Gold Standard Reserve been built up? What was the object of the reserve as laid down by so many Commissions? Take the Fowler Committee; take the Chamberlain Commission. What has been done to carry out their intentions with regard to the Gold Standard Reserve? If it is not to be used in a time of difficulty, in a time of crisis, what is the use of having it at all? The attitude of the Government of India in this matter reminds one of Goldsmith's miser who visits his store and 'counts and recounts it over'. He visits the store of gold day after day, admires it, looks at it, but never uses it. Poor merchants might justly challenge Government and say, 'Here you are, you have a gold standard reserve, why should you not use it in order to maintain the exchange—it may be to 24*l.* sterling, it may be to 16*l.*' If the Government do not do this, that means that the policy of Government has failed. The system has absolutely collapsed. The Honourable the Finance Member, while speaking in the late Imperial Council in connection with the currency legislation and general financial matters, and defending the policy of selling Reverse Councils, in effect observed:

'If we do not take these measures, what will happen to our currency system? Will it not collapse? It is for the purpose of maintaining this system that we are taking these measures.'

The times are in fact so extraordinary that no system can be maintained at this juncture. Well, I come in here and say, if that is so, if the Government's policy has absolutely failed, why not have an inquiry and see, as I have asked, whether a gold standard can be adopted in this country? It is a very old demand—a demand persistently made from the time of the recommendations of the Fowler Committee. The recommendations of that Committee were not carried out, and in the place of a gold standard, a gold exchange standard was adopted. The last Committee of Inquiry into this question was precluded from considering this aspect of the exchange problem. Among the terms of reference made to this Committee, they were asked to 'make recommendations as to such modifications, and generally as to the policy, that should be

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pursued with a view to meeting the requirements of trade, to maintaining a satisfactory monetary circulation and to ensuring a stable gold exchange standard.' Their recommendations were to be made consistently with the maintenance of the gold exchange standard. But everything is now in a state of flux. The old system has collapsed. Why not then consider the practicability of adopting a gold standard? Many of the objections which used to be taken to the adoption of a gold standard, accompanied by a gold currency, have vanished. If was said 'India is too poor to have a gold standard'. Now, on the other hand, we are told, 'India is prospering, wages are rising, prices and incomes are rising'. Cannot we, therefore, introduce a gold currency? Can we not adopt a gold standard?

As my Honourable friend Sir Alexander Murray has observed, the rate of exchange was high already before Government put it up at 24½ gold. But why was it high? It was high for reasons into which I am not going to enter into at the present time. Sir Alexander Murray himself knows the circumstances. The circumstances have been set out in the report of the Babington Smith Committee. It was India's sacrifices during the war that entailed the rise in exchange. India sacrificed for the Empire, India suffered for the Empire. Are we not now going to have that form of exchange and currency system that they have in England and other countries? I recognise that the time is not auspicious for holding out for a particular rate of exchange. I am not asking for it. What I am asking for is this. Let us keep our currency goal before our eyes. The Honourable Sir Dinshaw says 'There is darkness everywhere, we cannot see our way.'

That is true, but what is your ideal, your goal? The Honourable the Finance Member refuses to say what the policy of the Government of India will be in future. Let us say that our goal is the gold standard accompanied by a gold currency. If that goal is placed before ourselves, then the proposed committee could go into the question and say under what circumstances it could be introduced. To my mind this is not an inopportune time for such an inquiry. On the contrary, it is the proper time when an inquiry should be instituted. I do not want Government to do certain things and then say, 'Well, we have arrived at this stage in the evolution of our exchange policy'. Before things develop, let us make an inquiry. As I pointed out in my earlier speech, those conditions on which the recommendations of the Babington Smith Committee were based no longer exist. Silver is not dear. Prices are going down. Therefore, there is no reason why we should stick to a particular exchange rate. I do not want to be dogmatic. I do not want, at the moment, to plump for a particular rate; the Committee of Inquiry has to consider what that rate is to be consistently with the gold standard. That is my idea. There are in India a very large number of people who want a gold standard. They say that most of our difficulties have arisen out of the absence of a gold standard in this country. Under these circumstances, it is the duty of Government to see whether, and concerned, I find that the difficulties in the way of an inquiry have been exaggerated. I do not say there are no difficulties; it would be wrong to say there are no difficulties. Difficulties there are, but it is in the midst of difficulties that we have to see far ahead; it is at this time that we can make an inquiry fruitfully. I do not mean to say that the rate of exchange will go up immediately to 24½; I have no such hallucinations; but, at the same time, Government must consider the demands and the feelings of the people. You

must not give the people grounds for saying that the Government is not moving a finger where it ought to take some action. That is the feeling prevailing in the country. Government must meet that feeling, and a sure way of doing that would be an inquiry through a committee. People will see that the committee may not be able to achieve the result which some people expect, and they will say, here is a representative committee; it has made an inquiry and has arrived at certain conclusions. Nothing beyond this can be done by Government, and they will be satisfied. We shall have this consolation, that an inquiry was made, Government was not unsympathetic but took active measures to help importers and to realise its responsibility in this respect. You will thus allay public feeling. I do not know whether Government realises the depth and the intensity of the feeling that exists. I speak so strongly, because I have come in contact with a large number of people who have given expression to their views on this subject, and, as I have already stated, what may be called the hostility to Government is due entirely to this that Government is following a policy into the secrets of which the people are never allowed and never admitted, and there is the feeling that in London there is a clique which is doing certain things which are detrimental to the best interests of India. These are the suspicions. We are living in an atmosphere of distrust and suspicion, and I pray to Government not to deepen those suspicions, not to intensify them, but to make a concession to popular feeling. The difficulties are exaggerated; they can be multiplied if we choose; but I am quite certain that if the Government takes it into its head, it can appoint a committee, it can make an inquiry, and that same committee, expanded or modified according to the circumstances of the case, may also make an inquiry into the larger and the permanent question of the system of currency and exchange in this country.

I want Honourable Members of this House to realise their responsibility in this matter, and I hope that after what I have said they will give me their strong support.

THE HONOURABLE MR. E. M. COOK : Sir, I did not intend to inflict myself again on the House on this rather sultry afternoon, but there is just one thing my Honourable friend said that I do not think I ought to allow to go unanswered. He made rather effective play with Government's omission, as he would call it, to utilise the Gold Standard Reserve at present. He accused us of being miserly, and of gazing at this hoard, which hoard might be used with such great benefit to the poor Indian importer, who is suffering from the fact that he is called upon to fulfil his contracts at a low exchange. I hope that that rather impassioned plea will not influence Honourable Members. I feel quite sure that they will realise that one of the most dangerous, one of the most unfortunately conceived policies, would be to go and squander away that Gold Standard Reserve at the present moment in an attempt, which must be ineffectual, which must prove a failure, to prop up exchange at some sort of level, either 1s. 4d., 1s. 5d. or 1s. 6d. If Government adopted such a policy and failed, and had meanwhile squandered the Gold Standard Reserve, who would be the first to get up and accuse Government of wasting India's resources? I should like to bring this Council back just to hard cold facts. I submit that my Honourable friend has to show that conditions are now in such a state, something like normality, that any profitable deduction can be drawn; that there is emerging from all this chaos, all this unrestful sea, some sort of rock on

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which we can build our financial and exchange policy. This he has not done. I am afraid that, if at the present time this committee were appointed—Mr. Khaparde said it would not do any harm, but I submit it would do a great deal of harm—it would lead to hopes which, from the very nature of things, could not possibly be fulfilled. It would do a very great deal of harm to business and commerce in this country if this Council attempts to hold out or dangle before the country any false hopes that there is any chance whatever of a permanent solution of our exchange difficulties for some little time to come.

The HONOURABLE THE PRESIDENT: The question is:

'That this Council recommends to the Governor General in Council the urgent necessity of an inquiry by a special representative committee into the exchange situation with a view to suggest suitable remedies to relieve the existing tension connected therewith, and to consider if it is not desirable to propose an alteration in the exchange value of the rupee fixed by law, and a modification of the currency system so as to place it on a gold standard basis.'

The motion was negatived.

The HONOURABLE MR. KALE: I beg for a division.

The HONOURABLE THE PRESIDENT: The Honourable Member should have claimed before I said 'The Noes have it'. I gave him full opportunity. I said, 'I think the Noes have it' twice.

The Council then adjourned till Monday, the 21st March, 1921.

COUNCIL OF STATE.

Monday, the 21st March, 1921.

The Council of State assembled at Metcalfe House on Monday, the 21st March, 1921, at 11 A.M., with the Honourable the President in the Chair.

MEMBER SWORN:

The Honourable Haji Chaudhuri Mahomed Ismail Khan.

QUESTIONS AND ANSWERS.

RETIREMENT OF NON-GAZETTED OFFICERS.

210. The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU: Do the Government propose to consider the desirability of extending to non-gazetted Officers the rule recently passed by them in favour of gazetted Officers permitting them to retire voluntarily before 30 years of service?

The HONOURABLE SIR WILLIAM VINCENT: The answer is in the negative. Having regard to the fact that almost all the officials concerned are serving in their own country, that their duties are less exacting than those of the more responsible gazetted Officers, that they are generally recruited at an earlier age than gazetted Officers, and that the expenditure involved would be very considerable, the Government do not consider that the period now prescribed should be reduced.

SHIFTING SITE OF THE CANTONMENT, RANGOON.

211. The HONOURABLE MAUNG PO BYE: (a) Is it a fact that Government contemplate shifting the site of the cantonment in Rangoon?

(b) If so, do Government propose to consider the question of excluding the area round the Buddhist shrine, the Swaedagon Pagoda, from cantonment limits?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) Yes, but no agreement has yet been reached between the Government of India and the Local Government on the subject.

(b) The scheme under consideration contemplates the relinquishment of the area around the Swaedagon Pagoda, which would therefore cease to be in military occupation.

SPECIAL TRAINS FOR PILGRIMS.

212. The HONOURABLE LALA SUKHBIR SINHA: Will Government be pleased to state—

(a) the occasions on which within the last two years special trains were not provided for pilgrims travelling to Hindu or Muhammadan religious fairs;

- (b) the steps Government proposes to take in order to put a stop to this practice in future and to secure sufficient rolling stock to provide such special trains?

The HONOURABLE SIR GEORGE BARNES: (a) Detailed information is not available, but it is known that, owing to shortage of engine power and rolling stock, railways were not able to run special trains in several cases.

(b) Government is most anxious to remove difficulties of travel and everything possible is being done to increase the supply of rolling stock, but the Honourable Member will realise that this is necessarily a question of time and money.

RESERVED ACCOMMODATION ON RAILWAYS.

213. The HONOURABLE LALA SUKHBIR SINHA: Will Government be pleased to state whether it is under their contemplation to revert to the pre-war rules for providing reserved accommodation on railways and for return tickets at reduced rates to passengers?

The HONOURABLE SIR GEORGE BARNES: There has been more than one question similar to that of the Honourable Member asked in the Legislative Assembly. I am afraid that it is not possible at present for the railways to revert to the pre-war rules for providing reserved accommodation on railways and for return tickets on reduced rates for passengers, but I can assure the Honourable Member that the question of reverting to pre-war practice in regard to these matters will not be lost sight of when we have a sufficient supply of rolling stock and circumstances permit.

SYSTEM OF LAND REVENUE.

214. The HONOURABLE LALA SUKHBIR SINHA: (a) In what other countries besides India is the system of land revenue in force and what is the system in England, America, France, Japan and Germany?

(b) Does the Honourable Revenue Member know that there is no legislation on the subject and that everything depends upon the circulars of the Board of Revenue?

(c) Does he propose to suggest to every Provincial Government, where Provincial Settlements are still made, to have legislation on the lines recently recommended by the Joint Parliamentary Committee?

The HONOURABLE MR. B. N. SARMA: (a) It is impossible to embody in a reply of reasonable length the information sought by the Honourable Member, but if he cares to see a summary of the information on the subject which the Government of India have in their possession, it will be shown to him.

(b) Yes.

(c) As I stated in reply to a question by the Honourable Mr. Maricair on the *14th February, Local Governments were addressed in March last regarding the recommendations of the Joint Parliamentary Committee, referred to by the Honourable Member. Their attention was drawn to the need for early action on the recommendations, but they were advised to defer the introduction of legislation until the new Councils had met.

* Vide page 26 of Volume I, No. 3 of Council of State Debates.

EXEMPTION UNDER INDIAN ARMS RULES.

215. The HONOURABLE MR. BHURGRI*: (a) Will Government be pleased to state if it is a fact that Sub-Inspectors and Inspectors of Police are exempt under the Indian Arms Rules in respect of shot-guns?

(b) Is it a fact that under the new Arms Rules a person who has been presented with an arm by the Government in recognition of his services is exempt only in respect of that arm? If so, do the Government propose to reconsider the matter and to direct that such persons be exempted from the operation of Arms Rules altogether in respect of all guns possessed by them?

(c) Do Government propose to consider the question of providing that every licence issued under the Indian Arms Act, 1878, shall be available throughout India?

The HONOURABLE SIR WILLIAM VINCENT: (a) The reply is in the negative.

(b) Under item (d) of entry (11) in Schedule I of the Indian Arms Rules persons holding swords or other arms received before the 1st January, 1920, as gifts from the Governor General in Council or a Local Government are exempted in respect of such arms and ammunition as the Governor General in Council or a Local Government may declare to be reasonable for such persons to carry or possess. As regards persons who have received, or may receive, arms as gifts from Government after the 1st January, 1920, the fact is as stated. With regard to the second sentence of the question the Honourable Member is referred to the Home Department Resolution No. 31250, dated the 21st March, 1919, from which he will see that the policy of the Government is to confine exemptions within the narrowest limits practicable. They are not therefore prepared to extend the list of exemptions in the manner proposed by him.

(c) The Honourable Member's attention is invited to rule 29(2) of the Arms Rules and to the Resolution published on the 21st March, 1919, from which he will see that licences for the possession of arms and ammunition in reasonable quantities and for going armed for the purposes of sport, protection or display may be made valid by the licensing authority in provinces, other than Burma, Assam, and the North-West Frontier Province, throughout India except those three Provinces; and that subject to any restrictions which may be necessary in regard to any particular province the policy of the Government is that they should be made so valid. The Government do not consider there is any necessity to give any wider validity than is now possible under the rules.

REPORTS OF GOVERNMENT DEMONSTRATION FARMS.

216. The HONOURABLE LALA SUKHBIR SINHA: (a) Is the Honourable Revenue Member aware that people have very little confidence in the reports of Government demonstration farms on the produce of land per acre and are not therefore inclined to adopt their improved methods of cultivation?

(b) If it is a fact, what steps he proposes to take to make these reports more accurate?

The HONOURABLE MR. B. N. SARMA: The Government of India have no reason to believe that the Honourable Member's want of confidence is shared by the public.

* The Honourable Member was absent.

PROVINCIAL AGRICULTURAL DEPARTMENTS.

217. The HONOURABLE LALA SUKHBIR SINHA: Is the Honourable Revenue Member aware that the agricultural departments in every Province are doing very little practical work and require an overhauling. What action, if any, is contemplated?

The HONOURABLE MR. B. N. SARMA: The Government of India repudiate the suggestion that the Provincial Agricultural Departments are doing very little practical work.

BOARDS OF AGRICULTURE.

218. The HONOURABLE LALA SUKHBIR SINHA: In what Provinces are there Boards of Agriculture and what powers have they to exercise in each Province?

The HONOURABLE MR. B. N. SARMA: The information is being obtained and will be supplied to the Honourable Member.

JOINT COMMITTEE ON INDIAN FACTORIES (AMENDMENT) BILL.

The HONOURABLE MR. H. MONCRIEFF SMITH: Sir, a message has been received from the Legislative Assembly through the Secretary of that Assembly.

The HONOURABLE THE PRESIDENT: Let it be read.

The HONOURABLE MR. H. MONCRIEFF SMITH: Sir, the message which has been received runs as follows:—

'I am directed to inform you that the following Resolution was passed by the Legislative Assembly at their meeting of the 17th March 1921:—

'That this Assembly do recommend that the Bill further to amend the Indian Factories Act, 1911, be referred to a Joint Committee of this Assembly and of the Council of State, and that the Joint Committee do consist of 12 Members.'

The HONOURABLE MR. A. C. CHATTERJEE: I rise to move—

'That this Council do agree to the recommendation of the Legislative Assembly that the Bill further to amend the Indian Factories Act, 1911, be referred to a Joint Committee of the Council of State and of the Legislative Assembly, and that the Joint Committee do consist of 12 Members.'

The Bill has already been circulated to the Honourable Members of this Council. The main object of the Bill is to give effect to the Resolutions that were adopted in this Council about a month ago with regard to the draft conventions and recommendations of the International Labour Conference that met at Washington in October and November 1919.

There are also some consequential changes in the law relating to factories at present on our Statute-book. We have taken this opportunity also to suggest some changes in the law which have been advocated by Local Government and by our expert inspection staff. There are practically no other changes of substance excepting one to which I shall refer later on.

The main provisions of the Bill may be classed under five heads. We have, first of all, a limitation of the weekly and daily maximum hours that

can be worked in all industries, that is to say, in all factories as defined in the Act. Honourable Members are aware that at present there is a daily limit for textile factories only. It is now intended for the first time to extend the principle of limitation to all factories. This is in accordance with the Resolution that has already been passed by this Council and also in the other House.

Secondly, we propose to alter the definition of factories so as to include all establishments employing 20 persons or more, and we also propose to give power to Local Governments to extend the definition to all industrial establishments employing 10 persons or more, whether power is utilised there or not. This is also, at least to a certain extent, in pursuance of the Resolution that was passed in this Council with regard to the draft convention regarding the minimum age of children to be employed in factories; but it also applies to all the other regulations embodied in the factories law, and to that extent it constituted a considerable change in the existing law. I think Honourable Members will recognise that abuses in factories are more likely to occur in the smaller establishments than in the bigger ones; also the men, women and children who work in the smaller factories require protection just as much as those who work in the larger and better organised industries where, especially now, some organisation of the workers are being developed. I think, therefore, that the House will agree that this is a change in the right direction.

In the third place, we have re-drafted and to a certain extent modified the provisions in regard to a weekly rest and the intervals during the hours of work in the day. The present provision with regard to a weekly rest is cumbersome and has been objected to by the various parties affected. The object now is to make one day in the week compulsory as rest for practically every person working in factories, of course with certain exceptions, such as in the case of continuous processes. The interval of half an hour, which is now provided in the law, should, it is proposed, in future be one hour.

The third group of alterations relates to the protection of children. This was discussed at length in connection with the Resolution regarding the minimum age of children that was discussed in the Council about a month ago. In the Bill we are giving effect to the Resolution as passed by the Council raising the minimum age of employment of children from 9 to 12. There is a further alteration, which has not yet been before the Council, raising the upper age of children from 14 to 15. This is a reform which has been advocated for many years and had been seriously considered in another connection by the Factories Commission of 1908. They had proposed a young persons' class, but it was found on practical grounds that it was more or less impossible to have a young persons' class in India. At the same time, I think Honourable Members of this Council will recognise that it is not desirable, in the interests of the nation and in the interests of the children themselves, that children of 14, boys and girls, should at once pass from half-timers under certificates of physical fitness to full-timers without any protection whatever. We had the choice of introducing a young persons' class or of raising the age-limit. We have proposed to raise the age-limit by only one year. In this connection I should also like to mention to the Council that, until recently, there were very few facilities in India for children working in factories to obtain any technical training. These facilities are now being gradually provided, but it is impossible for a young lad of 15 or of 14 to take advantage of any of these facilities if he works the full complement of hours,

[Mr. A. C. Chatterjee.]

it might be 10 and is probably 10 in most factories. On the other hand, if he is worked only as a half-timer, he would have some chance of taking advantage of these facilities that are now being provided. In that way we hope that the boys who work in the factories will get a knowledge of the technical processes and will be able to rise gradually from the position of ordinary operatives to that of chargemen, overseers, foremen and, possibly, managers.

Another group of provisions embodied in the Bill relates to the safety and protection of all workers. I would draw attention to clauses, 7, 8, 9 and 12 of the Bill. In clause 7 we have provided for regulations regarding humidification of the factories. I think Honourable Members are aware that in many of our textile factories artificial measures are adopted for producing humidification. The atmosphere becomes extremely oppressive at times and, on sanitary grounds as well as on physical grounds, it is desirable that there should be definite rules regulating humidification. I think it has already been announced that the Government of India are taking steps for an elaborate inquiry into the question before coming to a decision regarding the rules that should be adopted, but, in the Bill, we are proposing to take power to make such rules when we have determined what rules actually are required. In clause 8 we are suggesting that arrangements should be made to secure fencing for live wires and for electrical fittings which are in many cases extremely dangerous to human life. In clause 9 provision is being made against accidents which may be caused by defects in the factory structure. Such accidents have been numerous in the past, and it is at present impossible to prohibit the use of dangerous machinery. In clause 10 we are taking power to prevent children of tender age from being taken to parts of a factory where there is obvious danger to health or to life and limb. In the same clause another provision will give power to Government to make rules against the employment of children and women in dangerous processes where lead poisoning might occur. Similarly, in clause 22, we are proposing to take power to make rules for the prevention of anthrax if investigation should establish the advisability of so doing.

Consequent on all these changes factory owners or occupiers will be compelled to keep a more elaborate system of registers. Honourable Members will realise that it will be impossible to enforce the rule regarding the maximum number of hours to be worked, unless a register is maintained of all work-people, men, women and children, and of the number of hours worked by each. We can realise that all these changes in the law will involve very much heavier work for the factory inspection staff, and the Government of India propose to address Local Governments on this point very shortly.

The last point to which I would like to draw the attention of Honourable Members is that in the Bill we are proposing to replace the present unwieldy Schedules giving exemptions from the different provisions of the Act, by certain definite principles. Local Governments will be empowered to grant exemptions in accordance with these principles, but under the superintendence of the Central Government.

As I have said already, the only important change which has not been discussed in full in this Council is with regard to the upper age of children. The Local Governments and mercantile and industrial associations have already been consulted with regard to the main provisions of the Bill, which, as I

have already indicated, are merely based on the draft conventions and recommendations of the Washington meeting of the International Labour Conference, which were discussed in full in this Council.

It is thought that in a business measure of this sort, joint deliberation of the representatives of the two Houses with expert knowledge of the subject and representing the various interests involved would help us to arrive at a considered agreement on all the main points. I hope, therefore, the House will accept the suggestion made by the Assembly for a Joint Committee.

The HONOURABLE MR. LALUBHAI SAMALDAS: Sir, I beg to support this Resolution. The Bill can be discussed in detail after it has been committed to the Joint Committee, but there are a few points which, I think, I may bring now before the Council. As the Honourable Mr. Chatterjee said, provision must be made for industries where they work by shifts; sometimes a man works only 56 hours a week instead of 60 hours, as would be the case in other factories where they work for six days for ten hours each day. This point will have to be considered, because it would be very difficult to devise some means by which an off-day could be secured in the case of these shift-workmen. We have been thinking of having our shifts for six days with one day off; but there are certain sections of the industry which require to be worked the whole week and cannot be kept without work for even a day, for even a few hours. I hope that question will be considered by the Joint Committee.

The Honourable Mr. Chatterjee said that larger powers have been given to the inspecting staff and that their number will have to be increased. It is necessary that the inspecting staff should be above suspicion and should have full capacity to carry out the powers given in this Bill. Under clauses 8 and 9 they are given powers to decide how far a particular building may be suited for heavy machinery; and, unless they are good civil engineers, it would not be possible for them to decide that point; and it will have to be considered also whether the inspecting staff should have a good knowledge of civil engineering. But this is merely a matter of detail, which, I think, might be considered better by the Joint Committee. As regards the third point, which the Honourable Mr. Chatterjee said had not been considered in this Council, as regards the upper age-limit of children, though there is a feeling in some quarters that this limit should be raised to 16, I think that the country, as a whole, will welcome the raising of the limit to 15; and that the employers also will not object. With these words I support the motion before the Council.

The motion was adopted.

COMPOSITION OF JOINT COMMITTEE.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I move that the following six Members of the Council of State be nominated to serve on the Joint Committee to consider and report on the Bill further to amend the Indian Factories Act, 1911, namely:—

The Honourable Sir Alexander Murray, the Honourable Sir Maneckji Dadabhoy, the Honourable Mr. Lalubhai Samaldas, the Honourable Mr. Kale, the Honourable Mr. H. Moncrieff Smith and myself.

[Mr. A. C. Chatterjee.]

I may say, Sir, that I have asked these Honourable Gentlemen and they have consented to serve on the Committee.

The HONOURABLE LALA SUKHBIR SINHA : May I propose that the name of the Honourable Lala Ramsaran Das be added ? Because we have none here from the Punjab or the United Provinces ; and I think there must be a man who can represent the case of the Punjab and the United Provinces where there are many factories.

The HONOURABLE THE PRESIDENT : Has the Honourable Member ascertained from the Honourable Mr. Ramsaran Das whether he will serve ?

The HONOURABLE LALA SUKHBIR SINHA : No, Sir.

The HONOURABLE THE PRESIDENT : He is required to do so by the rules. His motion is therefore out of order.

The original motion was adopted.

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

The HONOURABLE MR. H. MONCRIEFF SMITH : Sir, there is a further message from the Legislative Assembly.

The HONOURABLE THE PRESIDENT : Let the message be read.

The HONOURABLE R. H. MONCRIEFF SMITH : Sir, the message which has been received from the Legislative Assembly through the Secretary of the body runs as follows :—

' I am directed to inform you that the Legislative Assembly have at their meeting of the 17th March agreed without any amendments to the Bill further to amend the Code of Civil Procedure, 1908, which was passed by the Council of State on the 26th February, 1921.'

BILLS LAID ON THE TABLE.

The HONOURABLE MR. H. MONCRIEFF SMITH : Sir, in accordance with rule 25 of the Indian Legislative Rules, I now lay on the table two Bills which were passed by the Legislative Assembly at its meetings of the 17th and 19th March, respectively. They are (1) a Bill to amend the law relating to the Calcutta University, and (2) a Bill further to amend the Indian Tariff Act, 1894, the Indian Post Office Act, 1898, the Indian Income-tax Act, 1918, and the Super-tax Act, 1920, and to amend the Freight (Railway and Inland Steam-Vessel) Tax Act, 1917.

INDIAN FINANCE BILL.

The HONOURABLE MR. E. M. COOK : Sir, if I have your permission, I should like to read out a notice which I have handed in to the Honourable the

Secretary relating to the Indian Finance Bill. I beg to give notice of my intention to move in the Council of State :

' That the Bill further to amend the Indian Tariff Act, 1894, the Indian Post Office Act, 1898, the Indian Income-tax Act, 1918, and the Super-tax Act, 1920, and to amend the Freight (Railway and Inland Steam-Vessel) Tax Act, 1917, as passed by the Legislative Assembly at its meeting of the 19th March 1921 be taken into consideration.'

Ordinarily, Sir, this motion could not be put on the list of business, unless you otherwise direct, within three days of the notice. I venture to suggest, Sir, that there are reasons in this case why you should, if you are so pleased, exercise your discretion in that respect. The Bill is one of considerable urgency. I need only mention that, unless it is passed by both Chambers and receives the assent of the Governor General before the end of this month, the country will lose from Rs. 70 to Rs. 75 lakhs of revenue, owing to the fact that the additional customs revenue collected this month will have to be refunded. I need hardly say, Sir, that there is no intention on the part of Government in any way to hustle this Honourable Council in its consideration of this Bill. The Bill, as introduced in the other House, was placed in the hands of Honourable Members here on the 1st March, *i.e.*, nearly three weeks ago. It has emerged from the other House somewhat amended, but, nevertheless the main purport of the Bill and the general structure of it remain to a large extent unchanged. I have no doubt Honourable Members have studied the Bill as it was introduced in the other Chamber, and I hope they will agree that, in view of its undoubted urgency, I should move for its consideration as soon as possible, if you are disposed to exercise your powers of discretion in this respect.

The HONOURABLE THE PRESIDENT : There are really two points in the Honourable Member's request. One is that I should exercise my power to abrogate the period of notice required by the rules, and the second point is that I should fix a date for a meeting to consider the Bill, because without a date the abrogation of notice will be meaningless. I think Honourable Members will agree with me that there are very urgent reasons why this Bill should be taken into consideration as soon as possible. I have no doubt, however, that they will wish to examine it with care for it is an important Bill. I, therefore, propose to direct that there shall be a meeting of this Council on Wednesday, the 23rd instant, and I further direct that the Bill may be put down on that date for consideration if the Honourable Mover wishes to do so.

The HONOURABLE MR. E. M. COOK : I should like the Bill to be put down for that day please.

The HONOURABLE SIR MANECKJI DADABHOY : I understand, Sir, that you will also dispense with the notice required for amendments.

The HONOURABLE THE PRESIDENT : Naturally, that must be understood. Honourable Members must give such notice as they are able to give, but it will be impossible, in the circumstances of the case, the Bill having been put down for Wednesday, to require full notice to be given in regard to amendments. There will be no exercise of undue harshness in the matter of receiving amendments, but I hope Honourable Members will in their own interests give such notice as they are able to give.

The HONOURABLE LALA SUKHBIR SINHA : Sir, may I point out that 23rd, Wednesday, is a holiday on account of Holi ?

The HONOURABLE SIR MANECKJI DADABHOY: Yes, that is exactly what I mean. I quite understand that the Honourable Member has not given any assurance of any definite date on which the control will be abolished, but I understood him distinctly to state that the control will be removed as early as possible on food grains as well as on coal, and the sooner this is done the better. It is, in the interests of India, essentially necessary that this control should be abolished by Government at the earliest possible date. I would have opposed the passing of this Bill had it not been for this assurance given by the Honourable Member. Only the other day we discussed this question, and it was then pointed out that it would stabilise the exchange to a certain extent if this general control of foodstuffs as well as of coal was altogether removed. In view of what has been stated, I shall not oppose the Bill.

The HONOURABLE MR. LALUBHAI SAMALDAS: I want information on one point, Sir. In view of the Resolution that was passed in this Council requesting Government to remove all embargo as far as foodstuffs are concerned, will the passing of this Bill not be in any way against that Resolution?

The HONOURABLE SIR GEORGE BARNES: The passing of the Bill is necessary in itself, but I can assure the Honourable Member that the Resolution passed in this House will have the very earnest consideration of the Government, and I understand that a Resolution is being proposed in the other House on the same subject.

The HONOURABLE THE PRESIDENT: The question is:

'That the Bill further to amend the Import and Export of Goods Act, 1916, as passed by the Legislative Assembly, be taken into consideration.'

The motion was adopted.

The HONOURABLE SIR GEORGE BARNES: I beg to move, Sir, that the Bill, as passed by the Legislative Assembly, be passed.

The motion was adopted.

INDIGO CESS (AMENDMENT) BILL.

The HONOURABLE MR. B. N. SARMA: Sir, I beg to move that the Bill to amend the Indigo Cess Act, 1918, as passed by the Legislative Assembly, be taken into consideration. The Bill has been circulated amongst Honourable Members and has been passed by the Legislative Assembly. Honourable Members are aware that in 1918 Government undertook legislation for the purpose of helping the indigo industry, to promote research therein, and at the instance of the trade itself enacted legislation authorising the levy of a cess of one rupee upon a maund, i.e., 82½ lbs. That was not a fiscal measure, nor is this a fiscal measure. It does not bring in a rupee of revenue to the Government. Whatever cess is levied under this Act would all be utilised for the purpose of promoting research. Shortly after the Bill was passed and came into operation, it was represented to the Government that, inasmuch as the unit of standard weight in Upper India was the factory maund of 74.66 lbs., it would be convenient if that factor were taken into consideration

and the unit were so fixed. Local Governments were addressed on the subject and, with one exception, all Provincial Governments agreed to a rate of Re. 1-8 being fixed on 112 lbs., which would work out to one rupee per factory maund of 74 lbs. and odd. This amending legislation is intended merely for the convenience of the trade and has been introduced at its instance. The Legislative Assembly passed the measure and I request that this House will allow it to be taken into consideration.

The HONOURABLE THE PRESIDENT: The question is:

'That the Bill to amend the Indigo Cess Act, 1918, as passed by the Legislative Assembly, be taken into consideration.'

The motion was adopted.

The HONOURABLE MR. B. N. SARMA: Sir, I move that the Bill, as passed by the Legislative Assembly, be passed.

The motion was adopted.

The Council adjourned till Wednesday, the 23rd March, 1921, at 11 A.M., in this Chamber.

The HONOURABLE THE PRESIDENT: The Honourable Member has several times brought that to my notice. But the calendar supplied to me by Government does not show that the 23rd is a holiday. I understand that the Assembly are sitting on that day. I can only go by the calendar of holidays supplied to me by the Government.

The HONOURABLE MR. A. H. FROOM: May I ask for a ruling, Sir, as to what amendments to this Bill are permissible and what are not. I have my own ideas on the point, but I should like to have a ruling from you as to what amendments we may put forward.

The HONOURABLE THE PRESIDENT: I think it is almost impossible for me to specify all the amendments it is possible for members to propose. Perhaps it will meet the Honourable Member if I specify a certain class of amendment which is not possible. Naturally, speaking generally, amendments which do not come within the scope of the Bill are not admissible, but I fancy the Honourable Member has in view a point which was raised to me by another Honourable Member on which I should have preferred under ordinary circumstances to decide when the occasion arose. However, in view of the short notice on which this Bill is going to be considered and the fact that it may save Honourable Members labour and prevent unnecessary delay, I would at once try and come to a decision on the point which I take it my Honourable friend has in mind. That is the question whether an amendment which has the effect of increasing taxation can be moved by a member other than a member speaking on behalf of Government. I think it will be quite clear to Honourable Members if they refer to section 67-A (2) of the Government of India Act, that the framers of that Act have therein given statutory expression to the English constitutional rule that demands for supply must proceed from the Crown, in other words, the legislature can reduce, but it cannot increase expenditure. That is quite clearly expressed in the Act. If that is so, it seems to me to involve the necessary consequence that taxation to provide for such expenditure must also be initiated by the Crown. Indeed, section 67 of the same Act could be construed in the same way. I think I must therefore rule that an amendment, except by a member speaking on behalf of Government, which has the effect of increasing taxation proposed by the Bill is out of order, unless it proposes taxation by way of equivalent to a tax brought by the Bill under the consideration of the Council. The point is this, that the Crown makes a demand, the Crown proposes taxation, the Council can reduce the demand or the taxation, but it can neither increase the demand nor can it increase the taxation except at the instance of a member of the Government. But it is open to members who desire to vary what I may call the incidence of taxation imposed by the provisions of the Bill to propose an increase in one item compensated by a corresponding reduction in some other item. I hope I have made the point clear to the Council.

The HONOURABLE MR. A. H. FROOM: Thank you, Sir. That is the point I wanted to be cleared up.

IMPORT AND EXPORT OF GOODS (AMENDMENT) BILL.

The HONOURABLE SIR GEORGE BARNES: Sir, it will be a great personal convenience to me,—and I understand my Honourable friend Mr.

Sarma does not object to it,—if with the leave of the House you will be good enough to take the Import and Export Bill next and invert the order of the two remaining Bills on your list.

The HONOURABLE THE PRESIDENT: The question is that items 4 and 5 of the legislative business be taken after item 1.

The motion was adopted.

The HONOURABLE SIR GEORGE BARNES: Sir, this Bill is to extend for one more year the operation of the Import and Export of Goods Act, 1916. To those Honourable Members, who were members of the old Legislative Council, the Bill will seem like an old friend. I think that I introduced it three times in the Legislative Council, and on the last occasion its operation was extended for one year, which ends on the 31st of this month. This Bill has now been passed by the Legislative Assembly and comes up from the Assembly to this House. A formal introduction here is not necessary under the rules, and the motion before the House is consequently a motion that the Bill be taken into consideration. Our efforts since the war had been directed to get rid of every form of control. I am a firm believer in the doctrine that trade ought to be left to itself and ought to be kept free of any interference by Government, and I should not propose the continuance of this Act for another year if I felt that it was possible to let it drop at the end of March. Unfortunately it is not possible to let it drop quite so soon as that. We need it in order to control the export of coal and for, what I hope may be a very short time, the control of the export of certain foodstuffs. It is within the knowledge of Honourable Members of this House that we are obliged for the present, in the interests of our own industries, to control the export of coal. I know that I can safely give this House an assurance on behalf of my Department, though I shall not be personally in charge of it after the end of this month, that the object of the Department and the object of the Government will be to put an end to every form of control at the earliest possible moment, and that the Act will not be used except for cases of urgent public interest. You will observe, Sir, that the extension asked for is for one year only, and I sincerely hope that next year it will be possible to let this Act die a natural death. I beg to move, Sir, that the Bill be taken into consideration.

The HONOURABLE SIR MANECKJI DADABHOY: In view of the assurance given by the Honourable Member that at an early date all embargo on food grains will be removed

The HONOURABLE SIR GEORGE BARNES: No, I did not quite say that, Sir.

The HONOURABLE SIR MANECKJI DADABHOY: You said, Sir.

The HONOURABLE THE PRESIDENT: If the Honourable Member would give way, the Honourable Sir George Barnes would have an opportunity of giving an explanation.

The HONOURABLE SIR GEORGE BARNES: What I said, Sir, is that we desire to put an end to every form of control at the earliest possible date, and I cannot go further than that. It is not a guarantee that at any definite date the control will come to an end.

COUNCIL OF STATE

Wednesday, the 23rd March, 1921.

The Council assembled at Metcalfe House at 11 A.M., with the Honourable the President in the Chair.

STATEMENT LAID ON TABLE.

The HONOURABLE SIR GEORGE BARNES: Sir, I beg to lay on the table a statement showing the number of officers in the employ of the different Port Trusts in India, which was promised in reply to a question* asked by the Honourable Mr. Sethna at the meeting of the Council of State held on the 28th February, 1921.

Statement showing the number of officers in the employ of the different Port Trusts in India.

Maximum salary per mensem.	BOMBAY.		CALCUTTA.		KARACHI.		MADRAS.		RANGOON.	
	Total Number of officers.	Indian officers.	Total Number of officers.	Indian officers.	Total Number of officers.	Indian officers.	Total Number of officers.	Indian officers.	Total Number of officers.	Indian officers.
(a) From Rs. 500 to Rs. 1,000.	79	13	147	10	15	Nil.	9	2	21	2
(b) Over Rs. 1,000 and up to Rs. 1,500.	36	Nil.	60	Nil.	6	Nil.	3	Nil.	15	Nil.
(c) Over Rs. 1,500	16	Nil.	19	Nil.	4	Nil.	1	Nil.	8	Nil.
TOTAL	131	13	226	10	25	Nil.	13	2	44	2

The HONOURABLE MR. SETHNA: Sir, may I ask a supplementary question in regard to the information the Honourable Sir George Barnes has just given us?

The HONOURABLE THE PRESIDENT: Does it arise out of the statement?

The HONOURABLE MR. SETHNA: Yes. I think, Sir, the percentage of Indians is very small, and I would like to know if, in view of the information they have given us, Government propose to take any steps whereby the number of Indians in the higher branches of the Port Trusts will be substantially increased?

The HONOURABLE THE PRESIDENT: Has the Honourable Member read the statement?

* Vide page 287 of Volume I, No. 7, of Council of State Debates.

The HONOURABLE MR. SETHNA : I have not, Sir.

The HONOURABLE THE PRESIDENT : Then the question cannot arise out of it. He should give notice of it.

HINDU TRANSFERS AND BEQUESTS (CITY OF MADRAS) BILL.

The HONOURABLE MR. H. MONCRIEFF SMITH : Sir, in accordance with rule 25, of the Indian Legislative Rules, I lay on the table a Bill to declare the right of Hindus to make transfers or bequests in favour of unborn persons in the city of Madras which was passed by the Legislative Assembly at its meeting of the 21st March, 1921.

FINANCE BILL.

The HONOURABLE MR. COOK : Sir, I beg to move :

‘ That the Bill further to amend the Indian Tariff Act, 1894, the Indian Post Office Act, 1898, the Indian Income-tax Act, 1918, and the Super-tax Act, 1920, and to amend the Freight (Railway and Inland Steam-vessel) Tax Act, 1917, as passed by the Legislative Assembly, be taken into consideration.’

We have a lot of work to do to-day, Sir, and I am quite sure that Honourable Members would not thank me if I started the day by entering into a long general disquisition on the details of this Bill. The Bill as originally introduced was placed in Honourable Members' hands on the 1st March. As passed by the Legislative Assembly it has only been in their hands since the 21st. That of course is a very short time, but the Bill has emerged from the Legislative Assembly with, I think, not a very large number of amendments, and I shall therefore assume that every Honourable Member has read it and mastered its details. I should, however, Sir, like, with your permission, to say just a few words on a preliminary, though I think very important, point. So far, this Council has only had before it, by way of information, the Budget and a copy of the Finance Bill as originally introduced, and subsequently this amended Bill. I think it is only right that I should tell Honourable Members how we now stand financially, as a result both of the voting on demands for grants in the other House and also of the alterations made by that House in the Finance Bill; otherwise I am afraid that the Council would be somewhat handicapped in dealing with the Bill now before it.

The other House have effected a reduction of 129 lakhs in next year's expenditure. It follows therefore that, if other things were equal, we should have to find by taxation 129 lakhs less. But other things are not equal, for the other House has, by the changes which it has effected in this Finance Bill, reduced the yield of the new taxation by about 85 lakhs. That is to say, the new taxation in the Bill, as at present before this Council, will yield 18 crores, and 32 lakhs, as against 19 crores and 17 lakhs. The net result is that on the whole we are 44 lakhs to the good—that is to say, the position, so far as we can see, is 44 lakhs better than when the Budget was introduced. I give this figure because I think it my duty to supply the Council with all the information I can on this point. At the same time, of course, I do not mean to imply that the Finance Department would not

like to have that 44 lakhs as a margin. I think that everybody knows of the very great uncertainties in the exchange outlook and in the trade outlook and I think that anyone who is at all acquainted with the general financial position of the country knows that any change in the position which may occur during the year, any alteration in our expectations, is much more likely to result in deterioration rather than in improvement. Now, Sir, I do not wish to embark on any sort of general discussion on the Budget, from which indeed we are by rule debarred. But I should like to make just one point clear.

It is not as if this were a budget in which the Finance Department had something up their sleeve, or in which they had nice little sums tucked away somewhere or other, a lakh here, a lakh under this head, half a crore somewhere else. I know that there was a time when the Government of India were accused, and on occasions not altogether without justice, of deliberately over-estimating their expenditure and under-estimating their revenue. My Honourable and learned friend, Sir Maneckji Dadabhai, will remember those debates in the old pre-Morley-Minto Councils at Calcutta, when the late Mr. Gokhale used to trounce the Finance Department for what he called their over taxation of the country. On this occasion, however, I can confidently assert, without the slightest fear of being successfully challenged, that nowhere in this budget is there anything tucked away or any margin or elasticity whatever.

I have said enough, I think, to show that altogether we are better off, as a result of the treatment of the Budget and of the Finance Bill in the other House, by about Rs. 44 lakhs, and that it does not necessarily follow that that Rs. 44 lakhs is so much surplusage. I quite admit that on the figures this Council would be justified in reducing the taxation by that sum. Whether or not it is desirable to do so is another matter.

The HONOURABLE THE PRESIDENT : The question is :

‘ That the Bill further to amend the Indian Tariff Act, 1894, the Indian Post Office Act, 1898, the Indian Income-tax Act, 1918, and the Super-tax Act, 1920, and to amend the Freight (Railway and Inland Steam-vessel) Tax Act, 1917, as passed by the Legislative Assembly, be taken into consideration.’

The motion was adopted.

The HONOURABLE THE PRESIDENT : I propose, in dealing with this Bill, to put each clause separately to the Council. That will enable Honourable Members to discuss the clause generally and also to move any amendments relating to the clause. They will, therefore, be able to speak firstly on the general principle of the clause and secondly, if they so wish, on each separate amendment.

Then I shall proceed on the basis of the list of amendments I have before me. In the first instance, we will postpone the consideration, following the usual practice, of the preamble of the Bill.

The HONOURABLE THE PRESIDENT : The question is :

‘ That clause 1 stand part of Bill.’

The motion was adopted.

The HONOURABLE MR. H. MONCRIEFF SMITH: Sir, I beg to move that at the beginning of sub-clause (i) of clause 2, the words,—‘With effect from the 1st day of March 1921’ be inserted and that at the end of that sub-clause the words,—‘and such substituted schedule shall take effect from the 1st day of March 1921’ be omitted.

This is a purely drafting amendment in order to bring clause 2 into line with the other clauses of the Bill, which all begin with the words,—‘With effect from the 1st day of’ such and such a month.

The HONOURABLE THE PRESIDENT: As this amendment was not on the paper, I think it right to read it again to the Council before I put it. It has been moved that at the beginning of sub-clause (i) of clause 2, the words,—‘With effect from the 1st day of March 1921’ be inserted, and that at the end of that sub-clause the words,—‘and such substituted schedule shall take effect from the 1st day of March 1921’ be omitted.

The motion was adopted.

The HONOURABLE THE PRESIDENT: The question is:

‘That clause 2 stand part of the Bill.’

The motion was adopted.

The HONOURABLE MR. SETHNA: I do not think I quite understand the procedure, Sir. There are items in regard to clause 2 in the list of amendments proposed. We understand that clause 2 has been passed.

The HONOURABLE THE PRESIDENT: Are the amendments to clause 2 or to the Schedule? The Honourable Member will have an opportunity of moving any amendments to the Schedule when we come to the Schedule. By passing clause 2, the only thing that the Council has done is that it has affirmed the general principle that there shall be some import taxation. That is all we have done so far.

The question is:

‘That clause 3 stand part of the Bill.’

The motion was adopted.

The HONOURABLE MR. E. M. COOK: Sir, I beg to move that for clause 4 of the Bill the following clause be substituted, namely:—

‘With effect from the first day of April, 1921, for the first Schedule to the Freight (Railway and Inland Steam-vessel) Tax Act, 1917, the Schedule contained in the fourth Schedule to this Act shall be substituted.’

This is purely a drafting amendment. In the Bill, as it has emerged from the other House, there appears, in the substantive portion of the Bill, a Schedule. My amendment seeks to take the Schedule out of the clauses of the Bill and to put it where every well behaved Schedule should be, that is, at the end.

I hope that the moving of this amendment does not prevent any amendments being moved on the Schedule itself.

The HONOURABLE THE PRESIDENT: Certainly not; but I should like to hear from the Honourable the draftsman of the Bill that that is the effect of the motion.

The HONOURABLE MR. H. MONCRIEFF SMITH: That will be the effect of the motion. There are one or two amendments later on which deal with amendments in the Schedule, which is now included in clause 4. The Honourable Movers of those amendments, I presume, will be at liberty to substitute amendments to amend the Schedule as it will stand in the Schedule to the Finance Bill.

The HONOURABLE THE PRESIDENT: I put the question on that understanding.

The motion was adopted.

The HONOURABLE SIR MANECKJI DADABHOY: There is an amendment in my name, Sir.

The HONOURABLE THE PRESIDENT: Not in the clause. Let us get on with the clause and we shall come to the Schedule later. It is quite open to Honourable Members to speak on the general principles of the clause. I do not wish to shorten the discussion at all. But if there are no amendments on the clause I propose to put the question.

The motions that clauses 5 and 6 stand part of the Bill were adopted.

The HONOURABLE THE PRESIDENT: Now we come to Schedule I and it is open to any Honourable Member who may have amendments on Schedule I to move them.

The HONOURABLE MR. COOK: Sir, I beg to move that in item 5 of the Schedule I after the words ‘Pearls unset’ the words ‘and imported unpierced’ be added.

I think, Sir, that I can say this amendment deals with a non-controversial matter. As the Council knows, there is a fairly large pearl industry in India. Pearls are imported in a raw and unpolished state and are exported to Europe, and under the present law they are on the free list. There is an amendment standing on the paper in the name of some Honourable Member moving that they should be transferred to the taxable list, but I shall not deal with that at present. The point of my amendment is this. It has been pointed out to us that under the wording of the relevant item in the clause, pearls if imported unstrung would escape all duty. For example, if a lady bought an expensive necklace of pearls in Paris, and, just before getting into Bombay, she cut the string, she could say to the Customs Officer, ‘look here, my pearls are unset.’ So far as pearls are concerned, item 5 was intended to relate to only pearls imported in a raw state, that is to say, unpolished and coming into this country to be polished, or to be re-exported and this amendment is proposed in order that the exemption may not be abused in the manner I have described.

The HONOURABLE SIR M. C. NANDY: Sir, the amendment which I propose to move is

The HONOURABLE THE PRESIDENT: The question before the Council is the Honourable Mr. Cook’s amendment No. 3.

The HONOURABLE MR. SETHNA: I have not been able to follow the Honourable Mr. Cook in the alteration he has proposed. I was under the impression that the law at present permits a lady passenger bringing her

[Mr. Sethna.]

again I repeat it—for the reason that these articles will be paying duty twice over. Of course it will be said that the mills will now benefit by the excise duty to a larger extent and they ought not to grudge, but that argument, Sir, ought not to hold good.

Then again, there is the question of administrative difficulty. I understand Government attach very great importance to this. Now, Sir, we are not running the Customs Department so that they should study their own convenience. I am sure that this Council which is composed of so many commercial magnates will see the force of the argument advanced in favour of mill-owners that on no article should duty be paid twice over. It is only on that ground, Sir, that I propose this amendment, and I hope that Government will be pleased to see that this duty is removed on these articles.

The HONOURABLE SIR MANECKJI DADABHOY: Sir, I support this amendment. It is not a question of the prosperity of the mills, but it is a question of principle. I am sure the Government of India will uphold the principle that no article or commodity should be taxed twice. If that principle is upheld, my submission is that there is no justification for imposing this duty after a long period of 25 years during which there has been a total immunity from any taxation. My friend Mr. Sethna has already referred to the transient prosperity of the cotton industry at present. But in matters of taxation, I submit it is wrong to look to the prosperity of a particular industry at the time. I understand that the Government of India, in matters of taxation, ever since the right of discussing the Budget has been given to the Legislative Councils, have been following some principle or other, and one principle which has been enunciated and which has been steadily followed is that in all matters of taxation, justice should be done, and that people should not be called upon to pay taxes twice over. My friend Mr. Sethna has explained the situation, and I do not wish to take up the time of the Council any further. I therefore support this amendment.

The HONOURABLE SIR ALEXANDER MURRAY: May I ask the Honourable Mr. Sethna what exactly he means by saying that hoop iron, hoop steel, baling rivets, etc., pay taxation twice over?

The HONOURABLE THE PRESIDENT: If the Honourable Member wishes to make a speech, he must do so. I am quite prepared as I have said to allow a certain amount of latitude in this debate in view of the special circumstances of the case. If the Honourable Member is merely asking for information, I am quite willing that he should do so. But if he wishes to make a speech, he must remember he can speak only once on the amendment. I am quite prepared to allow the Honourable Member to put a question to the Honourable Mr. Sethna. But what I am not prepared to allow him to do is in the form of a question to put forward an argument.

The HONOURABLE SIR ALEXANDER MURRAY: I quite appreciate all that you say. Sir, I would like to speak on this amendment but I cannot do so intelligently on the information before me.

The HONOURABLE THE PRESIDENT: If the Honourable Mr. Sethna can give the Honourable Sir Alexander Murray the information which he asks for, I would ask him to do so.

The HONOURABLE MR. SETHNA: If the Honourable Sir Alexander Murray desires to omit those items which relate to the baling and moving of cotton, I shall have no objection.

The HONOURABLE SIR ALEXANDER MURRAY: That is not the point, Sir.

The HONOURABLE THE PRESIDENT: I think that a certain amount of irregularity has resulted from this question and answer. I now call upon the Honourable Sir Alexander Murray to speak.

The HONOURABLE SIR ALEXANDER MURRAY: Well, Sir, I say quite frankly that if the Honourable Mr. Sethna or any other Honourable Member of this House can prove that any of these particular articles are paying duty twice over, there is a case for discussion. But I really cannot see that hoop iron, hoop steel, rivets for bales, sewing needles and sundry other items are paying duty twice over. In these circumstances, I do not think that these particular articles should be excluded.

Coming to some of the other items, Sir, I understand that the point made by the Honourable Members is this, that for the last 25 years or so, sizing, which is a generic term used to cover these other things, has been admitted free. But this sizing is used in the manufacture of cotton cloth in this country on which excise duty is paid at 3½ per cent.

The point that the Honourable Member made, if I understood him aright, was that he has now to pay two duties (1) at the rate of 11 per cent. on the sizing when it is imported and (2) an excise duty of 3½ per cent. on the article when it is manufactured, or in other words that this particular article has to pay 14½ per cent. duty subject to slight adjustment as regards wastage and loss. I take it that manufactured cotton cloth from Lancashire or Japan or any other place carries exactly the same kind of sizing as cloth on which the 3½ per cent. duty is paid and that that cloth when it comes into this country has to pay a duty of 11 per cent. Therefore I take it that as regards the Indian manufactured cloth, the point at issue is one of 3½ per cent. not one of 11 per cent. at all. Then my Honourable friend mentioned the case of jute. On the other side of India we manufacture jute more freely than we manufacture cotton. We apply to jute in the process of manufacture oil and other dressing materials much the same as this sizing. Nearly all that oil and materials are imported and pay duty, I think I am right in saying it, at up to about 7½ per cent. Then we pay an export duty on the manufactured goods. That means we are paying an import duty and an export duty, in other words paying two duties. Mr. Sethna asks particularly for exemption in the case of cotton goods. Well, I do not see why I should not ask for a similar exemption in the case of jute goods. In any event Sir, the point at issue is not one of 11 per cent. but one of the difference between 11 per cent. and 14½ per cent. The point which Mr. Sethna is rightly entitled to urge is about the sizing and that is really a question of 3½ and not 11 per cent.

The HONOURABLE MR. LALUBHAI SAMALDAS: I agree with my Honourable friend, Mr. Sethna, in claiming that the articles which are used for sizing in the cotton industry should be allowed to come in free. I want to

[Mr. Lalubhai Samaldas.]

give the House, Sir, a few figures about this duty and the excise duty. I speak subject to correction. If I remember aright these articles were made free at a time when excise duty was levied in response to the demand of Manchester. In response to that request and pressure, the excise duty had to be put on. The Government of that day saw that it was unfair to the indigenous mill industry to pay excise duty and also to pay a duty on what I may call for simplicity's sake sizing materials and these will not include hoop iron, hoop steel, etc., which Sir Alexander Murray referred to. The sizing materials were then allowed to come in free and the Bombay mill owners and Manchester importers were in practically the same level. The Bombay mill owners had to pay $3\frac{1}{2}$ per cent. excise duty, while Manchester importers had to pay an import duty of $3\frac{1}{2}$ per cent. In the next stage when the duty was increased to $7\frac{1}{2}$ per cent. the Bombay mill owners were not even then charged anything for the sizing material. They had an advantage, it may be said, of 4 per cent. on the sizing material. The imported goods had to pay $7\frac{1}{2}$ per cent. The manufactured goods in the country had to pay only $3\frac{1}{2}$ per cent. Now I want to show that the Bombay mill owners are in a worse position by putting sizing materials under the 11 per cent. duty. The Bombay mill owners have to pay 11 per cent. on the sizing materials *plus* $3\frac{1}{2}$ per cent. on the finished goods. Sir Alexander Murray said, and I quite agree, that it is not a question of 11 per cent. but if as I believe the sizing material used is practically double, then it means 11 per cent. on double the materials used that is, 22 *plus* $3\frac{1}{2}$ per cent. so that the Manchester importer is put at a great advantage in comparison with the Bombay mill owners. It is on this ground that we want this duty to be removed. As my Honourable friend, Mr. Sethna, made it quite clear, the total income from this duty is only 5 lakhs. It is small to Government and it is small to the mill owners. Mill owners have always come forward to help Government. We raised 9 crores in Bombay for the Bombay Development Loan and if any more money is required we are prepared to pay, but I want justice to be done. I therefore support the Honourable Mr. Sethna's Resolution.

The HONOURABLE SIR ALEXANDER MURRAY: I just want to make one point clear. In jute mills we have to pay $7\frac{1}{2}$ per cent. on oils and other dressing materials that we use in the manufacture of jute cloth and there is no reason why cotton mills only should get remission for their sizing materials. I should like to make that point clear.

The HONOURABLE MR. LALUBHAI SAMALDAS: You have to pay no excise.

The HONOURABLE MR. E. M. COOK: I must congratulate those of my Honourable friends who have supported this motion on their effort to stampede this Council on high grounds of principle. I am afraid I cannot soar so high, and shall have to deal with the matter on more practical grounds. I quite admit that in theory there is a double duty on a certain number of sizing materials. My first point refers to the fact, which has been very ably put by Sir Alexander Murray, that heald varnish, hoop iron, hoop steel, rivets for bales and sewing needles none of which enter into the manufactured product, have been included in my Honourable friend's amendment. I do not think he has any right to come here and propose an amendment of this kind the effect of which would be to let these articles

in duty free. My second point is that, although it may seem *prima facie* reasonable to claim that the mills should not be required to pay twice over on their sizing materials, I see no reason why the mills should claim complete exemption from import duty for sizing and finishing materials. The most they could reasonably claim, even in theory, is the difference between the import duty and the excise duty

The HONOURABLE SIR MANECKJI DADABHOY: Let us have that.

The HONOURABLE MR. E. M. COOK: That is not the present motion. I come to the third point, *viz.*, the matter of administrative inconvenience. It is not merely a case of inconvenience to ourselves and our own officials, but is not merely a case of inconvenience to ourselves and our own officials, but when you get serious administrative inconvenience in a matter of this sort, it always means inconvenience to the public. I do not know if the Council quite realises what the inconvenience is over these miscellaneous articles. The working of these exemptions under the existing schedules involves very considerable difficulties, because certain of them—in fact, most of them, I think,—can be used for entirely different types of work, and others can be used for woollen mills which are not privileged. Then again, the question arises of importation by 'Stockists' who may sell to a cotton mill, and the result is that in a very large number of cases, duty is charged provisionally in the first instance and is then adjusted on production of the necessary proof of destination and in many cases duty is charged subject to a refund being granted. Now, all these processes involve considerable inconvenience and running to and fro between the business offices and the Customs offices. It means a subsequent handling of the papers, which probably in the meanwhile have been dispersed to the Accounts Office. It means the expenditure of a considerable amount of clerical and administrative labour. The disposal of every one of these claims tends to clog the Customs machine and makes it work slower, and therefore results in perceptible inconvenience to the general public.

Then, there is another point, Sir. Sizing and finishing materials surely constitute only a very small fraction of the value of manufactured cloth. I have heard it estimated at not more than 5 per cent. at the outside.

The HONOURABLE MR. LALUBHAI SAMALDAS: Nearer 15 per cent.

The HONOURABLE MR. E. M. COOK: In that case there cannot be much cotton in it.

The HONOURABLE THE PRESIDENT: Order, Order.

The HONOURABLE MR. E. M. COOK: This theoretical objection in practice merely applies to the amount of sizing that is contained in the cloth when it comes out of the mill. I submit this is a very small matter, in view of the considerable administrative inconvenience that is caused by these exemptions. If it were really a large matter involving a large sum of money, if it were really a case of harassment of an industry, then I think that administrative considerations should be of secondary value. But when the sum is so small, it is not fair for the cotton industry to come to Government and ask them to make this amendment.

The amendment was negatived.

[Mr. Sethna.]

jewellery with her without paying any duty. In such a case, I do not suppose the Honourable Member would desire that lady should pay any duty.

The HONOURABLE MR. E. M. COOK : That was not my intention.

The HONOURABLE MR. SETHNA : I understood the Honourable Member to say that if a lady purchased an expensive necklace in Paris

The HONOURABLE MR. E. M. COOK : Sir, I beg to substitute the word 'trader' for 'lady'.

The HONOURABLE MR. SETHNA : Very well, Sir, even if he be a trader, I would like to point out that the trader would have paid the duty in the first instance when the pearls, whether pierced or unpierced, came to this country and were exported to Europe. If it so happens that someone purchases the pearls in Europe and brings them back to this country, it would be a case of the duty being paid twice over. I would, therefore, request the Honourable Member to reconsider his amendment.

The HONOURABLE MR. SEDDON : I rise to a point of order, Sir, if another Honourable Member with an amendment relating to pearls brings his amendment on for discussion after this has been decided on, would it be in order? It relates to placing pearls on the taxable list.

The HONOURABLE THE PRESIDENT : I understand that the amendment referred to is that of the Honourable Sir M. C. Nandy which undertakes to take this out of the list of articles on which the duty is free and to place it on the taxable list. The Honourable Mr. Cook is at present moving an amendment which will not alter the taxation at all. I think it is merely to fill what he considers to be a loophole. We had better take a decision on that first. I will, therefore, put Mr. Cook's amendment.

The HONOURABLE MR. SETHNA : I am sorry, I made a mistake. I said that the trader would pay the duty twice over, but I find that this is not so. The trader imports his pearls unpierced and consequently pays no duty when he gets them in India from Arabia. If for any reason he wants to get them back from Europe after they are pierced, it is only right that he should pay duty.

The amendment was adopted.

The HONOURABLE THE PRESIDENT : Having cleared that point, I think, the next step would be to ask the Honourable Maharaja Sir M. C. Nandy to move his amendment. But before he does so, I call upon him to explain how he avoids the ruling I laid down at the last meeting that he cannot move to enhance taxation, unless he can show, of course, that this amendment is merely an enhancement equivalent to some reduction of other taxation which he proposes.

The HONOURABLE SIR M. C. NANDI : I beg to withdraw my amendment which runs as follows :

'That item No. 5 be omitted from Part I and the entry in column 2 thereof be added as item 81 in Part IV.'

The amendment was by leave of the Council withdrawn.

The HONOURABLE THE PRESIDENT : Does the Honourable Mr. Sethna desire to move his amendment?

The HONOURABLE MR. SETHNA : Yes, Sir. I beg to move—

That the following item be inserted after item 25, namely :

'The following articles when imported by the owner of a cotton weaving mill and proved to the satisfaction of the Collector of Customs to be intended for use in the weaving of cotton or the baling of woven cotton goods :

Aniline blue, Bisulphate of soda, China clay, chloride of magnesium, chloride of zinc, Dressalin, Epsom salts, Farina, Farinina, Flannel tapping, Glauber salts, Glutina, Glycerine substitutes, Heald varnish, Hoop iron, Hoop steel, Rivets for bales, Sewing needles, Sizing paste, Sizing wax, Soda ash, Starch, Velvet pulp.'

Sir, the items mentioned in my amendment appear in the present Sea Customs Act in the list of articles which are duty free. They were made duty free when excise and customs duties were first introduced. I may mention that the then Finance Member, Sir James Westland, intended to levy a duty on these articles as well and duty was so levied for a time. On a strong representation, however, being made to him by those interested in the cotton trade, exemption was given to these articles on the ground that these people would be paying duty twice over. And it is the same ground which I take to-day for bringing forward my amendment to exempt these articles from the payment of any duty whatsoever. I am aware, Sir, that in another place, a similar amendment was brought forward some days ago, but Government opposed it and the opposition from Government was on the ground firstly, that the cotton mill industry is at present enjoying very prosperous times, secondly, that the import duty paid on these articles would represent a very small amount paid by each individual mill and therefore would not be felt by them, and lastly,—and this is the reason I believe to which they attach the greatest importance—administrative difficulty. Sir, I quite understand that the cotton mill industry is at present in a very flourishing condition. But every industry, whether it is cotton, jute, or anything else, has its ups and downs, has its good years and bad years, and it does not follow that because they are making a profit to-day, they will continue to do so hereafter. We must bear in mind that this Act is not for a period of twelve months but for an indefinite period. I would therefore, Sir, on the ground that they are levying duty twice over, request Government to consider their decision. I do not exactly know what revenue Government will derive from this source—I mean what the loss of revenue will be to Government if they exempt these articles from duty. An Honourable Member behind me interjects a remark 'Rs. 10 lakhs.' But I am afraid 10 lakhs does not represent the loss on these articles alone. If I understood the Honourable the Finance Member aright in the course of the speech he made in the other House I think he said that Rs. 10 lakhs would represent the loss if no duty was charged at 2½ per cent. on machinery and stores, including these articles. If my contention is right, then the loss of revenue is not Rs. 10 lakhs but very much smaller. What exactly it is, I do not know

The HONOURABLE MR. E. M. COOK : Rs. 4 to 5 lakhs.

The HONOURABLE MR. SETHNA : If it is Rs. 4 to 5 lakhs, then there is greater reason in support of my amendment, namely, that for the sake of Rs. 4 to 5 lakhs Government ought not to impose this duty, particularly—

The HONOURABLE MR. E. M. COOK : Sir, I beg to move amendment No. 6 on the agenda paper :—

6. That for item 41 the following be substituted :—

‘ 41. PETROLEUM, including also naptha and the liquids commonly known by the names of rock oil, Rangoon oil, Burma oil, kerosine, paraffin oil, mineral oil, petroline, gasoline, benzol, benzoline, benzine and any inflammable liquid which is made from petroleum coal, schist, shale, peat or any other bituminous substance, or from any products of petroleum, but excluding the classes of petroleum included in No. 41-A.	Imperial gallon.	One anna and six pies.
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NOTE.—Motor spirit is liable to an additional duty of six annas per gallon under Act II of 1917, as amended by Act III of 1919.

41-A. PETROLEUM which has its flashing point at or above two hundred degrees of Fahrenheit's thermometer, and is proved to the satisfaction of the Collector of Customs to be intended for use exclusively for the batching of jute or other fibre, or for lubricating purposes, and petroleum which has its flashing point at or above one hundred and fifty degrees of Fahrenheit's thermometer, and is proved to the satisfaction of the Collector of Customs to be intended for use exclusively as fuel or for some sanitary or hygienic purpose.	<i>ad val-</i> <i>orem.</i>	7½ per cent.
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Sir, I think, I need only explain quite shortly the object of this amendment. Some years ago, I forget exactly when it was, a concession was made in favour of these various oils, known generally by the name of lubricating oils, and they were placed in the *ad valorem* schedule, the object being to give them a concession as against the other petroleum which were taxed at 1 anna and 6 pies per gallon. As Honourable Members know, the *ad valorem* duty is now going up to 11 per cent. But quite apart from that, the prices of these lubricating oils themselves have now gone up so much—they have been going up for some years past—that the effect of what was intended as a concession has in practice become a hardship and the object of this amendment is to rectify that by keeping the duty at 7½ per cent. I believe the facts are that, with the general *ad valorem* rate put up to 11 per cent. the rate on these classes of petroleum would, in the case of all lubricating oils worth 14 annas or more per gallon, be higher than 1 anna and 6 pies, and for that reason we propose to preserve the old rate of 7½ per cent. It is quite true this will mean a small loss of some Rs. 50,000 as compared with the receipts that would be obtained at 11 per cent., but it is really a paper loss, because against that you have got to set the danger that in such cases importers might claim to have their petroleum taxed at 1 anna 6 pies per gallon, and in that case the burden of proving that it is taxable at the higher rate would be shifted on to the Collector of Customs, who would have considerable difficulty in doing so; and the result of that would be to bring in less revenue than at present.

The amendment was adopted.

The HONOURABLE THE PRESIDENT: The next amendment I have on the notice paper—I do not know if any others have been handed in since—is an amendment to item No. 52 by Mr. Sethna.

The HONOURABLE MR. SETHNA: Sir, I beg to move that in the proviso in Item 52 for the words from ‘and are owing to their shape’ to the end, the following be substituted:

12 P.M.

‘and are in fact intended solely for such purpose. Such intention shall in each case be a question of fact and shall be supported by a declaration to be made by the importer.’

I wish to draw the attention of Honourable Members to Item 52 in this Schedule. It has been the intention of Government, all along, to encourage local industries, and therefore, in the past, whilst they allowed machinery free, and there was a general customs duty of 7½ per cent., by this clause in the Act they also allowed the component parts of machinery to come in duty free. Now that the duty is raised from 7½ per cent. to 11 per cent. on almost all articles, if by any chance such component parts have to pay this heavy rate of duty, then it will be a hardship on the importers of this particular kind of machinery. The reason why I have brought forward this amendment is that on account of the wording of the proviso there is considerable difference of opinion between the importers and the Customs Department. I contend that the Customs Department do not put upon the proviso that liberal interpretation which Government intended when framing the Act, with the result that importers have been made to pay duty at 7½ per cent. instead of being allowed to bring in these component parts free. I think, Sir, I will make my meaning clear if I give one of two illustrations of cases which were referred by those concerned to the Indian Merchant's Chamber at Bombay. One of these was in regard to a turbo-rotary generator for a large factory for the production of iron. Now, Sir, a turbo-rotary generator is an essential part of the power plant, but such a generator cannot be worked without a switchboard. The one cannot be used without the other; but because this component part was called a ‘switchboard,’ and as the proviso now framed reads ‘owing to their shape or to other special quality, not adapted for any other purpose,’ the Customs Department contend that, being a ‘switchboard,’ it can be used as a ‘switchboard’ for other purposes. The importers contended that this ‘switchboard’ could not possibly be so used; but they were unsuccessful in their appeal and it was ruled against them.

Another case of the same Company is in regard to what is called a pyrometer. A pyrometer, Sir, is used for the purpose of testing the heat in blast furnaces. It is a kind of electrical thermometer, and because it is a thermometer the Customs Department again contended that it may be used for another purpose and consequently must bear full duty. Now, Sir, I am given to understand that that the so-called thermometer can serve no other purpose than that for which it is particularly intended and imported, and if the Customs Department think that it can be used for another purpose, all I can say is that it can be used for no other purpose than as a specimen in a museum or as a curiosity.

Then, Sir, if these articles cost small amounts it would be a different matter. But the cost of these switchboards and pyrometers runs into five figures and I leave it to the House to imagine the amount of duty that has to be paid by a firm importing machinery of this kind. I could give more instances in regard to machinery, but as those instances are somewhat complex

[Mr. Sethna.]

and as Members of this House cannot be expected to know all about complex machinery matters, I think I will give a much easier illustration which, I hope, will go home to the Members. There is a particular kind of knitting machine which is imported in this country. That knitting machine can only be used with a particular kind of needle and that particular needle can only be used in this particular knitting machine, and nothing else. Yet the Customs Department, relying again on the wording of this proviso, say that because it is a needle it can be used for other purposes and consequently they charge the higher rate of duty for the needle. Is that right? I leave it to the House to decide. It is to remove such an anomaly that I have brought forward my proposal to amend the proviso. I quite understand that Government are anxious that there should be no loss of revenue. My point is that the best criterion is that the importer should make it known to Government that this component part is to be used for that particular machinery for the production of the goods that he is making and is not to be used for any other purpose. Therefore, as my amendment reads, he is asked to give a declaration to that effect, and if he goes behind that declaration it is open to Government to prosecute him criminally. I am sure that no respectable firm would think of importing articles which they are not going to use themselves in the manner indicated. As regards administrative difficulties to which the Honourable Mr. Cook referred, the administrative difficulties of the Customs Department, I doubt if Government can tell us if they have found many cases to show that any undue advantage has been taken of the concession which Government has made. It is, therefore, Sir, to remove this defect that machinery imported for our industries or component parts thereof be not charged at the higher rates that I have brought forward this amendment, so that our industries may be strengthened and enlarged, and I hope that Government will see their way to accepting it.

The HONOURABLE MR. LALUBHAI SAMALDAS: Sir, I rise to support this Amendment. I should make it clear in the beginning that it is not in the interests of any one industry, of any one firm or of any one company that we are pressing for this amendment. The thing is this. I will take one other instance—a hypothetical instance—as Mr. Cook might say. We are placing orders for sugar machinery. We want to have an electric drive and the same difficulty about a switchboard will occur there also. But there is another matter that I want to bring before this Honourable House. We will have to order out with the whole machinery boiling pans and the Customs Department might say that these pans might be used for manufacturing *goor* or jaggery and are therefore liable, not to 7½ per cent. now, but to 11 per cent. duty. This means that it will be a great handicap to the sugar industry. The Customs Department are very efficient watch-dogs of the Government, and can charge 11 per cent. on anything that they like. It is for that reason, Sir, that I cordially support the amendment moved by my Honourable friend Mr. Sethna.

The HONOURABLE SARDAR JOGENDRA SINGH: Sir, I also rise to support the amendment moved by the Honourable Mr. Sethna. Mr. Cook, a little while ago, said that he was not going to stand on the high ground of principle; but I am quite sure that he is not prepared to net in revenue unfairly. What the amendment seeks is a definition of a clause which would exclude certain things which are definitely used for definite purposes, such as

pyrometers, on which the Customs Department has been charging higher rates.

I think that the Finance Department should accept this amendment and allow these things to be definitely defined.

The HONOURABLE MR. E. M. COOK: Sir, one would not have thought, from the speeches we have heard on this amendment, that this is a Finance Bill designed purely to provide additional sources of revenue. This proviso in the Schedule is a very old feature, and is not being inserted for the first time now. It embodies a definite principle and my Honourable friend would abrogate that principle and introduce a new one. It may or may not be a good principle and the Honourable Mr. Sethna's principle may or may not be a good one. What I do submit, Sir, is that this is not an occasion on which we can consider a difficult, complicated and highly technical subject of this sort.

I only got a notice of this amendment yesterday afternoon and I do not think it is quite fair to this Council to ask them to consider an amendment on an extremely difficult subject of this sort on such short notice

The HONOURABLE MR. SETHNA: Has not the attention of Government been drawn to the very instances I have quoted?

The HONOURABLE MR. E. M. COOK: Not in connection with this Finance Bill, Sir.

The HONOURABLE THE PRESIDENT: I would remind the Honourable Member that one of the reasons why this Finance Bill was taken up on such short notice was on his own application.

The HONOURABLE MR. E. M. COOK: I am not complaining of the shortness of the notice, Sir. What I have said is only by way of explanation and by way of apology to this Council, on behalf of my Honourable friend, for his asking them on this Bill to deal with such an extremely difficult and complicated subject.

I find from the papers I have with me that the question of the interpretation of the existing proviso has been considered at different times for some years now, and, more particularly, quite recently in connection with electrical appliances imported by a well known firm.

I stated just now that my Honourable friend's amendment introduced an entirely new principle in the Schedule, and this may have very far-reaching results. I think the House will agree with me when I say that it is not safe to jump at a decision on such things on short notice. I am quite unable to say what will be the effect on the general operation of the Schedule if an amendment of this kind were introduced, and I am afraid that I must raise the strongest possible objections to my Honourable friend's attempt to rush the acceptance of a proposal of this kind without very careful, detailed and prolonged consideration.

I find that there has been for some time past considerable controversy between the Bengal Customs officials and a well known firm on this subject. The matter has now finally been reported to the Government of India by the Bengal Government, and we have received a letter, dated the 18th March, only two days ago from the Bengal Government enclosing a representation from that firm and placing the whole matter before the Government of India.

The HONOURABLE THE PRESIDENT: I understand that this is a purely drafting amendment.

The question is:

'That in item 85 after the word 'lorries' and before the word 'chassis' the word 'namely' be inserted.'

The motion was adopted.

The HONOURABLE THE PRESIDENT: The next amendment is also in the name of the Honourable Mr. Cook.

The HONOURABLE MR. E. M. COOK: Sir, I beg to move:

'That in item 87 after the word 'cutlery' the words and figures 'excluding electroplated cutlery (see No. 127)' be added.'

I might indeed, Sir, have coupled this amendment with Nos. 13 and 19 because exactly the same reason applies in this case also.

The HONOURABLE THE PRESIDENT: The question is:

'That in item 87 after the word 'cutlery' the words and figures 'excluding electroplated cutlery (see No. 127)' be added.'

The motion was adopted.

The HONOURABLE THE PRESIDENT: The next amendment on the paper stands in the name of the Honourable Maharaja Sir Manindra Chandra Nandi. It appears to me to be open to the same objection that I put to him last time inasmuch as his amendment involves an increase in the rates from 11 per cent. to 20 per cent. I should like to hear his explanation in view of my ruling on the last occasion.

The HONOURABLE MAHARAJA SIR M. C. NANDI: I beg to move No.

The HONOURABLE THE PRESIDENT: Order, order. Before the Honourable Member moves his amendment, I should like him to explain to me how he justifies his amendment in view of my ruling that increase of taxation can only be moved by a Member either on behalf of Government or where it involves such variation in taxation as to make a reduction by another amendment standing in the name of the same Member.

The HONOURABLE MAHARAJA SIR M. C. NANDI: Though I suggest here only a variation in taxation which is made up in my next, I beg to withdraw this *amendment, Sir.

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

The HONOURABLE MAHARAJA SIR M. C. NANDI: Sir, I have great pleasure in moving:

'That Cotton piece-goods (98) and Umbrellas (120) be removed from Part IV, Schedule II, and be made liable to duty at the rate of 7½ per cent *ad valorem*.'

Sir, I feel that a large number of Members of this House will not like this amendment of mine, but nevertheless I feel called upon by a sense of duty to move it in the best interests of my country. Already the impression seems to

* That items Nos. 91, 92, 105, 110, 117 and 119 be omitted from Part IV and the entries in column 2 thereof be inserted as new items in Part V at the end.

have gone out in the country that we are a body of people who represent only capitalistic and vested interests, and do not care very much either for the masses or the poorer middle classes. It would be an insult to our patriotism if we would allow such an impression to go deep down into the minds of our people by any act or intention of ours. In moving this amendment, therefore, the effect of your acceptance of which will mean more cheapening of the prices of *dhoties* and *saris*, I stand for the masses and the poorer middle classes, and I expect all members of this House to stand by me in this fight. Sir, it is known to you and every one of this House that the present unrest in the country is due more to economic than to political causes, and it would, therefore, be very much impolitic and unwise at this time of the day to add to the economic struggle of our life. Sir, it is idle to expect that the 250 cotton-mills in India would supply all the necessary wearing-apparel of 320 millions of our people, and, do what Bombay may, a large quantity of our necessities in that line has got to be brought out from Manchester and outside. If Bombay spindles and looms could supply all the necessities of our people, I would have myself welcomed to-day the additional duty which the Government of India are seeking to impose on imported cotton piece-goods. But as Bombay cannot supply all our needs, the rest has got to be imported from somewhere. This additional duty, therefore, is bound to send up the prices of cotton-goods imported from outside, and add to the economic pressure of the masses and the poorer classes. As is the *dhoti* and the *sari*, so also is the umbrella an essential necessity of life in a tropical and rainy climate. It may be a luxury, but it is a poor man's luxury, and you should think twice before making his life a bit harder than it is by sanctioning a duty of 11 per cent *ad valorem* on his umbrella. Why, in the name of fairness, I ask you, Sir, should we make living dearer and more expensive than already it is at the present moment? I want the members of this House to forget for a moment the claims of Lancashire and Bombay on our fiscal policy, the bloated finances of the Government of India and their huge disbursements, and to turn their thought to hundreds and thousands of Indians who cannot make both ends meet and who can hardly keep their bodies and souls together.

I would then ask the House to say if these are the people who ought to bear the burden of an additional tax of 3½ per cent. of duty upon the loin-cloths and the umbrellas they use. If the House thinks that we are not touching the poorest classes of our people by this new impost and only helping Bombay, I would not mind it throwing out my amendment. But if we are here to protect and guard the interests of the poor and not to look after the pockets of the rich, I have confidence that my motion will be accepted.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: I just want to ask whether written speeches are allowed or not.

The HONOURABLE THE PRESIDENT: I think the Honourable Member is well aware that they are. He used to indulge in them at one time himself.

The HONOURABLE MR. E. M. COOK: I have only got one or two words to say on this amendment. In the first place the Honourable Member proposes to transfer imported cotton piece-goods from 11 to 7½ per cent. That would mean an enormous loss of revenue, probably something almost approaching 2 crores. That is all I have to say on that point. As regards umbrellas the Honourable Maharaja has. I think forgotten that they were taken out of the luxury list by the other House and put in the 11 per cent list, and now he wants to put them in the 7½ per cent list. I do not know why.

[Mr. E. M. Cook.]

Now that, of course, will receive very careful consideration, and a decision will have to be arrived at as to the best method to treat this very difficult and complicated question. If the decision on the question does not suit those who have raised it, it will always be open to my Honourable friend to come up again in September and move a Resolution, but I am afraid I must oppose the introduction of a highly complicated subject as this, on the Finance Bill.

The HONOURABLE MR. SETHNA : Sir, in view of the explanation which the Honourable Mr. Cook has given and in the hope that he will consider this question sympathetically and thus render it unnecessary for me to move a Resolution next September, I request that leave may be given me to withdraw my amendment.

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

The HONOURABLE MAHARAJA SIR M. C. NANDY : Sir, I beg to move :

'That No. 59 in Schedule II, Part III (Printing Presses and Materials), be removed from this part of the Bill and placed in Schedule I, Part I, amongst articles which can be imported free of duty.'

Sir, I have to plead on behalf of a business, or industry if you please, which has already been very hard hit on account of the enormous rise in the price of papers. Already it is becoming difficult even to print and publish necessary and useful books, because of this rise in the price of paper, and if you add at this stage to the cost of production of books by imposing a duty, however small, on Printing Presses and Materials, as detailed in No. 59 of Schedule II of the Bill under consideration, it would almost mean a tax on education and knowledge. Sir, I cannot bring myself to believe that this House will be at all a party to such an iniquitous imposition. You will excuse me to point out to you that, while some of the materials for paper-making, a large number of agricultural implements, dairy appliances, water-lifts, sugar-mills and oil-presses and even all sorts of living animals are exempted from all duties, the primary instruments of instruction and education for the people are to bear a rather inconvenient impost. I appeal to the patriotism of the House not to allow any duty on such machineries and materials as may hamper the spread of knowledge and education in the country.

The HONOURABLE MR. E. M. COOK : Sir, I am afraid that I must oppose this amendment. These articles are already in a favourable position, in that they are only taxed at 2½ per cent. I think that is a considerable concession already, and when we are trying to see how we can most equitably obtain new sources of revenue, I think it is a mistake to give away a source of revenue, however small it may be, and it is also a mistake, if I may say so, to ask the Council to subsidise printing at the expense of the general tax-payer.

The amendment was negatived.

The HONOURABLE MR. E. M. COOK : Sir, I beg to move :

'That for item 73, the following be substituted.

'73. All sorts of animal essential, mineral and vegetable non-essential oils, excluding petroleum as defined in Nos. 41 and 41-A.'

The motion was adopted.

The HONOURABLE MR. E. M. COOK : I beg to move :

'That in item 81 after the words 'imported cut' the words 'and Pearls imported pierced' be inserted.'

The HONOURABLE THE PRESIDENT : The question is :

'That in item 81, after the words 'imported cut' the words 'and PEARLS imported pierced' be inserted.'

The motion was adopted.

The HONOURABLE THE PRESIDENT : The next amendment on the paper also stands in the name of the Honourable Mr. Cook.

The HONOURABLE MR. E. M. COOK : I beg to move, Sir :

'That at the end of item 83 the words and figures 'and articles made of silk (see No. 132)' be added.'

I may explain, Sir, that the general rule is that, when articles fall both under a general item and a more particular item, they should be taxed under the more particular item. And according to this rule, certain articles of apparel, millinery, haberdashery and hosiery should fall under items 83 and 98 and not under the general item 132 which is silk piece-goods and other manufactures of silk. This, however, was of course not the intention, and this and the subsequent amendment which I shall move presently is in order to give proper effect to the original intention.

The HONOURABLE THE PRESIDENT : You can move your next amendment, No. 19 also.

The HONOURABLE MR. E. M. COOK : I beg to move :

'That in item 98 after the words 'Haberdashery and Millinery' and after the word 'Hosiery' the words and figures 'excluding articles made of silk (see No. 132)' be added.'

The HONOURABLE THE PRESIDENT : The question is :

'That at the end of item 83 the words and figures 'and articles made of silk (see No. 132)' be added.'

The motion was adopted.

The HONOURABLE THE PRESIDENT : The next amendment is a consequential amendment of the above.

The question is :

'That in item 98 after the words 'Haberdashery and Millinery' and after the word 'Hosiery' the words and figures 'excluding articles made of silk (see No. 132)' be added.'

The motion was adopted.

The HONOURABLE THE PRESIDENT : The next amendment on the paper also stands in the name of the Honourable Mr. Cook. I do not quite understand his amendment. He will see, if he refers to the Schedule, that the word 'lorries' occurs twice in the item which he is amending. I do not know in which place he wants the word 'namely' to be inserted.

The HONOURABLE MR. E. M. COOK : Before the word 'chassis'; i.e., after the word 'lorries' where it occurs a second time. This is merely a drafting amendment, Sir. I beg to move :

'That in item 85 after the word 'lorries' and before the word 'chassis' the word 'namely' be inserted.'

The HONOURABLE THE PRESIDENT : The question is —

"That Cotton 'piece-goods' and 'Umbrellas' be omitted from items 98 and 120, respectively and be inserted under a new part as articles liable to duty at the rate of $7\frac{1}{2}$ per cent *ad valorem*."

The motion was negatived.

The HONOURABLE MR. E. M. COOK : Sir, I beg to move that item No. 105 be omitted. With your permission, Sir, I may as well move the consequential amendment, item No. 27, which runs as follows—

'That after item 135 the following item be inserted, namely':

'135-A., Jewellery and Jewels.'

I must explain, Sir, that there has been a little inconsistency as regards the treatment of this item of the Schedule, and some change of mind on the part of Government. I will explain how it occurred. It was originally intended to put 'Jewellery and Jewels' into Part V, as I am now proposing, that is to say, to tax them at 20 per cent. It was then represented to us by our advisers that the enhanced duty would probably be an inducement to smuggling, especially through the post and that detection might be very difficult. Since the introduction of this Bill on March the 1st, however, we have received many requests from customs officers all over India to give rulings as to what articles are to be classed as jewellery and what articles as gold or silver manufactures, which, if Honourable Members will refer to item No. 130, are taxable at 20 per cent, and the difficulty of distinguishing these things is so extremely great that we have been obliged to come to the conclusion that on the whole it is preferable to incur the risk of smuggling, and to put jewels and jewellery into the 20 per cent list. We can only hope that the increased rate on jewels and jewellery which do not escape detection will make up for the loss on those that do escape detection.

The HONOURABLE THE PRESIDENT : The question is :

'That item 105 be omitted and the further question is that after item No. 135 the following item be inserted, namely :

'135-A. Jewellery and Jewels.'

The motion was adopted.

The HONOURABLE MR. ALTAF ALI : Sir, the portion of my amendment No. 22* relating to jewels and jewellery has been dealt with already and I beg to withdraw the remainder of that amendment.

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

The HONOURABLE MR. ALTAF ALI : I beg to move the following amendment—

'That the following be inserted after item No. 121 in Part IV, namely':

'Motor cars up to the value of Rs. 7,500, motor cycles, motor scooters, bicycles, and tricycles and parts and accessories thereof, provided that such parts or accessories as are ordinarily also used for other purposes shall be dutiable at the rate of duty specified for such articles.'

* That items Nos. 105, 110 and 116 be omitted from Part IV and be inserted at the end of Part V.

I beg to move the next amendment also at the same time. The next amendment, amendment No. 25, runs as follows—

'That for item No. 125 the following be substituted :

'125. Motor cars of the value of Rs. 7,500 and over.'

My object in moving these amendments is to protect a certain class of people in whose case the use of motor cars cannot possibly be regarded as luxury. We all know that a certain class of people such as doctors, professional men, business men and busy men who have to use motor cars do so not as a matter of luxury, but for the expeditious discharge of their different callings. It is only for that class of people, Sir, that I advocate the reduction of the duty on motor cars costing say up to Rs. 7,500. I hope I have made myself clear.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN : I think doctors make a lot of money. Why not tax them?

The HONOURABLE MR. E. M. COOK : I am afraid I must oppose these amendments. In the first place we want money and, so far as I can see, the Honourable Member's proposal, if accepted, will involve a loss of revenue of certainly 10 lakhs and I think more probably of 15 lakhs. That is my first point. My second point is this. The proposal will be very difficult to work in practice. Motor cars usually come out in parts and are put together in this country.

Thirdly, I do not admit for a moment that a man who can afford to keep a car at all cannot afford to pay 20 per cent. We are imposing an *ad valorem* duty, and the fact that it is an *ad valorem* duty surely differentiates between the cheap car and the expensive car. The man with the cheap car pays less than the man with the expensive car.

*Amendments nos. 24 and 25 were negatived.

The HONOURABLE MR. E. M. COOK : Sir, I beg to move :

'That in item 137 the word 'including' be omitted.'

The amendment was adopted.

The HONOURABLE MR. H. MONCRIEFF SMITH : Sir, before the whole Bill is put, I have to point out that we now have two items, Nos. 41 and 41-A., and two items, Nos. 135 and 135-A., and there is no item No. 105. This is the result of the amendments made this morning. I beg leave therefore to move that the items of the Schedule (as now amended) to be substituted for Schedule II of the Indian Tariff Act, 1894, be re-numbered consecutively and that all necessary amendments consequential on that re-numbering be made.

The amendment was adopted.

*24. "That the following be inserted after No. 121 in Part IV, namely :—

'Motor cars up to the value of Rs. 7,500, motor cycles, motor scooters, bicycles and tricycles and parts and accessories thereof ; provided that such parts or accessories as are ordinarily also used for other purposes shall be dutiable at the rate of duty specified for such articles.'

25. "That for item No. 125 the following be substituted :

'125. Motor cars of the value of Rs. 7,500 and over.'

The HONOURABLE THE PRESIDENT: That, I think, concludes the amendments to Schedule I, unless there are any more to be brought forward.

The question is:

'That Schedule I, as amended, stand part of the Bill.'

The motion was adopted.

The HONOURABLE THE PRESIDENT: I now put the question 'That Schedule II stand part of the Bill.'

The motion was adopted.

The HONOURABLE SIR MANECKJI DADABHOY: Sir, I beg to move the following amendment:—

'That in Schedule III to the Bill for the entries under the head 'Letters' the following be substituted:—

'For a weight not exceeding one tola	half an anna
For a weight exceeding one tola but not exceeding 2½ tolas	1 anna
For every additional 2½ tolas or fraction thereof	1 anna

Sir, I may say that in moving this amendment I am not doing so as a matter of mere form. I know that there is a great body of opinion that the Bill as it has been sent to us amended from the Legislative Assembly is one which requires still further amendment. I also feel that in this matter I have this Council with me and a large number of the members of the Legislative Assembly, as well as the general public. It would perhaps not be fair if I omit to mention that the Honourable the Finance Member also feels that the raising of the half-anna rate will fall hardly on the people. He has emphatically said in his Financial Statement that he would be sorry to see the pice-postcard and the half-anna postage rate for letters abandoned. Fortunately for this House the pice-postcard has been retained by the Assembly, and we have now to deal only with the half-anna postage. My amendment, in other words, seeks to maintain the existing postal charges. I am aware that in moving this amendment we have to face the question of cost, and that is an important consideration. I am also aware of the various arguments that have been advanced for and against any alteration in these rates, but I may at once say that the postal service of the country ought not to be interfered with unless there are very cogent and powerful reasons. So far as our postal service is concerned, I am in a position to satisfy you that the Honourable the Finance Member himself is not in a position definitely to state that the Postal Department of the country is run at a loss of public revenue. As you are aware, at present the two Departments the Telegraph and the Postal Departments—are combined in one Department. The charges for telegrams were only quite recently raised from 8 annas to 12 annas, and the Honourable Mr. Hailey has stated in his speech that he is not in a position to say what is the loss on the combined Department. If so it is only right to question if there is justification on business grounds for raising the postal rates. The Honourable the Finance Minister has also pointed out that on account of his not being in a position to ascertain accurately whether the Postal Department is run at a loss or not he has indented, or is about to indent, for the services of a Chartered Accountant, who will overhaul the whole Department and find out if the postal service is carried on at a loss at present.

I contend that with these admissions of the Finance Member before us there is no justification whatsoever for making an alteration in the existing postal rates. I do not wish to repeat the arguments which have been advanced in the other House, but I do state that the postal service of the country should be run in such a manner as not to entail a greater cost than what is necessary on the people using it. The Post and Telegraph Departments are the chief arteries of the country. All communications in a big continent like India are carried on by means of letters and telegrams, and all possible encouragement should be given to the people to facilitate their correspondence and to bring the postal and telegraph services within their reach at the lowest charges possible. These Departments are also, I may say, the means of diffusing knowledge, and I therefore contend that as far as possible the postal service should be run as cheaply as possible. I also contend that the Government ought not to make any revenue out of its postal service. I do not for a moment urge that the Government should run the Department at a loss; but I contend that the Department should be made, as far as possible, self-supporting and self-contained. The Honourable Mr. Hailey has not, as I have pointed out, been in a position to satisfy the House that the postal service is run at any loss, and I submit that at any rate until the overhauling takes place and proper facts and figures are placed before this Council that the Department is run at a loss, there should be no change or alteration of any kind in the existing postal rates.

Honourable Members must also bear in mind that it is one thing for Government to come up before you and state that the postal service is run at a loss and ask you, therefore, to pay for it, and it is another thing to say that there is a general deficit in the Budget and as we have to meet our general loss we must enhance postal rates. It is the latter position which the Honourable the Finance Member has taken up. I will just read a sentence from his speech:—

'But the claim may be made in some quarters that so long as we are not showing a proved loss on the combined department, the justification, on business grounds, for raising the postal rates does not hold good. To such arguments I have only one reply, and that is financial necessity.'

I contend that in matters of the postal and telegraph services a general deficit in the budget, financial stringency, etc., should not be made a ground for raising the postal charges, because the entire administration of Government, the diffusion of knowledge, the carrying on of all business, the running of railways, and everything else depends on facility of communication, and Government ought to do everything in its power to bring the postal rates within the reach of the general public as far as possible. My other submission is that the Legislative Assembly having retained the present ½ anna postcard rate, the disparity between the ½ anna postcard and 1 anna letter is too great, and I do not think that, in justice to the writers of letters who do not resort to postcards, the rate of 1 anna should be maintained. One of the elementary principles of taxation is equality. I am not going now into a dissertation on the principles of taxation; but as the Council are aware, one of the most elementary principles of taxation is that there should be equality, and another principle is that there should be justice. I do not see why those who use ½ anna postcards should be placed on a better basis. I do not for a moment contend that the ½ anna for postcards ought not to have been maintained. It is the right thing that has been done and I am thankful to the Department

[Sir Maneckji Dadabhoy.]

for keeping that rate ; but I say that the disparity is so great and the injustice is so obvious that it ought not to be permitted.

I have already mentioned that all possible facilities should be given for the diffusion of knowledge and information. Now the question is, how is this deficit to be made up ? My Honourable friend Mr. Cook reminded me this morning that in the time of Mr. Gokhale, when we used to have meetings of the Imperial Legislative Council, Government was always taunted that the estimates for expenditure were at times over-estimated and receipts under-estimated, and said that at present Government had nothing up their sleeve and there was no source of income by which this deficit could be recouped. I am grateful to him for this frank statement. But he also told us this morning that there is a surplus of Rs. 44 lakhs ; that in the financial voting on the budget there was a saving of Rs. 129 lakhs on the demands and the yield was reduced by Rs. 85 lakhs, thus showing a net saving of Rs. 44 lakhs. This is an important item and goes a long way to relieve the situation. I do not wish to discuss the budget to-day, and we have no right to discuss it ; but, as you are all aware, a large sum of money is put down for military expenditure, nearly Rs. 62½ crores are to be spent for military purposes. I feel sure that my Honourable friend the Finance Minister, if he exercises his usual vigilance over the military department, will manage to get at any rate a few lakhs of rupees saved out of such a huge sum as Rs. 62½ crores for military purposes.

I am also of opinion that he is rather pessimistic about our resources for next year. I take this opportunity of complimenting him on the very resourceful budget which he has placed before us, and, as one of the oldest members of this Council, if I judge the situation aright, Mr. Hailey has put the finances of the country on a sound basis for the next ten years.

I do not think that we shall, with this Budget before us and with the numerous propositions of increased revenue, have any difficulty to any deficit, unless, of course, unforeseen circumstances arise. It is my opinion that we shall get a much larger revenue than is estimated by reason of the general *ad valorem* 20 per cent. duty on certain articles, such as motor cars, silk, musical instruments, etc. I am also of opinion that the Honourable the Finance Member will get a considerably higher revenue than he has estimated for by the increase of duty on sugar from 10 to 15 per cent. And he will get a considerable sum under clause 4 by putting the duty at 2½ annas per head on the net rate payable under the existing Act than he originally contemplated. However, I submit that, after all, it is only a matter of a few lakhs. I am making allowance for the 44 lakhs in hand. I see the Honourable the Finance Secretary is looking very hard at me, but I honestly do not think it will affect the situation very considerably.

I may also point out that I am a great believer in the elasticity of our resources. My own experience has been that if we take an average number of years, we find in a larger number of years, surpluses than deficits, and there is no reason why we should apprehend, taking into consideration the heavy taxation and present conditions, that there is going to be a deficit next year. But if there is, the situation can be easily met. Last year we voted for a surplus of 2½ crores which eventually turned into a loss of 11½ crores. If there is serious apprehension at any time, if the Honourable the Finance Member finds that we are losing a great deal of revenue over the postal

service, then he has exceptional powers under the Post Office Act and the Telegraph Act which he can exercise and then come to this Council and ask us to sanction the increased charges. I do not see, therefore, that there is any necessity at present for raising the ½ anna postage stamp to one anna postage. In this connection I might add that there are several other amendments which will be presently discussed. My amendment does not relate to registered newspapers but only to letters, and I think that Government by keeping its postal charges down to their present scale, will gain much more in the long run than it stands to lose. There is a very strong feeling in the country on this subject and not only the general public, but big commercial houses will resent this proposal to raise the charge to 1 anna from ½ anna.

I am aware that this amendment of the Post Office Act will only remain in force up to the 31st March next, but Honourable Members are aware that once a tax has been enhanced, it is a very difficult matter to get it back to its former level, and I feel sure that if the postal charges are now raised, they will never come back to the level that they were before the increase. I know, as a matter of fact, that when deferred telegrams were abolished and the rate went up from 4 annas to 8 annas, it was said that it was only a temporary measure. From 8 annas they have been raised to 12. We have seen no decrease yet, nor do I expect to see any. I submit, therefore, that unless very strong grounds can be made out for this increase, I think the Council will support me in maintaining the present system of the half anna postage.

The HONOURABLE THE PRESIDENT : I see that there are three competing amendments on this paper relating to this particular question. The first stands in the name of the Honourable Mr. Khaparde. I think the first portion of the Honourable Mr. Khaparde's amendment proposes the same thing only in a different form and it will probably be to the convenience of the Council if he moves the first portion of his amendment.

The HONOURABLE MR. G. S. KHAPARDE : Have I only to move one part of my amendment ?

The HONOURABLE THE PRESIDENT : Yes, that part which would conflict with the Honourable Sir M. Dadabhoy's relating to letters.

The HONOURABLE MR. G. S. KHAPARDE : I would like to say that my idea was to move my amendment if Sir M. Dadabhoy's was rejected. If his is accepted, then I would not press mine.

The HONOURABLE THE PRESIDENT : If the Honourable Member's amendment is an alternative to the Honourable Sir M. Dadabhoy's then I will certainly allow him to move it later on.

The HONOURABLE MR. SETHNA : Sir, I thank you for the explanation you have given, because we were in some predicament as to what we should do should the Honourable Sir M. Dadabhoy's amendment be considered at the same time as the Honourable Mr. Khaparde's.

Sir M. Dadabhoy has preferred an appeal to Government, and we should like to hear from the Government Member whether it is possible for him to accede to the request that has been made. The taxation for 1921-22 is prepared by the Department concerned and in a manner has justified the Budget being called a poor man's Budget, because the increased taxation will affect

[Mr. Sethna.]

the poor man by way of direct taxation to no greater extent than that he will have to pay for his match boxes and for his post cards. So far as the match boxes are concerned, the Legislative Assembly have confirmed what the Finance Department asked for, and I am sure that this Council will heartily endorse the verdict of the Legislative Assembly in throwing out the increase in the post card rate.

Not only this Council, but the country at large, would welcome, if possible, the continuance of the present postal rate for letters as proposed by the Honourable Sir M. Dadabhoy, and I for one cannot understand why a body like the Legislative Assembly should have gone out of its way and have gone one better even than the Honourable the Finance Member himself in the matter of postage for letters and newspapers. The postal rates as amended by that body are tantamount to making the postal rates for letters in this country dearer than the postage rates that prevail in any other part of the world, and that in spite of the fact that in season and out of season we lose no opportunity in proclaiming that India is one of the poorest countries in the world. I cannot therefore comprehend the decision arrived at by that body. And consequently it is up to us to put them right if we can, and preferably to put them right in the manner suggested by the Honourable Sir Maneckji Dadabhoy if it is possible to do so. The Honourable Sir Maneckji Dadabhoy has told us that Government will get more revenue than they expect. The Honourable Mr. Cook this morning gave us figures from which we find that, whilst there has been a reduction of Rs. 129 lakhs in next year's expenditure, there has been a reduction of Rs. 85 lakhs in the yield of the new taxation, so that there is a surplus of Rs. 44 lakhs. Now, if we keep the postage rates for letters and newspapers at the level that the Honourable Sir Maneckji Dadabhoy proposes in his amendment, I take it that the resultant loss will be a good few lakhs. Roughly speaking, I should think it would be between Rs. 60 and Rs. 70 lakhs. But I will stand corrected by the Honourable Mr. Cook. The Honourable Mr. Cook has told us, to use his own language, that he has not tucked away . . .

THE HONOURABLE MR. E. M. COOK : I think it would be better if I gave the Honourable Member the information. According to our calculations—we have tried very hard to make it accurate—the effect of my Honourable friend's amendment will be that it will turn the amount of Rs. 44 lakhs, which I referred to this morning as being more or less in hand, it will turn that + Rs. 44 lakhs into — Rs. 42 lakhs.

THE HONOURABLE THE PRESIDENT : I wish Honourable Members would remember that whenever they turn to another Honourable Member, apparently to exact information and then remain standing, they prevent the other Honourable Member from rising up and giving the information which they desire. They must resume their seat if they desire the Honourable Member to rise and give the information.

THE HONOURABLE MR. SETHNA : I did resume my seat, Sir, as I was very anxious to get this information.

Thank you, Sir. I now understand that, if the rates are maintained as at present and as the Honourable Sir Maneckji Dadabhoy desires, we are faced with a deficit of Rs. 42 lakhs. Now, the Honourable Sir Maneckji Dadabhoy has appealed to the Finance Member to let us know if he cannot by any

means, even if he has not tucked away the money anywhere else or has nothing up his sleeve, spare this sum of Rs. 42 lakhs in some way or the other. If he can do so I am sure the country at large will welcome the continuance of the present rates. In spite of the amendment which stands in my name, I shall support the Honourable Sir Maneckji Dadabhoy's, but if Government hold out no hope of making up this deficit of Rs. 42 lakhs in any other way, I shall have to fall back on my own amendment.

THE HONOURABLE MR. W. M. HAILEY : Sir, I think it would be most satisfactory to the Council if I were to answer at once the definite point which has been put to me by the Honourable Sir Maneckji Dadabhoy and by the Honourable Mr. Sethna. I shall not proceed any further than that definite point, nor compare the attractions of the various measures that have been placed before the Council. The question put to me is, whether we can or we cannot do without that extra Rs. 42 lakhs. Let me repeat the figures to the Council. On the Bill as it came here from the other House, we have Rs. 44 lakhs in hand. If we leave the postal rates as they stand, at present in practice, and therefore accept Sir Maneckji Dadabhoy's amendment, we shall be Rs. 42 lakhs out of pocket. Now, he says, 'Surely, you can make up that loss'. First of all, he says, pinch the military budget. I have had very considerable experience of trying to pinch the military budget. I have been engaged for months, and my Honourable colleagues on the Executive Council have been engaged for months in that difficult process. As I said in my Budget speech, what we finally decided to give the army was a great deal less than what it desired. Now, does the Honourable Member really think that by applying the thumb screw here or the shears there I can get anything more out of the Military Department? Indeed the experience of all Finance Members is that so far from being able to effect savings on the Army Budget, they generally at the end of the year have to meet an extended bill. Sir, I will say at once that in my opinion, on the present combatant strength we have accepted for the Army and for its auxiliary services, we can save nothing on the present military budget. If at any time any change were to take place in the combatant strength that we have laid down, it might be possible to reduce the demand. But until that is done, I think that the House and the country at large must take it that no savings can be effected on the military budget.

Then, Sir, Sir Maneckji Dadabhoy told me that I was unduly pessimistic in my expectation of revenue, from the increased taxation. Well, my experience not only in this House but also of the criticisms in the country at large has been entirely in the opposite direction. Not from one quarter but from every side we have been told that we shall not raise the revenue we expect; that the depression of trade is so great and that the falling off of exports is so marked, that it is quite impossible for us to expect to get the large sum we have placed in our Budget as the result of the proposed extra import duties. This is the first time, I may say, Sir, that this flattering unctious has been laid to our souls, and I confess to my suspicion that it has been laid there on this occasion purely for debating purposes. Can the Honourable Member show that really there is somewhere—although we have said there is nowhere—a little deposit of future revenue tucked away for future use?

The HONOURABLE NAWAB SIR BAHRAM KHAN : * Sir, the amendment put forward by Sir Maneckji Dadabhoy in connection with postage is such that it requires adequate consideration as it deals with the public, may they be of higher or lower strata. This is the kindness of the Government to all the subjects, but the Honourable Finance Member tells us that by adopting the amendment we will be losers by 42 lakhs. Even considering that I think something should be done in the direction, but at any rate I do hope that nothing would be further levied on the one-quarter anna post card.

The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU : Might I ask what the Honourable Member, who has just sat down (Nawab Sir Bahram Khan) said as I did not understand it ?

The HONOURABLE THE PRESIDENT : I am surprised at the Diwan Bahadur's request, but I think he is almost alone in not understanding what the Honourable Member has said. (Laughter.)

The HONOURABLE DIWAN BAHADUR RAMABHADRA NAIDU : Perhaps one of the European Members who knows the language will comply.

The HONOURABLE THE PRESIDENT : Order, order.

The HONOURABLE MR. E. L. L. HAMMOND : Sir, the real point at issue, I think, is this question of the half-anna postage. The Honourable Sir Maneckji Dadabhoy based his case on two points chiefly. One was the advantage that the post offered of diffusing knowledge. Now if we take this suggestion literally, I think it is obvious that a post card has the advantage over a letter in this respect. From the time it goes to the post office to the time it leaves the postman's bag it can be an advertisement to all and sundry. So if it is merely a case of diffusing knowledge the taxpayer secures this by retaining the post card. The second point was the great disparity in price between the post card and the letter. The post card is to cost one pice, the letter an anna. But this disparity is the price paid for privacy. That is what it comes to, and in England, when the price of a letter was doubled, a very large number of people took to using post cards. Instead of writing letters they wrote post cards. There seems to be no reason why in India the same procedure should not be followed. If a man wants to write at any length he can use two post cards or three for the matter of that—and even then he would save money. It seems to me that it is not a very great hardship to ask a man, under existing circumstances, when revenue has to be raised, to pay an anna for what after all is more or less a luxury—the luxury of privacy. That is the point that I would put before the Council. It is not really bleeding a man to ask him to pay an anna. We have had increases on other things—an increase on umbrellas, an increase on cigarettes. Those which I used to buy for Rs. 1-8 now cost Rs. 3. The price of many things has been enhanced, and it seems fair to ask that all classes of the community should take their share in the taxation.

The HONOURABLE RAJA P. N. ROY OF DIGHAPATIA : Sir, the Honourable Mr. Hammond just now referred to post cards. If one post card, he said, is not enough, have two or three. But if one of these goes astray how are people to know what it contained ? Three post cards are written, and

*Translation of a speech delivered in the vernacular.

the second one, say, is missing what becomes of the message ? That is one argument against post cards. Another argument is that even poor people have need of privacy sometimes and they would prefer covers. If only post cards are used they cannot communicate confidential or private messages. I do not think therefore that post cards are enough to satisfy the wants of the poor.

The HONOURABLE MR. E. M. COOK : I fully appreciate the difficulty, Sir, which is in the minds of Honourable Members as regards the postage rates on letters. On the one hand, it is quite evident, I think, from the tone of the speeches we have heard, that this Council, composed as it is of Honourable Members of weight in the country, has no wish whatever to embarrass us by placing insufficient funds at the disposal of the Government to carry on the administration. I feel quite sure that no one here wishes to embarrass the Government in that way. On the other hand, it seems, I think, to most Honourable Members that this particular change—I refer to the abolition of the half-anna postage—is one of those changes which will go home to people very widely. I have not heard it seriously argued to-day that it is going to be any actual hardship. In fact, as the Honourable Mr. Hammond has pointed out, the rise in the price of a letter will be very much smaller than the rise which has occurred in the prices of all other commodities and a good deal smaller than the increase which has occurred in wages. I have not heard the hardship argument seriously put forward. No doubt what is at the bottom of the minds of those Honourable Members who have supported the amendment is that this is a change which will be noticed very much throughout the country, and I have no doubt that those Members wish to save Government, and perhaps the Legislature too, from the odium of having put up the postage on letters. I have no doubt they feel that this is a matter which can be taken hold of by unscrupulous people by agitators and by people who are not working in the best interests of their country, and it is quite possible that that is the feeling at the bottom of the minds of most Honourable Members. I can imagine them saying, why go to all this trouble, and incur all this odium, just for a matter of Rs. 86 lakhs, or, on a division on a balance, of Rs. 42 lakhs ? What is this Rs. 42 lakhs ? Why, you can get Rs. 42 lakhs in one day by selling Treasury Bills. Now, I think that is the whole trouble. We can. And if we do not get enough revenue to cover our expenditure next year that is what we shall have to do. We shall have to go on selling Treasury Bills and printing currency notes in the way that we have been forced to do for the last three or four years. I submit therefore that it is not a question of paying your way. When you have an expenditure of 20 shillings, as Mr. Micawber used to say, an income of 20 shillings 1 farthing means happiness, and an income of 19s. 11½d. means just the reverse.

And this brings me, Sir, to the point which the Honourable the Finance Member made this morning. If this were an ordinary year, a year in which things were fairly even, in which even if we were not contemplating a surplus, things were very nearly square, then perhaps there would be a case for letting this extra revenue of Rs. 86 lakhs go. But, as I think the Council knows, the position in the present year and our outlook for next year are very different from that. The Finance Member has explained the position this morning and I do not wish to repeat what he said. I feel sure that if he had been in a securer position, if he had not had to come to the country

[Mr. W. M. Hailey.]

On the whole, I believe that it is impossible to expect any larger results from our Customs taxation. But, he says 'after all, you can never be quite sure. Surpluses as a whole have been more frequent than deficits, and therefore it is fair to assume that on this occasion also, we should not be too pessimistic but may look forward to an improvement in our financial situation.'

Sir, there is one indefinite and indeterminate item in our Budget which has met with much criticism throughout; I mean our proposal that we should place in the Budget a sum of nearly 5½ crores on account of loss in exchange. That proposal, the Council will remember, was placed on a calculation (hardly an assumption) that our exchange may come up to one shilling and eight pence on an average for the year. If that calculation proves false, then, so far from there being anything to save, I am afraid there will be a real deficit. I have had to confess that it was impossible for me to make an accurate calculation or prophesy what the exchange laws were likely to be. I have ventured to place that sum in the Budget, but already, Sir, the prophets of evil are dinning in my ears that that calculation is bound to be in error. Therefore, Sir, so far from our seeking consolation from this, I say that we must honestly try to maintain every item of taxation that we have put forward, and that we must not in any case let go a single anna of the proceeds which we hope to obtain.

Sir, if surpluses have been more frequent on an average of years than deficits, what has been the total result? Let me take only the history of the last few years. There is no use looking back on that distant past when Finance Members used to come down to the House with repleted coffers and with the confident knowledge that they could deliver large doles to the provinces or remit taxation. That state of things is unhappily no longer the case. We have had first a deficit of 6 crores, then a deficit of 23 crores and then a deficit of 11 crores; and yet after that the Honourable Sir M. Dadabhoy says that you can look another deficit in the face with a smile. I say it is impossible to attempt it. Therefore, in answer to the question whether we can spare that 42 lakhs, I say very definitely, Sir, we cannot spare that 42 lakhs. Sir, I am a responsible Finance Member and not Mr. Micawber.

The HONOURABLE MR. E. S. LLOYD: Sir, we have all discussed this matter carefully outside the House and I rise now to make a suggestion rather than a speech. I understand that at the present moment we are considering the Honourable Mr. Sethna's amendment to the Honourable Sir M. Dadabhoy's amendment.

The HONOURABLE THE PRESIDENT: We are now considering the Honourable Sir M. Dadabhoy's amendment.

The HONOURABLE MR. E. S. LLOYD: Then, Sir, my suggestion is this. The Honourable Sir M. Dadabhoy has another amendment on the paper. It is, I think, clear that we cannot accept his present amendment, and I suggest to him that he withdraw it so that we can compare his other amendment with that of the Honourable Mr. Sethna.

The Council adjourned for lunch till 2-45 P.M.

The Council re-assembled after lunch, with the Honourable the President in the Chair.

The HONOURABLE THE PRESIDENT: We will now resume the adjourned debate on the Honourable Sir Maneckji Dadabhoy's amendment.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: Sir, my Honourable friend has to-day raised a question of the Army and, as I have got some connection with it, I want to say this, that if that Army did not exist and did not stand ready at the back of the Empire

The HONOURABLE SIR MANECKJI DADABHOY: I rise to a point of order, Sir. I never said that the Army should not exist or anything of that sort. I only mentioned that my Honourable friend the Finance Minister may exercise a policy of retrenchment in regard to the Military Budget.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: It comes to the same thing. I only want to draw the attention of this Council to the fact that when nearly every service has got its pay increased, it is only the Army that hitherto has not had its pay increased. I know for certain that it does feel it and that is why I say that people should consider the needs of the Army

The HONOURABLE THE PRESIDENT: Order, order. The observations of the Honourable Member on the Army are exceedingly interesting and no doubt very valuable, but in the present instance we are discussing the question of postal rates, and he can only refer to the subject of the Army if it bears on that.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: I mean, Sir, that if this Resolution is carried naturally there will be a deficit and we shall want more money. So I think the best way is to leave this tax Amendment alone, because hundreds of people who have just read up to the third or fourth standard and have nothing else to do go on writing letters. In just the same way we find that third class passengers are in trouble. A few of them are going to a place where they need to go. Somebody—their relation's stomach is out of order and they go. Just like that any man who has nothing else to do will sit down and write letters and worry everybody. So I think the taxation is being levied quite properly.

The HONOURABLE MR. LALUBHAI SAMALDAS: I want to ask a question. The Honourable Mr. Hailey said that the financial loss to the Government would be 42 lakhs if the Amendment was carried. Can the Honourable Mr. Cook give us any details of how the figure is arrived at?

The HONOURABLE MR. E. M. COOK: I understand, Sir, that you wish me to give this explanation. I think I can do that. The proposal in the Finance Bill as introduced would have produced a yield, so far as letter and post card rates are concerned, of Rs. 171 lakhs. The Honourable Sir Maneckji Dadabhoy's Amendment would wipe this out, for Sir Maneckji says 'As you were.' If you take away from this 171 lakhs 129 lakhs that gives 42 lakhs.

[Mr. E. M. Cook.]

and ask for this very large additional taxation, he would no doubt have, in his own interests, adopted, let us say, a more cautious rate as the average rate of the year for exchange. He might, indeed, have made rather a greater allowance for the fact that we are now in the middle of a severe trade depression, and that imports will probably, in the course of the current year, fall off considerably. The reason that he has budgetted for as high a revenue as he thinks he can possibly budget for is, I know, because he does not wish to put one pice more taxation on the people of this country than he can help. He does not wish to put a pice of taxation on and then find at the end of the year that it has not proved necessary. I feel quite sure that if the deficit had been smaller, and it were a question of Rs. 10 crores or Rs. 15 crores even, that these postal rates would not have been touched. And this brings me to what Sir Maneckji Dadabhoy says, that we shall be losing next year on our postal administration. My Honourable Friend, I think, if I may say so, rather tried to instil an atmosphere of doubt into this case by referring to the impending visit of a firm of Chartered Accountants to India to overhaul our telegraph accounts. The work those gentlemen will do is, I understand, mainly on the telegraph side. Their work will not alter the fact that we have recently increased the pay of our postal staff by something like Rs. 113 lakhs, and if the present postal rates remain untouched, then next year we shall be losing Rs. 60 lakhs on our post offices. I may say that Government searched their minds for every possible alternative, and if they felt that there was some other way of making up the deficit I think they would have let this particular change go. But they have not been able to think of any, and no Honourable Member has suggested any. There is, I see on the agenda, an amendment in the name of the Honourable Mr. Sethna, No. 33,* which goes some way to meet my Honourable friend's point. The acceptance of that amendment will, of course, bring us in rather less revenue than the Bill as it now stands; but I may say that Government, in order to meet my Honourable friend's wishes as regards this matter, would accept that amendment. But this present amendment, that is now before the House, I am afraid Government must oppose.

The HONOURABLE SIR MANECKJI DADABHOY : Am I to understand that you propose to move that as an amendment to my amendment ?

The HONOURABLE THE PRESIDENT : The question before the House is Sir Maneckji Dadabhoy's amendment. I understand that Mr. Cook is unable to accept that amendment on behalf of Government. I therefore put it to the Council.

*33. That in Schedule III to the Bill for the entries under the head 'Letters' the following be substituted namely :

'Letters.'

For a weight not exceeding one tola	Nine pies.
For a weight exceeding one tola but not exceeding two and a half tolas	One anna.
For every two and a half tolas or fraction thereof exceeding two and a half tolas	One anna.'

The question is—

'30. That in Schedule III to the Bill for the entries under the head 'Letters' the following be substituted :—

For a weight not exceeding one tola	Half an anna.
For a weight exceeding one tola but not exceeding 2½ tolas	One anna.
For every additional 2½ tolas or fraction thereof	One anna.'

The amendment was negatived.

The HONOURABLE THE PRESIDENT : The next amendment on the paper is* No. 31, that of Sir M. Dadabhoy's, but I do not propose to call upon the Honourable Member to move it at this stage. I will now call upon the Honourable Mr. Khaparde to move his amendment, No. 32.

The HONOURABLE MR. G. S. KHAPARDE : The amendment which stands in my name runs as follows :—

'32. That in Schedule III to the Bill for the entries under the heads 'Letters' and 'Registered papers', respectively, the following be substituted :—

'Letters.'

For a weight not exceeding half a tola	Half an anna.
For a weight exceeding half a tola and not exceeding two and a half tolas	One anna.
For every two and a half tolas or a fraction thereof exceeding two and a half tolas	One anna.

"Registered Newspapers"

The HONOURABLE THE PRESIDENT : Will the Honourable Member be good enough to move the first half of his amendment ? I will call upon him to move the second half relating to registered newspapers later. But first let us get a decision as regards letters.

The HONOURABLE MR. G. S. KHAPARDE : That suits me, Sir. I was going to ask you to put the items separately to the vote because I think there are Honourable Members who agree with me on certain items, but on other items they do not. My object in introducing the half-anna is that it is a big jump from 3 pies to 12, in fact it is four times that amount. My idea is that we should establish something like a half-way house, and the first objection that has been raised against my proposition is that the paper would be very bad; but that, I think, would be a matter for the sender and the receiver of the letter. I think that nobody would be hurt by the paper on which the letter is written.

Then it is said that it would be a difficult matter to have a weight of the kind I propose, but that is not my opinion. The Post Office authorities could easily supply a ½ tola weight, and if they really wanted it I am perfectly sure in my own mind that there would be no difficulty. It is not a particular fraction of an ounce, and our weights do not exactly correspond with the weights that are used in England and elsewhere, and therefore we have to

* 31. (To be moved if the above is not adopted.)

That in Schedule III for the entries under the head "Letters" the following be substituted :—

For a weight not exceeding 2½ tolas	One anna.
For every two and a half tolas or fraction thereof exceeding two and a half tolas	Half an anna.

[Mr. G. S. Khaparde.]

make our own arrangements in the matter. It is urged that the tendency is to raise the minimum weight and we are now for the first time going back to half-a tola, and I think it was said that that weight obtains nowhere else in the world.

But we should have the minimum weight for the benefit of the poor communities. No Honourable Member, I am sure, will deny the fact that India is at present under peculiar circumstances and that it has a population that is poor. In addition to that, the necessities of the present year have to be taken into account, and I venture to say that the pinch is being felt in most countries, but perhaps not quite so much as in this country because of the famine and pestilence which prevail so often.

According to my calculation—and I cannot say that I am absolutely accurate because I do not claim to be a mathematician—by adopting my proposal as to the half-tola, it will give Government all the money they require. In my opinion, the half-anna postage will induce many people to do away with the 3 pie card and many other ways of using cards; they would then use the $\frac{1}{2}$ anna letter. Then another point which I wish to put before the Council is that the Post Office Authorities could bring in the folders as we find them in England. The poor people could purchase those folders and write quite a long letter to their friends by that means, without causing any difficulty about its weight.

Then there was an objection raised by one Honourable Member that certain people who have nothing special to do, do write letters needlessly and purely out of idleness. All I can say is that that is not my experience. My experience is that people who have nothing to do, do not often sit down and write letters to their friends, but they write poems and recite, and do things of that kind. They do not write letters because it means initial expenditure of $\frac{1}{2}$ an anna. Then those people who have used the postcards for corresponding with their families and their friends will find a great advantage in using the folders I have suggested because they can then seal up whatever they write on the folders and thus prevent their family secrets and their friendly confidences from being made public. There is another alternative which they could adopt with advantage, and that is they could use flimsy paper, but they would, of course, have to ascertain that the weight of their letter did not exceed $\frac{1}{2}$ an anna.

I therefore, submit, Sir, that by adopting my suggestions you will increase the revenue, and by giving the people of this country a concession of this kind, you will be raising the rates in another direction and thus increasing the revenue in that way, that is to say, that you would be giving the poor people a concession and by increasing the rates on higher weights the rich people will pay more than they are paying at present; a balance will be struck in that way. I have some figures with me, but unfortunately they refer to 1919-20, so my task is really more complicated. However, on a rough calculation, I make the sum to be Rs. 1 crore and 70 lakhs.

That sum, I think, should cover the expenditure which has been mentioned so far as the Service Department is concerned. I for one always considered the Post Office not to be a source of revenue. But apparently one cannot be so sure on that point as things are at present and taking into consideration the exceptional circumstances of the present year. But as for taxing the people in the way proposed, we might just as well form the

theory that the Postal Department and the Telegraph Department are not Service Departments, and therefore the State should make some profit out of them. The correct idea is that we should have free postage and free telegraphs and I think that is the idea we should work upon.

I have not got an expert to calculate for me, but very likely the Honourable the Finance Member has one, and, if he does the necessary calculations I am sure he will find that what I propose will balance the amount and there will be no surplus left and no loss to pay.

And that follows from this consideration, that it will provide a half way house for the poor and will do a great deal of good. Let not everybody think everytime he sits down to write a letter, 'look here, I have got to pay 3 pice more or 4 pice more and so on.' Do not spread discontent. My objection has been anticipated, I know, and has been answered by saying that under other heads we have got greater increases. That is to say, in other places, you have got two sticks, but it is only one stick that is used against you here. Well, I do not think that that will give any consolation to anybody at all. It does not and cannot carry consolation. The consolation will be only if in other places you are taxed and here you are let alone. Then alone people will be glad about it. They cannot compare two evils and choose the lesser one and really think it to be very good. As it is said in England, toothache is very terrible except to the person who has not had it. A poor man who cannot spare 3 pies will feel the burden more than anybody else. I therefore, with these few words, recommend my amendment for the consideration of this Honourable Council.

THE HONOURABLE MAUNG PO BYE: Sir, my support to the Honourable Mr. Khaparde's amendment is confined to one item only, that letters enclosed in envelopes not exceeding half a tola in weight be charged half an anna. My object in confining myself to that item only is that Government might be able to accept that, though not all that is put in the amendment. It is not for the benefit of the poor people only but for everybody. Of course the effect of the reduction or enhancement tells more on the poor than the rich and well-to-do. A poor man who looks twice at his copper coin before he spends it would hesitate to write two letters to his friend or people in place of one. The rich and well-to-do people do not care about such a difference as a few annas a day or even a few rupees per month for business or for pleasure. The fashionable people who are more inclined to use thick and substantial envelopes and paper would not care for such a small extra expense. My argument is that poor people and business men would make use of cheap and inexpensive articles more freely than they do of expensive ones. If differentiation is not made between half an anna and one anna letters, there is the probable danger that the number of letters of half a tola weight may be greatly diminished, and that loss may ensue in consequence, instead of Government getting increased revenue on that account; that loss at present cannot possibly be estimated. The Honourable Mr. Hammond asked why a poor man should not write two or three postcards. Well, Sir, that argument is not very sound in one way. A man may want to write only one line. A youngman may want to send a few words only of love. He will not want people to see it. He will desire to enclose it in an envelope, just because he does not wish the communication to be exposed to the public eye, and he will be compelled to pay 3 times more, which is not very reasonable. My idea is that thin and opaque envelopes with embossed stamps of half an anna and one anna not exceeding

[Maung Po Bye.]
one-fourth tola in weight should be made out by Government and sold to the public at every post office. Perhaps small profits and quick returns may be an expedient worth consideration in connection with the amendment of the one item I now ask for.

THE HONOURABLE MR. A. H. FROMM: Sir, I rise to oppose this amendment and at the outset I should like to say that I much dislike this reintroduction in India of the half tola weight for letters. I hoped that when it was done away with some years ago, we should not see it back in India again. It introduces bad paper which I contend is a nuisance to everybody. It is a nuisance from the commercial point of view. I should not want to press the commercial point of view on Honourable Members of this Council if I thought that we were adding to the hardships of the poor man. I hope to show to Honourable Members later that no hardship is involved to that class. There is another point, and that is the point of view of the Post Office. This, I think, is a point we should not dismiss too lightly. We had a discussion this morning on the question of administrative difficulty, and we were told that we, here, have nothing to do with the administration of the various departments. But as the Honourable Mr. Cook has pointed out to us where there are the difficulties of administration they reflect on the public. I contend that if you have this $\frac{1}{2}$ tola weight for half an anna, the work of the Post Office will be increased enormously. We will have delays in the Post Office. We complain of delays now, and there will be still further delays. I am very much against the introduction of any system which will tend to increase the work of the Post Office. In no other country, I think, is the minimum letter weight as low as $\frac{1}{2}$ a tola. I think the ounce is about the smallest. Even a tola is less than an ounce, and half a tola will be considerably less.

Before I continue my remarks may I inquire of the Honourable the Finance Member if he would let me know whether he will obtain sufficient money if this amendment is passed.

THE HONOURABLE MR. E. M. COOK: The effect of the Honourable Mr. Khaparde's amendment is Rs. 20 lakhs better than the Honourable Sir Maneckji Dadabhoy's. In other words, the Rs. 44 lakhs that I mentioned this morning as being in the nature of a surplus or something in hand, would be turned into 22 lakhs.

THE HONOURABLE MR. A. H. FROMM: I thank the Honourable Mr. Cook for explaining this at this juncture. Well, Sir, to continue, I contend that it is reasonable to expect the Post Office to pay its way. Personally my own view is that it would be equally reasonable to expect the Post Office to pay us something which would lie to the credit side of the revenue. But I will not enlarge on that too much. I will stick to my point, that I think it is reasonable that the Post Office should be looked upon to pay its way. We have been told to-day that the Finance Department, or rather the other House, has effected a saving of something like Rs. 44 lakhs, by the way in which the Bill has been dealt with in the other place. But I do not see why the whole or any part of this saving should be credited to the Post Office any more than to the Tariff or to Customs or Exchange, or to anything else. Why should the savings all go to the Post Office? This is a point I should like Honourable Members to consider very carefully. I hold most strongly that that Department should be expected to show a profit. Postage is very far reaching, and

everybody in this country, rich and poor, high and low, all contribute something towards it, and I should be very sorry to see the Post Office run at a loss and be supplemented by other receipts from the tax-payers.

Then, Sir, I will not detain the Council very long—there is another point I should like to refer to before I sit down, and that is the question of the 'poor man'. We have heard this question of the 'poor man' introduced in this Council on many occasions. It is a flag which some Honourable Members are in the habit of waving very frequently. Now I should like any Honourable Member to get up and point out to me whether the 'poor man' will suffer greatly from the minimum weight for letters being kept at one tola with a slight increase in the rate. We have already heard from the Honourable Mr. Cook that Government are prepared to accept the amendment for nine pies for the first tola. I will just ask the attention of the Honourable Members for a minute to the increase of three pies. There are some people who write more than half a tola and for this increase of three pies, they will get the benefit of another half a tola. Now to revert to the poor man. How many letters a year do Honourable Members think a poor man writes? I am talking of the very poor man. I suggest one a fortnight.

(Voices of 'one a week'.)

Well, calculating roughly on that basis, I arrive at about 12 or 13 annas a year. This is all the extra that the poor man would have to pay towards the postal revenue of the country. That is, roughly speaking one anna a month. Is that a hardship? I am sure it would not be a hardship in the province from which I come. In the case of the poor man in Bombay, the wages have gone up 100 per cent. In other parts of the country the increase has not gone quite so high but so far as Bombay is concerned I decline to believe, gentlemen, that an extra anna a month is going to prove a hardship. I do not think I have got very much more to say. Of course we want to keep before us the interests of the poor man, but the revenue that we should get from this increased postage is not going to affect him. It will come mostly from the commercial people and the well-to-do classes. They must look to pay this extra revenue if the post office is to be run without loss. For these reasons I cannot support the amendment of my Honourable friend Mr. Khaparde.

THE HONOURABLE SARDAR JOGENDRA SINGH: I rise to support the amendment of the Honourable Mr. Khaparde. I thought that the Honourable Mr. Froom was going to advance some strong arguments against the return to half an anna postage but Mr. Froom has simply confined himself to the question of convenience. Mr. Cook just pointed out that by Mr. Khaparde's scheme the deficit is reduced to 22 lakhs. I should like to know whether, in calculating this deficit, he has also taken into account the normal increase which he expects.

THE HONOURABLE MR. E. M. COOK: Yes, Sir.

THE HONOURABLE SARDAR JOGENDRA SINGH: Then the main question before the House is how we are going to provide this deficit of 22 lakhs and if we can provide that deficit without in any way taking away from the people the advantage of using the half anna postage which they have so far enjoyed.

[Sardar Jogendra Singh.]

The main argument in favour of raising the postage is the need for revenue. I am of opinion that if you increase the postage, correspondence will decrease and the anticipated revenue will not come in. If you keep the postage low and you adopt Mr. Khaparde's scheme it will not drive the people to a larger use of post cards and thus half an anna postage will be more largely used, and the required revenue will be more easily secured by keeping to half an anna postage, rather than by raising it. I do not know on what basis Mr. Cook's calculations are based, but judging generally, it seems that by keeping cheap postage which we have so far enjoyed, we shall continue to get increased income. We have so long enjoyed cheap postage, that we should not be deprived of it without very strong reasons. I do not see why we should increase the postage merely because the post office finds it difficult to deal with thin paper. They have dealt with thin paper before; and the weight was raised to a tola as a concession made a few years ago when the Finance Department was overflowing with surpluses. Now we are not overflowing with surpluses, but there is no reason why we should convert a Service Department into a largely revenue-raising Department. Why should the ordinary peasant be deprived of a privilege for the mistakes which the Finance Department made last year which he has so long enjoyed? It has been pointed out that the poor man uses the post only once a week, but there are 300 million people who are using the post and if you calculate, you will find that the correspondence of these people is much larger than the correspondence carried on by commercial people and the people of the better classes. It is a question of numbers, and so far as I can see it is clear that if you increase the postage, you will decrease the correspondence and the increased revenue expected will not come in. The whole tendency of the budget has been and rightly so to tax the rich and leave the poor alone. We might do the same in this case under Mr. Khaparde's scheme. Then again there is the possibility that if this amendment is lost, and the postage is raised the other House might still be in favour of having the half anna stamp and the Bill might become a shuttlecock between the two Houses. I, therefore, warn the Members here to take into consideration this contingency before they vote against this amendment.

The HONOURABLE MR. W. M. HAILEY: I think it would be well in the interest of the House if we try to mark the exact stage at which we now are. I gather from the fact that the House has rejected Sir M. Dadabhoi's amendment, that it is fully determined that we should lose no money, certainly not as much money as he proposes over our postal arrangements.

I think that from what we have heard since, I am justified in saying that many Members of this House concede that there is nothing unreasonable, nothing abnormal or unusual, in our attempt to go further and make a little money out of the Post Office. The point has not been touched on at any length here to-day, but it is one which certainly is one worth making, because I think it is well to disabuse the minds of Honourable Members of this House of any feeling that it is an improper thing to make money out of your Department of communications. What is England doing? England is proposing to make over 2 million pounds out of her Post Office. Canada is proposing to make three hundred thousand dollars; Japan is proposing to make 75 million francs out of her Post Office. It is not then an unjustifiable proposal that we should attempt to make something out of our Post Office at a time when the general

state of our finances render it necessary for us to look for a means of increasing our revenues, which will press as lightly as possible over as wide an area as possible.

Those two preliminary points being cleared out of the way, I come now to the question how we can best get the money we want, and how, in getting it, we can avoid injuring the classes whose interests have been represented in the Council to-day? The Honourable Mr. Cook has pointed out that if the House accepts the amendment now before it we shall be 20 lakhs to the bad. I maintain that that is a contingency we should not accept and that we ought to look to some other remedy which will avoid this particular loss. I do not know whether my Honourable friend Sardar Jogendra Singh accepted the Honourable Mr. Cook's calculation; he seemed indeed to think that an increase in other directions might make up the loss that is anticipated. All I can say is that the Post Office officials, who are our guides on this occasion, have made the most careful calculations in this matter and they have come to the definite conclusion that we shall be 20 lakhs down on this particular amendment, and I must ask the House to accept this fact when making up their minds on the question now before them.

Now, if we refuse to go back to the old practice of the half anna letter, to whom shall we be doing an injury? We have already secured the position of the poorest of the population by retaining the quarter-anna postcard. The postcard, I may say, brings us no money; in fact, it is carried at a loss. We provide the stationery and for three pies we carry the card from Rangoon to Aden and Cape Comorin to Peshawar. No country in the world accepts an obligation so great as that at so insignificant a remuneration. It is said the poor man has his secrets like the rich man. But what man is there who, if he wishes to confide a secret to a friend or to communicate some confidential matter, will scruple to spend one anna? We have heard some calculations to-day of the extra burden that would be thrown on the poor man by raising the letter unit to one anna. It has been suggested that the poor man writes one letter a fortnight. Taking the figures for letters, we find there are 580 million letters despatched, and the population of India is 300 millions. I say there is no room from these figures to suppose that the poor man sends a letter once a fortnight. It is obvious, on a mere arithmetical calculation, that the burden of doubling the letter rate would be so widely diffused that the individual incidence would be practically negligible.

Now, the greatest argument, to my mind, against returning to the old system of the half-a-tola for half-an-anna is of an administrative nature. I ask you to remember—those who remember the time when that system was in force—the mental harassment to which many people were put in trying to so fix the exact weight of every letter that their correspondent at the other end might not be overcharged. I ask you to remember the constant irritation of surcharges when it was found that the letter was over-weighted, and the endless opportunities for petty extortion from the ignorant, to which a meticulous weight of this kind is likely to give rise. What we want to do in our postal arrangements is to be progressive; not to go back to infinitesimal weights and infinitesimal charges, but to have one solid all-round rate which will make it certain that the postal arrangements will in practice cause as little harassment as possible to the people. That is not a matter lightly to be put aside. It is not a question of involving our own postal authorities or our own postal officials in any difficulties. That is not the point at all. The point is that if you

[Mr. W. M. Hailey.]

return to this small weight you will cause great difficulties to the public concerned—difficulties which I think they will resent. It is for that reason, Sir, that in another place I myself have always been a steady advocate of the heavy initial weight, and I have maintained that we could have a system involving a heavier initial weight without at the same time involving any additional burden that the ordinary poor man would feel at all. It is for this reason that I say I think we should look for some other solution of our difficulties than that which is contained in the amendment now before the Council.

The HONOURABLE MR. E. S. LLOYD : Sir, the balance of advantage in the amendments of the Honourable Mr. Khaparde and the Honourable Mr. Sethna lies I think with the latter. From the discussions which many of us have had during the course of last week, I think there is no doubt that many people are pleased by this idea of going back to the old half-anna rate for half-a-tola. I may say that I was myself at first strongly attracted by this proposal. But I think there can be very little doubt whatever that we cannot give up 42 lakhs of revenue at a time like this. The Government have indicated that they are prepared to meet us half way and to accept the other proposal, namely, that instead of the whole anna for the tola it is quite possible it might be nine pies for that weight. This is, I think, a reasonable compromise, and as the Honourable Mr. Froom pointed out, we should not interfere with weights and a small increase of rate is really of no great hardship to anybody. I do very much ask all Members of this House to give up the present proposal made by the Honourable Mr. Khaparde in order that we may accept the one standing in the name of the Honourable Mr. Sethna.

The HONOURABLE MR. LALUBHAI SAMALDAS : Sir, I rise to support the proposal of my friend the Honourable Mr. Khaparde, and in doing so I should like to clear some misapprehensions that have been raised in the minds of some of the Honourable Members of the House. The Honourable Mr. Froom said that the loss to the Postal Department was 22 lakhs. But if I understood aright the speech of the Honourable Mr. Hailey, the 22 lakhs was a dead loss on the Budget, not on the Postal Department. So that argument is simply wiped out.

Then the Honourable Mr. Froom said 13 annas per annum would not be very hard on the poor man. He spoke, I presume, for his Presidency. I come from the same Presidency. Possibly he spoke for the City of Bombay. He has had no opportunity of knowing the economic condition of the village people.

I have had opportunities of meeting agriculturists and know their condition and know that even 13 annas per annum would mean much to them. It is very easy to brush this aside ; but to poor people the amount counts.

Then, the Honourable Mr. Hailey gave us some figures. He said that 580 millions of letters were sent by 300 million people. Statistics, as I have once before said in this Council, can be made to prove anything. All these 300 million people are not literates. The Honourable Mr. Hailey forgets that even after the advent of the British for a hundred years not more than 15 or 20 per cent. of the people are literate. You ought not to divide 580 millions by 300 millions ; but you must take 15 per cent. of 300 millions and then divide 500 millions by the resulting figure. The manner suggested by the Honourable the Finance Member is not the correct way of using figures.

Leaving this matter aside, we come to the crux of the question which is this. If we are going to have a deficit of Rs. 22 lakhs, we must find some way of meeting it. I quite agree with the Honourable Mr. Cook that we cannot go on issuing Treasury Bills. That is not the way of doing business. But if we are going to find the money, we must tax the rich and not the poor. Does the House want to be told by the public outside the House that because the House was composed mainly of capitalists and rich men, for the sake of getting a reduction of $\frac{1}{2}$ anna on the tola they are taxing the poor $\frac{1}{2}$ anna more for his half tola ? Let each member think for himself. I ask him to vote for the poor and not for the middle class or the rich people.

With these remarks, I support the amendment moved by my Honourable friend.

The HONOURABLE SIR ALEXANDER MURRAY : In rising to speak on this amendment I may take it we are all agreed that we cannot accept the postal rates contained in this Bill in the form in which it has now come to us from the other House, for a few figures that I will give you make it very plain that these rates ought not to be accepted. As a result of the legislation elsewhere, for 1 tola we are now expected to pay 1 anna as against the $\frac{1}{2}$ anna that we have been paying hitherto ; then for $2\frac{1}{2}$ tolas (that is to say 1 ounce) we are expected to pay 3 annas as against 1 anna that we are paying now, a very substantial difference ; similarly, when it comes to 5 tolas or 2 ounces, we are expected to pay 5 annas as against 2 annas we are paying now ; then, for $7\frac{1}{2}$ tolas we are to be called upon to pay 8 annas as against 3 annas we are now paying ; for 10 tolas, we would have to pay 10 annas as against 4 annas. I think it is quite clear, therefore, that we should not allow this Bill to pass through the House in its present form, but should endeavour to arrive at a compromise of some description, based on the amendments that are before us. In the first Finance Bill that was laid before us the Government put forward a proposition that the present rate for 1 tola should be raised from $\frac{1}{2}$ anna to 1 anna, and they formally brought forward a proposal that above $2\frac{1}{2}$ tolas the rise ought to be at the rate of $\frac{1}{2}$ anna instead of 1 anna. If we were to accept that proposal, I should think we would be laying ourselves open to the criticism which has been levelled by the last speaker, as regards class distinctions. I am not in favour of Government's original proposal, but I would favour the proposal made in Mr. Khaparde's amendment to the effect that the increased postage above $2\frac{1}{2}$ tolas ought to be at the rate of 1 anna for every $2\frac{1}{2}$ tolas. That, I think, would meet the criticism that was addressed to the House by the last speaker when he said that we were going to introduce legislation for the rich instead of for the poor. Business firms and Government use heavy letters and if we welcome increased taxation in the shape of 1 anna instead of $\frac{1}{2}$ anna for increases above $2\frac{1}{2}$ tolas, then I think we shall reply effectively to the suggestion of the Honourable Mr. Lalubhai.

Then as regards the lower rate, I think myself, Sir, that the compromise suggested in the amendment by the Honourable Mr. Sethna that has still to come before the House is quite an equitable one, and in suggesting that we should go back to $\frac{1}{2}$ anna for $\frac{1}{2}$ tola the Honourable Mr. Khaparde is really asking us to take a retrograde step. The $\frac{1}{2}$ tola weight has disappeared already from our Statutes ; why go back to that ? I am quite sure that no other country in the world has such cheap postage as we have, and having got away from this very very low unit of half tola,

[Sir Alexander Murray.]

why go back to it, especially when an alternative is given to us in the shape of an extra 3 pies for postage which will cover the one tola letter? The Honourable Mr. Froom has pointed out, though the last speaker objected to the statement, that in Bombay there have been increases in wages to the extent of 100 per cent. We are not so wealthy on the Bengal side, but the increases there are at least 50 per cent. If we ask the public generally to pay 50 per cent. increase in their postage rate, that increase is only commensurate with the increase of wages that has admittedly taken place all through the province of Bengal; and an increase from 6 pies to 9 pies is simply an increase of 50 per cent.

With these few remarks, I beg to oppose the amendment as put forward by the Honourable Mr. Khaparde.

The HONOURABLE MR. LALUBHAI SAMALDAS: I move, Sir, that the question be now put.

The motion was adopted.

The HONOURABLE THE PRESIDENT: The question is—

'32. That in Schedule III to the Bill for the entries under the head "Letters" the following be substituted:—

' Letters.

For a weight not exceeding half a tola. Half an anna.

For a weight exceeding half a tola and not exceeding two and a half tolas. One anna.

For every two and a half tolas or a fraction thereof exceeding two and a half tolas. One anna.

I think the 'Noes' have it.

The HONOURABLE MR. LALUBHAI SAMALDAS: I ask for a division, Sir.

The Council divided as follows:—

AYES—13.

Abdul Majid, Nawab.
Altaf Ali, Mr.
Harnam Singh, Raja Sir.
Jogendra Singh, Sardar.
Jha, Dr. Ganganath.
Khaparde, Mr. G. S.
Lalubhai Samaldas, Mr.

Maung Po Bye.
Nandy, Sir M. C.
Naidu, Mr. V. R.
Pramada Nath Roy, Raja.
Soshi Kanta, Acharyya Chaudhuri.
Maharaja.
Zulikar Ali Khan, Sir.

NOES—21.

Amin-ul-Islam, K. B.
Bahram Khan, Nawab Sir.
Barnes, Sir G.
Barron, Mr. C. A.
Bray, Mr. D. deS.
Chatterjee, Mr. A. C.
Cook, Mr. E. M.
Elliott, Lieut.-Col. A. C.
Froom, Mr. A. H.
Hammond, Mr. E. L. L.
Lloyd, Mr. E. S.

Murray, Sir Alexander.
Richey, Mr. J. A.
Sarma, Mr. B. N.
Seddon, Mr. C. N.
Sethna, Mr. P. C.
Shafi, Mr. M.
Smith, Mr. Moneriff.
Umar Hayat Khan, Colonel Sir.
Wood, Sir John.
Zahir-ud-din, K. B. Saiyid.

The amendment was negatived.

The HONOURABLE MR. SETHNA: Sir, I beg to move:

'That in Schedule III to the Bill for the entries under the head 'Letters' the following be substituted namely:—

' Letters.

For a weight not exceeding one tola Nine pies.

For a weight exceeding one tola but not exceeding two and a half tolas One anna.

For every two and a half tolas or fraction thereof exceeding two and a half tolas One anna.'

I find that my task is considerably 'lightened by the discussion which has taken place on the two previous amendments. I think we all recognise that it is very necessary that we should have an intermediate stage between the quarter anna post card and the one anna letter. I for one would certainly welcome the Honourable Mr. Khaparde's proposal, but the reason why I objected to it was that it takes us back to the half tola as the minimum weight of a letter and that is a retrograde policy. However, his amendment has been discussed and thrown out and I need not refer to it any more. The only alternative which appeals to me is a three-fourth anna postage for a letter weighing one tola. The Honourable Mr. Cook stated that the Honourable Mr. Khaparde's proposal, if adopted, would bring in an additional income of 22 lakhs which is not sufficient. My proposal would bring in more; what the probable amount will be I am not in a position to state. Perhaps the Honourable Member in the course of his speech in reply might be able to tell us. I admit that it would not bring in enough to make up the deficit which the Honourable the Finance Member anticipates and therefore in the higher weights I propose a higher rate than what the Department themselves proposed, namely, 1 anna for every 2½ tolas instead of ½ an anna as proposed by them. In other words, what they will lose on the lower letters they may make up in the weightier ones, and thus what they lose in the roundabouts they may be able to make up in the cocoanuts.

Now, Sir, the only argument which I can see that could be brought against my proposal is that the ¾ anna as proposed is not simple enough and that stamps for this amount are not available. Well, Sir, if ¾ anna is not simple enough the same argument will apply to foreign postage. We pay at present 1½ annas and it might be contended that this rate might be two annas or some multiple of one anna. The Post Office could overcome the difficulty by surcharging the existing ½ anna stamps and marking them ¾ anna.

Sir, we are absolutely in the dark, the Honourable Mr. Hailey has told us that the Post Office carries about 580,000,000 letters a year. The Honourable Mr. Khaparde tells us that he is not an accountant and his figures may be wrong. It seems to me that the Finance Department itself is not very sure of its facts and figures.

My appeal to them therefore is that if this Council accepts my amendment and if they find that the three-fourths of an anna rate brings them sufficient revenue, that they will of their own accord reduce the rate to half an anna. I suggest this, Sir, because, it is perfectly competent for Government to do so. The Schedule that has been framed is for maximum weights and for maximum postages. I understand it is open to Government under the Post Office Act to reduce such maximum rates of their own accord if they choose.

[Mr. Sethna.]

to do so. I do hope, therefore, Sir, that if the acceptance of my proposal does bring in a larger revenue, they will of their own accord reduce the rate of three-fourths of an anna per tola to half an anna, which I am sure, will give very great satisfaction to the masses in this country, as also the lower middle classes, and particularly the business communities.

I have nothing else to add, Sir.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I do not believe in the policy of the whole hog or nothing. On that principle, and as a compromise I rise to support this amendment. I know considerable inconvenience will be caused by the introduction of a new form of postage in the country. But I think that of the two evils we should choose the lesser one, and accept this amendment, principally because, as I have pointed out, in my speech on my amendment, the disparity between half anna postage and one anna postage is so great that it will meet with unanimous opposition in the country. However, this compromise is one which if not entirely equitable is fair, and I am prepared to accept it. But I do hope, and I appeal to the Honourable the Finance Minister that as this amendment of the Post Office Act is only to last in operation till the 31st March next, if the finances of the Post Office improve, and if the Postal Department becomes a self-supporting institution, he will see his way in the next Budget to remove this additional quarter anna postage and revert to the old practice.

The HONOURABLE SARDAR JOGENDRA SINGH : Sir, I rise to oppose this amendment. The Honourable Mr. Cook will possibly tell us what the effect will be if the three-quarter anna postage is accepted. If the deficit is not made up, the case entirely falls through. It all depends on that. If it does make up the deficit, then there will be some ground for supporting it. Will the Honourable Member kindly tell us how Mr. Sethna's amendment affects the finances?

The HONOURABLE MR. E. M. COOK : Our calculations are, Sir, that the Honourable Mr. Sethna's amendment, taking the three parts together, will bring in a revenue altogether of Rs. 60 lakhs. I may explain that the net effect will be that the Rs. 44 lakhs which I spoke of this morning as being something in hand will be reduced to about 15 to 18 lakhs.

The HONOURABLE SARDAR JOGENDRA SINGH : That, Sir, means that the Government will gain about Rs. 4 lakhs more than by Mr. Khaparde's arrangement?

The HONOURABLE MR. E. M. COOK : No, no. Mr. Khaparde's amendment leaves us Rs. 22 lakhs down on the Budget. Mr. Sethna's amendment puts us Rs. 18 lakhs up on the Budget. There is a difference of Rs. 40 lakhs.

The HONOURABLE THE PRESIDENT : Does that remove the Honourable Member's objections?

The HONOURABLE SARDAR JOGENDRA SINGH : Yes, Sir.

The HONOURABLE MR. E. M. COOK : Sir, we are prepared to accept this compromise. But as regards Mr. Sethna's appeal that we should use our powers under the Post Office Act to reduce the rates if possible, we cannot possibly give him any undertaking or promise at this stage.

The HONOURABLE THE PRESIDENT : The question is :

'That in Schedule III to the Bill for the entries under the head 'Letters' the following be substituted, namely :—

'Letters.

For a weight not exceeding one tola	Nine pies.
For a weight exceeding one tola but not exceeding two and a half tolas	One anna [†]
For every two and a half tolas or fraction thereof exceeding two and a half tolas	One anna.

The motion was adopted.

The HONOURABLE THE PRESIDENT : The effect of this will, I think, be to dispose of items* 35, 36, 37, 38, 39, 41 and† 31.

I then call upon the Honourable Mr. Khaparde to move his amendment regarding Registered Newspapers. There are several amendments under the

*35. That in Schedule III to the Bill for the entries under the head "*Letters*" the following be substituted namely :—

"For a weight not exceeding half a tola	Half an anna.
For a weight exceeding half a tola but not exceeding two and a half tolas	One anna.
For every additional two and a half tolas or fraction thereof	One anna."

36 (2) That in Schedule III to the Bill for the entries under the head "*Letters*," the following be substituted namely :—

"For a weight not exceeding one tola	Half an anna.
For a weight exceeding one tola and not exceeding two and a half tolas	One anna.
For every additional two and a half tolas	Half an anna."

37. That in Schedule III for the entries under the head "*Letters*" the following be substituted :—

"For a weight not exceeding half a tola	Half an anna.
For a weight exceeding half a tola but not exceeding two tolas	One anna.
For every tola or fraction thereof exceeding two tolas	Half an anna."

38. That in Schedule III for the entries under the head "*Letters*" the following be substituted namely :—

For a weight not exceeding half a tola	Half an anna.
For a weight exceeding half a tola but not exceeding two and a half tolas	One anna.
For every additional two and a half tolas	One anna.

39. That in Schedule III for the entry "For a weight not exceeding one tola—one anna," the following entry be substituted :—

"For a weight not exceeding half a tola—half an anna."

41. That in Schedule III for the entries under the head "*Letters*" the following be substituted namely :—

Letters.

"For a weight not exceeding half a tola	Half an anna.
For a weight exceeding half a tola but not exceeding two and a half tolas	One anna.
For every additional two and a half tolas	One anna."

† Vide page 563.

[The President.]

head 'Registered Newspapers' and although the Council did not take my advice this morning and decided to take the amendments one after the other, I cannot help feeling that the discussion this morning would have proceeded on better lines if my suggestion had been followed. Perhaps the Council may reconsider the matter on this occasion.

The HONOURABLE MR. G. S. KHAPARDE : Sir, I beg to move that for the heading 'Registered Newspapers' the following be substituted :—

'For a weight not exceeding eight tolas Quarter of an anna.
For a weight exceeding eight tolas and not exceeding twenty tolas Half an anna.
For every twenty tolas or fraction thereof exceeding twenty tolas Half an anna.'

Well, Sir, the other House has reduced the quarter anna weight to five tolas. Now, all Indian newspapers that are in circulation and that I know of generally exceed this weight of five tolas. Some of them come up to 6 tolas, others to 7 tolas, and most of them go up to 8 tolas. So, I have allowed eight tolas for quarter of an anna, so that all these small papers that are in circulation in India may pay the same postage of quarter of an anna. The objection is that we cannot possibly in these days cheapen the news that travels if we make these papers pay more by way of postage, and news will not travel at all, and as a consequence, many misunderstandings which ought not to exist at all will only increase. Then again, the other House has allowed only 15 tolas for half an anna. I raise that to 20 tolas, to cover the Anglo-Indian papers that are in circulation now. This is intended to increase the circulation of news, and I suppose that as the deficit has been covered under 'letters' there will be no more talk of the difficulty about a deficit. With these words, Sir, I commend my amendment to the acceptance of this Council.

The HONOURABLE MR. E. M. COOK : Sir, I do not agree with the whole of the Honourable Mr. Khaparde's arguments, but as the Council has done us very handsomely in accepting the compromise about the nine pies postage on letters, and as the amount of money involved here is very small, I do not wish to oppose the amendment.

The HONOURABLE THE PRESIDENT : The question is.

'That in Schedule III to the Bill for the entries under the head 'Registered newspapers' the following be substituted :

'Registered newspapers.'

'For a weight not exceeding eight tolas Quarter of an anna.
For a weight exceeding 8 tolas and not exceeding 20 tolas Half an anna.
For every twenty tolas or fraction thereof exceeding twenty tolas Half an anna.'

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is therefore that Schedule III, as amended, stand part of the Bill.

The motion was adopted.

The HONOURABLE MR. E. M. COOK : I beg to move amendment No. 42, on the paper which runs as follows :

'42. That the following be inserted as Schedule IV to the Bill namely :—

'SCHEDULE IV.

'Schedule to be substituted in the Freight (Railway and Inland Steam-vessel) Tax Act, 1917.

(See section 4.)

SCHEDULE I.

(See section 3.)

1	2	3
Goods.	Unit or method of taxation.	Rate of tax.
All goods (including goods carried by coaching traffic) other than food grains and pulses, firewood and fodder.	Per rupee of net freight payable.	Two and a half annas.'

This is a purely drafting amendment, Sir. Column 1 of the Schedule as it is now before the Council reads 'including other coaching traffic but excluding foodstuffs'. The wording has, in point of fact, two defects. 'Foodstuffs' is a very indefinite term. It might be held to include all sorts of things such as ghee, fish, etc., in fact anything that is eaten. That was not the intention of the other House, I think; nor was it the intention of Government; the intention was to exclude food grains and pulses. There is one other change. As it stands, the Schedule has got the words 'other coaching traffic'. That is a term that is understood by railway people to mean all coaching traffic other than passenger traffic, but I do not think it would be so understood in a court of law and this amendment seeks to make it clear by inserting the words 'including goods carried by coaching traffic'.

The HONOURABLE SIR MANECKJI DADABHOY : I have given notice of an amendment of this clause.

The HONOURABLE THE PRESIDENT : We must get the Schedule in first. The Honourable Member may then move his amendment. This is a purely drafting amendment, I understand.

The question is that the following be inserted as Schedule IV to the Bill :—

'Schedule to be substituted in the Freight (Railway and Inland Steam-vessel) Act, 1917, as set out above.'

The motive was adopted.

I now call upon the Honourable Sir Maneckji Dadabhoi to move his amendment.

The HONOURABLE SIR MANECKJI DADABHOY: My amendment is 'that in column 3 of Schedule I in clause 4 the words 'and a half' be deleted.' I am prepared to confess that I have brought this amendment with the object of obtaining authoritative information on the subject. When the Finance Bill was originally introduced, in Schedule IV, they proceeded on the basis of a duty per Indian maund of 82 and some fraction pounds. While here we have the taxation on the basis per rupee of net freight payable under existing Acts. Before I press my amendment I would like the Honourable Mr Cook to inform me how much more money he will gain by the acceptance of the Schedule as it now stands in comparison with that which he hoped to gain by the original proposal embodied in the Finance Bill.

The HONOURABLE MR. E. M. COOK: I think Sir M. Dadabhoi is referring to the fact that the Finance Bill as originally introduced imposed quite a different tax, viz., a surtax. As regards the gain by adopting the amendment passed in the other House, I can give him the exact figures if the Council is at all interested in them. I think the Council knows that for next year we estimate the gross traffic receipts at 87 crores, including goods and passenger traffic. If we exclude military and railway stores, the total estimated railway earnings on goods traffic next year is just about 44½ crores. If we take away from that 11 crores on account of food grains, firewood and fodder, we get a total of 33½ crores, which is the figure to which we are going to apply the tax of 2½ annas in the rupee. That brings in 524 lakhs. If you add on to that the tax on 'other coaching traffic,' it will come to 115 lakhs. If you add Inland river steamers, viz., 30 lakhs, you get a total of 6 crores and 69 lakhs. Take away from that the surcharge of 117 lakhs which already exists, and you get exactly 5 crores and 52 lakhs. It so happens that this is almost exactly the 5½ crores entered in the budget on account of the extra yield from the proposed increase in the surtax.

The HONOURABLE SIR MANECKJI DADABHOY: In view of the explanation given I wish to withdraw my amendment.

The amendment was, by leave of the Council withdrawn.

The HONOURABLE SIR ALEXANDER MURRAY: I beg to move the amendment which stands in my name. It reads as follows:

'In the Schedule to be substituted in the Freight (Railway and Inland Steam-vessel) Tax Act, 1917, for the words 'Two and a half annas' in column 3, the following be substituted namely:—

'Two and a half annas in the case of goods carried by a railway; and one and a quarter anna in the case of goods carried by an inland steam-vessel.'

The effect of this amendment is to provide that goods carried by inland steam-vessel should pay tax to the extent of one half of that payable by goods carried by railway. To explain the position clearly, I would like to go back to the year 1917 when the surcharge was first imposed. It was first mentioned by Sir William Meyer on the 1st March in that year when he said:—

'Finally we have decided to impose, as a war measure, a surcharge on railway goods traffic at the rate of one pie a maund on coal, coke and firewood and two pies a maund on other articles.'

That is to say, the surcharge was imposed first of all, as a war measure.

It was in that year that the Finance Member dealt with India's special contribution of £100 million to the war. To enable Government to finance

that war contribution, special taxation was imposed, and one of the items proposed was this surcharge on railway goods traffic.

Please note that this war measure, for that is what it was expressly called, was to consist of a surcharge on railway goods traffic only. When the Bill came to be drafted, however, it was found that inland steamers were in competition with the railways for inland traffic, and it was, therefore, decided to make the surcharge applicable to inland steamer traffic, as well as to railway goods traffic. The steamer companies at the time took exception to this new imposition; but recognising it to be a war measure, they ultimately accepted the surcharge as a necessary evil of the times although they did point out that the tax did not apply to country boat traffic. I may add, however, that the incidence of the tax then was not severe, and it consequently did not materially divert or restrict traffic at least as between the railways and the steamers, although it did make a difference as between steamers and country boats which did not pay the tax.

Although this surcharge was admittedly a war measure, force of circumstances had compelled the Government of India to continue this tax up to date. And similarly force of circumstances has again caused Government to look round for a method of imposing fresh taxation, taxation that will return a substantial yield and return it quickly.

In this connection I should like to refer to the speech of the Honourable the Finance Member when dealing with the head 'Railways' in the Budget on March 1st, 1921. He there (page 90) gives certain figures which show that railway traffic returned a substantial net profit of as much as 15 crores in 1917-18 and almost 16 crores in 1918-19, while in 1919-20 it dropped to 9 crores, and in 1920-21 to no more than 5 crores, and next year, assuming that no change is made in rates, it will probably be only 4 crores. He then goes on to say:

'I submit therefore that, quite apart from our present financial necessities, a moderate increase of rates, particularly on goods traffic, the rates for which are mostly still on a pre-war basis, could be amply justified on business grounds. It is not possible, however, to re-adjust the various rates in time enough to give us the money we need during the next financial year. In the case of goods rates, it is a particularly cumbrous business, and requires very careful consideration in consultation with our traffic experts and with the railway companies. We have asked the Railway Board to examine the matter carefully. During the course of next year in order to see what enhancements of rates are possible. Meanwhile, as a temporary measure, we propose to make a substantial increase in the surcharge on goods traffic which was imposed in 1917.'

Later on the next page (page 91) he says:

'The increase now proposed is therefore intended to be in temporary substitution for a general increase of goods rates. In the event of it being found possible before the end of the year to raise the goods rates to the necessary extent, such increases will be substituted next year for part or whole of the additional surcharge now to be imposed.'

Take note, please, that quite apart from our present financial necessities, a moderate increase of rates can be amply justified on business grounds. Take note that it is not possible, however, to re-adjust the various rates in time to give us the money required immediately. Take note, Sir, that the Railway Board have been asked to go into the matter to see what enhancements of rates are possible. Take special note that the increase now proposed is merely a temporary substitution for a general increase in rates, and that when

[Sir Alexander Murray.]

such general increase comes into effect, it will take the place of the additional surcharge now imposed.

It is therefore quite evident why this surcharge is being imposed this year, namely, on account of the falling off in the net profits from railway working. If further evidence of this is required,—it is found in paragraph 15 of the Honourable Member's speech introducing the Budget, where he said—

'It is the working expenses of railways that have been mainly responsible for falsifying our estimate of net receipts; the bulk of this increase is due to increases of pay given to the railway staffs.'

He talks on similar lines in paragraph 21 where he says :—

'Now the same factors that have been at work increasing the working expenses of the railways and decreasing their profits, have also been at work in the inland steamer companies which compete with the railways.'

The steamer companies have therefore gone to the railway companies who are in competition with them, and have said :—

'Let us put up our rates in consultation with each other in order to meet our increased working expenses.'

To this, the railway companies reply :—

'It is quite true we are working at a loss, as some of them are, but all the same we cannot put up our rates just yet.'

with the result that neither can the steamer companies put up their rates, for they are in competition with each other.

Up to this point everything is plain sailing, but it is here that the injustice to the steamer companies begins. The railway companies refuse or delay to put up the rates, but the Government of India, who are the actual owners of some of the railways in competition with the steamers, come along and say :—

'We cannot wait any longer for you to make up your minds as to the actual rates of freights to be increased. We must have money at once to meet the increased working expenses, or at any rate to make up for the deficiency caused by the falling off in surplus profits coming to us from your railways.'

Government therefore decided to put on an all-round tax—they no longer call it a surcharge—an all-round tax of 2½ annas per rupee of the net actual freight payable under existing Acts. So far as the railways and the Government are concerned, the matter is as broad as it is long. The railway refuse or delay to increase the rates, the Government say—'We must have the money,' and with the one hand the Government take the money, and with the other hand they spend the money on the up-keep of the railways, or at any rate, in making good the deficiency caused by the loss in their net surplus revenue as the result of the increased cost of working the railways.

So far so good. You will now ask where does the grievance of the inland steamers come in? Well, just as the costs of railway working have gone up, so have the costs of inland steamer working; and being in competition with each other, so long as the railways refuse to increase their rates, so long also must the steamer companies refuse to increase their rates, and here is where the difference comes in. Unlike railway companies, the steamer companies have no father or mother in the shape of a benevolent Government to come

along and assist them. If they had, Government would with one hand collect a tax in the shape of an increased rate of freight on the steamer traffic and expend it in meeting the increased working expenses of the steamers, or at least, in making up the deficiency in the steamers' net profits caused by the increased cost of working. Instead of doing that now what does the Government do? They go to the steamers and say :—

'It is quite true the cost of railway working has gone up, and our net profits from the railways have gone down. It is also quite true that the cost of your working must have gone up, and your net profits must also have gone down. Well, we are going to collect a tax which, in the end, will square our accounts overhead, that is to say, we are going to collect a tax on the railway traffic, and we are also going to collect a tax on the steamer traffic, and we are going to use both taxes to make up for our loss in the railway revenue.' But, say the steamer companies, 'Where do we come in? Our working expenses have gone up, our net profits have come down; we quite agree some tax is necessary in order to balance accounts, but you are surely not going to take the tax from our traffic to make up for the deficiency in railway traffic.' To this the Government reply : 'Yes, that is just what we intend to do.'

Is it any wonder, therefore, that the steamer companies have a grievance? |

I think I have said enough to satisfy you that they have a grievance, and I believe the Honourable the Finance Member, and the Honourable Mover of this Bill, admit the steamer companies have a grievance. I am prepared even to go the length of arguing that Government are not entitled to any share of the increased tax on the river traffic. Government admit this by saying that the tax is intended to be in temporary substitution for a general increase of goods rates. For, when that general increase in goods rates takes place, I am sure Government have no intention of taking from the steamer companies any share of their increase in the goods rates levied on their river traffic.

I recognise, however, that Government must get money in order to square their accounts this year, and although the steamer companies will not agree with me, I am prepared solely as a compromise to suggest that Government be allowed to make use of this tax on railway traffic for this year only, but I trust Government will also recognise that the steamer companies are entitled to some part of the increase in rates on their traffic, in order to meet the increased cost of working their traffic. It is for this reason, and only for this reason, that I put forward this motion to the effect that the tax to be levied on steamer traffic should only be half of the tax to be levied on railway traffic. Now some of you may say—Oh, it will not be fair that railway traffic should bear the increase at the rate of 2½ annas per rupee, while the steamer traffic gets off with 1½ anna per rupee. I have no authority for saying so, but I think you may take it from me that the steamer companies will not hesitate, wherever circumstances permit, to increase their present freights not only by the 1½ anna per rupee, which they will have to make over to Government, but also by another 1½ anna per rupee, which they will require to meet their increased working expenses. In other words, wherever their contractual engagements will permit, the steamer companies will increase their rate by 2½ annas per rupee, just as the railway companies are to increase their freights by 2½ annas per rupee. I trust I have put the position clearly before you, and I therefore now beg to move the amendment standing in my name, which I can assure you I move solely in the interests of equity and fair play as between the Government, the railways and the steamer companies.

The HONOURABLE MR. A. H. FROOM : Sir, I should not like the members of this Council to imagine that because I am connected with ships that go across the sea I immediately rush in and support an amendment in favour of ships that go up a river. When the increased surcharge on the freights of the railways in India was introduced, I must confess that until it was explained to me I did not fully realise the effect of its application to the river steam companies, and I cannot help thinking that the Government did not either. The Honourable Sir Alexander Murray has explained what can only be described as a very grievous wrong to the river steamer companies, and I feel sure that the Finance Department will welcome this amendment of my Honourable friend so that they may have an opportunity of putting right what I have described as a grievous wrong, with very little delay. I feel so keenly about this whole question that I am rather sorry that my Honourable friend has suggested a half way house in his amendment. But at all times I hope that the Government will recognise that the members of this Council are reasonable, and I think it must be with that idea in his mind that my Honourable friend has suggested these half measures. I hope that the members of this Council have followed Sir Alexander Murray closely in his speech because at the outset this question seems a little intricate. You all know that for 4 or 5 years wages have been going up and up, and Government sit on the top of the river companies and give them no chance of taking a little additional revenue to meet these increased charges. In fact, they take some of the money that the river steamer companies should be allowed to earn and indirectly put it into the pockets of their competitors of the river steamer companies, the railways. That is the point I want to drive home.

Perhaps I may make a further explanation. I discussed this matter outside the Council with one of my friends and I was countered by a remark,—‘Well, there are lots of taxes which are disagreeable and several which are unfair. Take, for instance, the excise tax on the mill industries.’ But the point is that the Government are not running a mill side by side and in competition with those they are taxing. In the case of the river steamers they are running in opposition by means of the railways and they sit on the top of the river steamer companies and prevent them from expanding their revenue to meet increased expenditure. As I have said, I am a little astonished that my Honourable friend has proposed a half-way house. I feel so strongly about this tax that I feel quite sure that the Finance Department will welcome the amendment with open arms and thus at once be able to put right what is really a grievous hardship.

With these few words I support the amendment.

The HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA : Sir, do I understand that Sir Alexander Murray wants Government to impose taxes and give a portion of them to the steamship companies?

The HONOURABLE SIR ALEXANDER MURRAY : May I rise to make an explanation?

The HONOURABLE THE PRESIDENT : I think that if Sir Alexander Murray makes a personal explanation it may clear up some of the difficulty.

The HONOURABLE SIR ALEXANDER MURRAY : The tax is one of 2½ as on all traffic carried by rail and by river. My suggestion is that river

traffic should bear a tax only of 1½ annas, namely, one half of what the railway traffic should bear, in order that river steamer companies may be given an opportunity of meeting their increased cost of working.

The HONOURABLE RAJA PRAMADA NATH ROY OF DIGHAPATIA : If that is so, I have nothing more to say ; but I should like to ask if we are in order in discussing this matter which looks rather like a subvention or something of that sort.

The HONOURABLE THE PRESIDENT : As far as I am aware, the discussion is perfectly in order. I have not quite appreciated the Honourable Member's point of order.

The HONOURABLE MR. C. N. SEDDON : Sir, I have no doubt that the Finance Department will explain the matter so that the Council can understand exactly the position. And when they do that I think perhaps it will enable us to understand it if they will tell us about the position of the feeder railway companies, and whether this 2½ annas which is to be taken from railway companies is to be taken from feeder companies by Government or to go to the feeder companies for their expenses. Because, if it is taken by Government. . . .

The HONOURABLE SIR GEORGE BARNES : I can answer that at once, Sir. It is on all rail traffic.

The HONOURABLE MR. C. N. SEDDON : That is to say, it is taken by Government and not handed back, so that the feeder companies seem to me to be in exactly the same position as the river steamship companies. And it would almost appear that the same treatment should be given to them as should be given to the steamship companies.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I understand that my withdrawal of my amendment is no bar to my supporting this reasonable amendment of the Honourable Sir Alexander Murray?

The HONOURABLE THE PRESIDENT : None whatever.

The HONOURABLE SIR MANECKJI DADABHOY : Sir Alexander Murray has placed the case in a very clear and cogent manner, and I am of opinion that this House should unhesitatingly accept his amendment. If the amendment is not accepted, in my opinion serious injustice will be done to a service which is doing considerably good work in the country. In fact the compromise which has been suggested by my Honourable friend to-day is nothing more than the offer which the Honourable the Finance Minister generously made to the members of the other House, and I have not the slightest doubt that he will on this occasion accept the amendment which has been moved by the Honourable Sir Alexander Murray. He has explained the case of the railways which stand on a different footing, and when a concession is allowed to railways, it ought in all justice be allowed to the steamship companies because they have to pay extra taxes and are hard hit at present. In my opinion, therefore, it would be a bare act of justice to them if the amendment were accepted.

The HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI : Sir, will the Honourable the Finance Member kindly give us what the cost of this concession will be?

[Sir Maneckji Dadabhoy.]

predecessors had the good fortune of overflowing receipts he had to face a deficit of a tremendous nature, and with his resourcefulness and his ingenuity, he has grappled with a critical situation at a very difficult time which commands our respect.

I cannot also on this occasion fail to pay our tribute of admiration to the other House—the Assembly, for the conscientious and masterly manner in which this difficult Bill has been settled by them, and sent to this Council. They have made the task of this Council easy in many ways.

The HONOURABLE THE PRESIDENT: Order, order. The remarks of the nature of the Honourable Member are an extremely dangerous precedent if harmony is to be maintained between the Chambers. It is neither desirable nor proper that the action taken by or words spoken in the other Assembly should be discussed save in so far as they come before this Council for review. On the present occasion the Honourable Member is speaking words of honey. In the future he might use words of vinegar.

The HONOURABLE THE PRESIDENT: The question is—

‘That the Bill further to amend the Indian Tariff Act, 1894, the Indian Post Office Act, 1898, the Indian Income-tax Act, 1918, and the Super-tax Act, 1920, and to amend the Freight (Railway and Inland Steam-vessel) Tax Act, 1917, as amended by the Legislative Assembly and as further amended by this Council be passed.’

The HONOURABLE MR. W. M. HAILEY: May I interrupt for one minute, Sir? I make the grossest interruption, but I feel that it would be wrong on my part, after having had the privilege of attending the debate in this Council, if I did not in the very briefest way acknowledge on behalf of my Department the exceedingly flattering words which Sir Maneckji Dadabhoy has used in connection with our conduct over the Budget. I again apologise for this interruption, but I do feel that I should be very greatly to blame even at the risk of committing an irregularity, if I did not ask permission to acknowledge what Sir Maneckji Dadabhoy has said on the subject.

The HONOURABLE THE PRESIDENT: If I had been aware that the Honourable Member intended to speak, I would not have commenced to put the question.

The question is:

‘That the Bill further to amend the Indian Tariff Act, 1894, the Indian Post Office Act, 1898, the Indian Income-tax Act, 1918, and the Super-tax Act, 1920, and to amend the Freight (Railway and Inland Steam-vessel) Tax Act, 1917, as amended by the Legislative Assembly and as further amended by the Council of State, be passed.’

The motion was adopted.

The Council adjourned till Thursday at 11 O'clock.

COUNCIL OF STATE.

Thursday, 24th March 1921.

The Council assembled at Metcalfe House at Eleven of the Clock, with the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

TRANSFER OF 3½ PER CENT. SECURITIES.

219. The HONOURABLE MR. HAROON JAFFER*: Will Government be pleased to state—

- (a) Whether it is a fact that holders of 3½ per cent. securities kept in the custody of the Accountant General cannot transfer the same to another person without first taking them out of his custody?
- (b) If the answer be in the affirmative, what is the reason for such procedure?
- (c) Is it a fact that where the holder of such securities dies, these securities are not handed over to his or her heirs, but are sold at the current market rate and the proceeds handed over to the heirs?
- (d) In such cases who bears the loss, if any, incurred through the depreciation in the market value?

The HONOURABLE SIR GEORGE BARNES: (a) The answer is in the affirmative.

(b) The reason is that Government securities held in custody for the public must be either in the form of Promissory notes or of Stock Certificates, which are transferable only by an endorsement made on their reverse by the holder himself.

(c) No. They are sold only when so desired by the heirs.

(d) The question does not arise.

EXTENSION AND IMPROVEMENTS OF MUHAMMADAN EDUCATION.

220. The HONOURABLE MR. HAROON JAFFER*: With regard to my Resolution regarding the extension and improvement of Muhammadan education accepted by Government on the 23rd February, 1920—

- (a) Will Government be pleased to lay on the table the correspondence, if any, that has passed between the Government of India and Local Governments on the subject?
- (b) What further effect has been given to the suggestions and recommendations made by the Government of India from the time the Resolution was accepted up to the time of replying to this question?

The HONOURABLE MR. SHAFI: (a) The correspondence is very bulky and it is not proposed to lay it on the table. I shall, however, be glad to shew

* The Honourable Member was absent.

THE HONOURABLE MR. W. M. HAILEY : From 12½ to 15 lakhs, Sir.

THE HONOURABLE MR. SETHNA : I rise to support this amendment. It seems to me, Sir, from the facts narrated to us by Sir Alexander Murray that Government has entered into competition with private corporations. I just learn on inquiry that these steamship companies have been running for the last 70 years whilst the railways which are running almost parallel came in much later, and these railways are practically run by Government. It is evident that because of such Government competition these companies cannot put up their rates. It is but fair to them, therefore, that Government should meet them to the extent contemplated in the amendment before us.

THE HONOURABLE SARDAR JOGENDRA SINGH : Sir, I am not quite clear how this will affect taxation, whether the surcharge is for the purpose of taxation only, or whether it is the fare collected by the steamship companies. If the tax is raised for the purpose of taxation it cannot be surrendered to the steamship companies and I think the correct thing would be to allow the steamship companies to raise their rates in order to meet expenses, but I am not clear as to what the real position is.

THE HONOURABLE MR. W. M. HAILEY : Sir, perhaps I need not re-state the whole of the case put by the Honourable Sir Alexander Murray, but I admit that it is not an easy one, and may need some explanation to the Council on our part.

I will give the shortest explanation possible which will, I hope, meet the point of the Honourable Sardar Jogendra Singh. Here you have railways run in close competition with Inland Steamship Companies which themselves compete also with country boats. Now we found that our railways were running at a decreasing profit ; in some cases indeed at an actual loss. Therefore, in order to make that up, we proposed to take a surcharge ; we shall apply the money we get from the surcharge either to make up the decrease in profits on the whole railway transaction, or shall utilise the money to meet the enhanced running expenditure. That is our action in regard to our railways. Now take the case of inland steamship companies. As I have said, hard by the railways you have the steamships companies run by private enterprise which are competing on the one hand with railways, and on the other hand with country boats. Now we have to realise as regards the steamship companies that their expenditure has gone up as our own has gone up. That is a fact which everybody must admit. If they are to make things square they must raise their rates, and we should have no objection to their raising their rates, but we must allow them a field in which to do so. The Bill, as we put it forward originally, put exactly the same surcharge on the steamship companies as on the railways. Since these two services are running in competition, the steamship companies cannot raise their rates above the railway rates. But the surcharge we are putting on them makes it necessary for them, if they wish to increase their rates, to raise them above those of the railway. That is to say, if a previous common unit were Rs. 10 ; we are putting on a surcharge of roughly about Rs. 1-8, both on the steamship companies and on the railways, and if a steamship company raised their rates further, the unit in question would have to be over the Rs. 11-8 which would be applying to railways. We have, therefore, in our original Bill taken away from them any possibility of increasing their freights so as to meet the increase which we all admit to have taken place in their working expenses.

It is for that reason that I agreed in another place to a proposition—very much of the same form but with a difference in wording—similar to the amendment which has been moved by the Honourable Sir Alexander Murray.

We have been charged in another place with an act of great injustice in putting the surcharge on the railway companies at all. Well, we have continued an existing injustice, and I find that if you repeat your injustices often enough, they become justified. Perhaps that is an over cynical statement of the case ; it is more correct to say that I felt that when we were looking for a means of taxation, we were justified in putting some increase on communications and transport. I am quite free to admit, at the same time, that we had not at the time foreseen that by taking such action we should be preventing steamship companies from making an increase in the freights—a step which is absolutely necessary if they are to live. Therefore, when it was pointed out to us that our action did this, we agreed to waive half the surcharge in their case.

There is, of course—if I may make this point quite clear again—no question of a refund. It may be said perhaps more truly that whereas we set out to pick both pockets, we shall now only pick one.

THE HONOURABLE THE PRESIDENT : The question is :

In the schedule to be substituted in the Freight (Railway and Inland Steam-vessel) Tax Act, 1917, for the words “two and a half annas” in column 3, the following be substituted, namely :—

‘Two and a half annas in the case of goods carried by a railway ; and one and a quarter anna in the case of goods carried by an inland steam-vessel.’

The motion was adopted.

THE HONOURABLE THE PRESIDENT : The question is ‘that Schedule IV as amended do stand part of the Bill.’

The motion was adopted.

THE HONOURABLE THE PRESIDENT : The question is ‘that Schedule V stand part of the Bill.’

The motion was adopted.

THE HONOURABLE THE PRESIDENT : The question is ‘that Schedule VI stand part of the Bill.’

The motion was adopted.

THE HONOURABLE THE PRESIDENT : The question is ‘that the preamble stand part of the Bill.’

The motion was adopted.

THE HONOURABLE MR. E. M. COOK : Sir, I beg to move that the Bill as amended by the Legislative Assembly and as further amended by this Council be now passed.

THE HONOURABLE SIR MANECKJI DADABHOY : Sir, though we have not got an opportunity of discussing the Budget, I feel I should not allow this opportunity to pass without paying our tribute to the Finance Minister for the masterly manner in which he has dealt with a very difficult situation this year and has presented a Budget which will generally meet with acceptance in the country. His lot has been a very hard one. He had to face a situation unprecedented I may say in the financial history of this country. Whilst his

the correspondence to the Honourable Member and, within reason, to supply him with any papers which he may desire.

(6) The answer to this question would involve a further reference to Local Governments. As education is a provincial transferred subject, such a reference would now be inappropriate.

BOMBARDMENT OF NAJAF.

221. The HONOURABLE SAIYED RAZA ALI: (a) Is it true, as reported in the Vernacular press, that Najaf was bombarded by any troops or irregular forces, European or Asiatic, at any time during the last ten months? Under what circumstances did the bombardment, if any, take place, and what were the troops that took part in it?

(b) Are Government prepared to deny the statement that bombs or shells were thrown on Najaf or that any portion of the town or the holy shrine of Hazrat Ali was damaged in the attack?

(c) Will Government be pleased to make a detailed statement giving all the facts that are in their possession?

The HONOURABLE MR. DENYS BRAY: (a) There has been no bombardment of Najaf and the second part does not therefore arise.

(b) Yes.

(c) The lying rumours that Najaf has been bombarded have presumably arisen out of the fact that a fine of three thousand rifles was imposed on the inhabitants of Najaf in connection with the disturbances in Mesopotamia last year. A time limit was fixed for the surrender of these rifles, and expired on the 20th November. As a demonstration, designed to secure the early surrender of the rifles, a composite force of British and Sikh infantry and Muhammadan cavalry marched round the outskirts of the town, whereupon all troops were withdrawn, except two companies of British infantry who were posted in a Khan near the main gate for two days, while Sikh guards were posted at the four gates of the outer walls for ten days. The town itself was placed absolutely out of bounds to all troops and not even British officers were allowed to enter it. There was no bombardment whatever; not a single shot was fired, and the only damage done was the demolition, on the 20th November, of the houses of three prominent insurgent leaders who had fled. These measures had the desired effect. At the instance of the Government of India, the High Commissioner of Mesopotamia has extended a welcome to a deputation of Shias from India and will afford them all facilities to ascertain the facts for themselves on the spot, and so help in dispelling the lying rumours that have been spread abroad with such wanton wickedness.

The HONOURABLE SAIYED RAZA ALI: May I put a supplementary question, Sir?

The HONOURABLE THE PRESIDENT: If it arises out of the answer.

The HONOURABLE SAIYED RAZA ALI: Yes. Are Government in a position to say as to how far the houses of the three leaders to whom reference has been made in the reply are from the mosque of Kufa on the one hand and the shrine on the other?

The HONOURABLE MR. DENIS BRAY: I am afraid I must ask for notice.

ENEMY MISSIONS BILL.

The HONOURABLE SECRETARY OF THE COUNCIL: Sir, a message has been received from the Legislative Assembly from the Secretary of that Assembly.

The HONOURABLE THE PRESIDENT: Let the message be read.

The HONOURABLE SECRETARY OF THE COUNCIL: Sir, the message which has been received runs as follows:—

'I am directed to inform you that the Bill to validate certain indentures transferring properties formerly held by certain Enemy Missions in Trustees and for the incorporation of such Trustees and for other purposes, which was passed by the Council of State at its meeting of the 17th March, was passed by the Legislative Assembly at its meeting of the 23rd March with the following amendment:—

In the 5th line of clause 3 of the Bill for the word 'be' the words 'have been' were substituted.

The Legislative Assembly requests the concurrence of the Council of State in the amendment.'

Sir, with reference to this message and in pursuance of rule 33 of the Indian Legislative Rules, I now lay on the table the Bill as amended by the Legislative Assembly.

INDIAN ELECTRICITY (AMENDMENT) BILL.

Sir, a further message has been received from the Legislative Assembly.

The HONOURABLE THE PRESIDENT: Let the message be read.

The HONOURABLE SECRETARY OF THE COUNCIL: The message which has been received runs as follows:—

'I am directed to inform you that the following Resolution was passed in the Legislative Assembly at their meeting of the 23rd March:—

'That this Assembly do recommend to the Council of State that the Bill further to amend the Indian Electricity Act, 1910, be referred to a Joint Committee of this Assembly and of the Council of State and that the Joint Committee do consist of 12 members.'

The Legislative Assembly desires the concurrence of the Council of State in the Resolution.

RESOLUTION RE EXEMPTION OF MEMBERS OF THE PROVINCIAL AND INDIAN LEGISLATURES FROM THE OPERATIONS OF THE ARMS ACT.

The HONOURABLE THE PRESIDENT: Before we proceed with the business of the day, I have to inform the Council that I have received an application which, though it is not in order, it may be possible to meet in some degree. It is from the Honourable Lala Sukhbir Sinha and asks that his Resolution should be taken up on Saturday on the ground that he is unable to attend to-day. I would, in the first place, ask the Honourable Member in charge whether he has any objection to that Resolution being placed at the bottom of the list.

The HONOURABLE SIR WILLIAM VINCENT: No, Sir, I have no objection.

The HONOURABLE THE PRESIDENT : As the Member in charge has no objection, I will put it to the Council : —

The question is :

‘ That the Resolution No. 3 standing in the name of the Honourable Lala Sukhbir Sinha be placed at the bottom of the list.

The motion was adopted.

RESOLUTION *RE* ATTEMPTS IN ENGLAND TO PLACE OBSTACLES IN THE WORKING OF THE GOVERNMENT OF INDIA ACT.

The HONOURABLE SAIYED RAZA ALI : Sir, I rise to move the following Resolution :—

‘ This Council recommends to the Governor General in Council to convey to His Majesty’s Government through the Secretary of State for India the considered opinion of this Council that any attempt made in certain quarters in England to place obstacles in the working of the Government of India Act of 1919 in accordance with the wishes of the people of India is calculated to endanger the new régime.’

Sir, the two Chambers of the Indian Legislature have entered upon their duties with so much devotion and so remarkable is the spirit of mutual trust and mutual confidence between the official and non-official Members of this Council, that it was not without a certain amount of diffidence that I decided to give notice of this Resolution.

Things in India, Sir, are marching fast but, having regard to the developments on certain events that have taken place in England, I thought it my duty to place before this Council an important measure which has a momentous bearing on the working of the Reforms Act.

Sir, to the successful working of the Reforms Act, as would appear to every careful observer, there are four parties. The first are the people of India. The second are the Government of India, behind whom stands that powerful body, namely, the Indian Civil Service. In the first place we find the British public which have got a very large say on all matters concerning our ratepayers. And lastly, but perhaps most important of all, are the Secretary of State for India, His Majesty’s Government and the British Parliament.

Sir, when the placing of the Government of India Act on the Statute-book was announced by Royal Proclamation towards the end of December 1919, it was expected that the Indian people belonging to various shades of opinion would unite in a successful working of the Reforms Act and giving it a fair trial. There is not the least doubt, Sir, that everybody at that time seemed anxious to do his duty by the Government and by his country. As an eye-witness I can say that even those who are in the forefront of the non-co-operation movement to-day did their best to enlist public sympathy in favour of the Government of India Act at the Amritsar Congress held in December 1919. Most unfortunately, developments took place and these developments of course had their roots in former events that had taken place in the year 1919, which prevented a considerable section of our countrymen from coming to the Council Chambers, and in fact induced them to take up as their duty to enter upon a policy of wholesale boycott of the Councils. Be that as it may, Sir, there is another important section of the people that came forward at this juncture to do their duty by their country. The result of course, is too well known to need mention in this Council Chamber

There is not a single seat in this Council or in the Legislative Assembly that is vacant to-day. All this goes to show that the people of India are very anxious indeed to give a very fair chance to the new régime which has been introduced in this country.

The second party, as I took occasion to remark, to this business are the Government of India. Now, Sir, whatever might have been done in the past, everyone who would take care to watch the proceedings of this Council or of the Legislative Assembly cannot help being impressed with the spirit of mutual trust and mutual good-will that has been exhibited by the Government of India and their members. It will be but fair if on this occasion I noticed that the members of the Indian Civil Service have, not in any way lagged behind the Government of India. They have done their duty and recent events have shown that they are quite prepared to accommodate themselves to the changed circumstances that have taken place in this country.

There is, Sir, or perhaps there was, a feeling that there is a certain amount of antagonism between the educated sections of the Indian people and the Indian Civil Service. Now, Sir, looking to the record of the Indian Civil Service, who have rendered very great services as I must admit to the cause of India in the past, I think I can safely say that the critics of the Indian Civil Service judge the service too hard. Everything shows that they are in a mood of preparing to extend a helping hand to us. So that, so far as the Government of India and the Civil Service which constitute the second party are concerned, there is no danger of the new régime being wrecked by any want of sympathy in those quarters.

As I remarked, Sir, the third party which have a very large voice in shaping our destinies is the British public. Now the attitude of the British public towards Indian questions is too well known to be mentioned in detail. Turn to the Congress reports, look into the Resolutions that were passed by that body from year to year, and you will find that from the very beginning we have expressed our faith and trust in the British public and at no time of the British connection have we taken the view that there is any want of sympathy towards Indian questions in the British public, or that the British public are not prepared to help us. True it is, Sir, that the stay-at-home Englishman is too occupied with his own affairs to take the trouble of studying Indian questions and the conditions that obtain in this country. A strike of the dockers perhaps at Liverpool or Dover or a small railway strike in England interests him to a much greater extent than the shaping of a political question of a most momentous character in India. That no doubt is a great misfortune—I mean our misfortune—but I hope, Sir, that with the change of circumstances the British public will learn to take a greater interest in Indian affairs. Suffice it to say that they have always displayed good-will and friendship towards us, and there is not the shadow of a chance that any obstacles will be placed in the successful working of the Reforms Scheme by the British public.

Last of all, coming to the Secretary of State and His Majesty’s Government and the British Parliament, now whatever grievance India might have had against Whitehall in the past, there is no doubt since the assumption of the office of Secretary of State by that philosopher statesman, I mean, Lord Morley, much greater consideration has been paid to Indian questions, and much greater sympathy has been shown to these questions than was the case at any time prior to the year 1906. Lord Morley, Sir, really laid the foundations of the future greatness of India, and his reward has been the

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the very language that has been used in the Report. The actual words used in the Report are :

'In proportion as the foregoing changes take effect the control of Parliament and the Secretary of State over the Government of India and Provincial Governments must be relaxed.'

Now, that being the case, Sir, it is not open to any Section of Parliament to challenge any particular appointment that rests surely with any Provincial Governor or with the Government of India, especially when it relates to a matter over which control has been transferred to the popular part of the Government. Therefore, I think I am expressing but the opinion of this Council when I say that we view not only with uneasiness but with dismay the attempts that have been made by certain individuals in England, whether they be members of the House of Commons or of the House of Lords or be outside these two Chambers, to dictate to us either our fiscal or our political policy.

Now, Sir, I am in a position to give another instance of the want of confidence in the people of India as also in the Government of India that has been displayed lately in England. Now, that instance is to be furnished by the new India Emergency Committee that has been recently, unfortunately, established in England. Sir, if that Committee had been formed by persons who by their constant endeavours in the cause of India had given proofs of their friendship for our country, even then the formation of such a Committee at this juncture would not have been free from objection. As it is, India knows what to expect of a Committee the moving spirits of which are Sir Michael O'Dwyer

The HONOURABLE THE PRESIDENT: The Honourable Member is quite entitled to refer to any incidents which, in his opinion, indicate an attempt to interfere with the constitution as drafted by the Government of India Act. He should refrain from referring to individuals by name where such a reference is not necessary to his arguments.

The HONOURABLE SAIYED RAZA ALI: Since you have so ruled it I will not mention any particular individuals though particular individuals in India are named in the House of Commons very frequently

The HONOURABLE THE PRESIDENT: They are doubtless named in the House of Commons, and they may well be named in this House when their names are relevant to the issue. It is not relevant on this occasion.

The HONOURABLE SAIYED RAZA ALI: Now, Sir, our main point is that the ultimate result of this Committee would be the resentment that will naturally be created in the minds of the people of this country because of the efforts to arouse racial passions, for which of all times this is the least suitable. In this connection I must acknowledge our sense of obligation to the European Members of this House and of the Legislative Assembly who have done a very wise act, if they will permit me to say so, by entering a protest against the founding of this Committee. It seems, Sir, that the two races in India are not only willing but eager to work together hand in hand, in mutual trust and confidence, if only sensationmongers in England would allow them to do so. Sir, it is known to this House that a Standing Joint Committee of both Houses of Parliament has recently been formed in England. 11 Members of this Committee belong to the House of Commons and the remaining 11 to the

House of Lords. It will also be within the memory of this Council that some of the members of the India Emergency Committee are also members of the Standing Committee. Now, that being so, Sir, one entirely fails to understand as to what should have led these gentlemen to form a separate association. Now the very fact that they have deemed it proper at this juncture to come forward and form themselves into an association argues want of trust not only in the people of India

The HONOURABLE THE PRESIDENT: Order, order. I must draw the Honourable Member's attention to the fact that he has now exceeded his time-limit, and I will invite him to terminate his speech as speedily as possible.

The HONOURABLE SAIYED RAZA ALI: Thank you, Sir. The only thing, Sir, I can say is that there have been instances too numerous to mention; and I would say this, Sir, with your permission and with the permission of this House, that the future of India is on the knees of the gods and nobody can say whether the recent experiment will or will not be a success; but one thing is quite sure, namely, that the attempts that are being made in England will not only alienate public sympathy, but would irritate public opinion and provoke public opinion in this country to an extent which will furnish a real menace to the successful working of the Reforms Scheme.

The HONOURABLE RAJA SIR HARNAM SINGH: Sir, the Honourable Saiyed Raza Ali has done a public service by moving this Resolution. We know that there are some so-called friends of India abroad who believe that the Indian Constitutional Reforms are ill-advised, for they think that responsible government is a dangerous experiment in an oriental country. But British statesmanship and the good sense and justice of the British people have prevailed over the short-sighted but determined opposition of a small minority, and His Majesty's Government have been pleased to give India the Reforms introducing responsible government in this country. It is now the duty of Englishmen and Indians alike to work for the success of this great progressive movement. It is disappointing, therefore, to find attempts made in certain quarters in England to place obstacles in working the constitutional Reforms in India.

The way in which the Speaker of the House of Commons summarily disposed of a reference relating to the appointment of a Minister in the Punjab made us think that the leaders of the anti-Indian Reform movement in England would restrain their activities; but this was not to be yet. Only the other day we had a message from England that an Emergency Committee had been formed in England under the Chairmanship of Lord Amthill to draw the attention of the British Public to Indian affairs. Even the man in the street would naturally draw very unpleasant inferences from the appointment of such a Committee. Anti-Indian propaganda in England has produced, for us, very undesirable results—it has lowered the reputation of India abroad, leading to the shrinkage of India's financial credit. At Home, it has fanned the flame of discontent and bitterness. The wrong done is not to India alone for it has given a handle to the extremist politicians to misinterpret the British political character, and challenge the good faith of the British public.

In the interests of Britain as well as of India such mischievous activities should be prevented. But the Indian Legislature can do little to stop them.

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affectionate gratitude of 315 millions of the people that inhabit this vast continent. It is pleasant to remark that his policy was followed by his successors until his worthy mantle fell on the shoulders of that distinguished man and that true friend of India, the Right Honourable E. S. Montagu. Mr. Montagu occupies a position in our hearts to which testimony will be borne by every Indian who cares for the good of his country. Now, Sir, so far as His Majesty's Government are concerned, I must say that, looking at the state of affairs in England, the attitude of His Majesty's Government, resting as it does on the condition of political parties in England, is always a somewhat indefinite factor to us. But there is no doubt that so long as we have a Secretary of State of the calibre of Mr. Montagu there is no danger of Indian questions receiving scant courtesy at the hands of the British Ministry. The presence of Mr. Montagu at Whitehall is a sufficient guarantee that all reasonable latitude will be given to Indian questions, and they will be paid the attention that they deserve. So far as the British Ministry goes, we might rest assured that His Majesty's Government will be prepared to help us in the working of this scheme.

Now, Sir, coming to Parliament, specially, the House of Commons, we find that that body is generally well disposed towards our aspirations, but unfortunately, for India, the Members of the House of Commons in general are in their turn much too occupied with other affairs to give their time or thought to Indian questions to the extent to which we would like them to do. The result is that Indian questions come to engage the attention of those gentlemen who have served in India in the past, or are connected, directly or indirectly, with India, or have, or are supposed to have, any special interests in India. Now, the arrangement is such that they can do harm as well as good to us, and on the whole, nobody can say that we have any reason to be satisfied with this arrangement. If the particular section of the House of Commons that takes interest in Indian affairs happens to take a broad view and if they care to help India to work out her destiny, those members are entitled to our best thanks. On the other hand, if they place the good of some special interests before the good of India, it is natural that a certain amount of uneasiness should be created in our minds. Now, Sir, unfortunately, this is exactly what happens at the present time, and which mainly is responsible for my venturing to put this Resolution before this Honourable House.

Sir, it was expected that the introduction of the new era of reforms would effect a change in the angle of vision of those gentlemen to whom I have just referred. But unfortunately, we have been disappointed. It was only three months ago or even less that the new era of reforms was introduced in this country, and yet in spite of the short interval that the experiment has been in force, our friends in England, I mean our particular friends in England, have given indications of their impatience with the new dispensation in this country. Now, Sir, one of the most important reforms that has been effected in the shape of the Government of India Act is the fiscal autonomy that has been conceded to this country. Now, I do not want to tire out the patience of this Council by giving a long extract, but if Honourable Members would permit me, I would just read a short extract which the Honourable Members will find at page 10 of the Joint Select Committee's Report. On the question of fiscal autonomy the Joint Committee Report says:

'Nothing is more likely to endanger the good relations between India and Great Britain than a belief that India's fiscal policy is dictated from Whitehall in the interests of the trade

of Great Britain. That such a belief exists at the present moment there can be no doubt. That there ought to be no room for it in the future is equally clear.'

Then the Report dilates upon this point, and the Joint Committee laid it down as a principle of general application that, wherever on fiscal questions the Indian Legislature is in agreement with the Government of India, or to put it the other way, the Government of India are in agreement with the Indian Legislature, it would be highly dangerous to disregard the united wishes and interfere in such questions.

Now, Sir, in introducing the Budget on the 1st March in the other House, the Honourable Mr. Hailey took pains to point out the conditions which have compelled us to raise the import duty on cotton goods. Everybody who has perused that speech will find that cogent reasons were given there, and I doubt not that Reuter took care to cable to England, at any rate, a portion of the speech of the Finance Member. In spite of all that, we find that an agitation has been set on foot, and those who are interested in the manufacture of cotton goods in Lancashire have made it their business, or consider that it is their privilege, to dictate as to what our fiscal policy should be. The hollow-ness of this demand hardly needs any exposure, and it is very unfortunate that, in considering their own finance or better their own pocket, the manufacturers of goods in Manchester should disregard the financial condition of India and the important fact that India is to-day face to face with a huge deficit of about 20 crores of rupees.

Now, Sir, passing on to the second instance of such interference, I would just mention the agitation that has been raised on the appointment of Lala Harkishen Lal as one of the Ministers in the Punjab. Now, again, the Joint Committee have laid down as to what sort of man should be called upon to undertake the duty of a Minister. If Honourable Members would just bear with me for a minute, I would refer to a short passage which is to be found on page 5 of the Joint Committee's Report. That passage says:—

'The Committee recognise that the Ministers selected by the Governor to advise him on the transferred subjects should be elected Members of the Legislative Council, enjoying its confidence and capable of lending it.'

Now, Sir, when the announcement was made of this appointment it was welcomed from end to end of the country

The HONOURABLE THE PRESIDENT: Order, order. The Honourable Member is perfectly entitled to refer to the attempts in England made to discuss the appointment of the particular Minister. He is perfectly entitled to do that and that is perfectly legitimate to his argument. Into the merits of that appointment, however, he is not entitled to enter.

The HONOURABLE SAIYED RAZA ALI: Now, Sir, it was perfectly within the power of His Excellency Sir Edward Maclagan, quite apart from this appointment, to appoint any person whom he thought would be in a position to lead the House satisfactorily and properly. In the exercise of that power this appointment has been made. We find further that it has been enunciated as the basic principle of the scheme of reforms and very clear language has been used to that effect in the Report associated with the names of Lord Chelmsford and Mr. Montagu that, to the extent that power is entrusted to the people of India, Parliamentary control must be relaxed. In fact I think I have given

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[Raja Sir Harnam Singh.]

It can only express its considered opinion, condemning the unhappy agitation that is being carried on in certain quarters in England.

We must fully acknowledge, however, that the European members of the Indian Legislature have already done their duty by cabling to Lord Ampthill their disapproval of the Emergency Committee in no uncertain terms. It is the duty of this House to tender our sincere gratitude to Sir Alexander Murray and his colleagues for the service they have done India by thus strongly expressing their opinion to Lord Ampthill.

I support the Resolution with a suggestion for the consideration of the President that a summary of to-day's proceedings relating to this Resolution may be sent to England.

THE HONOURABLE SIR MANECKJI DADABHOY : Sir, I have carefully listened to the speech of my Honourable friend, and while endorsing many of his reasonable arguments, I am not convinced of the propriety of debating this Resolution. My friend's Resolution purports to be this, that as some sort of attempt in England has been made to obstruct the success of the reforms, we should communicate to the Secretary of State our well-considered opinion that any such action will not be conducive to the success of the new régime. My opinion is that any such recommendation is wholly unnecessary and superfluous. I fully deplore like many of you the activities of our so-called friends on the other side. I rather wish that they had abstained from those activities and looked after their own business, as we in India are quite in a position to look after our own affairs. At the same time I must say that I do not share the apprehensions of the Honourable Mover of this Resolution that the mischievous activities on the part of our busy friends in England will obstruct the success of the reforms scheme. In my opinion the success of the reform scheme is in our own hands. The success of the reforms scheme is wholly in the hands of this Council, in the hands of the Assembly ; and if you are determined to make the reforms a success by legitimate co-operation with Government, by helping them to make the partially responsible government a success, approving of their measures when approval is needed, protesting and disagreeing with them at the right and proper moment when our interests are at stake and asserting our rights and our privileges when the proper time comes, you will by such methods only conduce to the success of the reforms scheme. The reforms scheme will be successful if the present wild campaign of non-co-operation is set at rest, and if the people and the Members of this Council do their best to set our faces against that movement and lead the country on the path of progress. My own fear is that if the reforms are not successful they will be due to the danger that will come from within and not from without. I am not afraid of the activities of our friends in England. I have not the slightest doubt that the Parliamentary Committee which has been appointed to see to the proper working of the Reforms Act will do its duty. On that committee there are many names which we cannot help respecting ; and I have not the slightest doubt that our interests will be carefully watched and safeguarded by them. My Honourable friend has referred to the two recent incidents, one about the agitation in Manchester, and the other about the appointment of Lala Harkishen Lal in the Punjab. About the Manchester incident and about the deputation that waited upon the Right Honourable the Secretary of State, I am not at all gravely apprehensive. The imposition of the increased import duty does affect their interests to a certain extent, and

they were perfectly justified in representing their case to the Secretary of State ; but that does not mean that they will carry the day. Here we are quite competent to look after our own interests. We shall represent our side of the question, and I have not the slightest doubt that any serious attempts made in England to cripple our efforts in this country will not meet with any success. The question is whether a Resolution of this nature, even if it is passed, is likely to give any effective check to the spread of sinister reports and the activities of these people. I think not. We may pass any number of such Resolutions, but they will not bind the people in England if they wish to move against the interests of this country. It will be practically a futile attempt on our part. I think our best course is to watch our interest in this House, and do our best to help the progress of the Reforms, without taking any notice of the activities of the people at Home. If later on we find that any steps taken by them are harmful to the interests of this country, we have a remedy open to us, and that is to move a Resolution in this House expressing the united disapproval of this House and the Assembly on any movement in England affecting the interests of this country. But I think at present my Honourable friend's apprehensions are unfounded, and I for one cannot see my way to support his Resolution.

THE HONOURABLE SIR ALEXANDER MURRAY : Sir, I do not intend to follow the Honourable Mover of this Resolution through the various parts of his speech introducing the Resolution. I shall, therefore, pass over fiscal autonomy and the other questions of political policy to which he has referred in detail. I would, however, like to refer to one particular point, and that is regarding the appointment in London of an Emergency Committee. He has referred to the fact that the non-official European members of this House and of the other House have already telegraphed Home asking the people there to abstain from the formation of such a committee, the object of which is to draw attention to the situation in India. We expressed the view that this would serve no useful purpose and was calculated to exasperate public opinion and to prejudice the effect of our harmonious working here. In sending this cable, we did not intend to minimise the gravity of the situation in India due to the increasing and persistent activities of the non-co-operation party. But we hold strongly that public meetings in England on the lines contemplated by the Emergency Committee will merely give further opportunities to Mr. Gandhi's party and to his Press to rally their followers against the Government, and will hamper us greatly, official and non-official Europeans and Moderates, in our endeavours to arrest the dangers which imminently threaten the peace of India.

Sir, I do not consider that the object of this Emergency Committee is to throw obstacles in the way of the working of the Government of India Act of 1919. I am convinced that they wish as sincerely as any one in these Councils, to see India move steadily, rapidly and peacefully towards the realisation of the aspirations of the people of India. They are, however, alarmed at the disturbing news which they hear of unrest in India, and they are concerned as to whether the measures adopted by Government will be successful in maintaining law and order and in safeguarding the lives and property of Indians and Europeans in India.

Sir, a very full statement of the situation was made in the other House yesterday by the Honourable the Home Member. He stated at length the policy of Government which, briefly, as I understand it, is to investigate

[Sir William Vincent.]

Honourable Mr. Lalubhai Samaldas of it the other day. The view of the Committee was that the Secretary of State should, as far as possible, avoid interference on the subject when the Government of India and its legislature were in agreement and they thought that this intervention, when it does take place, should be limited to safeguarding the international obligations of the Empire or any fiscal arrangement within the Empire to which His Majesty's Government is a party.

I can see no indication at all on the part of His Majesty's Government or the Secretary of State to interfere with any fiscal arrangements on which recently the Government of India and the legislature have been in agreement. I speak subject to correction, but I believe this to be true. Therefore, there is really no ground for taking the action proposed in relation to fiscal policy. But, if the Honourable Mover thinks that he is going to prevent Manchester people or any other persons at Home or in India from doing the best for themselves, by protest and representation, he is making a mistake. And if an attempt was made to control the energies of any private association those efforts would be ineffectual. Now, let us take the second point, the appointment of Mr. Harkishen Lal. The Mover here took up a curious attitude but he was promptly stopped. He began to praise the appointment and say what an excellent appointment it was. He was, however, stopped by the Chair. Otherwise, I might have attempted to follow him. But he does not see that he himself is committing the very same error of which he is accusing the people at Home. Neither the Government of India nor the Council of State has anything to do with the appointment of Mr. Harkishen Lal. It is true on this occasion the Honourable Mover happens to approve of the appointment. But suppose he had disapproved of it. Does he not see that the principle of this Resolution muzzles him apparently as a member of this legislature from criticising it either publicly or privately? As a matter of fact, the attitude of Parliament towards his appointment is perfectly well known. The appointment is made, and there is no intention to interfere with it in any way. I understand that the Speaker has given a ruling to that effect, though I have not seen any authorised reports of this. Well, the third question relates to this Emergency Committee. Now, I read the proceedings of the members of the Emergency Committee, and I understood, as Sir Alexander Murray did, that they are not directed against the reforms at all. They are not directed against the Government of India Act. I have not seen one word in the whole of the discussions that I have read about that Act. They are directed against the policy of the Government of India itself, and they are directed also against the non-co-operation party of Mr. Gandhi. Now, does any Member of this Council seriously think that by forwarding this Resolution to the Secretary of State or to His Majesty's Government they are going to prevent private persons in England who take an interest in this country, many of whom whether you agree with them in politics or not, have rendered great public services to this country, to prevent men of that kind from discussing political questions of the greatest moment affecting this country? Does that appear to this Council to be a feasible proposition? It is for these reasons that I have suggested and I still hope that this Council will not accept this Resolution. I do not think that it will have any practical effect and I believe may rather stimulate the movement which they seek to check. I fear also Honourable Members may expose them indeed to criticism if not

in some quarters even to ridicule by such action. People will naturally say 'what right have you to come down and interfere with our forming a private association if we like? The Council of State is a very eminent body: we recognise it as such. It has certain legitimate functions, but surely it is not the business of the Council of State to say that they are not going to allow their work to be criticised by private associations in England?' Now, this is a position which I suggest to this Council it should not adopt, and I hope the Honourable Member will withdraw this Resolution. It is not that I approve of the activities of these bodies at all. But I think that this is scarcely the place in which to discuss them, and I think that an action such as is proposed is more likely to promote than injure the object in view.

I cannot close my speech on this Resolution without a short reference to one subject which was raised by the Honourable Mover, namely, his remarks about the Government of India and the attitude of the Indian Civil Service towards Reforms. He said, 'the Government of India behind which stands the Indian Civil Service.' I wish that it did so. But it does not. There are only two Members of the Indian Civil Service in the Government of India, and they exercise very little influence in the Government. The real power behind the Government of India is no service, Civil or Military, but His Majesty's Government and the Houses of Parliament. The Honourable Member was pleased then to congratulate the Members of the Civil Service on their attitude towards the reforms. All I can say is, as I said in another place yesterday, that we are, primarily and above all things, His Majesty's servants, and it is both our duty and our privilege to give effect wholeheartedly and generously to the policy of reform which has been inaugurated, and I am convinced that every man in the Service will carry out this duty loyally and to the best of his ability.

The HONOURABLE SARDAR JOGENDRA SINGH: I do not see that the Resolution moved by the Honourable Saiyed Raza Ali will serve any useful purpose, and I wish to associate myself with the Honourable Sir William Vincent in asking him to withdraw the Resolution, not merely because it will not have any effect, but it shows a sense of dependence, a consciousness of weakness and a call for outside support. And I think we ought to hold our own and be fairly powerful and strong now that our Legislative Chambers are set up. We need no more talk of the Government of India being something outside ourselves, but it is we who will guide the policy of the Government of India. I do not agree with the Honourable Sir William Vincent, when he said, that it is His Majesty's Government that is behind the Government of India. It is the people of India who are behind the Government of India. Under these circumstances, I do not see why we should pass a Resolution like this and send it to the Secretary of State and ask him to prevent discussion in the House of Commons or influence any Emergency Committee that may come into being. We, the Government of India, the Council of State and the Legislative Assembly and the Provincial Councils ought to be in a position now to control Indian affairs and to guide them towards Swaraj, which has been declared as the goal of Indian policy by His Royal Highness the Duke of Connaught. Under these conditions I do not see why we should send this Resolution, and I would request the Honourable Saiyed Raza Ali to withdraw it.

From the recent experience we have had in these Councils, we have discovered how non-official European members and official members of both the Chambers can co-operate in a common cause. We have heard

[Sir Alexander Murray.]

and remove all just grievances and to prosecute and punish under the existing law all those who break the peace. Special laws will only be used when all other measures fail, or in exceptional circumstances. This policy was endorsed in the most wholehearted manner by the other House, and it will, I am confident, have the full support of this Council and of all moderates and reasonable citizens in India.

I am very hopeful that the best results will come from a sustained, calm policy of firmness in this crisis on the lines sketched by the Honourable the Home Member yesterday, and if the worst should happen, Government is strong enough to deal with any situation. But, Sir, we will all regard the last contingency of the worst happening as a calamity, to the prevention of which any right-minded person should bend all his energies.

I would take this opportunity, therefore, of making a special appeal to all who are with us to associate themselves together for a vigorous and sustained campaign against non-co-operation. Action by Government has this serious disability that it is at once represented by the extremist Press as repression and when put in this light, it is a powerful recruiting agency for the non-co-operationists. The measure which alone can restore peace to India and maintain it is that the people of India should have the assurance that the present Reforms are real, that Government is carrying them out whole-heartedly in the spirit in which they were framed, that Government is anxious to remove and adjust real grievances in so far as this is humanly possible, and that Government is averse from the resort to severe measures

The HONOURABLE THE PRESIDENT: The Honourable Member is straying somewhat from the Resolution.

The HONOURABLE SIR ALEXANDER MURRAY: I think, Sir, that the Honourable Member in moving this Resolution has only put forward one side of the question, namely, the attitude adopted by the people on the other side, that is, the people at Home. I am afraid that that attitude has been somewhat misrepresented in the telegrams that have come out here. I feel that the great majority of the people there are as earnest as we Europeans out here to see that the Reforms are given a fair trial. I would therefore repeat my appeal to every member of this House to take the message to his constituents which he is now in a position to give them, and to do all in his power to bring the supporters of Government together and to detach adherents from the non-co-operation party. I am convinced that they are playing a winning game if they will take it up, for all the reason is on their side. And, as I have already said, the strongest interest of all in the maintenance of law and order and in the peaceful progress of India, is that of Indians themselves.

As regards the present Resolution, Sir, I have little more to say. I think it has drawn attention rightly to ill-advised movements in England, but I think that the statesmanlike course for us is to ask the Honourable Mover to withdraw it. It is perfectly clear from the telegrams in this morning's papers that one at least of the movements has no support in England, and it may be left to die a natural death. Therefore, I earnestly hope that the Honourable Mover will be pleased to withdraw his Resolution.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I am sure the Council will excuse me if I do not attempt to follow the last speaker into a discussion of the non-co-operation question. Indeed, I am not at all sure that I should

not be immediately called to order if I attempted to do so. I have an additional excuse, and that is that I spoke, at great length yesterday on this subject, and I am very unwilling to re-open it so soon. It is quite possible, I think, to deal with this Resolution very shortly without adverting to that matter. The position of the Government in regard to this Resolution is this. We have no objection whatever to forwarding any opinion of this Council, if it so desires, to the Secretary of State for communication to His Majesty's Government, but I doubt the wisdom of this course in regard to the present Resolution. Indeed, it seems to me there is a great deal in what Sir Maneckji Dadabhoy said in regard to it. There are two bodies to whom the appeal might be directed, one being His Majesty's Government or Parliament, and the other being the non-official public in England.

Now, in so far as the Resolution is directed to Parliament, I think it might be very readily misinterpreted. The House of Lords is just 12 NOON. as much a part of His Majesty's Government as the House of Commons. Where they have statutory powers of interference with the Government of India, this Council has no constitutional right to suggest to them that they should not exercise them. On the other hand, Parliament itself, having enacted the Government of India Act, will certainly be unwilling to interpret that Act illiberally or to place any restrictions upon authorities in India giving effect to it in the fullest manner possible. Therefore, any attempt to criticise the action of Parliament or of either House would, I think, only cause resentment and do no good. Now, let us take the question of private criticism. Does this Council think that anyone is going to stifle private criticism nowadays? Is that consonant with modern democratic ideas? Is not everybody, is not the Government of India, the Government at Home, the Opposition at Home, Mr. Gandhi, the Opposition out here, and everyone else liable to be criticised in public to the fullest extent? If this Council thinks that either the Secretary of State or His Majesty's Government can control the formation of private associations for the purposes of watching the conduct of affairs in India or of criticising the acts of individuals, then they completely misapprehend the position. My own belief is that such a Resolution as this is would merely stimulate any such movement, would give it an advertisement, would encourage the people to join it.

However much therefore we may approve or disapprove of particular activities of individuals at Home, or whether we approve of them or not, it is idle for this Council to forward a recommendation of this kind to the Secretary of State, a recommendation to which neither he, nor His Majesty's Government can give effect. In so far, therefore, as it relates to Parliament, it would be improper for Government to take this line. Parliament must be left to interpret its own Acts. In so far as it refers to private associations, it is really idle for the Council to adopt this attitude.

At the same time, if in spite of what I have said, the Council insists on taking this view, the Members of the Governor General's Executive Council will not vote on the question at all.

There are three particular matters in which the Honourable Member said there has been a tendency unduly to interfere with the working of the Government of India Act.

The first arises in connection with the fiscal policy. I think he said that any interference was highly dangerous. Now, what the Joint Committee did say about fiscal policy is quite clear. I had occasion I think to remind the

[Sardar Jogendra Singh.]

Honourable Mr. Holberton speak of Burma as 'our country.' We have found Sir Alexander Murray and Sir Frank Carter send forth a telegram immediately to England against the formation of Emergency Committees. The spirit of fellowship is growing and we may reasonably hope to arrange our affairs here and manage them together, without any outside assistance. The name of Mr. Gandhi has been mentioned. It is we in the Councils that should take up the good programme that he has formed and work it out in these Councils whole-heartedly, officials and non-officials combining. The main purpose of the Government is human happiness, the happiness of the largest number and not merely passing laws and regulations. If we set ourselves to the economic and industrial development of the country, to the freedom of mind and speech, we certainly will succeed, and there is nothing that can retard our progress. There is no use of sending Resolutions to England. The day for that kind of thing is done. We are now an independent Government so far as internal affairs go, and I do not see why we should go and show our weakness and seek support outside.

THE HONOURABLE MR. W. G. KALE: I rise to support the Resolution. I do not know what the Mover of the Resolution is going to do after the very sincere appeals that have been addressed to him, but if I were in his place I would insist on the Resolution being put to the Council, because I look upon the Resolution as moving a vote of confidence in the Government. It is to accord to Government support in this country and in England that such an expression of opinion on the part of this Council seems to be necessary. It has been asked, what is the propriety of passing this Resolution, what effect can it have upon His Majesty's Government, or on Parliament, or on public opinion in England? The effect which the Resolution will have, to my mind, will be this. An impression will go abroad in England that Indian public opinion realises that even at this date attempts are being made in England, so to say, to thwart the proper working of the Government of India Act. There is a section of public opinion in England which seems to think as if the Government of India Act, 1919, were not passed at all, which, indeed seems to think that India is still living in the nineteenth century. For example, the recent agitation on the part of the people of Manchester is an attempt which used to be made in the past, namely, to try to bring pressure to bear upon the Government in India through His Majesty's Government and the Secretary of State. Whenever any question was taken up by the Government of India in this country, say, with regard to the import and export duties, a hue and cry was raised in England against that policy. I need not remind the Council that when the question of the import duty on Manchester goods was under discussion by the Government of India and the Indian Legislature, several years ago, a similar outcry was raised with the result that the Government of India was overwhelmed. The Government of India had to yield. It is no longer a secret that the Government of India was all along on the side of public opinion with regard to those import duties, but it had to yield to the Secretary of State who, in his turn, had to yield to public opinion in England. The circumstances have now entirely changed. The very atmosphere, the very spirit of the Government of India has changed, and it is necessary that the public in England should realise that such a change has come over the Government in this country. That is to my mind the main purpose of the Resolution. I do not think that it would be futile. On the contrary, it will have some effect. It has been asked what effect it

will have upon the Government of India or His Majesty's Government or the British Parliament. It is true that the British Parliament has the power of doing and undoing with regard to the constitution of the Government in this country. Even after the passing of the Reforms Act of 1919 it is in the power of the British Parliament to undo what it has done. What we want, however, is to make progress as rapidly as possible. We want to get full self-government as early as possible. If that is so, then public opinion in this country must be made quite clear to public opinion in England, and those people in England, in Parliament and outside Parliament, who still think that the change that has been brought about in the Government of this country, is only superficial and not substantial, ought to be given to understand that it is not so, that the change is substantial and it is going to be more substantial in the near future. That is the service that the passing of this Resolution is, to my mind, calculated to render. For these reasons I heartily support the Resolution.

THE HONOURABLE COLONEL SIR UMAR HAYAT KHAN: After what was said by the Honourable Sir William Vincent and Sir Maneckji Dadaboy, there was no need of speaking much on the Resolution, but I am afraid that as some Honourable Members are still in favour of the Resolution it may be put to the vote, and I may not have said a word on it. I think the Honourable Mover, if he withdraws the Resolution, will have killed two birds with one stone, because he has already said what he wanted to say, and if he now withdraws the Resolution another purpose would be served. It will not show that we as a body, that is all of us here have got no confidence in the people of England,—we do not want to show that. With these remarks I oppose the Resolution and I do hope that the Honourable Member will withdraw it, because, Sir, we belong to one Empire and the best thing is to follow the plan of give and take, so that we may remain pleased with each other. There is a Persian saying that if two wise men are holding a thread they will not break it, but if they act in opposition they will break even a chain.

THE HONOURABLE SIR ZULFIKAR ALI KHAN: Sir, it seems to me that the Mover of the Resolution my Honourable friend Saiyed Raza Ali is a bit panic-stricken on account of the Emergency Committee formed in London by those who have been clamouring ever since the initiation of the Reforms Scheme. I, for one, am not an alarmist and do not care for the croakings of those who have so far failed in damaging the reform movement developed by the statesmen of England. All credit is due to these far-seeing statesmen, and we have every reason to rely in future on their integrity of character and the justice of the cause of the Indians. Sir, there is a feeling of some kind of nervousness amongst Indians that the opponents of the Reforms Scheme in England are doing a great deal of harm to the Indian cause, but, so far as I can see, these people, instead of doing any harm, are actually serving the cause of Indians. They are, so far as I can see from the press reports, discredited by their own people, they are not honoured in India, they seem to be a sort of clique composed of people who were once society pets but have now fallen, though they seem to be still making pitiful efforts to enjoy the society of the people of their own political faith. Sir, we find extremists on both sides, and I do not think that the dignity of this Council calls for any attention to these pettifogging individuals. We shall show our dignity by entirely ignoring these people, who will, I am sure, see that not only the people of their own country and the public and the Government at Home

[Sir Zulfikar Ali Khan.]

condemning them, but also that the dignity of this Council has thought it beneath its attention to take any notice of their clamourings.

Sir, with these few remarks, I oppose this Resolution.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: Sir, I move that the question be now put.

The HONOURABLE SAIYED RAZA ALI: Sir, it was a sight worth being seen by the gods of a Parsi knight, that of my friend the Honourable Sir Maneckji Dadabhoy, exhibiting the Christian virtue of offering one check when smitten on the other. He advised us that though these people are doing something which at times might be mischievous in England, we, because we are self-contained, because we are independent, because we are autonomous

The HONOURABLE SIR MANECKJI DADABHOY: May I rise to a point of order, Sir.

The HONOURABLE THE PRESIDENT: What is the point of order?

The HONOURABLE SIR MANECKJI DADABHOY: My friend has entirely misunderstood what I said.

The HONOURABLE THE PRESIDENT: That does not seem to be a point of order. It may be a personal explanation, but I fail to see that it is a point of order.

The HONOURABLE SAIYED RAZA ALI: Therefore, Sir, he advises us that we should take no notice of what these people are doing across the seas. This is what I meant when I made the first remark which, I believe, created feelings of misapprehension in the minds of my Honourable Colleagues. Of course, I never meant it literally; I was using, if I may say so, a figure of speech, if this Council will allow me to use the term. Now, Sir, the fate that my Resolution has met at the hands of this Council is, I am not afraid of confessing it, a pitiable one. So far as I can see, excepting the Honourable the Home Member, it has aroused opposition on the part of something like half a dozen knights. I must confess, Sir, that I do not fear surviving the attack. I must assure my Honourable friend Sardar Jogendra Singh that I do not include him in my remarks.

The HONOURABLE SIR MANECKJI DADABHOY: May I rise to a point of order, Sir.

The HONOURABLE THE PRESIDENT: Certainly. Will you state it briefly.

The HONOURABLE SIR MANECKJI DADABHOY: Is my Honourable friend entitled under the garb of figurative language to insinuate something?

The HONOURABLE THE PRESIDENT: I beg the Honourable Member's pardon. I have not taken his point. Will he state it again?

The HONOURABLE SIR MANECKJI DADABHOY: I think his observations are of a personal character; they are a reflection on the six knights in this House. I do not know where the six knights are.

The HONOURABLE THE PRESIDENT: Had I regarded the Honourable Member's observations which I apprehend with great difficulty owing to the manner in which he speaks (if he speaks louder I might hear them) as disorderly, I should have called him to order.

The HONOURABLE SAIYED RAZA ALI: Now, Sir, from the speeches that have been delivered the trend of the feeling is more or less clear. It has been argued that, after all, the successful working of the reforms is not in danger simply because of late certain acts have been done by certain individuals—because I must speak in general terms—in England. Now Sir, I must at once point out to my critics that the terms of my Resolution do not contemplate an appeal to any private individuals to desist from forming associations or to take such action as to them may not appear advisable. Private individuals are private individuals, and it follows from the very nature of things that they are at liberty to do what they please. The terms of my Resolution make it quite clear and place it beyond the shadow of a doubt that I do not fear anything so far as our own independence or autonomy goes by the formation of those associations or by certain individuals adopting a certain course of conduct. What my Resolution does say is that at least, so far as India, whose representative this Council is, is concerned, we do not welcome the formation of such associations and, in fact, on the other hand, we view their formation with positive disapproval.

Now, this is very far from saying that ours is an appeal to His Majesty's Government to exercise influence against such associations being formed. That, Sir, as the House will see, is not the question. I am sorry that the point has been missed, through my misfortune more than anything else, I believe, by certain members that have spoken on the opposite side. This is the real point, namely, do we view with approval what took place in England during the last three or four months or do we not? If we view it with approval, I am not only for withdrawing my Resolution, but if any of my friends who have taken up the cudgels on the other side will bring a contrary Resolution, I shall be very happy to support them, if they think that what has been done in England recently is at all proper and would arouse feelings of friendship in the hearts of the people of this country. Let them say so; let them bring forward a Resolution to that effect; and as I have said if I am convinced I shall support it. But that is not the point, Sir. The question is what is our attitude on this point? If the steps that have been taken are wrong steps, if they are steps that might irritate and provoke public opinion in this country and might induce certain classes of my countrymen to take steps which would not be desirable, then it is in the fitness of things that whatever may be the consequences we should put it on record, quite apart from appealing to private individuals in England on this question, and to say that no doubt you have every right to do what you think proper, but that at least whatever you propose to do or whatever you have done is not likely to smooth the working of the Reforms Scheme. We simply put that opinion on record; and the proposition has the additional merit of making it clear to the public in England that whatever may be said of the stage of political development at which the people of India have arrived, they have enough sense to see that whatever has been done by certain individuals in England has been resented and resented highly in India. Whether this is a sound proposition or not, I do not think I need say much at this stage. Those who spoke to the Resolution accepted the soundness of my position. They only challenged the expediency of taking this step for the reason that it would

[Saiyed Raza Ali.]

produce no effect. Now, with great respect to the speakers who have spoken on the other side I must say that far from falling flat on certain sections of the people in England, if you pass this Resolution unanimously or with a substantial majority, if the Council will allow me to say so, I can assure you that this will have the desired object, and that it will make it perfectly clear to the people of England that the people of India are not prepared to tolerate the activities on which certain individuals in England have started of late; so that the argument that has been directed against me, if viewed from a little changed angle of vision, will be the best argument in support of my proposition. What is our duty after the coming into force of the Government of India Act? Our clear duty, as has been pointed out, is that we should be very jealous of our rights and should be very careful in the exercise of our duties; now this is a proposition that raises a question both of our duties and our rights, I say it is the duty of this Council, as also at the same time it is its right, to place on record in a most emphatic manner their conviction so far as recent happenings in England are concerned. I do not think, Sir, it is necessary for me to say much on this point. The proposition has been sufficiently discussed and taking the view that I do, though I have the little satisfaction of being supported by only one of my Honourable colleagues in this Council; yet feeling as I do on this question, and having regard to what has taken place in England and what is going on here, I think it is my duty to ask you, Sir, to put this Resolution to vote.

The Resolution was negatived.

RESOLUTION RE PORTFOLIOS OF THE VICEROY'S EXECUTIVE COUNCIL.

(At this stage the Honourable Sir Alexander Murray took the Chair temporarily).

The HONOURABLE MR. G. S. KHAPARDE : Sir, the Resolution which I wish to move runs as follows :

'This Council recommends to the Governor General in Council that a committee consisting of Members of this Council be appointed to examine the present distribution of portfolios among the Members of the Viceroy's Executive Council and to make recommendations.'

On this subject earlier in the Session the Honourable Mr. Bhurgri put a question and the answer given to that question was this, that it was a matter which was for the personal decision of His Excellency the Viceroy, and the matter rested there. I quite recognise that in distributing portfolios and choosing Ministers His Excellency has got what I may call the viceregal prerogative, just like the Royal prerogative; they can choose whom they think best. That is all right. But my object in putting forward this Resolution was in the first instance to seek for some information; and secondly, if my views, or rather the views of this Council, are placed before His Excellency, even when he is exercising his prerogative, it would do no harm, because they do not seek to clog him or ask him not to do this or that; among other materials placed before him for forming his opinion this will be one; that is all; so it could do no harm in that respect; and in order first to obtain information and next to submit material for His Excellency to decide I have brought forward this Resolution.

Because at present all that I can find and all that I can refer to is a little book which was supplied to me earlier in the Session, to enable me to address my questions to particular Honourable Members in charge of particular subjects, and that is about all the official information that I have at present. But I should like to have more information, and I thought it would be best to move a small Resolution so as to see how things stand. To adequately discuss a subject of this character, I should have had for myself held a portfolio and acquired a little internal experience before I could ask for further information. I have no experience of the kind, and it is not likely that in this generation I have any chance of being entrusted with a portfolio. But the fact does remain that I have not the requisite information, nor even the requisite experience, and yet why have I ventured upon it? I have ventured upon it because this is an age of specialisation. Every day we hear of so many specialists and experts in one branch or another that I was tempted the other day to say that this expert knowledge has really crowded out common sense out of this world. Now everybody has got to be an expert, even in such a small thing as a dinner. One must be an expert in arranging the table in a particular manner; he must be an expert to know what kind of glass to use for a particular kind of wine, what particular spoon to take for a particular dish, how to hold a fork, at what angle from the mouth it should be held, whether after putting into the mouth the food it must be chewed first by the right jaw and then passed on to the left, in fact the whole thing is so scientifically arranged even in this small matter that I thought I might give a chance to a little common sense in this matter, though it is said that common sense is very uncommon in this world. But whatever that may be, I thought that I would give my common sense a little chance in this matter of the distribution of portfolios and that is why I have brought forward this Resolution.

Now in this Resolution there is no difficulty at all, but there is really a small history behind it. It was Lord Curzon, I suppose, who first re-distributed these portfolios and he created the portfolio for Commerce. Then Lord Minto created the portfolio for Education. The present age of course is one of transition, and we have got the new Government of India Act, we have got the doctrine of devolution, we have got the expediency of decentralization and all kinds of things are coming up. So my mind naturally became anxious to see whether there was going to be a re-distribution also and a question was put, and I think there is going to be a re-distribution as events portend. Now, let us consider how the present distribution is carried on. There are so many departments according to the book which has been supplied to me from A to K, and so far as I can see there are only six portfolios between which all this work is to be distributed. So I wanted to see how this work was distributed. Really speaking, the Home Department is the most important of all, but I have no official connection with any department save the Legislative Department in the sense that I am a member of this Honourable Council, and I should therefore give preference to it. Now what is the Legislative Department doing? What are its functions? The first thing I noticed with regard to the Legislative Department was that it has no initiative at all. There is nothing that the Legislative Department by itself initiates. All that they do is to manage our Councils, arrange probably our agenda, frame the Bills and draft them, and occasionally I suppose they also have to give advice to the Government of India on legal matters, but that is about all that they do. The only thing I was anxious to know was whether

[Mr. G. S. Khaparde.]

there was anything at all that the Legislative Department by itself initiated, and the only thing I found after long consideration was that once in ten years they move that the Criminal Procedure Code or the Civil Procedure Code be revised and the judgments of the High Courts embodied into it. Beyond that, so far as I have been able to see, the Legislative Department has no initiative anywhere whatever. But they are at the disposal of all the departments of the Government of India, and all the departments can write to them and say 'Kindly bring out the law so that I may do this, kindly draft a Bill so that I may do that'. And the Honourable the Law Member, I speak with due respect to him of course, feels that he has got to draft it. So the Legislative Department, really speaking, has no initiative whatsoever. It can do nothing. Now let us see what the position is in the other countries. Naturally my knowledge is limited to English history only and not to French history or of the history of other countries. I am a man of very limited learning and of small ideas. Now how is it in England that the Legislative Department is a rather important one? The position of our respected President in our Honourable Council corresponds to the position of the Lord Chancellor in England. He presides in all courts. He has the power of making appointments or rather his advice is sought before all appointments to the High Court are made. The whole Bar of England is under him and he can make recommendations and it is to him that the final appeal lies. So we can see that the Lord Chancellor of England, translated in the Indian language here, means the President of the Council of State. If that is so, some of those duties, really speaking, ought to go to him. Now we have about six High Courts in India, and appointments of Judges and Chief Justices have to be made. I say these appointments ought to be made on the advice of our Lord Chancellor, that is to say, the President of our Council. There is a large class of legal practitioners here, I am also a humble member of the profession, I became an Advocate of the Chief Court of my own province without any examination fortunately, but the Lord Chancellor in England is the head of the bar in England, similarly the President of our Council should be the head of our bar here. This is not merely an academic discussion, because, if I remember rightly, there is now an endeavour being made seriously, I suppose, in the other House to constitute what is called a Court of final appeal in India, that is to say, the cases which are at present sent to England to the Privy Council will be heard by this court of final appeal here. Because it often happens that the peculiar conditions of this country and perhaps some peculiarities of the law also, and the temperament of the people, all these things are unknown to the members of the Right Honourable Members of the Privy Council. So my own idea is that this Legislative Department which at present has no initiative at all should have, from my point of view of course, the point of view of an inexperienced man, the powers of the Lord Chancellor in England. That is to say, the President in consultation with the Honourable the Law Member and between them should make recommendations in regard to appointments in all High Courts, in the case of Judicial Commissioners and Chief Commissioners, Judges and Subordinate Judges, District Judges and District Magistrates and their establishments including clerks, etc., and also the honorary appointments in the courts, that is to say, pleaders, barristers, vakils, etc. This so far as the Legislative Department is concerned. At present, these appointments I believe, if I have read this book correctly, are made in the Home Department, and the Home Depart-

ment therefore is the next department both in point of importance and in the order in which it comes. The Home Department, Sir, at one time, historically speaking, was the greatest of all departments in all Empires, ancient or modern. In most ancient times the King very early delegated his duty of doing justice to a Brahmin in India or to some religious teacher among the Muhammadans. The King made over his other departments also to his trusted subordinates, but what the King kept with him was the Army and Foreign Department.

He was his own foreign minister and he necessarily was the Commander-in-Chief when they did not choose to lead the Army, then he got somebody else. Well, the traces of this exist to this day also in the Government. The Foreign Department is the Viceroy's department I believe I am right. Then the Minister for the Army. Of course we all know that we have nothing to do with the army, either with its organisation or its formation or its finance. We have got to take it and leave all matters of interests in it to His Excellency. I do not quarrel with that. It is no part of my business. That is all right. What I am persuaded to say is, that the Home Department is something like—if I may be permitted to use a simile—like an old patriarch. In olden times a patriarch had powers of life and death over the members of his clan. He was the head, his word was law. Then in the course of evolution—I do not want to speak on evolution, but evolution proceeds by growth, by co-ordination and by specialisation. That is how evolution proceeds. Well, as it happens in history, this patriarchal authority was supreme both in ancient times up to comparatively modern times, when that authority wanes, becomes less and less and the members of the community first claim that they should be consulted and their advice taken; then they say 'no, you must take our advice and also you must follow it'. Then the next stage is when we are told 'without our consent you should do absolutely nothing'. So, from being the supreme being, from the highest position, he has got to descend to the position of being a participator, his authority to be shared by certain other people. Then there gradually comes a time when the son says 'That will not do. If you do that I will set up a new house for myself and I will manage it for myself. Occasionally I may come and dine, but let the control be mine'. That goes too and the sons and children set up different houses.

That is what has happened with the Home Department. Gradually as the business grew, as the work grew, departments began to be formed, then I suppose they became branches of the same office, but as the business increased they became separate departments and ultimately separate portfolios. To this day the tradition remains in the case of the Home Department. In England the highest Minister is the Home Secretary as they call him,—what we here call the Home Member. He is the greatest man. Well, of course, everybody else takes his place under him,—in theory that is. In practice, however, it is coming to be a position of co-ordination, and one Minister is the same as another and so on. That may be as it is, but that is how it has been, and each sub-division first formed itself into a branch, then into a department, and finally into a portfolio by itself and that is what has led to this distribution. Now, what are the subjects with which the Home Department deals? There are as many as 13 as I can see from this book that is given to me. And of these 13 subjects the real subject which appertains to the Home Department I take to be internal politics, peace and order, and those other things, nomination and patronage and conferring of titles, those things which naturally

[Mr. G. S. Khaparde.]

ought to be with the Home Member. But there are other things which appear to have got in, and it is a little pleasant to see, for instance, take the Department of Education. This Education Department—I feel that I am treading a little bit on delicate ground, but still I hope to put it easy. The Education Member or the gentleman in charge of education is like a father who has got six sons serving in six different departments, or, if you please, in six different countries, and if the father wishes to communicate with his sons he has got to address him through the son's official superior like. He may feel what interest he likes in them, still his communication is clogged by what is called official convention. And here it happens that educational subjects go nearly into six branches and fall to be considered by six departments. That is the portion which is somewhat puzzling, and also amusing.

(At this point the President resumed his seat.)

First of all education comes in in items 5 and 14 in the Home Department. 5 is reformatory schools. They come out of the Education Department and the Home Department has charge of them. Then 16 are called Medical and Legal Education. That also goes to the Home Department. Then the next goes into the Revenue Department and becomes item No. 8 there. That is to say, forestry, veterinary, science, agricultural education. Then it goes into the following relations also and becomes items Nos. 13 and 18, that is, I suppose, 13 is Chiefs' Colleges, and 18 is Engineering, education of upper and lower public works department subordinates. Educating the public works subordinate becomes a political business to be managed by the Foreign Department. Then education again goes into commerce because they have got their schools of art or industry. Item No. 21 under commerce—yes commercial education—that becomes their part. Then there is the Education Department proper which has got its own subjects of course. Lastly the Munitions Board also has got something to do with education—that is peculiar, since it is a recent department, but they have somehow managed to get a share

THE HONOURABLE THE PRESIDENT: What line of argument is the Honourable Member taking? I am afraid I have been out of the Council for a little while.

THE HONOURABLE MR. G. S. KHAPARDE: The line I am taking is that the present distribution, from what I can gather from this book and elsewhere, is inconvenient and unscientific and I want to propose that proposals should be made to make it more convenient and scientific. And that is why I am showing how the Education Department has got distributed over six departments because it is connected with six different places. The Medical Department also has a certain portion of it in the same way. That goes into three different departments and that is a little bit. It first goes into the Home Department—I may say that the Medical Department (that is my classification, not made by anybody else) that medicine should be either curative, preventive, or, what may be called preservative. Though the curative part of it goes to the Home Department, the preventive part of it goes to Education and Sanitation and the preservative part goes to the military. That is rather a peculiar way of doing things. Though in a family it is all right. It is the oldest gentleman who administers medicine in the house and it is the other people who try to keep the house clean and prevent diseases coming in, and the stores are kept of course by the strongest man—the military man.

Well, that is how this thing is distributed. If I went through all the departments in this way, we would come upon a good many startling things here. One thing which I find is Archaeology and Chaplains go together somehow. I suppose as things of antiquity and as survivals of a bye-gone age.

Then there are a number of things that can be brought out. They are very instructive. I had only these three pages and had to stop there, however pleasant. Very many things go together which one does not quite understand. My idea therefore in bringing this Resolution forward is first for my own information, because I would not have otherwise studied this book so carefully as I have done, and, secondly, that these views may be placed before His Excellency the Viceroy, and, of course, it is for him to do what he pleases and we will not quarrel on that account. My recommendation is of two kinds. One is that a committee of this House may be formed and that committee may be requested to make recommendations. We generally say a mixed committee, but I have not said here a mixed committee, because all expert knowledge will be at the disposal of His Excellency and all his Ministers will be there with requisite knowledge and requisite experience. What I said was, that I wanted to have some common sense points put before His Excellency, and this House may be asked to form a small committee which will supply this kind of information from a common sense point of view, and ultimately it may be decided by whomsoever it goes to. With these few words I place this Resolution before the Honourable House.

THE HONOURABLE SIR MANECKJI DADABHOY: The Parsi Knight with his Christian virtues has again the misfortune to be in disagreement with the mover of this Resolution. I welcome the Resolution so far as my Honourable friend, Mr. Khaparde, is concerned, for the reason that at last a saviour has come for the redemption of the Government of India. In regard to what he has said to-day as regards the distribution of the various portfolios, I am quite in agreement with him that perhaps the distribution is not an ideal one and that many of us may have reasons to disagree with it. But I am afraid that this Resolution seeks to introduce a novel principle in the working of the Government of India. As far as I am aware, it is absolutely the prerogative of the Governor General to select his ministers and to distribute the work which his ministers have to do. That is a practice not only in this country, but it is a recognised practice all over the world. The Prime Minister in England selects his Ministers. He appoints the Members of his Cabinet, and he decides what portfolios should be delegated to them according to their merit, qualification and adaptability. I know of no country in the world where the Parliament or where the Council of Legislators are allowed to dictate to Government so far as the distribution of work is concerned. It is on this principle that I am afraid I cannot see my way to support my Honourable friend. I acknowledge that the present distribution perhaps is not an ideal one and is capable of great and substantial improvement, and I think the very fact that this Resolution has been moved and my Honourable friend has made certain remarks will help to serve that purpose in bringing the matter to the attention of the Government of India.

My Honourable friend wants to appoint a committee consisting of the Members of this Council to examine the present distribution of portfolios. What will this committee do? I am sure none of us have any practical

[Sir William Vincent.]

Honourable Member has referred are mentioned, so that perhaps one might have expected that the Honourable Member would have made some reference to a report of that importance. I do not think that I need examine all the criticisms that he made of different departments except perhaps to correct one misapprehension. The Honourable Member stated that the Legislative Department was a department with no power. Now, I was Secretary in the Legislative Department for some years, I have had honoured successors in that department, and the Member who is in charge of that department is here to-day and I can guarantee that there is no department that has more power than the Legislative Department. I put it to any member of the administrative departments here whether the Legislative Department cannot do more to help or block their work more than any other individual department in the Government of India. They have a finger in every pie and they can influence every decision. Naturally, being a Legislative Department, their power of initiative is confined to legislation, consolidation work and work of that kind, but their influence is very largely felt in the advice they give to other departments in ordinary references. Both of the present Law Member and of the past Law Member I can say with certainty that they exercise the greatest influence on every branch of the Government administration.

The Honourable Member said that 'the position was different at Home where the Legislative Department, or whatever corresponds to it, exercises a great influence'. I believe that to be entirely a misconception. I believe the Legislative Department at Home is a purely drafting department; it consists of Parliamentary draftsmen who have no influence on the Government save from a drafting point of view. I do not think I need follow the Honourable Member into his suggestion—I hardly think that it was seriously made—that the President of this Council should be vested with all the powers of the Lord Chancellor and be given power to make all judicial appointments from the highest to the lowest, down to subordinate judges and subordinate magistrates in all the provinces. Now, that is not really a practical proposition which can commend itself to anyone in this Council. Nor, indeed, did it seem to me that many of his other criticisms of the different departments, though very amusing and humorous, had much weight in them.

May I now come back to the subject of the Resolution itself, namely, the appointment of a committee. If Honourable Members will look at the Government of India Act for one moment they will find that under section 40 (2) the power of making rules and orders for the convenient transaction of business in his Executive Council, that is for the arrangement of the work in the Government of India, is vested in the Governor General personally. The Government of India itself cannot interfere in that matter at all unless invited to do so. The Council has no word to say in this arrangement unless His Excellency invites their opinion, and I do not think that this Council will ask the Governor General in Council, that is the Government of India, to interfere in what is really the prerogative of the Viceroy himself. I hope they will not do it; indeed, I think that the new Viceroy might very well resent any such interference and that, if the Government of India were to accept this Resolution and take upon themselves the duty, at the instance of this Chamber, of advising the Viceroy, they might be inviting a very severe and a justifiable rebuke. Sir, this Resolution is really an attempt by one Chamber of the legislature to interfere in a purely administrative matter and, in effect, although

the recommendation is within the letter of the law, it goes very close to an attempt to modify the Government of India Act itself, for the Government of India Act says that the Governor General is to perform his duty and the intention of the Honourable Member is that the Governor General shall not do it, that the Government of India shall not do it, but that a committee of this Council shall really settle the distribution of portfolios. I am afraid also that I agree with what the Honourable Sir Maneckji Dadabhoi said about this Council, that it has not the expert knowledge that would be necessary to enable it to deal with this matter in the most satisfactory manner. I do not believe that it is the best body for such a purpose; I do not consider that the training of many of the Members, though very valuable in their own spheres, would stand them in much stead in this inquiry. I doubt even whether Government itself in some departments, in the Foreign and Political Department for instance, could without betraying its trust to His Majesty's Government and other foreign Governments place all their papers before any body of non-officials because many of these papers are strictly confidential.

Now, let me revert again to one simple fact. The question of the distribution of portfolios has within the last year been examined by an expert committee presided over by Sir Llewellyn-Smith, which committee included other members whose names I cannot remember at this moment, but who were men of great eminence and knowledge of this particular branch of the administration. Their conclusions have not been accepted in full because of the views of Lord Reading, and it was thought desirable before changes were made, the matter being a personal one for the Viceroy, that he should have the option of saying to what extent he would give effect to them or not. I venture to put it to this Council that in such circumstances it would be perfectly idle at this juncture to appoint a separate committee to examine this subject again. It used to be said, I believe, of one of the Kings of England that he died from a surfeit of lampreys. There are times, Sir, when I think that the Government of India will die from a surfeit of committees. I hope the committee proposed by the Honourable Member will not be one of them.

THE HONOURABLE RAJA SIR HARNAM SINGH: Sir, the proper distribution of portfolios among the Members of the Viceroy's Executive Council is a matter of administrative convenience and efficiency. New circumstances have recently arisen which, I believe, make it necessary to go into the question carefully. The old statutory restrictions relating to the number of Members have now been abolished, and the present size of the Government of India has been made elastic under the new constitution. There has recently been not only an addition to the number of Indian Members, but the total strength of the Executive Council has been increased, at any rate temporarily. New departments have been created, and consequently administration has become more complicated.

The Members of the Viceroy's Executive Council have been well known not only for remarkable ability, but also for the zealous discharge of their onerous duties. But it cannot be denied that some of them are burdened with overwork and heavy responsibilities which it is difficult for a single man to cope with. A redistribution of portfolios may provide necessary relief to these Members. It can also effect a right grouping of subjects of administration on a sound principle. At present the grouping is not always convenient nor always conducive to efficiency. I need not go into the details of such a

[Sir Maneckji Dadabhoy.]

knowledge and experience of the working of the Government of India. We do not know what their difficulties are, and we do not likewise know what particular subjects, what particular departments should be allied, and what particular departments should be disintegrated and separated. We have not the slightest idea about that. If I am put on the committee I will be absolutely incompetent to make any recommendation or give any advice, and I am sure every one of us will admit that he will be in the same helpless position if placed on such a committee. Further, how are we to do the work contemplated by the Resolution! Are we going to examine all the Members of the Government of India, and put them to a severe cross-examination and find out whether they are suitable to hold their portfolios and whether they are competent to deal with the subjects entrusted to their care? . . .

The HONOURABLE MR. G. S. KHAPARDE: That is not the subject of my Resolution.

The HONOURABLE SIR MANECKJI DADABHOY: You say distribution of portfolios.

The HONOURABLE MR. G. S. KHAPARDE: Not the competency of the gentlemen holding them.

The HONOURABLE SIR MANECKJI DADABHOY: Your Resolution is what Members should hold what portfolios; in other words it comes to this, what particular man is capable of dealing with a particular portfolio.

The HONOURABLE MR. G. S. KHAPARDE: I submit that it is not.

The HONOURABLE SIR MANECKJI DADABHOY: That is your Resolution.

The HONOURABLE THE PRESIDENT: Order, order. The position is this. If the Honourable Sir Maneckji Dadabhoy likes to give way, the Honourable Mr. Khaparde may make a personal explanation. If the Honourable Sir Maneckji Dadabhoy does not wish to give way, which is however not an unusual thing to do, the Honourable Mr. Khaparde must reserve his personal explanation to the termination of the Honourable Sir Maneckji Dadabhoy's speech.

The HONOURABLE SIR MANECKJI DADABHOY: I am therefore of opinion that the committee suggested by my Honourable friend, apart from the principle involved in the appointment of such a committee, can be of no practical use, it will be absolutely inefficient and not competent to make proper and definite recommendations. I am therefore of opinion that, apart from the question of principle, it is the prerogative of His Excellency the Viceroy to distribute the portfolios as he desires, and I think we ought not to make any recommendation like the one suggested by the Mover of this Resolution.

There is another objection to the Resolution, and that is that Lord Reading is about to arrive here and embark upon his exalted office very shortly. Is it right, just about the time that he is coming to this country, that we should tie him down with a Resolution of this nature and fetter his freedom with a committee appointed for the purpose of making certain recommendations? It would be in the proper fitness of things that we should allow him to have his own way and examine the situation himself. He is one of the most capable men

which England is sending out to this country, and I am sure that if he finds anything which is not proper or is capable of correction he is sure to attend to it.

My learned friend has stated about the workings of the various departments. I am not going into that question at any length. As an illustration my Honourable friend referred to the Legislative Department and he stated that our President occupies the position of the Lord Chancellor and all the appointments of High Court Judges and all other high judicial appointments should be in his gift. However great the respect I have for our President, I shall not certainly agree to any such proposal. What about the Provinces? What does our President or anybody at the head of the Legislative Department know about the merits of the various candidates recommended to the Government of India for appointments? In these matters it is the Provincial Government who have got the right of recommendation and who in turn act on the recommendation of their own judicial officers. Are you going to wash off all the powers of the Provincial Governments? Is this suggestion of the Honourable Member consistent with the autonomous government which has been given to this Province? I say I have great respect for the ability of our President . . .

The HONOURABLE THE PRESIDENT: I did not hear it. If I had I should have stopped it.

The HONOURABLE SIR MANECKJI DADABHOY: You were not here, Sir. I say that the Resolution is inconsistent with the Government of India Act by which autonomous responsibility has been conferred on the Provincial Governments. In the same way my Honourable friend spoke about the medical administration and the Home Department. We have got a very stalwart defender of the Home Department in Sir William Vincent and I leave him to defend that department. But I think that a Resolution of this sort is not an appropriate one for this Council to adopt, and I further say that it is beyond the sphere of our legitimate duties to discuss it. I therefore cannot see my way to support the Resolution.

The HONOURABLE SIR WILLIAM VINCENT: Sir, one of the mistakes which we Members of Council frequently make in regard to these debates is in supposing that the discussion will necessarily be limited or directed chiefly to the practical recommendations made in the Resolution. When I saw this Resolution, I at once examined what it was that the Honourable Member wanted. But I noticed that for three-quarters of his speech he did not say one word about the recommendation, namely, the appointment of a committee. And I put it to every member of this Council that, though he made a very amusing speech—I think we were all much interested in and amused by it—and though various side issues were discussed, there was hardly a word of justification that I heard for the specific recommendation contained in the Resolution.

The next point that I was a little surprised to notice was that the Honourable Member who generally takes a good deal of trouble over his Resolutions made no reference to the committee which is known as the Llewelyn-Smith Committee, a committee of experts presided over by a great expert who came from England which examined this question of the distribution of portfolios. Now the Resolution on the report of that Committee was published in September 1920 and there various points to which the

[Raja Sir Harnam Singh.]
 complicated and technical matter, but I will give one or two illustrations in support of my position. I do not see any reason, for instance, why Sanitation and Medicine should be in different hands, nor why Justice and Police should be in charge of the same Member.

The HONOURABLE SIR WILLIAM VINCENT: May I rise to a point of explanation, Sir?

The HONOURABLE THE PRESIDENT: Will the Honourable Member (Raja Sir Harnam Singh) kindly resume his seat?

The HONOURABLE SIR WILLIAM VINCENT: I was only going to explain, Sir, that the Honourable Member cannot have read this Resolution on the Llewellyn Smith Report; one of the first recommendations is that the whole of 'Medical' work should be done in one Department; the matter is being examined.

The HONOURABLE RAJA SIR HARNAM SINGH: I did not say anything one way or the other. I simply said that I did not see any reason why Sanitation and Medicine should be in different hands.

I take it that the Honourable Mr. Khaparde does not really want a new committee to deal with the matter. It is well known that a committee has already spent a good deal of valuable time in carefully going through similar questions and their recommendations, I understand, are now before Government of India. Mr. Khaparde's intention perhaps is to open a debate in this House on this important matter. I hope to-day's proceedings will satisfy him and the other members of this House, so that there will be no need again for any further discussion on the subject.

The HONOURABLE SARDAR JOGENDRA SINGH: I move, Sir, that the question be now put.

The HONOURABLE MR. G. S. KHAPARDE: I hope, Sir, I shall have a right of reply.

The HONOURABLE THE PRESIDENT: The Honourable Member will not have a right of reply if the question that I am now proposing to put is resolved in the affirmative.

The question is that the question be now put.

The motion was adopted.

The HONOURABLE THE PRESIDENT: The Honourable Member, I regret to say, has lost his right of reply.

Before I put the Resolution, I desire to exercise a right vested in me, which I hope I shall very rarely have to exercise, and that is to say a few words relative to the debate that is now ending. It appears that my Honourable friend Mr. Khaparde in that jocular vein for which he is so famous, took the opportunity of my absence from Council to make certain suggestions relating to new duties which might be imposed on the President. I should certainly not have permitted him to do this had I been in the Council for it was irrelevant to his Resolution. I recognise his humorous capacities and kindly

intentions, but I think he has been too mindful of the proverb 'when the cat's away the mice will play.' I do hope he will not be a 'mouse' in future.

The Resolution was negatived.

The Council then adjourned for Lunch till 2-30 P.M., in the afternoon.

The Council re-assembled after Lunch with the Honourable the President in the Chair.

RESOLUTION RE CODIFICATION OF THE HINDU LAW.

The HONOURABLE DR. GANGANATH JHA: Sir, it is with a great deal of trepidation that I rise to move the Resolution standing in my name which runs as follows:—

'This Council recommends to the Governor General in Council that steps be taken towards the appointment of a committee of lawyers and Sanskrit scholars, (a) to consider the advisability and possibility of codifying the Hindu law as administered by the British Courts of Justice and (b) to advise upon the desirability of introducing such changes as may be consistent with the text of Hindu Law.'

Sir, as I said, I rise with a great deal of trepidation, because so far as modern law is concerned, there would not perhaps be any man more 'lawless' than myself. I have had no training in modern law at all, so I would approach the question purely from the point of view of the scholar of Hindu Law in its ancient texts. In the course of my study of these texts, I have found that they have suffered a great deal at the hands of more or less responsible exponents. Not very long ago Hindu Law was administered in this country, under the British Government I mean, with the help of what they called court pundits. Pundits used to sit beside the Judge and held the Judge with expositions of intricate points of Hindu Law. This practice for very strong reasons was abandoned, and what made the abandonment of this possible was the preparation by a European Sanskrit scholar Colebrooke of the translation of what he regarded as the standard book on Hindu Law, I mean Mitakshara. That translation itself, excellent as it is, and it has always been regarded as excellent, is on many points defective. But for the time it served a very useful purpose of guiding the Judges on intricate points of Hindu Law. Mr. Colebrooke's choice, however, of the particular book which he translated for the benefit of our Judges was not a happy one, and the effect of it has been that the text that he translated, I mean Mitakshara, has become invested with a spurious authority. It was never intended by the author or by his patron to be an authority for the whole of the country, but somehow or other it has now come to be regarded as the most authoritative book on Hindu Law. Almost the whole of India is governed now by what is called the 'Mitakshara School' of Law.

This in itself would not have been very serious but subsequently to this when judges found that Colebrooke's translation of a particular digest was not to be relied upon in all cases they rightly or wrongly began to let common sense play upon matters relating to Hindu Law, common sense and also perhaps considerations of convenience, and one of the results of this was a curious dictum that the Privy Council laid down. Of course I must say that on these points my knowledge is secondhand, but it is derived from authoritative works.

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on modern law. 'This curious dictum that the Privy Council propounded was that 'clear proof of usage will outweigh the written text of law.'

With due deference to His Lordship of the Privy Council I must say that this dictum strikes at the very root of Hindu jurisprudence. No student of Hindu Law or of the interpretation of Codes will accept that to be the Hindu idea ;—that custom or usage is to outweigh as against the written text of the law. The reason for this dictum appears in the corollary to that dictum that the Privy Council added. They said 'sanctioned usage may be evidenced by opinions of pandits and decided cases.' So that there appear behind this dictum considerations of convenience. It would have been and it certainly is a matter of great difficulty to find out what the trend of the written text of the law would be on a certain point, and it would be very much more convenient to call a number of pandits and hear from them what they have got to say with regard to usage. But as I have already told you this would not be in keeping with the principles of Hindu jurisprudence. So much with regard to the general principle. In matters of detail also decided cases have not always worked out according to the spirit of the Hindu Law or the letter of the Hindu Law either. I shall take only one instance. It has been decided, I understand, by the Privy Council or by some High Court—I don't know which—that the adoption of an only son is valid in Hindu Law. There is not a single Sanskrit text I am afraid that would support that view. This is only one instance that I cite by way of illustration that Hindu Law has suffered in this way. In support of this I have also the assertion of a retired High Court Judge who in a letter to the Press makes the following assertion :

'The Hindu Law that we follow is not wholly as Manu enjoined, nor as the later Smriti writers have reproduced it'

And he goes on 'The time has come for taking up the task of reconstructing portions of Hindu Law.' Of course reconstruction appears to be rather a tall order ; but it does appear to be extremely advisable, and even perhaps urgent from the Hindu point of view, that some attempt be made to fix the Hindu Law. It may be very convenient to decide cases on the strength of decided cases, but it leads to a deal of confusion. So that the present day Hindu cannot quite know where he is, on any point of law. Of course, the reconstruction or codification of the whole of the Hindu Law would be a stupendous task to undertake all at once—but taking it by compartments, if all important decisions bearing upon that part were collected and all the important texts bearing on that compartment were collated, I do not think—of course I speak as a layman—I do not think it would be impossible to evolve out of that a certain set of principles which would to all intents and purposes represent the Hindu Law in its essence. Of course, how far it is practicable and how far it is advisable I do not venture to suggest. That it is desirable and eminently desirable, that alone I want to urge to the House this afternoon ; and it is in this view that I have put my Resolution in a somewhat halting fashion. I propose that this committee be appointed to consider the advisability and the possibility of codifying the Hindu Law ; and only when this committee has gone into the question and has decided and advised that it is advisable and it is not impossible to do the work, that the work should be further proceeded with.

With these few remarks I commend the Resolution to the House.

FINANCE BILL.

The HONOURABLE MR. H. MONCRIEFF SMITH : Sir, I have a message from the Legislative Assembly for the Council.

The HONOURABLE the PRESIDENT : I think, in view of the possible importance of this message, of which I have no knowledge, we might interrupt the business in order that the message may be heard. Let the message be read.

The HONOURABLE MR. H. MONCRIEFF SMITH : Sir, the message received from the Secretary of the Legislative Assembly is as follows :

'I am directed to inform the Council of State, in accordance with Rule 36 (1) of the Indian Legislative Rules, that the amendments made by the Council of State in the Indian Finance Bill were taken into consideration by the Legislative Assembly at its meeting to-day, the 24th March 1921, and that the Assembly has agreed to these amendments.'

The HONOURABLE the PRESIDENT : We will now resume the discussion.

The HONOURABLE SARDAR JOGENDRA SINGH : Sir, the Honourable Pandit Ganganath Jha is a well known Sanskrit scholar. As a layman I can contribute but little to the discussion. We laymen however will profit greatly if the Law is simplified and codified. Great many rulings, conflicting decisions and customs are always confusing to the people. Hindu Laws have been variously interpreted, and a simple Code, I am sure, will be most helpful. The conditions have changed as time has flown, and the new times possibly require that Hindu Law should be codified to meet the demands of modern times. As to the difficulties of this new codification and of reaching any agreements, possibly the Law Member will have a great deal to say, but if it is possible to form some such committee as the Honourable Mover proposes I do not think a committee of this House could undertake the task which can help in the codification of the Hindu Law, it will be most welcome, it would simplify matters very much if the Law was codified and brought up to date to meet modern conditions. With these few words I support the Honourable Mover, Pandit Ganganath Jha.

The HONOURABLE DR. T. B. SAPRU : Sir, it is to me a matter of satisfaction that a Resolution of this character should have been moved before this House by a scholar of the eminence and reputation of my friend the Honourable Dr. Ganganath Jha. He has very frankly admitted the stupendous character of the undertaking which he wishes the Government or this House to take upon its own shoulders. There are just a few observations with regard to the difficulty of the task which I should like to make before I invite the House to pass its verdict on a question of this character.

So far as the Hindu Law itself is concerned, it is very difficult for any one to give a comprehensive definition of what Hindu Law is. Everyone who has had anything to do with Hindu Law knows that, whilst the basic principles of Hindu Law are not many, the commentaries which have been written upon the texts of Hindu Law are bewildering in their number, and unfortunately, as has happened, amongst all ancient communities, commentaries have elbowed out the real texts. When the British came to this country and established their courts, among the very first things that they did was that they guaranteed both to the Hindus and the Muhammadans the application of their own personal law in regard to cases where questions of succession, marriage and other similar questions were involved. The problem before the British Judges in the eighteenth century during the time of Warren Hastings and Lord Cornwallis

[Dr. T. B. Saprū.]

was a very difficult problem. They necessarily therefore had to resort to the help and guidance of men learned in law, and for many years after that we found that each court had a kazi or a pandit, as the case may be, attached to it. This practice was found for many reasons, some of which are unpalatable to mention here, to be undesirable to continue and had to be given up. Afterwards about the time when the new High Courts came into existence, a body of indigenous lawyers came or rather was coming into existence, and during the last fifty years nothing strikes one more in the study of law than the remarkable growth of literature about Hindu Law in this country. Here, speaking as a lawyer and as a Hindu lawyer, I think it is only fair that I must pay a tribute to the great work which has been done by the pioneers of the exposition of Hindu Law who came from the West. The names of men like Mayne, and it is a remarkable testimony to his great intellect that Mayne himself never knew a word of Sanskrit, will always continue to be cherished so long as British Courts continue to administer Hindu Law. In spite of my great admiration for some of the modern text books written by my own countrymen, I maintain and I maintain it very strongly that there is no more scientific treatise written on Hindu Law than that of the great English lawyer. Similarly, I am prepared to say that the best exposition of Hindu Law in recent times is to be found among some of the judgments which were delivered six thousand miles away from this country. At the same time, it must be acknowledged that if English judges and English lawyers have failed to give complete satisfaction in regard to the interpretation of Hindu Law it is no fault of theirs. The texts are so many, the commentaries are so many more, and the conditions of the world in which we live have so greatly changed that it is almost impossible for any human judge or human lawyer to put a satisfactory interpretation upon every text which he is called upon to decide in the midst of a confusion of literature on the subject. In spite of all that, I maintain that the work which has hitherto been done has, on the whole, been creditable. At the same time, I realise that the modern tendency among all growing nations is to codify their law. The battle of code as against unwritten law, as every lawyer knows, was fought early in the eighteenth century in some of the continental countries. For some time under the influence of the great jurist, Savigny, the continental nations set their face absolutely against the codification of law, but about the middle of the last century there was again a set back and the feeling grew that among other conditions of progress which every nation must insist upon is that the personal law and the commercial law also should be codified. The feeling was manifested nowhere more strongly than in a country which under other circumstances I should not hold out as an example, I mean Germany. Every student of jurisprudence knows that the controversy began about the year 1846 and lasted up to the year 1896 when after repeated attempts what is known as the Third Project was ultimately passed and even then it took four years more to give the Imperial sanction to that Code. A great English lawyer has held that that was the most perfect system of code in modern times that has been evolved. I may point out that for a long number of years, for nearly twenty years, a large number of lawyers sat and the amount of money that was spent on it was something stupendous. In recent years, however, the question has been taken up in England, and a very learned lawyer, I am referring to Dr. Goudy, who was until two years ago, Regius Professor in Oxford, delivered an address on the subject at

Gray's Inn, and I propose just for the benefit of my friend Dr. Ganganath Jha to read an extract from it, because I venture to think that that is the only line of progress which we can adopt in regard to this question of codification. Speaking on this subject, with special reference to the question of codification of law in England, Dr. Goudy said, 'To reduce the law of England at present to the form of a code or codes, though no doubt difficult, seems to me perfectly feasible. There are three alternative methods, apparently, by which codification may be effected. First, the whole law in all its departments may be codified at one operation—*uno flatu*, so to say—civil, criminal, ecclesiastical and so on. Second, each of the great departments of the law, civil, criminal, fiscal, etc., may be codified separately and independently of each other. Third, the codification may be effected piecemeal, as it is said, that is to say, by taking small portions of the law, for example, partnership, insurance, evidence and so, bit by bit, dealing with the whole law.' Dr. Goudy goes on to say that, in his opinion, having regard to the conditions prevailing in England the second method pointed out by him is the proper method so far as England is concerned. May I venture to point out, that having regard to the difficulty of the task before us, probably the third method pointed out by him would be considered most suitable in regard to India, unless, of course, the Government are prepared with the support of the Legislative Assembly and this House to sink an enormous sum of money on this problem. I for one should be very happy indeed, as indeed any lawyer would be, to render assistance to an undertaking of this character. But I should not like this House to go away with the impression that the task is an easy one or that the appointment of a committee casually to meet once or twice here or at Simla will solve the problem. Again, there is one important matter which I would beg the House to remember. While in the olden times it was very easy to lay down a code whether it was the code of Manu or of Hammurabai or any other code, it is extraordinarily difficult to satisfy modern conditions, because while sanction in olden times was purely religious, now the sanction for such a course is not only religious but also secular.

Therefore, when the Government is invited to undertake a task of the character, I wish the House to remember the responsibility which it seeks to impose on the Government. Having regard to all these circumstances, and to the difficulties of this task, and without giving the impression to my Honourable friend or to any one in this House that the Government is unsympathetic to this proposal, what I would suggest at the present moment is that my friend will agree to the course which the Government propose to take in regard to this matter, and the course that we propose is to address the High Courts and the learned bodies in India to elicit opinion as to the best method which we may be advised to take in regard to this matter and also to the general question of principle as to whether, in the opinion of those who are most competent to give an opinion in this matter, codification at all is necessary. So that on these two questions we propose to address a letter to the Local Governments, to the High Courts and other learned societies. When that stage has been reached, we shall resurvey the whole situation and consider the whole matter, and if then we are satisfied that the opinions elicited show that there is a necessity for undertaking work of this character, we shall consider the question as to whether we should not appoint a Committee and as to what should be the composition of that Committee.

[Dr. T. B. Sapru.]

I therefore venture to hope that at the present stage my Honourable friend Dr. Ganganath Jha will not put this Resolution to the vote and will be content with the suggestion that I am making. He may rest assured that, so far as I am concerned, I have taken the keenest possible interest in this subject for many years past, and that I shall approach this question with every desire to help my friend Dr. Ganganath Jha, but it is impossible for the Government to give any more positive or affirmative pledge in regard to this matter. The question is one which requires to be carefully surveyed and examined in the light of learned and qualified opinion. We are going to collect that opinion and the next step will be guided by the expression of that opinion. That is all that I have got to say on this subject.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DASS : Sir, I rise to support this Resolution. The orthodox Hindus, who form a great majority of the population of India are very keen on their personal laws being administered in strict accordance with their Hindu Dharmshastras. It cannot be denied that during the long years that British courts have been working, Hindu law has been to some extent modified by case law. In my humble opinion, however, this should not have been the case. I have, therefore, great pleasure in supporting the Resolution.

The HONOURABLE SIR MANECKJI DADABHOY : May I inquire from the Honourable the Law Member whether it is not a fact that about 15 years ago an inquiry of this sort was instituted and opinions were asked for from Local Governments and the different High Courts? That is my impression.

The HONOURABLE DR. T. B. SAPRU : I cannot give any positive reply so far as my friend's question is concerned. 15 years is ancient history for me.

The HONOURABLE DR. GANGANATH JHA : Sir, I am not a stickler for forms. In fact, the course suggested by the Honourable the Law Member is better than that suggested by my Resolution. So, by your leave, I beg to withdraw my proposal.

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

RESOLUTION RE INCOME-TAX ASSESSMENT.

The HONOURABLE MR. LALUBHAI SAMALDAS : Sir, I beg to move the following Resolution :—

“ This Council recommends to the Governor General in Council that the following rule under Section 43 (1) of Act VII of 1918 be sanctioned for the ascertainment of the total taxable income of an assessee carrying on business in two or more places in the same or in different provinces :—

“ When a Collector learns that an assessee having his principal place of business in his district has a place of business in another district in the same or in another province, he shall communicate with the Collector in the latter district or province with a view to know the amount of the annual profits or income of the assessee. The Collector in the latter place may make the inquiry provided for by section 18 of the Act. He shall in writing inform the assessee or his representative of the amount of income he arrives at and then give him an opportunity of proving his own statements in the matter. He shall then send his report on the income of the

branch. The Collector in the district in which the principal place of business is situated shall not require the production of accounts or documents or particular pieces of information relating to the branch business of the assessee in other places. He may, if necessary, refer the report or reports back again to the other Collectors to satisfy himself fully. He shall make the final assessment on the amount finally reported.”

Sir, this Resolution seems to be a very big one, but I think, when I say a few words in support of it, it will appear that it is not so technical and need not frighten the Members of this Council as the reading of it might have done. Under the Income-tax Act, section 43(1) gives power to the Governor General in Council to make rules for carrying out the purposes of this Act and for the ascertainment and determination of any class of income. The Government of India have by their Notification No. 778-F. of the 23rd August 1918 and another Notification delegated those powers to the Local Governments and Administrations in India to make rules for carrying out the purposes of the said Act and for the ascertainment and determination of any class of income, in so far as regards the assessee under their control. As these powers have been delegated to the Local Governments it may be said that the proper place where such a Resolution ought to have been brought forward would be the local Council. My reason for bringing it here, Sir, is that the Resolution, as I have put it, refers not only to districts of the same province, but also to districts in the same or in another province, and in that case it is, I think, necessary that a Resolution of this character should be discussed in this Council. There are many merchants of Madras who have branches say in Bombay or in some of the districts of Bombay. In the same way there are merchants in Bombay who have branches in Madras. In the same way both Madras and Bombay merchants have branches in Rangoon and in Burma, and, on the other hand, Rangoon merchants have branches in Bombay and Madras. That is the reason why I am moving this Resolution in this Council.

I am basing my Resolution practically on the same words as are contained in Rule No. 38 of the Income-tax Manual of the Madras Government. There I am merely suggesting a few alterations because the rule as made there works very hard and cause some inconvenience to the tax-payer in that Presidency. The rule provides that the Collector of the district where the head office is situated can ask the Collectors of other districts where the branches are situated to assess the income of the assessee and then report thereon. The Collector in the branches, as I would call them, then examines the accounts, goes through the account books and satisfies himself as to the exact amount of income that should be assessed. He then sends it on to the Collector of the principal place of business. Under the rule as laid down by the Madras Government the Collector of the district where the principal place of business is situated has the power to alter or amend the assessments made by the Collectors of the local places. That, Sir, I say is unfair to the assessee. The assessee has shown all his account books in the places where he is doing business to the Collectors of those places.

The Collector of his branch place of business has satisfied himself that the accounts are correct, and after seeing the account books he fixes the income of the assessee. After that the Collector of his principal place of business should not have power to make any alterations ; he cannot have any further knowledge, because the Madras rule prevents him from insisting on the

[Mr. Lalubhai Samaldas.]

production of accounts or documents relating to the branch business of the assessee in other districts. One wonders, Sir, how in the absence of the accounts of the branches the Collector at the principal place of business can make any alterations or amendments. The only way in which he can do it is that he thinks that the profits should be assessed on a particular basis. The Collector of the branch considers the profits should be assessed on another basis. There is one typical instance which I shall place before this Council. In Tanjore a man had his principal place of business, and he had a branch in Madras. The Collector of Madras estimated the income at Rs. 25,000. At Tanjore when the papers went to the Collector he thought the assessment was—since under these rules he had to give his reasons for making any alterations—his argument was that on the basis on which rice merchants were making a profit in Tanjore the amount of profit at Madras should be Rs. 50,000. He did not take into consideration the fact that Madras profits might not have been on the same basis, and that the Madras Collector was the proper man to satisfy himself as to what the Madras income was. He fixed the income at Rs. 50,000; there was an appeal to the Madras Government, and the Board very wisely and reasonably reduced it to Rs. 25,000. But there may be many cases where the assessee may not be able to satisfy the Collector at either his principal or branch place of business; if he is able to satisfy the Collector at one place and not able to do so at the other, it would involve his taking the account books, sometimes for a distance of 500 miles or more.

The Madras man may again have a branch at Rangoon; and the Rangoon Collector accepts the accounts of the Rangoon branch; if the Madras Collector does not accept, then there are only two means open to him. Either he must accept the final award of the Madras Collector, or he must put a stop to his business at Rangoon, inconvenience his business there in order that he might bring all his books from Rangoon to Madras. That, I submit, is very hard. This proposal which I have suggested ought to meet the requirements of the Income-tax Collectors in all parts of the country. What I suggest is that if the Collector of the principal place of business is not satisfied that the income is correctly assessed, I give him power by this Resolution to send the papers back to the place where the business was conducted, and then the Collector of that place will again examine the accounts, and in the light of the remarks made by the Collector of the principal place of business he will either re-assess it or send back with his remarks; and then the Collector of the principal place of business should accept those figures and assess the income as given by the branch Collector. Sir, my object in bringing this Resolution is that while there should be all convenience to the assessee to prove his accounts, at the same time there should be an efficient method of ascertaining incomes. I think this Resolution as worded combines both. It frees the assessee from the inconvenience of bringing his books from distant places and produce them before various authorities; at the same time it gives the Collector of the principal place of business power to send back papers, if he has any reason to think that the income is not correctly assessed, to the collector of the branch business, and then accept his decision. As I said in the beginning, although the Madras Government says that full reasons are always to be recorded when the estimate of the Collector in any district is not accepted, I do not think it is possible in the absence of account

books for the Collector of any district to give any other reasons except mere inferences, because I do not think any Collector will claim the power of a Mahatma to get into the inside of accounts which are miles away from that place. For these reasons, Sir, I commend the Resolution to the acceptance of this Council.

The HONOURABLE MR. E. M. COOK : Sir, there are certain reasons, which I will explain in a few minutes, why we are not able to accept my Honourable friend's Resolution in the letter. But I can assure him that we can certainly accept it in spirit. If I understand my Honourable friend correctly, the grievance to which he refers is connected with the trouble to which people, who are assessed to income-tax and who have branches of their business in various districts of the same province, or perhaps in different provinces, are put by having to deal with two or three different sets of income-tax officials, who, I am afraid, often regard themselves as more or less independent of each other and frequently also do not accept each other's decisions in matters of assessment, etc. Now, I may say at once, Sir, that the Government of India entirely agree that it is not fair to make a business man cart his account books from one part of a province to another, or from one province to another. Indeed, if we had a properly skilled income-tax staff at every place, I would be inclined myself to go even further than my Honourable friend's Resolution, and to insist rigidly on the estimates and expenditure of all branch businesses being finally determined by the local staff, and utilised by the income-tax assessor of the district where the principal place of business is in making his final assessment. In other words, I think it would be fair, if we had a proper staff at each place, to insist that the income-tax official at the principal place should accept a certificate from the income-tax official of the branch place saying that a firm's income from his branch, or the profits of the branch, have been so much.

That being Government's attitude in this matter my Honourable friend may ask 'Why cannot you accept this Resolution?' He has already given the answer himself. The fact of the matter is that when this Income-tax Act was passed in 1918, we issued a notification, to which I think he referred, in which we delegated to all Local Governments and Administrations the power to make rules for carrying out the purposes of the Act. Well, looking back in the light of the experience of the past three years, it may be that we were perhaps a little hasty in decentralising income-tax work so much, and in giving Local Governments such very wide rule-making powers. I believe, Sir, I am correct in saying that there is some feeling in business circles in this country that it is very inconvenient for firms whose operations are carried on in different provinces to have to deal with income-tax rules which may vary from province to province. If that is so, then I agree that this matter ought to be put right. The only way you can do it is to withdraw those powers that have been given to Local Governments, and until we have done that I am afraid we cannot issue an all-India rule such as my Honourable friend asks us to do. As the Council knows from what I said in speaking on a Resolution of Mr. Chettiyar's some few weeks ago, we are about to make a very exhaustive examination of the whole income-tax law in order to recast the Act completely, so as to make it more fitted to modern conditions, more particularly as regards mercantile accounts and mercantile assessments, and we hope to do that in the course of this summer. In doing so we shall, I need hardly say, consider the whole question of rule-making power, and more particularly, this

[Mr. E. M. Cook.]

matter now under debate. In the meantime, until this is done what we propose to do is to write to all Local Governments and advise them to adopt the practice, wherever the assesses so desire, of having all inquiries regarding ranch businesses conducted by the local assessing officer of the district in which the branch business may be situated, whether those districts are within the same province or not. There will then be no excuse on the part of the income-tax official at the principal place of business to ask firms to produce before him the account books of their branches. I hope, Sir, in view of what I have said, that my Honourable friend will not press his Resolution.

The HONOURABLE MR. LALUBHAI SAMALDAS. Sir, I am very thankful to the Honourable Member for his explanation and for the spirit in which he has received my Resolution. As the explanation is satisfactory, I beg leave to withdraw the Resolution.

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

RESOLUTION RE PEACE AND VIGILANCE COMMITTEES.

The HONOURABLE MAUNG PO BYE : Sir, the Resolution that stands in my name runs thus :

'This Council recommends to the Governor General in Council the desirability of immediate establishment of peace and vigilance committees in all towns and villages to render active assistance and advice to the Government for the prevention and putting down of riot, disturbance, unrest and sedition.'

Sir, the Resolution involves a novel idea requiring a demonstration of gravity of reasons and lucidity of argumentation to convince not the Honourable Members of this Council only, but the populace at large throughout the Indian Empire, that the adoption of the policy of establishment of a peace and vigilance committee in every town and village would be likely to prove beneficial to the administration . . .

The HONOURABLE THE PRESIDENT : I hope the Honourable Member will, in the first place, confine his arguments to the more limited circle of this Council.

The HONOURABLE MAUNG PO BYE : Do you want me to shorten my speech?

The HONOURABLE THE PRESIDENT : I understood the Honourable Member to say that he proposed to convince not only this Council, but the whole of the Indian Empire. I suggest that in the first instance he should confine himself to this Council.

The HONOURABLE MAUNG PO BYE : Sir, a Member from a backward province like Burma, with no knowledge of the conditions of the people, other than those of his own country, is not fit to handle the subject and he should have left it to the able and eloquent veteran members, but this session of Legislative Chambers is drawing close to prorogation and the question to my mind is momentous; hence my humble venture to put forward a few facts of framework for deep and serious consideration.

Sir, the peace and tranquillity of the country is an object of the highest value in the administration, without which no other branch can prosper to its full extent. Peace and order cannot be obtained without the vigilance and care of fairminded units of, even a family in a family circle, community in a community and people in a people.

The people of Indian Empire have accepted the principle of responsible Government, and that principle does include that the people must exercise their share of power of governance from a point in which the Government and the people can co-operate heartily and that point is the maintenance of peace. No one should speak a word or do an act to disturb it, even by a great revolutionary or revolutionaries, it would be down right cruel and inhuman to deceive the ignorant and innocent people to suffer pain in mind or body as the ultimate result of a thoughtless word or act. To maintain peace is every citizen's duty: for the disaffection or discontent, real or imaginary, every citizen should strive hard first to adjust by peaceful and constitutional means.

From the events of facts we have had before us—which I need not state in detail for fear of exceeding my time limit—that when there occurred any riot or disturbance or loss of life or property in a town or village, the Government as duty bound had to step in, to enforce law, and order and the people who see that the Government action was right or wrong did not come forward simultaneously to assist the Government in two ways, if the Government is right to co-operate with actively and whole heartedly or if wrong to point out at once, the error and resort even by urgent representation to higher authorities or to the public opinion at large. To sleep over the affair for months or years and then make it a weapon to support or deride the Government or the wrong doer or the people is nothing short of a failure or criminal negligence of the duty of citizens.

On account of such antipathy almost in every great riot or disturbance the Government and the people are split into two camps, the common ground of reconciliation is lost, some honest comments of press, both edited by European or Indian are treated with contempt and the whole country rendered as if no public opinion worthy of its name exists in it.

My point is would this Honourable Council admit that it is beyond its powers to devise any plan or policy to remedy this deplorable state of affairs? What I now put forward is a poor suggestion with the main object of courting any other suggestion or suggestions to be brought forward with feasible and expedient merits by other members.

The Government should give a free hand to the citizens of the towns and villages to manage this branch of administration—the maintenance of peace and vigilance—in the way of forming committees composed of elected citizens in largest possible majority and no one should be induced or even requested to serve on the committee by the Government but Government only inform the people of the town and the village that if there is such a representative and reliable body the Government would recognize it and act with it in co-operation.

The Magistracy and the police are the limbs of the law and order and how the committee should have the full use of them is a matter of detail to be arranged between the committee and the Government. It should be the

[Maung Po Bye.]

Magistrate's request only for the assistance of the military when necessary to quell the disturbance or the riot.

The disturbance and riots are often the acts of the ignorant people without realising the consequences that would follow. When they realise it it has become too late and the harm has been done to themselves and others.

The committee would be useful in the way that the people can be kept always well informed where the harm would come in and where the limit of their freedom of action ends and when they would be committing an offence and how the Government would put down the disturbance.

The committee would also be in a position to inform the magistrates and the police when and how the disturbance should be taken in hand by the Government. I think I have said enough Sir, to show that if committees are formed there would be a salutary effect to the country in maintaining peace.

With these remarks I recommend that this Resolution should be accepted.

The HONOURABLE SAIYED RAZA ALI: Sir, I will say only a very few words on this Resolution. The Resolution places me in a way on the horns of a dilemma. It is worded in such general terms that, if the Resolution were to be given effect to, then instead of improving the present position it would make confusion worse confounded. The Resolution uses such terms as 'unrest' and 'sedition.' It at the same time recommends the appointment of a committee. The Honourable Mover has not suggested or at least, if he suggested I could not follow him there, as to who is going to appoint these committees. Now, without anticipating the discussion on the amendment, if there is going to be any, I may say on the original Resolution this much that the committee can derive its authority from two sources only; either they will be appointed by executive authorities or by local bodies. Now, if it is going to be appointed by executive bodies, the appointment of such a committee would not tend to create confidence in the people because it would be open to the objection that men who were not desirable were chosen to act on such committees. On the other hand, if power were given to any local body, then it may be that in a number of cases the object which the Honourable Mover has at heart would be frustrated, inasmuch as it is not inconceivable that in a number of places gentlemen might be elected to work on this committee whose election would not be welcome to the executive authorities. So that the Resolution is open to a double objection. Whether you give the power of appointment to the executive authorities or to the people its object instead of being advanced will be frustrated and in no case would you be able to satisfy all the parties.

One word more about the use of two terms, namely 'unrest' and 'sedition.' Well, I am very sorry that my Honourable friend has not been very happy in the use of these words. Now, unrest and sedition may be as large or as small as a man's foot. Now, who is to decide whether a particular act comes under the definition of unrest and sedition or not? Well, you might say that if a man makes a violent speech it comes under unrest and it also falls under sedition. Another man might take the view that it is only proper and constitutional agitation and no more. Sometimes it is exceedingly difficult indeed to say as to whether a certain act falls under the class of agitation or under the category of unrest. Then the boundary line between

unrest and sedition at times also becomes very narrow. And it is very difficult to say at times whether a particular act falls under the one class or the other. Now, who is going to decide these questions? So far as I am concerned, Sir, I may venture to say that I am not at all afraid of unrest and I entertain no fears on this score. As a matter of fact, I look upon unrest as a dignified form of agitation. Well, it is possible for Members of this Council to differ on that point, but it is certainly permissible to us to take that view. Agitation perhaps, if carried on in a certain way, though perfectly constitutional, might be termed unrest by some of those to whom it is not palatable. Therefore, it seems to me, Sir, that the passing of this Resolution would be fraught with great dangers. It would be very difficult to get a satisfactory committee, and if you get your committee it would be open to so many objections. Then again it will be extremely difficult for a magistrate to get together that committee and to decide whether the time had come to take a certain action or not. Is the magistrate or the man on the spot to visit every individual member especially when he is faced with a dangerous situation and to ascertain their views as regards the situation? No doubt it is open to the executive authorities to consult the local leaders. I am aware that this is open to the objection that the local authorities can consult any leaders they like. But I for one do not see how a safeguard can be made against that danger. It will always be open to the executive authorities to appoint any man they like. But I for one am quite prepared to take the view that the Executive Councils would not consult a particular class of man only belonging to a certain school of thought but quite irrespective of the parties among which the local leaders may be divided. I do hope and trust that the executive authorities, if faced with danger, would take care to consult all such leaders whether they belong to this school of thought or that, who wield any amount of influence in the localities. For these reasons, Sir, to me it appears that it is extremely dangerous to take the course suggested by my Honourable friend and for this reason I hope my Honourable friend will see his way to withdraw this Resolution which, if carried and accepted by Government, will certainly do more harm than good.

The HONOURABLE MR. G. S. KHAPARDE: The amendment which stands in my name which I beg to move, Sir, is that after the words 'vigilance committees' the following words be inserted: 'to be elected by either the municipalities (where they exist) or by taluka boards.' The necessity for this amendment I felt when I read the Resolution of the Honourable Mover and I put it in, and after the words that have fallen from my Honourable friend Saiyid Raza Ali, the necessity appears to me to be the greater. There is that difficulty I quite recognise—the difficulties that have been put forward by the Honourable Saiyid Raza Ali, but they have to be overcome. In matters of this kind where good government and peace is concerned, there may be difficulties but we cannot be daunted by them. It is our duty to put our mind to it and to apply all the ingenuity that God has blessed us with to put these things down and further to me it appears that the Resolution is very good. If the amendment which I introduced is accepted, very likely it will be very nearly perfect—at least as perfect as human institutions can be.

At present the difficulty is that some movements go on and it is some time before they attract attention, and before they are brought to notice, and when they are brought to notice, many other things come in. This is a device to increase what we may call the information part of the Government. These

[Mr. G. S. Khaparde.]

vigilance committees I do not think will have any special powers beyond merely bringing things to the notice of the constituted authorities. If they can go and prevail upon the people themselves not to adopt such and such measures, that will be still better. Let us take the case of a vigilance committee in a certain place which has information of some sedition being talked or unrest being created. All that the committee will do is to give information about it, I suppose, to the Magistrate or the police officer concerned. My Honourable friend feels difficulty as to who will decide. I say, either the police will decide. I suppose they will have legal advisers, or certainly the Magistrate will advise them as to whether a movement is harmless and ought to be permitted, or whether it is bad or seditious, in which case he will take action. Under any circumstances the business of the vigilance committee will be only to advise the people concerned to desist from their course, and in the last resort to give information to the constituted authorities. I meet one part of the objection by providing that our country so far as I know, each big town, is governed by Municipalities and in the cases of villages and ordinary towns there are rural boards, and taluka boards also; that is to say, they consist of people who pay so much revenue, or so much tax, and these bodies have various duties, such as sanitation, etc., assigned to them by law. These Municipalities and taluka boards can easily form themselves into vigilance committees, and as their business will be no more than first advising the people concerned, and then bringing the matter to the notice of the constituted authorities I do not see that there is any danger in that regard. So, I heartily support the Resolution and I put forward my amendment to it.

THE HONOURABLE SIR WILLIAM VINCENT: Sir, I appreciate the spirit in which this Resolution is brought by the Honourable Mover, and I feel that his intention was to avoid and counteract a great deal of the disloyalty and hostility to the Government so prevalent in India at the present day. That I gather is what is at the back of his mind.

The idea of these vigilance committees or advisory committees is, however, by no means a new one. Honourable Members may remember that in cases of disputes between Hindus and Muhammadans they have frequently been employed. On some occasions they have proved efficacious, and in other cases their assistance has been of little avail. But those were bodies constituted for the settlement of definite disputes relating, say to cow killing or something of that kind, or as to the passage of processions down various streets. Similarly, I believe in some parts of the country conciliation committees or committees of this kind have been used for the purpose of settling disputes between Sunnis and Shias. The present proposal goes a great deal further than these, and I was left in some doubt from the Honourable Mover's speech as to the exact powers which he proposes these committees should have. The Honourable Mr. Khaparde was much clearer. He said, 'I really do not mean them to have any powers, but only to be centres of information to the people and a go-between between them and the authorities.' The Honourable Mover went, however, further than that. I am not sure if I followed him exactly, but I thought I heard him suggest the use of this committee in connection with the calling out of military forces for the quelling of disorders. I do not know whether I misunderstood him. That is carrying this idea of vigilance committees very very far and is a matter which every Member of this Council would like to consider carefully before accepting it.

The experience of vigilance committees has shown that they are in some cases useful, but in other cases they are a positive danger to the community. Vigilance committees certainly in America and many other parts have done as much harm as good. They often constitute a body which restricts unduly the liberty of the subject. I now want to put to the Council a practical difficulty about these committees. Who is to appoint them, a question very well put by one of the speakers now. Is the Government to appoint them, or the Collector? What would be the result? You will have to employ some agency, possibly the police, possibly the tahsildar to secure nominations and your vigilance committee is at once suspect. Are they to be elected by the people? Or let me take the case where, as unfortunately is sometimes the case, there is a dispute between the Hindus and Muhammadans, or Sunnis and Shias, or Arya Samajists and the Hindus, and the former in each case form a majority of the electors. What would be the effect of this? The vigilance committee elected by the majority might use its powers for the oppression of the minority. So I doubt myself if these vigilance committees would be of great benefit for the purposes which the Honourable Member has in view, which is really to combat this non-co-operation movement—for this is what he means when he speaks of a movement of disloyalty. In any case this is a provincial matter. How often have the Government of India to point out to this Council and the Legislative Assembly that you cannot have it both ways? You cannot have provincial devolution and at the same time say: 'I am going to teach you, how you should manage, each individual department of your work.' If there is one subject essentially provincial it is a matter of this kind. The Honourable Mr. Khaparde makes this clear by suggesting election of the committee by taluka boards and municipalities. Is this Council going to ask the Government to invite a snub from Local Governments by taking up questions of this sort? It is a really perfectly simple proposition. Are not there members from Local Governments—there are Members from Bombay here now—who must know that this subject has been time after time examined and Local Governments are fully aware of what is possible in this direction. Is this Council going to stultify itself by asking the Government of India to recommend to Local Government to re-examine a question with which they are fully familiar. Let me follow this amendment of the Honourable Mr. Khaparde a little further? He often is fairly specific and often open to attack. On this occasion, if I may say so, particularly so. The idea of these vigilance committees which the Honourable Member contemplates is that they should deal with unrest and sedition, really to deal with disloyalty and non-co-operation. This is a branch of the general subject of law and order and so far as I know, municipalities and local boards have no concern whatever with maintenance of law and order, I speak subject to correction. Local self-government is a transferred subject. Law and order are reserved subjects. Similarly in regard to taluka boards, they are not concerned with law and order either. But there is another objection which is of greater force. Great efforts have been made in various local areas in municipalities in Madras and in Bombay, to capture the local authorities for the non-co-operation party. Let us now examine the Honourable Mr. Khaparde's proposal in the light of this fact. Here is a proposal that non-co-operationists should elect members of the vigilance committee which is to fight non-co-operation! This is a *reductio ad absurdum*. Even in the Honourable Member's own province, the Central Provinces, there are local authorities who are, by no means, averse from this.

[Sir William Vincent.]

non-co-operation movement. Does he seriously think that they would put up vigilance committees that would be of any use to the administration in combating that movement? That is why I say that it really is idle to make this suggestion. The whole proposal is outside the jurisdiction of this Council ; it is not a matter for the Government of India, it is a proposition that has been tried often, in some cases successfully and in other cases without success, and in the modified form proposed by Mr. Khaparde would do more harm than good. That there is room for a great deal of non-official organisation and propaganda against non-co-operation, I fully acknowledge, and I hope that every Member of this Council who has shown by his presence here that he is against the movement, will do his best to counteract the movement, fight it and combat it wherever he meets it ; but I doubt very much whether the appointment of these vigilance committees is necessarily the best way to do it. At the same time, I am quite prepared to communicate the views of the Honourable Member to the Local Governments, particularly to the Government of Burma, if the Council so desire, and I hope that this may meet him. I realise that his object in bringing it is really to assist the Government in a very difficult matter. What I am afraid of is that by the actual proposal which he has made, particularly in the form amended by the Honourable Mr. Khaparde, the proposal might, instead of assisting the Government, further assist and stimulate its enemies and impede the administration. For these reasons, I hope the Honourable Member will not press his Resolution though, if he does, and if the motion is carried, the utmost I can do, is to forward an abstract containing the speeches made in this debate to the various Local Governments concerned, and, even then, I anticipate that this Council will be asking the Government of India to invite a very unpleasant rebuff from Local Governments.

The HONOURABLE MR. G. S. KHAPARDE : Sir, one word of personal explanation. I do not want to make a speech. The word 'non-co-operation' is not in the Resolution which deals with unrest and those things. That is one explanation which I give.

The next is that in Municipal Acts there are provisions for the employment of police

The HONOURABLE THE PRESIDENT : That is not a personal explanation. That is an argument.

The HONOURABLE MR. G. S. KHAPARDE : There are two facts which I want to bring out.

The HONOURABLE THE PRESIDENT : That is an argument.

The HONOURABLE SARDAR JOGENDRA SINGH : Sir, I sympathise with the high sense of citizenship and the noble ideals of peace which have inspired the Mover. One could not have expected less from the Burman gentleman if Fielding Hall's 'Soul of a People' is any indication of the heart of Burma. But, as the Honourable the Home Member has pointed out, the difficulties in constituting these vigilance committees are very great. They have been tried in Bombay and were started in other places also without any tangible results. It is not possible to invest them with power which could be of any use to the people or to the Government. In view of what the Honourable the Home Member himself has said, I realise that the proposal has been made to assist

the Government but, as the Honourable the Home Member feels that he cannot very greatly interfere in the provinces in this matter, the Mover might withdraw his Resolution. Possibly, in Burma, things are different. They have their Buddhist societies in every village and town, and, as the Home Member has promised that he is going to communicate the discussion here to the Government of Burma, it will help the formation of these societies there. It is very difficult to constitute any vigilance committees which would serve any useful purpose, and I do not think that it is for this Council to pass a Resolution of this kind in a matter which is mainly provincial. If the Honourable Mover thinks that his proposal would be carried out in his own Province, I do not think there is any need for him to press the Resolution before this Council.

The HONOURABLE MR. LALUBHAI SAMALDAS : Sir, I am for provincial autonomy. The Honourable Sir William Vincent threw out a challenge and I am prepared to accept the challenge. I am for provincial autonomy even at the risk of displeasing the Members on the Government Benches, and I would not like any interference in my province from the Government of India. For this reason, as I want provincial autonomy and I do not want the Government of India to interfere in the affairs of my province, I entirely agree that this matter should be discussed in the provincial Councils ; that is the place to go to for it, and I hope that my Honourable friend the Mover will now withdraw the Resolution. I am sorry, Sir, that I was not present when this Resolution was moved, but in regard to what the Honourable Sir William Vincent said about non-co-operation I can say that both in Ahmedabad and in Nadiar attempts have been made in the municipalities to introduce what may be called non-co-operation. The schools of both these municipalities refused grants from Government and they wanted to nationalise these schools in both these municipalities. So the proposal made by the Honourable Mr. Khaparde will not remove the difficulty and might possibly increase it.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN : Sir, I will first speak in connection with the amendment. I want to say only this, that if the men who have to administer, that is to perform the duties entrusted to them were elected, they would be looking to those people by whom they were elected. The electors may be good or they may be bad, but there they will be, and those elected will never be able to carry on that work properly which my Honourable friend the Mover has put forward. Lots of people have opposed him and, one point raised by them is a very strong one and that is provincial autonomy. But when the Honourable the Home Member says that he will write to the various Local Governments, I think that will be quite sufficient for the purpose. Before concluding I do want to say one word, and that is that during the last war there were attempts made and every time they were successful. For instance, each district had a committee for recruiting. They did good work which is seen from the statistics of recruiting. Again, there were other committees which collected money. They went to the people and asked them for money, saying 'Now is the time to help Government ; you had better do it', and they also carried through their plan. It is not impracticable that, if you did have committees, they would not work. In Patiala they had committees for settling disputes and I remember hearing from Colonel Popham Young that these committees, did excellent work. I am sure that if men like zilladars and lumbarbars, who

[24TH MARCH 1921.

The HONOURABLE THE PRESIDENT: The arrangement was that the remainder of this list should stand over till Saturday. I have learnt from the Honourable the Secretary that the Government business on that day is likely to be light; and since we sat rather late last night, we will now adjourn.

The Council then adjourned till Saturday the 26th at 11 A.M.

COUNCIL OF STATE.

Saturday, 26th March, 1921.

The Council assembled at Metcalfe House at 11 A.M., with the Honourable the President in the Chair.

QUESTIONS AND ANSWERS.

TRANSFER OF ADEN TO THE COLONIAL OFFICE.

222. The HONOURABLE MR. BHURGRI: Will Government be pleased to state—

- (a) if the question of the transfer of Aden to the Colonial Office is under their consideration;
- (b) if so, do they propose to give an opportunity to the Council of State and the Assembly to express their opinions before Government come to any decision in the matter; if so, when?
- (c) whether they will lay on the table the correspondence between the Secretary of State and the Government of India on the question;
- (d) if not, will they make a statement showing on what considerations the proposed transfer is asked for?

The HONOURABLE MR. DENYS BRAY:

(a) Yes.

(b) Government would have welcomed an expression of the opinions of the Council of State and Legislative Assembly on the proposed transfer of Aden to the Colonial Office. I would remind the Honourable Member that the proposal has long been a matter of common knowledge—it was indeed endorsed unanimously by the Aden Chamber of Commerce as far back as the 19th January, 1920—and it has been open to any Honourable Member to raise a discussion on it by means of a Resolution at any stage in the Sessions. At the same time, I hope that the statement I am about to make will fully meet the Honourable Members.

(c) The whole question, including the future incidence of expenditure, is still under discussion and the correspondence cannot be laid on the table at present.

(d) It is essential to remember that the station of Aden is only one element in the problem. Aden is not merely a town, in the development of which Indians have played a great part and to which they contribute about a fourth of the population. It is a vital strategical point that requires a large garrison, and an important political centre, which involves complex relations with the Arab tribes in the Aden Protectorate and with the Foreign Powers with interests in the Red Sea. These military and political arrangements entail heavy expenditure, and though the affairs of the Protectorate are shaped by international policy with which India has no direct concern, the administration of Aden has been a serious burden on the Indian tax-payer.

[Colonel Sir Umar Hayat Khan.]

have got a stake in the land, were allowed to form committees they would be the last persons to see that trouble came to their country. It is only the 'misleaders,' as I call them, that mislead the people so as to become their leaders who do the kind of thing mentioned in the Resolution. Of course, I think my friend has had these people in his mind. I personally think that if, especially in my province, such committees were formed, they would be very useful.

If the Government had some such thing to combat these pests, I am sure it would really carry weight and would do good. I hope these remarks of mine will go to my Government. There is one other thing that I want to say, and that is this: that our province is the place from which the army is recruited; there are all these martial classes there; and they should be the last people to be affected. It is in the interests of the army as well as of those classes who form the army that I put it before the House that some such thing as is suggested would prove very useful for my province, and perhaps for other provinces also.

The HONOURABLE NAWAB SIR ZULFIKAR ALI KHAN: Sir, I strongly feel that on a question like this I must not remain silent, especially when it concerns the happiness of the people not only of my province, but that of other provinces also. If the Government acts up to the recommendations made by the Honourable Mover I fear that the consequences will be very unhappy. I know of very many instances which have come to my knowledge that some people, if they are given any latitude of authority in this way, as is proposed by the Honourable Mover, they frequently misuse their powers and misrepresent the people to the authorities; and in order to satisfy their own private grudges they want to malign the character of such people; and the people who are hit in the dark in this manner find the officials sometimes mysteriously changing their attitude towards them and in this way Government officials lose friends and make enemies of such people who otherwise would be loyal to them. Sir, I think that it will be highly mischievous if this recommendation of the Honourable Member were accepted by the Government.

The HONOURABLE NAWAB SIR BAHRAM KHAN: * Sir, I speak on the amendment of Mr. Khaparde moved to the Resolution of the Honourable Maung Po Bye. I admit that there are troublous times, and there is conspiracy among some people who are doing their level best to bring about revolution in the country. To check the above I have two suggestions to put forward:—

1. That the Members of State Council, of Legislative Assembly, as well as those of the Provincial Councils, may they be nominated or elected, who have by solemn affirmation declared their true allegiance to the King-Emperor should be empowered and interested to use all their influence in checking and putting down such a propaganda:

2. The members of the District Boards or Municipalities should perform such a task, but the ones chosen must all be nominated, and not elected, as elected members would not have such an influence as the men nominated by Government with real power and sufficient stake in the land. The duties of

* Translation of a speech delivered in the vernacular.

the above should be to check and repudiate the mischievous and untrue rumours, floated by the enemies of the country against the Government. Such selection should be mostly entrusted to the Local Government who should nominate their respectable and influential subjects, say the Deputy Commissioners or Commissioners to nominate the committees in their jurisdictions. I am emphatically opposed to such committees being elected by the public, as they then will not be able to perform their duties in the manner prescribed.

The HONOURABLE Mr. C. N. SEDDON: Sir, I feel that I must say one or two words in support of the view taken by the Honourable Sir Zulfikar Ali Khan. I must admit that I was rather alarmed at the idea that the Government of India would send down to my own province of Bombay anything that would lead the Bombay Government to think that the Government of India in any way approved of this Resolution; for I feel perfectly convinced that the Bombay Government would protest with all the strength at their command. And I feel sure that any attempt to bring into operation any such Resolution as this in Bombay would have nothing but mischievous results. There are many parts of Bombay where, I am thankful to say, there is no need of such vigilance committees at all; and if a vigilance committee were appointed, it would surely do harm; since it would have to find something to do, and 'Satan finds some mischief for idle hands.' It would be bound to find disturbance and unrest where there was none, and to stir it up. Another thing is this, that in Bombay and I expect in most parts of India—country life is very largely affected by the factions in villages, and if you get a vigilance committee elected by a village or taluka board it would be certain to do a great deal of harm by accentuating those factions disputes in villages. The third point that I should like to bring to the notice of this Council is what has been already mentioned with regard to the non-co-operation movement. In Guzerat, I regret to say—Guzerat being of course the home of the leader of the non-co-operation movement—the movement is very strong; and it is quite certain that if you had vigilance committees in any of the Guzerat villages they would be simply non-co-operationists, and they would do an enormity of harm. In these circumstances, Sir, I trust that the Council will not approve of the Resolution put forward by the Honourable proposer.

The HONOURABLE THE PRESIDENT: I think the Council is now in a position to dispose of the Honourable Mr. Khaparde's amendment.

The amendment was negatived.

The HONOURABLE MAUNG PO BYE: Sir, I mentioned in the first part of my speech that I knew absolutely nothing about the conditions of the people in other province than Burma. My idea, Sir, is that the non-co-operation movement is not spreading in Burma at the present moment, and that our people are only one community, the Burma Buddhists. If the policy I advocate is adopted in our country, the elders and the religious teachers will be able to tide over this non-co-operation business and prevent it from spreading. But, Sir, as the Honourable the Home Member has explained, my object is attained in this way, if the debates on this Resolution are sent to the Government of Burma, I wish to withdraw the Resolution.

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

The proposal to shift the responsibility for Aden from India was first mooted in 1861 and has been often raised since. Under the stress of the Great War the old system finally broke down. The military operations were placed under the War Office; the political control was transferred to the Foreign Office; only the parochial administration of the station of Aden itself was left with the Government of India.

Such a division of control, justifiable as a war makeshift, involves a serious sacrifice of both efficiency and economy; and the present proposal is to relieve India of the whole of her responsibilities in this little corner of Southern Arabia. The Government of India hope to secure under it a substantial relief for the Indian tax-payer, and to further the interests of the inhabitants of the Aden settlement itself. In their Resolution of January, 1920, the Aden Chamber of Commerce expressed 'its earnest desire that Aden should be placed under the British Colonial Office . . . which it is believed would be conducive to the expansion of Aden trade . . . and to the welfare of its inhabitants'. True, unanimous though this Resolution was, some of the Indians who then associated themselves with it are now protesting against the transfer, apprehensive apparently of some impairment of their interests under it. But the Government of India have throughout made it an absolute condition of their assent to the transfer that it shall in no way impair the interests and status of Indians, who shall receive precisely the same treatment as that accorded to the other subjects of His Majesty. This stipulation His Majesty's Government have accepted unreservedly.

MUNICIPAL BOARD OF DELHI.

223. The HONOURABLE MR. BHURGRI: Will Government be pleased to state:

- (a) when the period of the present Municipal Board of Delhi was to expire?
- (b) has the period been extended by Government; if so,
 - (i) to what date, and
 - (ii) for what reasons?
- (c) whether it is a fact that the Municipal Councillors of Delhi had sent in a representation (by the Resolution of the Board) asking—
 - (i) for a non-official President for Delhi, and
 - (ii) for the reasons of delay in the preparations for new elections?

If so, what reply has been given?

The HONOURABLE MR. SHAFI: (a) The three years' term of office of the present Municipal Committee of Delhi expired on the 19th March, 1921.

(b) The answer is in the negative.

(c) The answer to both parts of this question is also in the negative.

Section 13 (3) of the Punjab Municipal Act provides for the continuation of outgoing members in office until the election or appointment of their successors is notified. In the present case the elections were delayed owing to the discussion of certain questions arising out of the Government of India

(Education Department) Resolution No. 41, dated the 16th May 1918. It is understood that the elections will be held within a few weeks.

The HONOURABLE MR. BHURGRI: I wish to ask a supplementary question. Do Government propose to give them the right of electing a non-official President?

The HONOURABLE MR. SHAFI: That matter is still under consideration.

POLITICAL PRISONERS IN THE ANDAMANS.

224. The HONOURABLE MR. BHURGRI: Will the Government be pleased to state:

- (a) how many Political prisoners have been serving their sentences in the Andaman Settlement?
- (b) their names?
- (c) how long each has been in Andaman Settlement?
- (d) what is the state of their health?
- (e) how many of them are suffering from—
 - (i) malaria?
 - (ii) tuberculosis?
- (f) whether it is proposed to remove them from that Settlement? If so, when and to what place?

The HONOURABLE SIR WILLIAM VINCENT: The Government are not able to give in detail the information asked for by the Honourable Member, but are collecting it and will furnish it as soon as it is obtained.

I may, however, state that it has been decided that political prisoners now serving sentences in the Andamans should be transferred to jails in India, and that instructions have been issued for their removal in direct consultation between the Local Governments concerned and the Chief Commissioner, Port Blair.

At present, no political prisoners are under treatment for malaria, and only one is under observation for tuberculosis.

EXODUS TO AND FROM SIMLA.

225. The HONOURABLE MR. BHURGRI: Will the Government be pleased to state—

- (a) what is the expenditure they do incur on the annual exodus to and from Simla?
- (b) what will be the cost of holding the Session of the Council of State and Legislative Assembly this year at Simla over and above the expenses that may have been incurred if the Session had been held in Delhi?

The HONOURABLE SIR WILLIAM VINCENT: The information is being collected and will be supplied to the Honourable Member later.

CANDIDATES FOR SECRETARIAT SERVICES.

226. The HONOURABLE MR. BHURGRI: With reference to the examination held of the candidates for qualifying them for permanent posts in the Imperial Secretariat and attached offices, will Government be pleased to lay on the table a statement containing the following information—

- (a) names and nationalities of the candidates?
- (b) whether employed previously in any Government office or not?
- (c) if employed, the departmental recommendation?
- (d) if employed, the number of years in service with the name of the office or department where employed at the time of examination and the division in which employed?
- (e) if employed, the departmental recommendation on the form of application forwarded to the Board?
- (f) marks obtained at the written test?
- (g) marks obtained at the interview?
- (h) number of members of the Board present at the interview of each of them and whether any Indian member was present?
- (i) percentage of Anglo-Indians who passed for the Upper and Lower Divisions and their failures?
- (j) percentage of Indians who passed for the Upper and Lower Divisions and their failures?

The HONOURABLE SIR WILLIAM VINCENT: The Honourable Member has probably not realised the amount of labour and expense that would be involved in the preparation of the statement asked for. The number of candidates examined whose results have so far been determined is over 1,100. The information called for could not be given without a scrutiny of the applications and other papers relating to each of these men, and a compilation of the results would form a considerable volume. The information asked for in part (e) of the question is in any case of a nature which is necessarily treated as confidential. Government do not consider that the utility of a statement giving the information asked for in parts (a) to (h) of the question would be commensurate with the labour and expense involved in its preparation.

The answers to parts (i) and (j) are as follows:

(i) Total number	74
Upper Division	54 per cent.
Lower Division	65
Failures	41
(j) Total number	1,038
Upper Division	18 per cent.
Lower Division	11
Failures	71

These calculations exclude the results of the examination held on the 26th February, 1921, at which over 500 candidates appeared, as these results have not yet been determined.

INSPECTOR OF OFFICE PROCEDURE.

227. The HONOURABLE MR. BHURGRI: (a) What is the present pay of the Inspector of Office Procedure?

(b) What was the pay of the present incumbent of the post before he was appointed to this post?

(c) When was this post created?

(d) Have the Government considered whether a suitable I.C.S. officer of the rank of Deputy Secretary to the Government of India could not be appointed to that post?

(e) What will be the difference in expenditure if the pay of the post be made at par with that of a Deputy Secretary?

(f) Will Government be pleased to lay on the table the Report of the Secretariat Procedure Committee?

The HONOURABLE SIR WILLIAM VINCENT:

(a) Rs. 2,250.

(b) Rs. 1,500.

(c) June 1920.

(d) No. The question of selecting an I.C.S. officer of the rank of Deputy Secretary for the post was not specially considered, but in any case no such officer had had the same experience in the organisation of commercial and Government offices as Mr. Watson.

(e) A Deputy Secretary to the Government of India is entitled to pay under the superior time-scale for the I.C.S., plus a duty allowance of Rs. 400 subject to a maximum of Rs. 2,250, exclusive of overseas allowance of Rs. 250. The total maximum pay of a Deputy Secretary is therefore Rs. 2,500 which is also the maximum pay of the post of Inspector of Office Procedure.

(f) As stated by me in reply to a question asked by Dr. Sir Debaprasad Sarbadhikari at the meeting of the Indian Legislative Council on the 16th September 1920, it is not proposed to lay on the table a copy of the Secretariat Procedure Committee's Report. The Honourable Member is also referred to the answer given by me to part (c) of his question No. 142* on the 21st February, 1921.

INSURED PARCELS CONTAINING GOLD JEWELLERY.

228. The HONOURABLE DEWAN BAHADUR RAMABHADRA NAIDU: (a) Is it true that certain insured parcels containing gold jewellery which were declared and accepted at the Colombo Post Office for delivery at Karikal, in French India, were intercepted and seized at Dhanushkodi in Ramnad District in British India in March, 1919, and acquired by Government under the Gold Import Act, 1917?

(b) Does gold jewellery come within the purview of the Gold Import Act, 1917?

(c) Under the rules of the Postal Department applicable to such cases, should not such parcels, if deliverable in British India, have been returned to the country of origin?

*Vide page 151 of Volume I, No. 5, of the Council of State Debates.

(d) Is it true that the addressees of such parcels were paid at the rates of Rs. 10 for the gold of the weight of a sovereign, when the market rate at the time the parcels were seized was about Rs. 17 per sovereign?

(e) And is it true that petitions have been sent to the Board of Revenue and to the Government of Madras, and such petitions were dismissed?

(f) Is it a fact that, in answer to interpellations in the Madras Legislative Council at its meeting held on 21st February, 1921, the facts were admitted and reliance was placed on the provisions of the Gold Import Act?

(g) Is it the fact that the Gold Import Act is applicable only to articles deliverable in British India and that under the rules framed under the Sea Customs Act, 1878, parcels sent from one foreign country to another, could not even be opened during transit in British India?

(h) Do the Government of India propose to direct the return of such parcels to the addressees who are citizens of French India, or order the payment of full compensation at the market rate prevailing at the time of the seizure of the parcels?

The HONOURABLE SIR GEORGE BARNES: In answer to parts (a) and (b) gold jewellery does not come within the purview of the Act referred to. But the packets intercepted at Dhanushkodi contained gold bullion and not jewellery.

(c) The answer is in the negative.

(d) The gold was acquired under the provisions of the Gold Import Act, the owner being paid the acquisition value at the rates prescribed by the notification then in force. It is believed that the rate was Rupees 10 per sovereign weight, but the Government of India have no official information on the subject.

(e) An appeal to the Board of Revenue, Madras, was dismissed. Government have no information regarding an appeal to the Government of Madras.

(f) Government have no information.

(g) Government consider that the action of the Collector of Customs was legally correct.

(h) The answer is in the negative.

MAILS FROM RAWALPINDI TO SRINAGAR.

229. The HONOURABLE MR. SETHNA: (a) What was the annual amount paid to the contractor for carrying mails from Rawalpindi to Srinagar for the two years preceding the date of cancellation of his contract?

(b) What has been the annual cost since the work is being done departmentally?

(c) If the departmental cost is higher, will not Government reconsider having the work done again by a contractor?

The HONOURABLE SIR GEORGE BARNES:

	Rs.
(a) In 1916-17	99,000
In 1917-18	1,19,000
(b) In 1918-19	3½ lakhs
In 1919-20	4½ lakhs.

(c) The old contract terminated on the 31st March, 1918. The Honourable Member may remember that the service was most unsatisfactory, and had indeed practically broken down altogether. Tenders were invited for a new contract, but there was no response, and we were compelled to organise a service departmentally at very short notice. The cost of this service works out at 12 annas 5 pies per mile. We are actually paying from 12 annas to Rs. 1-4 per mile for contract services in towns; and it is unlikely that any contractor would undertake the service on this very difficult road for less than Rs. 1-4 per mile. I may tell the Honourable Member that we do not like running a departmental service. But we feel bound to continue it, because it is undoubtedly cheaper than a contract service.

PROVINCIAL CIVIL SERVICE AND SUBORDINATE CIVIL SERVICE IN BURMA.

230. The HONOURABLE MAUNG PO BYE: (a) Are Government aware that the revised scale of salaries of the Provincial Civil Service and the Subordinate Civil Service in Burma has given rise to discontent amongst the members of these services?

(b) Have Government received memorials from members of those services, and if so, what action has been taken?

The HONOURABLE SIR WILLIAM VINCENT: (a) The reply is in the affirmative.

(b) Memorials have been received by the Government of Burma from members of both the services referred to. As a result of the consideration of the memorials, proposals for the improvement of the pay of the Burma Civil Service have been made by the Local Government and are at present under the consideration of the Government of India. It is not known what action is contemplated by the Local Government on the memorials from members of the subordinate service.

UNIVERSITY VOLUNTEERS IN BURMA.

231. The HONOURABLE MAUNG PO BYE: (a) Is it a fact that a large number of Rangoon College students volunteered for military training in the half company of University Volunteers?

(b) Have any steps been taken to develop that half company in accordance with the general recommendation of the Esher Committee in Part VI of their report? If not, will Government state their reasons?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) The Government of India have no information as to the numbers volunteering. In view, however, of the excellent response made by the Burmans to the call for recruits for the Indian section of the Indian Defence Force during the war, the Government of India have no doubt that large numbers of the Rangoon College students are anxious to join the University Training Corps under the Indian Territorial Force Act.

(b) As explained in my reply to part (b) of the question asked by the Honourable Member on the 17th March, the draft rules under the Indian Territorial Force Act, 1920, have recently been published in the *Gazette of India* for information and criticism, and as soon as these rules are passed, action will be taken for the formation of a unit in Burma, including the

University Training Corps. In the meantime, temporary arrangements have been made for the continuance of the training of those members of the Indian Defence Force who desire to serve in units of the University Training Corps.

The HONOURABLE MR. RANGASWAMY AIYANGAR: Will not the Esher Committee's Report in general be considered by the Council of State?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: No arrangements have yet been made, nor did they ask for it. I doubt if that question arises out of my answer.

The HONOURABLE THE PRESIDENT: It would have been open to the Honourable Member to have brought a Resolution if he wished to raise the question.

PROVINCIAL FOREST SERVICE IN BURMA.

232. The HONOURABLE MAUNG PO BYE: (a) Are the Government aware that the revised scale of salaries of the Provincial Forest Service in Burma has given rise to great discontent among the members of that service?

(b) Have the Government received memorials from that Service, and if so, what action has been taken?

The HONOURABLE MR. B. N. SARMA: The Government of India have received memorials from officers of the Provincial Forest Service in Burma, in which discontent with the scale of salaries fixed for that Service is expressed. The memorials are under consideration.

PUBLIC SERVICES COMMISSION IN INDIA.

233. The HONOURABLE MR. BHURGRI: Will Government be pleased to state:

- (a) if they have made any proposal to the Secretary of State for India in connection with the appointment of Public Service Commission in India under section 96-C. of the Government of India Act;
- (b) if so, what is the nature of their proposal specially with regard to the Indian element thereon, and what names, if any, have been proposed;
- (c) what is the proposed salary for the Chairman and the Members of the Committee, respectively;
- (d) whether they intend to consult the Indian Legislature before the matter is decided by the Secretary of State for India?

The HONOURABLE SIR WILLIAM VINCENT: (a), (b), (c) and (d). The questions relating to the establishment of a Public Service Commission are still under correspondence with the Secretary of State; and no announcement in the matter can therefore be made at present.

MESSAGE FROM HIS EXCELLENCY THE VICEROY.

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

'In pursuance of sub-section (3) of section 63A of the Government of India Act, I, Frederick John Napier, Baron Chelmsford, hereby require the attendance of the Members of the Council of State in the Assembly Chamber of the Imperial Secretariat at 9 o'clock on Tuesday, the 29th March, 1921.'

(Sd.) CHELMSFORD,
Governor General.

INDIAN ELECTRICITY (AMENDMENT) BILL.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I beg to move:

'That this Council do agree to the recommendation of the Legislative Assembly that the Bill further to amend the Indian Electricity Act, 1910, be referred to a Joint Committee of the Council of State and of the Legislative Assembly and that the Joint Committee do consist of 12 Members.'

The Bill has already been circulated to the Honourable Members of this Council. I am very sorry that it could not be circulated earlier than it has been, because, owing to the legislative business, it was not possible to introduce this Bill in the other House much earlier than last week.

This is a purely business measure. The present Act was passed in 1910, and since then the number of electrical undertakings in the country have increased considerably; not, perhaps, to the extent that we desire, but the actual working of the existing Act has disclosed certain shortcomings and defects which it is now proposed to remove. In the Bill the interests of the consumers as well as of the electrical companies and firms have been taken into consideration and the respective advantages carefully balanced. It is purely a Bill which should be looked at from the business point of view, and as such, it is a Bill which ought to be considered carefully in Select Committee. In view of these circumstances, I hope that this Honourable Council will agree to the recommendation of the Legislative Assembly.

The motion was adopted.

COMPOSITION OF JOINT COMMITTEE.

The HONOURABLE MR. A. C. CHATTERJEE: Sir, I move:

'That the following six Members of the Council of State be nominated to serve on the Joint Committee to consider and report on the Bill further to amend the Indian Electricity Act, 1910, namely:—'

- The Honourable Sir Alexander Murray.
- The Honourable Mr. Froom.
- The Honourable Sir Maneckji Dadabhoi.
- The Honourable Sardar Jogendra Singh.
- The Honourable Mr. Moncrieff Smith and myself.

The motion was adopted.

CALCUTTA UNIVERSITY BILL.

The HONOURABLE MR. M. M. SHAFI: Sir, I have the honour to move:

'That the Bill to amend the law relating to the Calcutta University, as passed by the Legislative Assembly, be taken into consideration.'

Honourable Members are aware that while other provincial universities are at present under the control of Provincial Governments, the University of Calcutta is, by reason of the existing law, under the direct control of the Governor General in Council; the Governor General of India being the Chancellor of that University.

In paragraph 5 of Chapter 37 of their Report the Calcutta University Commission proposed that the University of Calcutta should cease to stand in a relation of special intimacy to the Government of India; that a new and more organic connection should be established between the University and

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the Government of Bengal and that the Governor of Bengal should in future be the Chancellor of this University.

The Bill, which has been passed in the Legislative Assembly and is to come under consideration now in this Council, seeks to effect these changes. It is a non-controversial measure and has been introduced with the previous approval of the Secretary of State and the full concurrence of the Local Government.

The HONOURABLE RAJA P. N. ROY OF DIGHA PATIA: Sir, from the beginning of the university system in this country, the University of Calcutta had the unique distinction unlike the other Indian Universities of being under the direct control of the Government of India. It also had the proud privilege of having His Excellency the Viceroy to preside over its functions as Chancellor.

It is quite in the fitness of things and quite in accordance with the recommendations of the Calcutta University Commission and the principle of provincial autonomy that this University should be placed under the direct control of the Local Government, and that it should have as its Chancellor His Excellency the Governor of Bengal. I cannot, however, help feeling sorry as this severance of the tie between the University and the Government of India means severing all connections with the education in Bengal. Nor can I let this opportunity pass by without tendering to the Government of India the grateful thanks of the people of Bengal for what they have done in the past for the University of Calcutta. At the same time, Sir, while we are thankful to the Government of India for all they have done, we cannot help feeling some sense of disappointment that at the time of severing connection with the University the Government of India did not see its way to make a special grant for carrying out the recommendations of the Calcutta University Commission,—a commission which the Government of India on its own initiative appointed. Sir, it would be a matter of great regret if those recommendations are not given effect to at the earliest opportunity.

That is all I have to say on the subject. I concur with the view of the Honourable the Member for Education that the University should be placed under the control of the Local Government.

The HONOURABLE MAHARAJA SIR M. C. NANDY: Sir, I am glad to give my hearty assent to the passage of the Calcutta University Bill which is intended to establish a new and more organic connection between the Government of Bengal and the University of Calcutta. In the Statement of Objects and Reasons of the Bill, I find Mr. Sharp leaving to the Government of Bengal and the Local Legislative Council fullest and unhampered opportunities to carry out all the fundamental changes recommended by the Calcutta University Commission. So far, so good: but, Sir, you are aware of the fact that neither the Government of Bengal nor the Local Legislative Council nor the University of Calcutta were in any way responsible for the appointment of this commission, as it was imposed over the heads of all these bodies by the Viceroy and the Government of India. You know, Sir, that it is absolutely impossible for any existing authority in Bengal to finance the scheme of reforms recommended by this Commission, and it seems to me unfortunate that the Government of India should wish to wash their hands clean off this matter and leave

the reforms to the local authorities of Bengal to work them out as best as they can. Unless, Sir, the Government of India can see their way to give the Government of Bengal a sufficient grant towards the carrying out of the commission's recommendations, no headway can be made at all. A Government which have given very large grants to the University of Dacca and in financing many provincial projects, such as the Calcutta Improvement Trust, should reconsider its decision in the matter, and I hope it will yet be possible for them to make very large contributions to the University of Calcutta in enabling them to give effect to some of the most essential recommendations of Sir Michael Sadler's Commission.

The HONOURABLE THE PRESIDENT: This really does not concern the Bill. I will allow the Honourable Member to continue but he must not develop the point at any length.

The HONOURABLE MAHARAJA SIR M. C. NANDY: It seems to me to be quite fair and I am quite sure it will appeal to this House as quite equitable, that, having appointed a committee on their own initiative and authority and having flourished their recommendations all over India and England, the Government of India should come forward to shoulder the responsibility generated by their own action. Just at the present moment, the Bengal Government is not flushed with capital and the University of Calcutta is also not very far away from bankruptcy. If, under these circumstances, the Government of India will not step in to save the situation, the Sadler Committee will remain a byword of reproach and its recommendations hang fire till doomsday.

• The HONOURABLE MR. SHAFI: Sir, I fully sympathise with my Honourable friends in their feeling of regret that the Government of India is unable to make a grant to the Local Government in connection with the Calcutta University. But I am sure the Council will realise that it is impossible for the Government of India to make any such grant. In the first place, the financial stringency with which the Government of India is face to face and which has necessitated the imposition of taxation this year, makes it utterly impossible for the Government of India to make any grant to a local university. In the second place, the new financial relations which have come into existence as the result of the reforms scheme make it, not only impossible, but I venture to think, contrary to the principles underlying those relations for the Government of India to make the grant which my Honourable friends have asked for. Certain revenues and provincial contributions have been placed at the disposal of the Government of India in order to enable them to meet expenditure on Central Subjects.

Should the Government of India divert any of the funds that are placed at their disposal towards a grant to a provincial university, it is obvious that the other provinces of India would have grave cause for criticism against such action on the part of the Government of India. The province of Bengal is a very rich province. Only recently, the Provincial Legislative Council of that province has cut down expenditure proposed by the Local Government by, I believe, an amount exceeding Rs. 30 lakhs. It was, I venture to think, quite open to the advocates of educational progress in that province to propose in the Legislative Council of Bengal that the sums thus cut down be spent on the University. Be that as it may I am sure that a careful consideration of

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the situation by my Honourable friends will convince them that the position taken up by them is one which is entirely untenable.

The HONOURABLE THE PRESIDENT: The question is:

'That the Bill to amend the law relating to the Calcutta University, as passed by the Legislative Assembly, be taken into consideration.'

The motion was adopted.

The HONOURABLE MR. SHAFI: Sir, I now 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 law relating to the Calcutta University, as passed by the Legislative Assembly, be passed.'

The motion was adopted.

HINDU TRANSFERS AND BEQUESTS (CITY OF MADRAS) BILL.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move:

'That the Bill to declare the rights of Hindus to make transfers and bequests in favour of unborn persons in the City of Madras, as passed by the Legislative Assembly, be taken into consideration.'

I ought to apologise to this Council for bringing this measure before them at such very short notice, and I can only say that it is a local Bill affecting the City of Madras only to which Members from that presidency attach great importance, and that I have taken this course at the instance of the promoter of the Bill, Mr. Seshagiri Ayyar, a non-official who has pressed me to push the Bill through as soon as possible. The fact is that in 1914, a Bill was passed in Madras regulating the transfer of property *inter vivos* and abrogating certain provisions of the law which had previously been in force there. The Act was called the Hindu Transfers and Bequests Act, 1914, and it applied to all persons domiciled within the limits of the Presidency of Madras. Recently, however, the Madras High Court have indicated that this local Bill affects the jurisdiction by the Letters Patent of the High Court and is therefore not a Bill which it was within the competence of a local Council to pass. Mr. Seshagiri Ayyar therefore introduced a validating Bill into the Legislative Assembly. This is purely a Bill validating the Act passed by the Madras Council in so far as the area within the ordinary original jurisdiction of the Madras High Court is concerned. It is important that there should be no uncertainty about titles in that area, and so the measure is one of some urgency. If, however, any Honourable Member is sufficiently interested and thinks that the Council has not been treated with proper consideration in the matter, I am prepared to postpone it. I hope, however, no member will take this line, because the present state of affairs causes uncertainty about title and the matter is really one of some importance, in which, I believe, all the Members from the area affected in Madras are interested, they are, I believe, also strongly in favour of the Bill.

The HONOURABLE THE PRESIDENT: The question is:

'That the Bill to declare the rights of Hindus to make transfers and bequests in favour of unborn persons in the City of Madras, as passed by the Legislative Assembly, be taken into consideration.'

The motion was adopted.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move:

'That the Bill, as passed by the Legislative Assembly, be passed.'

The HONOURABLE THE PRESIDENT: The question is:

'That the Bill to declare the rights of Hindus to make transfers and bequests in favour of unborn persons in the City of Madras, as passed by the Legislative Assembly, be passed.'

The motion was adopted.

ENEMY MISSIONS BILL.

The HONOURABLE SIR WILLIAM VINCENT: May I have your permission, Sir, to move without notice, the next item of business that stands in my name? It is purely a formal matter.

The HONOURABLE THE PRESIDENT: I am informed that this amendment made by the Legislative Assembly is purely a drafting amendment. I have therefore no hesitation in giving permission to the Honourable Member.

The HONOURABLE SIR WILLIAM VINCENT: Sir, I move:

'That the amendment made by the Legislative Assembly in the Bill to validate certain indentures transferring properties formerly held by certain Enemy Missions in Trustees, and for the incorporation of such Trustees and for other purposes, be taken into consideration.'

I have explained this Bill once before to this Council and I do not propose to do so again; I have only to say that it was sent to the Legislative Assembly after being passed here where some acute lawyer has suggested that in clause 3 the words 'have been' should be substituted for the word 'be'. I myself doubt very much whether the substitution is necessary; but it is certainly not a matter on which this Council will quarrel with the Legislative Assembly, and I venture therefore to commend the amendment to the favourable consideration of this Council.

The HONOURABLE THE PRESIDENT: The question is:

'That this Council do agree to the amendment made by the Legislative Assembly in the fifth line of clause 3 of the Bill to validate certain indentures transferring properties formerly held by certain Enemy Missions in Trustees, and for the incorporation of such Trustees and for other purposes, namely, the substitution of the words 'have been' for the word 'be'.'

The motion was adopted.

RESOLUTION RE INDEMNITIES AND REPARATIONS FROM GERMANY.

The HONOURABLE MR. KALE: Sir, the Resolution which I have to move runs as follows:

'This Council recommends to the Governor General in Council that he should move the Secretary of State for India to secure for this country, through His Majesty's Government, an adequate share of the indemnities and reparations to be obtained from Germany'.

[Mr. W. G. Kale.]

Sir, I will not take very long over this Resolution. For, the subject is one on which I do not apprehend any difference of opinion, in any part of the House. In this Resolution I request the Government of India to move the Secretary of State to press the claims of this country on the attention of His Majesty's Government with regard to the distribution of the reparations . . .

The HONOURABLE SIR WILLIAM VINCENT: Sir, may I rise to a point of explanation? May I ask if, with your permission, Sir, and with the permission of this Council, it would be possible to postpone the debate on this particular Resolution until after the other ones. The fact is that Dr. Sapru, who is in charge of it, is at this moment engaged in the other House, and we want a little time to prepare ourselves. I make this request, Sir, always subject to the permission of the Council, the Honourable Mover and yourself.

The HONOURABLE THE PRESIDENT: An application of this kind should be made before the Member rises and not after he has risen.

The HONOURABLE SIR WILLIAM VINCENT: I beg your pardon, Sir, I was not aware of the facts when the Honourable Mover began to speak.

The HONOURABLE THE PRESIDENT: Is the Honourable Mr. Kale prepared to take his Resolution third in the list?

The HONOURABLE MR. KALE: I have no objection, Sir, provided I get an opportunity to move my Resolution.

The HONOURABLE THE PRESIDENT: The question is:

'That the Resolution standing in the name of the Honourable Mr. Kale be taken last on the list.'

The motion was adopted.

RESOLUTION *RE* AMNESTY-TO SAVARKAR BROTHERS.

The HONOURABLE MR. RANGASWAMY AYYANGAR: Sir, I beg to move the following Resolution:

'This Council earnestly recommends to the Governor General in Council to extend amnesty to the Savarkar Brothers.'

This question has been pressed before the Government for the last so many years. A memorial has been signed by 50,000 people and submitted to Government and now during the last year when Mr. Patel moved his Resolution *re* amnesty towards political prisoners, Mr. Khaparde and some other Members drew the attention of the Government to this point.

Now, Sir, when the angle of vision has been completely changed, when the goal of the British Raj has been set forth, and when amnesty has been granted to almost all the political offenders, I think it is proper that I should press this point before the attention of the Government now. We expected His Royal Highness the Duke of Connaught during his august visit to open the Indian Parliament would announce pardon to all the political prisoners. But perhaps it may be a Member of the Assembly who moved the Resolutions on the Punjab happenings has divined out why His Royal Highness has not bestowed on us any boons or announced amnesty to men to whom it is the desire of the people to extend it. He has said there

The HONOURABLE THE PRESIDENT: Order, order. The Honourable Member must not read from the speech of a Member of the Legislative Assembly delivered in the same Session. That is a well-known rule and must be followed.

The HONOURABLE MR. RANGASWAMY AYYANGAR: He has said there that His Royal Highness the Duke of Connaught has not announced any boons or conferred amnesty on political prisoners, because the Government is averse and we can achieve our object by moving Resolutions in the Councils and not through the back door of conferring boons on the people.

I take my stand on that point and beg to move the Council to recommend clemency to the Savarkar Brothers. It is perceptible to me that the angle of vision has completely changed because the Resolutions which were not even admitted during last year are not only admitted but accepted now. Even last year when I expressed myself on the Resolution of the Honourable Mr. Patel *re* amnesty to political offenders, I am glad to say that the Honourable Sir William Vincent came to me from the opposite benches and appreciated the tone and the attitude I took up on that question. I have to read that once more, as the point of view I take in moving this Resolution is entirely the same.

Sir, there is no doubt that there has been a great change in the angle of vision even among the worst of sinners after the advent of the Reforms and after the recent Royal Proclamation. We have seen lately, I think in yesterday's papers, a summary of the book by one Hardy, as has been wired to us by Reuter, which shows how thoroughly changed he is. We have also heard through private sources that Savarkar has been writing to his friends and relations that he has changed his views, and he too is prepared to co-operate with the Government. When the process of reclamation of criminals connected even with heinous offences is to be tried, these methods should be first applied to these selfless political offenders. The Government should not be 'logical to the narrowness' in interpreting the Royal Proclamation also. Let it be royal and let the Government excuse all offenders and make a trial of them. England has withstood the tremendous forces let loose by the war, and she need not fear these small forces, even if it be that these forces do not show signs of being diverted in the right direction. I want that the quality of mercy should not be strained. We are thankful to the Government for the clemency shown to so many people and we press for their sympathetic consideration that the other people who are not yet set free may be given pardon.

This is the main point on which I stand to-day.

Although the Honourable Mr. Khaparde has very lucidly explained to the Council last year the nature of the crime committed by both the brothers, I shall be permitted to say a few words about that. I shall deal with the case of Vinayak Savarkar, the younger of the two brothers. He was in England before 1910 and took his Barrister's course. In England it was alleged he was under the influence of the *Bande-Mataram* party and was responsible for the propaganda of sedition both in England and in India. He was brought for this offence from England to India after the law has been put to a great deal of strain by the best of barristers there, as extradition from England to India was not so easy. We could not understand why he was not tried by the English Courts but brought back to India. During the voyage he slipped down through the porthole when the ship was in French waters and swam to the French shores. Legally he should not be brought back from the French territory. The French Government protested, and his case was referred to the Hague Tribunal. I do not enter into the details of the awards of the Hague Tribunal. When the case was going on before the Hague Tribunal, the Bombay High Court began its

[Mr. Rangaswamy Ayyangar.]

we have seen how people like De Wet who was a direct rebel to the British Raj was placed in highest confidence during the war, but it is very unfortunate that the Savarkar brothers who have expressed themselves in so many words that they would not resort to any unconstitutional means henceforth and who have promised even to work out the reforms, should not be given amnesty. I want the Council to remember that he was extradited from England abrogating the principle of ordinary law, and for a second time he was extradited from France, here too against the principles of the ordinary law of the land. In my last year's speech I said that the reclamation process that had been tried to the worst of criminals has not been tried in the case of political prisoners. Some crimes are committed by accident and Victor Hugo will bear testimony to my statement. There are stages in life when people are idealistic. But as they grow wisdom's teeth they realise the unreasonableness of idealism and begin to bestow thought on practical life. Such is the case of the Savarkars, and could not the Government consider their case? We pressed for the release of Mrs. Besant and you are not sorry for her release. She was applauded only lately by our Home Member and I hope he will also not repent for the action he takes if he should release the Savarkars. Alexander released Porus only out of magnanimity, and I appeal to that sense of chivalry for which the British are noted, in considering this case. Government is answerable to History, and when the time comes for an impartial critic to judge the Government of India historians should be able to say that the Government have not acted in a spirit of vengeance, but they have used just enough of force to prevent crime.

Especially the considerations of his health now should compel us to release him immediately from the Andamans. Doctors have said that he has got symptoms of tuberculosis and that he is in cellular gaol yet, and his youngest brother who has just now returned from the place testifies that he is much reduced, and the climatic condition of the Andamans will surely tell upon his health if he should be there any longer. To a question put by the Honourable Mr. Bhurgri there was a reply that only one person in the Andamans had lost weight and I suppose that referred to Savarkar.

At one time capital sentence was awarded even to people guilty of forgery. As civilisation has advanced this kind of treatment is being looked upon as barbarous. I say that in the present time the punishment that was meted out to political prisoners is looked upon as really barbarous. What I now ask is only clemency worthy of a magnanimous Government. As I have said before the Government is all-powerful, and no harm will be done by giving the prisoners a chance of proving themselves worthy of the clemency.

With these words, I beseech the Government to accept this Resolution. If it should be necessary, in addition to the guarantees that they themselves have given, there should be some security to be furnished, I am authorised to say there are people to furnish the same as the Government desires. I appeal to your sense of generosity, to your sense of humanity and mercy, and to your chivalry and magnanimity when you consider this question.

THE HONOURABLE MR. C. N. SEDDON: Sir, Vinayak Savarkar was tried by a special tribunal of the Bombay High Court under Sections 121 and 121A of the Indian Penal Code, and he was convicted and sentenced to transportation for life and forfeiture of property. He was also tried at another session of the same tribunal, and charged with abetment of murder and sentenced to

transportation for life. Ganesh Savarkar was tried by the Sessions Judge of Nasik under sections 121 and 121 A of the Indian Penal Code and sentenced to transportation for life.

I mention this in order to make it clear to the Council that there is no question of Martial Law here or 'repressive' laws. It was the ordinary criminal law of the country, and the ordinary criminal courts of the country that sentenced these men. Perhaps I should do well to read one or two short extracts from the judgment of the Court to show what manner of man Vinayak Savarkar was.

The Court says :

'The evidence shows that prior to 1906 there existed in Nasik under the leadership of Ganesh and Vinayak Savarkar, an association of young men known first as the Mitra Mela and subsequently as the Abhinav Bharat (or New India) whose objects were revolutionary

Again

'About the middle of 1906 Vinayak Savarkar left for England being the recipient of a scholarship given by Shamji Krishna Varma the founder of the India House at Highgate.'

'Early in 1909 he (Savarkar) took advantage of the departure of Chaturbhuj Amin for India to conceal in a false bottomed box and despatch with Chaturbhuj a parcel of 20 Browning pistols with ammunition for the same, to be delivered to one or other of two addresses in Bombay

One of these pistols, or one of a second consignment of pistols to be more accurate, was found later on, and with it were several copies of a pamphlet styled 'Bande Mataram' in praise of Dhangra, the murderer of Sir Curzon Wylie. Amongst other passages in that pamphlet are the following :

'Our policy of laying them (the tools of British Government) low with the bomb, the revolver or the dagger.'

'Terrorise the officials, English and Indian, and the collapse of the whole machinery of oppression is not far. The initial stage of the revolution is marked by the policy of separate assassinations.'

Sir, the Court goes on to say with regard to the consignment of Browning pistols which were meant by Vinayak Savarkar to reach his brother Ganesh Savarkar :

'He sent out the pistols with ammunition with the intention that they should be used for assassination. The result of his action was precisely what he intended and what was naturally to be expected.'

'Mr. Jackson, the Collector of Nasik, was murdered.'

Sir, Mr. Jackson was a friend of mine ; but years have passed and I hope I can look at the matter in a dispassionate way. But it is necessary, perhaps, in order that this Council may understand the kind of crime which resulted from the activities of Vinayak Savarkar, that I should say something about Mr. Jackson. He was, of course, an efficient officer of Government and public servant. He was also an eminent Sanskrit scholar, and the world of Sanskrit scholarship was the poorer for his loss. I remember now the letter in which Sir Ramkrishna Bhandarkar deplored his dreadful death. Besides that, Mr. Jackson was a man of extraordinary kindness of heart and generosity. He was a man with no private means of his own, nothing but his pay as a married man and a man with someone to support besides ; yet it is well

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trial. Vinayak Savarkar would take no part in the proceedings as he wanted the decision of the Hague Tribunal first before the Bombay High Court should have anything to do with the case. But as the Judge would not wait, Vinayak Savarkar took no part in the proceedings and the case was decided as if *ex parte*; and the result was that he was given double transportation for life with forfeiture of property. Even then the whole of India was astir. They really thought, Sir, that the judgment was too severe for one who had so much of capacity and brains. When I pleaded for amnesty last year when Mr. Patel was moving his Resolution, I was referring to some private letters which had been received from him to show that he is a completely changed man and that amnesty should be extended to him. I should now read before the Council extracts of a few portions of his letters which will speak for themselves. One is dated 4th August 1918. He says :

'If I say a substantial majority of the elected be granted in the Viceregal Council and such a grant be accompanied with a graceful and a general amnesty of the political prisoners including the exiles in other lands, such as America and Europe, and then I for one and many whom I know, would conscientiously accept such a constitution as that and would if thought fit by our people and given a chance to do so by Government, work under it and try to effect the mission of our life through the Council Chambers which have up to this time been bearing nothing but ill-will towards us and have spared nothing to embitter our hearts against them and their policy. Where is the man who would run the ordeals of fire or would tread the paths of furies with bleeding feet—for sheer amusement. That is rare; and rarer it is to find a true patriot and humanitarian who would indulge in reckless and bloody moral, because entirely effective and implying least resistance if but such a path, the Path of Constitutional Progress, be open and accessible to him? It is mockery to talk of constitutional agitation where there is no constitution at all; but it is worse than a mockery, a crime to talk of revolutions, as if it was a work of rose water even when there is as elastic and progressive a constitution as, say, in England or in America.'

Here is another extract from a letter, dated 21st September 1919:

'I believe that as soon as the Reforms are effected and if they be soon effected and at least the Viceregal Councils are made to represent the voice of the people then there would be no hesitation on my part—infinite humble though it be—to make the beginning of such a constitutional development a success, to stand by law and order which is the very foundation and basis of society in general, and the Hindu polity in particular. Do not the Scotch try to maintain a partnership in the Empire when that Empire opens better facilities for their respective developments than otherwise? India too and for the matter of that any other people ought to and naturally will join in forming a Commonwealth and an Empire? Why should they be against it? When such a common life promises to be more fruitful than a divided petty and lonely individuality? As man is a social animal, so is also a state, and Empires had been and would be a natural development of the inherent tendencies of the social nature of man as nations of families had been.'

We can charge Savarkar with anything, but he is not the man who is a liar who will tell anything against his convictions even to buy life.

Such is the present mentality of the man for whom I am pleading for the grant of amnesty.

Then the elder of the brothers, Ganesh Savarkar, was sentenced for transportation of life with forfeiture of property for simply writing a poem, and when the case was brought up before the Sessions Court, the Judge had no option to give a less severe sentence than transportation for life and forfeiture of property; and he expressed his helplessness at the severity of it. The Judge had to leave the accused at the mercy of the Executive. I should also give

the Council a short extract from one of the letters he has written to his brother :

'It is as far back as 8th August 1911 I wish to know about the coming Delhi Darbar which I hope shall be the culminating point in the present Indian History. The Emperor George V through generosity and justice loving heart, shall, I hope comply with the just demands of the Indian nation. I pray God to give the credit of removing all the complaints of Indian nation to the present Emperor. May God make the English and Indian nations stand as friends to each other on the world platform in 'Hand-in-hand' policy.'

This letter was written in 1911 a decade ago, and his views are still more clearly and emphatically expressed in a letter, dated 8th February 1920, which also I should be permitted to read :

'Although we firmly believed that there could be no honest objection to our release after the clear and definite statements that we have been making in our letter, ever since the reforms were proposed, still we again explain emphatically that far from being repugnant to us is the ideal of a common Empire that it actually had been and is still the cherished goal of our national ambitions. We believe in one universal state embracing all mankind and wherein all men and women would be citizens working for and enjoying equally the fruits of this earth and this sun, this land and this light, which constitute the real motherland and the real fatherland of man. All else is artificial though indispensable. Therefore we would honestly work as to strengthen the links that bind India and England in one Empire common to both which would tend not to the subjection of one of them but to the elevation of both of them. Such an Empire can exist if every one of its members is a responsible and a self-determining part. And we do find that the Reforms which now have become a law do open the path of constitutional progress to our national aspirations. There is so much work possible under them and so much training of the people in the art of self-government is bound to be had. That coupled with the fact that further instalments could be won from time to time, we unhesitatingly declare that constitutional and constructive epoch has set in in India, and through no action of ours shall that be marred. We shall leave no stone unturned to make it a success. Add to this the development of affairs on our frontier and the menace of invasion of those hordes who had been the hereditary curse of Hindustan. Both of us do honestly believe that not only in the interest of England should Englishmen trust and ally themselves with Hindustan, but even Hindus must and therefore ought to trust and heartily co-operate with England—not as mute and impelled slaves, but as allies and partners in a firm as the Prime Minister had said to repel the new and growing danger. *As circumstances change, do also change the ways and means of men. So let none—neither our friends nor our critics—disbelieve us when we declare that we pledge our word to make the new constitutional and constructive epoch a success, by all means in our power and to the best of our ability.*

Here is an interview with his brother when he returned from the Andamans after seeing his two brothers there in the month of November 1919, which was published in the *Bengalee* and other papers :

'I have asked him about his attitude towards the boycott of the Council. He said to me at once : 'Well, I must frankly tell you that I am of opinion that we ought not to have boycotted the New Reforms Councils. With all reverence which I owe to Mahatama Gandhi, whom I had the honour to know and understand intimately while we were in London, I must confess that I disagree with him in boycotting these Councils.'

No, in my opinion, it is a great mistake to forego the partial hold on the administration by securing which we can secure the full hold in a not far-off future. I am therefore sorry to see that the Congress too, have passed a Resolution to boycott the Councils.'

Really, I am not quoting this to justify my entrance to this Council, but I do it to show how reformed they are.

We have seen how people who were connected with direct conspiracies having been extended amnesty. We have seen how people who were transported for life with forfeiture of property are entrusted with ministerial portfolios and

[Sir William Vincent.]

different category from the offence of murder. Whether it is possible, having regard to the conditions of the country, to grant this man any remission or not is a matter I cannot say. It is a matter obviously in which the opinion of the Bombay Government will have to be given the greatest weight, and one which I myself should like to consider, in the light of their opinion.

The Honourable Member suggested that these two Savarkar brothers were suffering in health in the Andamans. As a matter of fact, one of them did suffer in health there for some time, but my last reports say that he is not in bad health. In any case, orders have been issued for the transfer of the brothers to British India. The Honourable Member finally took his stand on the right of this Council to influence the Executive Government. At first he rather led us to believe he was a little disappointed in his expectation of an announcement from His Royal Highness the Duke of Connaught releasing all murderers, but later he went on to the principle of constitutional rights. I doubt very much whether it is a fair exercise of the rights of this Council to recommend to the Government of India the release of prisoners when such a course is opposed by the Local Government as incompatible with the safety of the Realm. I doubt particularly whether such a course is justified, as the Honourable Mr. Seddon pointed out, at a period like the present, when we are threatened with the possibility of grave disorder, when indeed we have had disorders in various parts of the country already, and for this reason, I must ask this Council, and I hope I shall have their support, to reject this Resolution.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: Sir, I stand up to strongly oppose this Resolution. We have now become part and parcel of the Government and we should share with them all the burdens of State. If we are going to release all the murderers I do not think we are doing our part of the business at all. The Honourable Member simply says, release the Savarkar brothers, the murderers. There are some brothers at the present moment who have been released. What have they done? They have set fire from one end of the country to the other. What my friend wants now to do is, not being satisfied with this fire, a little petrol to be added to it. Well, if it was near his house, and that was only to be burnt, I would not have minded. But all the houses in this country are connected as all those thatched stalls were connected the other day in the Motor Show, and we are afraid that our houses will all be burnt down. It is for this reason that we should be on our guard, a deaf person has to laugh twice, once when he sees people laughing and once when the subject matter is related to him. My friend of course reads a lot but I wish he could also hear. If he went to the Punjab or the North-West Frontier Province and heard what happened after the preaching of some persons resulting in so many men having suffered during the Hijrat movement, their wives being snatched away and boys dying of thirst, if he had heard what they had got to say I think he would not only have withdrawn the Resolution but would not have brought it forward at all. That is the difficulty we have here. It is for this reason that I ask you whether the Mover cannot withdraw the Resolution. Now, there were lots of people released in the Punjab. What have they done? Some of those who were released have now been taking a leading part in the present troubles and are again being arrested. The Honourable Mover wants these people to be released. You

cannot make friends with a man who has got a bad trend of mind and if on the top of it he is put into jail, could you make friends with him? It is just like getting hold of a boar, wounding him not seriously so as to bring him to bay, and then letting him loose among a crowd. I hope that my countrymen who have the good of their country at heart will never listen to such a thing as this Resolution proposes.

The HONOURABLE NAWAB SIR BAHRAM KHAN: Sir, I rise to strongly oppose this Resolution. Experience has shown us now that the release of the political prisoners has not been the success anticipated. The amnesty which was extended as the graceful act of a benevolent Government has not been taken as such and some of those released instead of desisting from their wrongful acts have participated in conspiracies and disturbances and they are further increasing their efforts in that direction. I think the amnesty or liberation of such mischief-mongers should be entrusted to their respective Local Governments, and I strongly urge that such a Resolution should not be adopted by the House.

The HONOURABLE MR. BHURGRI: Sir, I rise to ask one question from the Honourable Mover. Is he in a position to tell us if these brothers are prepared to give a guarantee and bind themselves to any conditions that may be laid down? Is he in a position to tell us that?

The HONOURABLE MR. K. V. RANGASWAMY AYYANGAR: I am in a position to say that guarantees will be given and that securities also will be furnished if required. I am thankful, Sir, for promising to consider the case of the eldest brother, Ganesh Savarkar, and I should again remind the Council of the fact that His Royal Highness the Duke of Connaught has said

The HONOURABLE THE PRESIDENT: Order, order. The Honourable Member in replying must deal with those points which have been raised in the debate and which require in his opinion to be dealt with. He must not repeat the speech that he has previously delivered.

The HONOURABLE MR. K. V. RANGASWAMY AYYANGAR: I do not repeat my speech, Sir. His Royal Highness the Duke of Connaught has said 'Forget and forgive'. If forget and forgive means anything, we should forget the past crimes however serious they may be and we should take into consideration only the future.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: I rise to a point of order, Sir. This is not a reply, Sir. This is a speech.

The HONOURABLE MR. K. V. RANGASWAMY AYYANGAR: It was said that the revolver that was supplied by Vinayak Savarkar was used in the murder of Mr. Jackson. Sir, we have seen that the people in Bengal whose bombs killed those two innocent ladies at Muzaffarpur have been released. All guilty officials and others were excused. But that these men, who were thousands of miles away from the scene of accident, should not be forgiven is really strange to us. I cannot understand why some people who were directly connected with the bomb cases should be released and why these men who were in their idealistic visionary age and who were under the influence of some people like Shymji Krishna Varma should not be released. I simply once more plead for clemency.

*Translation of a speech delivered in vernacular.

[Mr. C. N. Seddon.]

known that he used to pay the costs of Brahman boys who were studying Sanskrit and other poor persons. The crime, Sir, was a black stain upon the fair name of India. Now, bearing in mind what resulted from the activities of Vinayak Savarkar and what is likely to result from any such activities, the Bombay Government has always resisted any idea of giving amnesty. The Bombay Government and the Government of India are responsible for the peace of the country, and I submit, Sir, that it is no part of the duty of this Council to press them to release people who, they honestly feel (and they are in a position to know) cannot be released with safety, and with due regard to the peace of the country. We have it from the Honourable the Home Member, and I do not think that we even need have had it from him because we know it well enough ourselves, that the country is in a very disturbed state and that the period ahead of us is one of anxiety. We know that in the Bombay Presidency, where the Savarkars come from, there is a good deal of non-co-operation, and that people are in a state of suppressed excitement which might easily result, if there were any stimulant applied, in dreadful occurrences. Further, the Government of India have been asked to remove the 'repressive' laws from the Statute-book and, I understand, they are considering how this can be done. Is this the time for this Council to put pressure on the Government of India or the Government of Bombay, not by way of removing repressive laws from the Statute-book, but in order to force them to lose the effect, as it were, of the ordinary laws of the country. Sir, I submit that in a matter like this it is the Government who are responsible and who understand whether a man can be released with safety to the people or not; we should not put pressure on them to do that which they are in the best position to know and feel would not be safe to the public.

Now, Sir, it has been suggested that however dangerous Vinayak Savarkar might have been, Ganesh Savarkar was a different sort of man. Well that may be so, but I can say that it has never been the view of the Bombay Government that any discrimination could safely be made between the two brothers. And they have some reason, I think, for feeling that Ganesh Savarkar is no more safe than his brother. He was one of the originators of the Abhinav Society and he was in correspondence with his brother the whole of the time and worked in collaboration with him. The High Court said—I think I have said it before—that the pistols were intended to reach the hands of Ganesh. They also referred to the founding of the Mitra Mela and the Abhinav Bharat Society. The fact is, there is no reason to think that Ganesh Savarkar was any the less engaged in these activities than his brother. He was not actually prosecuted for murder because he was under arrest at the time the murder was committed. Even supposing the Government of India came to the conclusion that there was some possibility of making a distinction between the two brothers, I submit that this Council should leave it to the Government of India and the Bombay Government and that they should not be pressed by people who are without full information; that the Bombay Government should be left to do what it feels would be consistent with the public safety.

THE HONOURABLE SIR WILLIAM VINCENT: Sir, the facts have already been put before the Council fully by the Honourable Mr. Seddon. These two brothers, Vinayak Savarkar and Ganesh Savarkar, were convicted under sections 121 and 121-A of the Indian Penal Code of the offences of

waging war or conspiring to wage war. Ganesh was convicted on the 9th June, 1909, under one of those sections and sentenced to transportation for life. Vinayak was prosecuted later on and he was prosecuted on two separate charges in two separate trials. Firstly for waging war and secondly for the abetment of murder.

Now we have heard it said that these brothers have high ideals; that they are willing to co-operate with the Government and that they deprecate the non-co-operation movement. No one has more admiration than I have for high ideals, but I certainly do not think that the highest idealism condones murder. More especially does it not condone the murder of an absolutely innocent and inoffensive man like Mr. Jackson who, I believe, was much respected and loved. Those who know him here—and I myself had the honour of knowing him—will bear me out when I say that he was a person held in the highest regard by Indians in this country. The pistol with which this man was murdered was supplied by Vinayak Savarkar. I cite that from the judgment and if there is any question about it I will read the judgment again. It has been suggested that this man was not guilty of the offence of which he was convicted. Anyone who examines the papers, who reads the records, anyone who knows anything of the facts, many Members of this Council—and I should not be surprised if the Honourable the Mover himself, might not be included among them—know probably well that this is not so. There is no question whatever of the man's guilt. None the less, when the amnesty was proclaimed we consulted the Bombay Government about these two men and they decided then that it was impossible to release them, and on a representation being made to me—I think by Mr. Khaparde—I again referred the question to the Bombay Government and they gave very good reasons for not proceeding with any question of their release at that juncture. I myself took a somewhat different view from that of the Honourable Mr. Seddon in regard to one of the brothers Ganesh Savarkar. I thought that his case might be differentiated from that of his brother Vinayak. Vinayak was definitely convicted of abetment of murder, and I shall always oppose the suggestion that a man is to be allowed to commit murder and then escape the punishment on the ground that the murder was purely a political one. Moreover, the country in the assassination of Mr. Jackson at Nasik, lost a man who was a friend of everybody. He had done nothing to hurt anyone. A crime of that kind is unpardonable, and I submit that a man who abets the commission of an offence of that kind is not entitled to clemency. If an exception is to be made for crimes of that nature, why not extend it to every other kind of murder? Why not extend it to those who commit murder in defence of the honour of their wives or as a result of oppression? Are they not more deserving of sympathy than a man who deliberately sends 20 pistols out for the murder of 20 individuals? If we are to condone offences of this kind on the score of idealism and the like, then there is no point in having any criminal law in the country at all. I can therefore hold out no hope myself that the Government will release this man.

With regard to the other man, Ganesh, I am prepared to go this far as to say that I will consult the Bombay Government as to whether they think any action can be taken in the direction proposed by the Honourable Mover; although he was mixed up with a conspiracy to murder, the offence of which he was convicted was of a different character. He was convicted for promoting sedition. That is a political offence, and at any rate stands in a

The HONOURABLE SIR WILLIAM VINCENT: Sir, the Honourable Member has just said that 'Forget and forgive' should be our watchwords. But I ask the Council—is this man entitled to any more consideration than any other murderer? If we follow the suggestion of forget and forgive to its logical conclusion, we shall have to empty our jails and let every criminal out. The Honourable Member went on to say that the Muzzaffarpur murderers have been released, the men who were guilty of the murder of Mrs. Kennedy and that therefore the Savarkar brothers should be similarly treated. To the best of my belief, the Muzzaffarpur murderers were hanged! That is my recollection. In their case, there was no question of release from jail: Finally, may I say that I hope that this Council will take the same attitude in regard to this Resolution that it did in regard to the Punjab cases the other day where as in this case, the men on whose behalf an appeal was made had been convicted of dangerous crimes, and that they will not ask the Government of India to release these two brothers at a time when we at least in regard to one and the Government of Bombay in regard to both of these men, believe that their release would be highly incompatible with public safety. I ask the Council with confidence not to recommend such a course at this juncture.

The HONOURABLE THE PRESIDENT: The question is:

'That this Council earnestly recommends to the Governor General in Council to extend amnesty to the Savarkar brothers.'

The Resolution was negatived.

RESOLUTION RE EXEMPTION OF MEMBERS OF THE PROVINCIAL AND INDIAN LEGISLATURES FROM THE OPERATIONS OF THE ARMS ACT.

The HONOURABLE LALA SUKHBIR SINHA: Sir, I have the honour to move that:

'This Council recommends to the Governor General in Council that all Magistrates and Members of the Provincial Legislative Councils, Assembly and the Council of State also should be exempted from the operation of the prohibitions and restrictions contained in the Indian Arms Act, 1878.'

This Resolution consists of two classes of people, first magistrates, whether they are paid or honorary, and secondly, members of this Council, the Legislative Assembly as well as the Provincial Councils. The United Provinces Government have recently passed a resolution on this subject and the resolution is much wider. They have included in it vice-chancellors of universities, members of the senate, fellows, principals and professors of colleges, headmasters of high schools and all gazetted officers. Sir, this Resolution is restricted only to magistrates and members of the three Councils I have mentioned. As regards magistrates, I think every one of us knows that they have to perform duties in court as well as outside the court. They have to do much out-door work. They have to decide criminal cases, and therefore it is necessary for their personal safety as well as in the interests of public work that they should be exempted from the Arms Act. In the old Arms Act they were exempt and there is no reason why they should not be exempted under the present Arms Act. Perhaps Honourable Members are aware that the Arms Act was amended at the repeated request of our countrymen. The Act has been modified and has removed racial distinction to a great extent, but still it has been much restricted in its operation and it is only in the fitness of things

that all magistrates, whether paid or honorary, should be exempted from the Arms Act. As regards members of the Councils, I submit, that even such title-holders as Rai Sahib and Khan Sahib, who include, sub-inspectors, school masters and jailors are exempt from the Arms Act. Therefore is it not appropriate, is it not in keeping with the position of the members of the Councils that they should be exempt from the Arms Act? These members are in the confidence of Government by reason of taking the oath of allegiance to the Crown and is it not derogatory for them not to be exempted from the Arms Act? It may be said that the members of the Provincial Councils can look after themselves. I quite admit that, but it is the Government of India alone who can make an exemption. The Local Governments can make recommendations, but it is for the Government of India to make the exemption and therefore I have included them in this list. With these few words I commend my Resolution for the acceptance of this Honourable Council.

The HONOURABLE SIR MANECKJI DADABHOY: I think this Resolution is very reasonable and the Government ought to accept it, particularly because members of the old Imperial Legislative Council and ex-members of the provincial legislative councils are exempt now from the operation of the Arms Act. I think the present councillors, who are the chosen representatives of the people of this country, should have a similar concession. I think it would be in the fitness of things that at least all the members of the Council of State, the members of the Legislative Assembly and members of the provincial councils should be placed on the exemption list.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: Sir, as the Resolution stands at present, I am sorry I cannot give my support to it. As to this Honourable Council, I quite agree that the members should be exempt from the operations of the 'Arms Act' and I think there will be no harm even if the members of the Assembly are exempted because they have a connection with the Government of India and the Government of India can pass orders or give instructions that they should be exempt in future. But as to the members of the provincial councils, I think the Local Government or the Governor or whoever he may be should be the proper person first to write to the Government of India for sanction on the matter. In these days Rao Bahadurs and Khan Bahadurs have been attacked, but they are those whom the Government officials have seen and known for years and years working for the good of the people and the Government of India know they are good men. But in this case that is of local councils, it is not only the Government which is the authority. But they are the ordinary voters. There are places where the ordinary voters are so frightened by cattle lifters and thieves, etc., that they can persuade them to vote for them and they will get into the councils that way. Now is it right that such persons should be given arms to facilitate the work which they are carrying on. It is for this purpose that I say that such men ought to be weighed first by the Government of the province. As regards honorary magistrates and paid magistrates I agree with the Mover that they should be exempt, because they were exempt before. Therefore I support the Resolution except as regards that one point about the provincial council members, that is that they should be left to the provincial Governments to decide about them. I think there is some law about it under which they could do so. The Honourable the Home Member will know better if this is so. What I say is 'Let the provinces exempt those under them and let us not dictate to them.'

The HONOURABLE LIEUT.-COLONEL A. C. ELLIOTT : Sir, as regards the question of Magistrates, it is one which has been more than once moved in the Punjab Government though no definite conclusion on the point has yet been come to ; but the strong feeling among District Officers and officers of Divisions is very much in favour of it, and I gladly support this portion of the Resolution, as my personal experience has shown to me on more than one occasion that an Honorary Magistrate without a revolver is practically useless for the purpose of upholding the dignity of his office and carrying out the duties for which he is on the spot.

As regards the provincial councils, I quite agree with the remarks of my Honourable friend Sir Umar Hayat Khan, that it is not for this Council to suggest to the provincial councils what action they should take in the matter. And as regards the Members of the Council of State and the Legislative Assembly, I think that the proper attitude for us to take up is that, by our acquiescence in the provisions of this Act which have been so much cavilled at and which have, as far as possible, been evaded by certain persons, that we should, by acquiescing in, and supporting them, set an example by taking out all the licences that are necessary to encourage every one else to comply also with the provisions of the Act.

The HONOURABLE LALA RAM SARAN DAS : Sir, I rise to support this Resolution, and I understand that the words ' Members of the Legislative Bodies ' include members as well as ex-members. If not, I think it will be beneath the dignity of a councillor if, on the termination of his office, he is required to apply for a licence. As far as the provincial councils are concerned, I understand from the Honourable Mover that it is in the gift of the Government of India to exempt members of those councils from the provisions of the Indian Arms Act. So I should include them in the concession proposed by the Honourable Mover. With these few words, I support the Resolution.

The HONOURABLE SIR WILLIAM VINCENT : Sir, I should like in the first place to explain our policy in regard to this matter of the administration of the Arms Act, and at the outset may I say that the Honourable Mover is in error in supposing that we have recently amended the Indian Arms Act. This has not been done for many years. We did however amend the Indian Arms rules. Our policy in regard to these rules has been based on the following principles, firstly, to remove racial distinctions. That was the first *sine qua non*. The second was to facilitate, as far as we could, the acquisition of licences by any member of the public who was entitled to possess arms without danger to the public ; and thirdly, to prevent arms from falling into the hands of undesirable persons who were likely to misuse them. In pursuance of this principle we originally wanted to abolish all exemptions and to make everybody, from the highest to the lowest, take out licences, just as they have to do in England. We found, however, that it was impossible to do away with exemptions altogether because the proposal caused a great deal of heart-burning ; and so we decided not to do away with them altogether but to restrict them as much as possible.

We consulted Local Governments, and finally we had a committee of officials and non-officials which again advised us not to attempt to abolish all exemptions, but to confine them within the lowest limit possible, and we followed that advice.

We are now asked to extend them again, but once you begin to extend these exemptions, the more anomalies you create and the more complaints you get from different people and the more demands for further exemptions. ' If so and so is exempted, why should I not be exempted ? ' ' If Magistrates are to be exempted, why not somebody else ? ' and so on. And then the list of exemptions gets into such a state that it is impossible for any executive authority to know whether a man is exempted or not. As it is, our Schedule has extended very much further than I should have liked it. I should have preferred to restrict it to much narrower limits, and I do not think the present exemptions are in any way needed. I do not believe, for instance, that an Honorary Magistrate needs a revolver for the performance of his duties. I have never heard of such a suggestion myself, outside the Punjab. Certainly in my Province I can assure the Council an Honorary Magistrate would be able to carry on his duties without carrying arms. Some Honourable Members here will be able to confirm what I say. And few officers do even possess revolvers in the calmer and quieter parts.

Now let me say what will be the result if we accept the Resolution as it stands. Honorary Magistrates are appointed for a time. Members of Council hold office for a few years and then vacate their office. Is the exemption of Magistrates to continue after they have ceased to hold the appointment ? If so, why ? And as regards Members of Council too, are they to continue to be exempted after their term of office has ceased ? Once you accept these proposals to extend the list of persons exempted, you introduce all sorts of complications of this kind, and you also give rise to a very large number of additional claims for the privilege.

The Honourable Sir Maneckji Dadabhoy told us that ex-members of the old Legislative Councils are exempted. I am not sure if that is correct ; I have not been able to verify it. But if that is so, the only reason that can be given for it is that we did not want to take away an existing privilege and vested interest. Some exemptions now enjoyed have been continued temporarily but only because they were privileges which individuals had possessed for some time and we did not like to cancel them summarily. We did not want to cause resentment and heart-burning by such a course.

The Council has really two alternatives to this : either adopt a general system of licenses issued or refused for administrative reasons, or put the administration of the Act on a purely fiscal basis—that is, let any one get a license who wants to, as they do in England. No sensible man would recommend that course in India at present. I am quite sure landlords in many parts of the country would be very sorry to see the number of fire-arms owned by disorderly peasants increased and they will not support a system under which every *badmash* could go down and get a licence whenever he wanted to. That would not suit some Honourable Members at all. Nor would it suit the employers of labour in places where there is labour trouble. As a matter of fact, whenever we have increased the number of licenses, as we did in one district in the United Provinces, there always is a material increase in violent crime. I do not suggest of course, that that result would follow were we to extend the privilege of exemptions to Members of Council ; I am not speaking of the objection to issuing licenses to every one on payment of a fee, but what I say in connection with this Resolution is that once you increase your list of exemptions, more and more licences will have to be granted till the position becomes one of great complication, and I hope in these circumstances

[Sir William Vincent.]

that we shall not be pressed to extend the exemptions in the manner described, because I feel myself that it is an unreasonable method of procedure and that our proper line is to facilitate the grant of licenses, and not grant exemptions. Let the fee be reduced as much as you like, so that the price shall not deter any one from getting a license, but let all people be placed as far as possible, without injury to vested interests, on the same footing and let no person be exempted unless he needs arms for the performance of his duties. That is the position I should like to take up. Now I do not think it can be said that the Honourable Members of this Council, or, outside the Punjab, Honorary Magistrates need fire-arms for the execution of their duties.

The HONOURABLE LALA SUKHBIR SINHA: Sir, my Honourable friend, Nawab Sir Umar Hayat Khan, has opposed only one part of the Resolution, that relates to Members of the Provincial Councils. Well, as I said in my speech before, I should not have included them, but I had to include them because they cannot be exempted from the provisions of the Arms Act without the sanction of the Government of India, and therefore I included them also in my Resolution.

The Honourable Sir William Vincent has raised some questions in opposing this Resolution. He asks what will happen about *ex*-members of Council and *ex*-honorary magistrates. Well, I beg to submit that when a person has been brought into the confidence of Government, whether for a term of years or not does not matter much; if he is a member of council or an honorary magistrate, he should be exempted. If he is no longer a member of council or an honorary magistrate, he must keep up his position, and there is no reason why he should not continue to have the privilege. Therefore, I think, that members and honorary magistrates, present as well as those out of office, should be exempted from the operation of the Arms Act.

Sir, the fee at present for a rifle is Rs. 5 and for a pistol is Rs. 10. These fees are very high, and very few licenses, so far as I know, have been taken up to this time. Of course it would have been much better if the Arms Act were amended on a fiscal basis, as is the case in England; but that has not been done and there is no time to move that. But if exemptions are made by the Government of India more freely I think the people will be much more contented and the Arms Act will be taken as amended on proper lines. If more restrictions are put, and those members and those honorary magistrates who were exempted under the old Act are brought under the operation of the present rules, I do not think we shall take the present rules as more liberal and therefore I press this Resolution on the attention of this Honourable Council.

The HONOURABLE SIR WILLIAM VINCENT: Sir, if the Council of State pass this Resolution, Government will invite the opinion of Local Governments on it; but I hope that they will not pass it for the reasons that I have given, for I think this system of exemptions is bad.

May I however draw the attention of Honourable Members to one argument. The Honourable Lala Sukhbir Sinha says that members of council are persons who enjoy the confidence of Government and are serving Government. I always understood that they enjoyed the confidence of their electors

more than of Government and that they were not in any way connected with Government. I do not want to be personal, but I have heard of individuals who have been elected to the various provincial councils for the purpose of making the councils a laughing-stock. I do not know if that is true; but one does hear of some persons of no position or education being elected. Is it reasonable to suggest that these persons—they may be very good men—have necessarily the confidence of Government or are persons who are entitled to secure from Government the additional privilege of exemption from the operation of the Arms Act? It seems to me that this is going a little too far.

As to the fees for these licenses I may say that the reason for putting the fees for revolvers high was simply that we knew from experience that this was the weapon most used by revolutionary criminals and for that reason we were anxious not to increase the facilities for the possession of these arms. At the same time we are quite open to consider the question of fees. Further, indeed I am not at all sure that we shall not have to consider the question of a general revision of these rules as a whole again, for we have been so driven from pillar to post by increasing these exemptions that the position at present is not a very logical one.

I hope however in the circumstances that the Council of State will not pass this Resolution. Nevertheless if they do, I shall accept it with a good grace and will obtain the opinion of Local Governments on the proposal.

The HONOURABLE SIR MANECKJI DADABHOY: May I request you, Sir, to put the question in parts, first about magistrates and then about members of council?

The HONOURABLE THE PRESIDENT: Certainly. The question is:

That the following Resolution be adopted:

'That this Council recommends to the Governor General in Council that all Magistrates be exempted from the operation of the prohibitions and restrictions contained in the Indian Arms Act, 1878'

I think the 'Noes' have it.

The HONOURABLE LALA SUKHBIR SINHA: I ask for a division, Sir.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: May I ask, Sir, whether this question applies to those who are not magistrates at the time.

The HONOURABLE THE PRESIDENT: Order, order. During a division the only question that can be raised is on a matter arising out of the division.

The HONOURABLE COLONEL SIR UMAR HAYAT KHAN: This arise out of the division, because we have to vote now and we cannot vote for those who are not magistrates, that is who have ceased to be magistrates.

The HONOURABLE THE PRESIDENT: If the Honourable Member mean to ask for an interpretation of the terms of the question I will give him one. Magistrates means magistrates, not men who have been or will be magistrates.

[The President.]

I shall now put the question for a second time.

'The question is that this Council recommends to the Governor-General in Council that all magistrates shall be exempted from the operation of the prohibitions and restrictions contained in the Indian Arms Act, 1878.'

The Council divided as follows :—

AYES—16.

Abdul Majid, Nawab.
Bhurgri, Mr. G. M. K.
Bahram Khan, Nawab, Sir.
Barron, Mr. C. A.
Darbhanga, Maharaja of.
Elliott, Lieutenant-Colonel A. C.
Hammond, Mr. E. L. L.
Jogendra Singh, Sardar.

Kale, Mr. V. G.
Ram Saran Das Lala.
Nandy, Maharaja Sir M. C.
Pramada Nath Roy of Dighapatia
Raja.
Sukhbir Sinha, Lala.
Umar Hayat Khan, Colonel Sir.
Zulifqar Ali Khan, Sir.
Zahir-ud-din, Saiyid K. B.

NOES—14.

Amin-ul-Islam, K. B.
Barnes, Sir G.
Chatterjee, Mr. A. C.
Dadabhoi, Sir W.
Froom, Mr. A. H.
Ganganath Jha, Dr.
Harnam Singh, Raja Sir.

Lloyd, Mr. E. S.
Richey, Mr. J. A.
Seddon, Mr. C. N.
Shafi, Mr. M.
Smith, Mr. H. Moncrieff.
Soshi Kanta Acharyya Chaudhri,
Maharaja.
Vincent, Sir William.

The motion was adopted.

The HONOURABLE THE PRESIDENT: I will now put the second part of the Resolution :

'This Council recommends to the Governor-General in Council that all Members of the Provincial Legislative Councils should be exempted from the operation of the prohibitions and restrictions contained in the Indian Arms Act, 1878.'

The motion was negatived.

The HONOURABLE the PRESIDENT: I will now put the remainder of the question together :

'This Council recommends to the Governor-General in Council that all members of the Assembly and the Council of State should be exempted from the operation of the prohibitions and restrictions contained in the Indian Arms Act, 1878.'

The motion was adopted.

RESOLUTION *RE* INDEMNITIES AND REPARATIONS FROM GERMANY.

The HONOURABLE MR. KALE: Sir, I beg to move the Resolution standing in my name which runs as follows :—

'This Council recommends to the Governor-General in Council that he should move the Secretary of State for India to secure for this country, through His Majesty's Government an adequate share of the indemnities and reparations to be obtained from Germany.'

I do not think there will be any difference of opinion in this Council with regard to the substance of my Resolution. We are not here to consider the

principle underlying reparations or the general policy of the recommendations of the Reparation Committee. The question has been decided in the Conferences that have been held in Spa, in Paris, and recently in London and the Allies have fixed what amount of reparation shall be demanded from Germany. If there is any controversy at all, that controversy centres around the question as to how Germany should be made to pay. The amount has been fixed, but the question is, in what manner should it be collected? While the War was going on, it was stated by the then Prime Minister, Mr. Asquith, that the object of carrying on the war with Germany was to exact reparation, restitution and guarantees for the future. Restitution, reparation and guarantees, these were the demands he would make of Germany. We need not, therefore, go into the controversy about reparations. The amounts have been fixed and the question of general policy need not now be discussed.

India, as a member of the League of Nations and as a part of the British Empire, wants to know what her share will be. We have been told that the share of the British Empire will be 22 per cent. of the total amount. In reply to a question put in the other House it was stated that the basis on which the distribution will be made between England and other parts of the British Empire has not yet been settled; and I hope there will be no difficulty on the part of the Government of India in making representations to the Secretary of State and drawing his attention and the attention of His Majesty's Government to the desirability of fixing India's share on an adequate scale. I need not here dwell upon the great part which India played in the late war, because everyone knows it. The whole thing has been published. The contribution made by India to the success of the war in men, in munitions and in money is known all the world over. I, therefore, need not repeat the story of her sacrifices especially because her services have already been handsomely acknowledged in England and by His Majesty's Government itself.

Therefore, the only question for me to ask the Government of India to consider is that they should press upon the Secretary of State the desirability of securing for India an adequate share of the reparations. How that adequate share should be determined must be left to the Government of India, the Secretary of State and to His Majesty's Government to settle. I do not, however, think there will be any dispute with regard to the reasonableness of the claim that India's share should be based upon the sacrifices she has made—sacrifices as I said before—of men, munitions and money. The contributions which have been made by India under all these three heads have been large enough, and whatever basis may be taken for the distribution I have referred to India must receive her just share. I do not think I need speak any more on the reasonableness of the proposals I have made to-day.

I will not take up the time of the Council any more and I have every hope that my Resolution will be accepted.

The HONOURABLE RAJA P. N. ROY OF DIGHAPATIA: Sir, I beg to support this Resolution, and in doing so, I beg to say that as India, like the other parts of the British Empire, had contributed men and money at the time of the war, there is no reason why India, like the other parts of the Empire, should not have a legitimate share in the indemnities payable by Germany. If the representatives of India could be allowed to sign the

The HONOURABLE THE PRESIDENT: As Honourable Members are aware a meeting was originally notified for Monday the 28th. The purpose of that meeting has, I am happy to say, already been disposed of. It was of course intended to be held, in the event of a difference of opinion between the two Chambers, in regard to the Finance Bill. That has gone and therefore it will not be necessary for this Chamber to meet on Monday. Honourable Members have heard His Excellency's summons for the 29th, on which date I have reason to believe it is His Excellency's intention to prorogue this Council. Before I adjourn the Council after this, our first Session, I should like to thank Honourable Members very sincerely for their great courtesy, and consistent assistance and support to the Chair throughout the Session.

The Council stands adjourned till Tuesday, the 29th, and thereafter *sine die*.

COUNCIL OF STATE.

Tuesday, 29th March, 1921.

PROROGATION OF THE COUNCIL OF STATE AND
LEGISLATIVE ASSEMBLY.

His Excellency the Viceroy having arrived in procession with the Presidents of the Council of State and the Legislative Assembly took his seat on the dais at a quarter after nine of the Clock.

H. E. THE VICEROY: The first Session of the reformed Indian Legislature has come to an end, and I am here to prorogue it with the ceremony which is traditional in the Mother of Parliaments. Throughout the Session your distinguished Presidents have led you in the paths of Parliamentary practice, and I am confident that you all have wished to be so led and to conduct your business in a manner consonant with the highest traditions of Parliamentary procedure.

On you has fallen a very special responsibility—the responsibility of founding a tradition, and I congratulate you on the manner in which you have risen to the height of your great opportunity. Government and non-officials alike were unfamiliar with the new procedure, and if mistakes have been made they were due to that unfamiliarity. But after all it is not so much the letter which matters, but the spirit—the spirit which giveth life. And what of the spirit which has informed your deliberations? I make bold to say that the tone and temper of your deliberations have been the outstanding feature of the past Session. Non-officials have shown a sense of balance and responsibility in their treatment of great questions, and the Government have endeavoured to give the fullest possible effect, consistent with their own responsibility to Parliament, to the governing principles of the new Constitution. The working of a Constitution, believe me, is no easy task. Any Constitution can be reduced to an absurdity if its constituent parts are unmindful of their responsibility to work it with good-will and fair play. British Constitutional institutions have flourished because of the spirit which has informed those who work them. It may interest you to be reminded of what Mr. Gladstone wrote of the British Constitution—‘The British Constitution’ he said ‘leaves open doors which lead into blind alleys; for it presumes more boldly than any other, the good sense and good faith of those who work it. If unhappily, these personages meet together, on the great arena of a nation's fortunes, as jockeys meet upon a race-course, each to urge to the uttermost, as against the others, the power of the animal he rides, or as counsel in Court, each to procure the victory of his client, without respect to any other interest or right; then this boasted Constitution of ours is neither more nor less than a heap of absurdities’. Mr. Gladstone then goes on to depict how each portion of the Constitution could wreck the working of the whole by a strict adherence to the letter of its powers. He proceeds however—‘But the assumption is that the depositaries of power will all respect one another; will evince a consciousness that they are working in a common interest for a common aim; that they will be possessed, together, with not less than an average intelligence, of not less than an average sense of equity and of public interest and rights.’

It is in the spirit of this passage that my Government have approached the new Constitution. It is in the spirit of this passage that members have

[Raja P. N. Roy of Dighapatia.]

treaties, and if she could be admitted into the League of Nations, it is, I think, quite fair that India should also take a share of the indemnities. Sir, it would indeed be a matter of great surprise if in this connection a non-official Member of this Council has to remind the Government of India about it. But I daresay the Government of India is also taking steps in the matter, and I feel we can safely depend upon it that the interests of India in this matter will not be overlooked and that her claims are sure to be considered when the time comes for distributing the indemnities.

With these words, Sir, I beg to support the Resolution.

THE HONOURABLE MR. H. MONCRIEFF SMITH: Sir, may I begin by thanking the Honourable Mr. Kale for his courtesy in allowing this Resolution to stand over for a short time? As the Council is aware, the Resolution was in charge of the Honourable Dr. Sapru who is detained in another place.

I think I may, at the outset, give the assurance desired by the Honourable Raja Pramada Nath Roy, that the Government of India welcomes the principle and the object of this Resolution and will do all in its power to have India's claims to an adequate share of the indemnities and reparations to be obtained from Germany carefully laid before the proper authorities. No one will quarrel with the Honourable Mr. Kale's statement of what India has done in the war from its very inception. Perhaps I might explain to the Council the position with regard to this matter of reparations beginning with the Peace Treaty. In the Peace Treaty, the Allied and Associated powers insisted on, and Germany accepted, her responsibility for causing all the loss and damage to which they had been subjected as a consequence of the war. But in Article 232 which followed, it was realised that Germany's financial position at the end of the war and for a long time to come would be such as to render that country utterly incapable of meeting the whole bill. Then, as the Honourable Mr. Kale said, we had various conferences and meetings, and a sum was laid down which was to be demanded from Germany in instalments. I will not give detailed figures. As the Council knows, the whole matter is again in the melting pot and no one knows how it will emerge. The total sum is something like £11,300,000,000. Germany has expressed her inability to pay anything like that sum, and the matter, as I have said, is now in the melting pot. Out of this sum, France gets the lion's share—rather more than 50 per cent—the obvious reason being that France was the main battle ground during the war and there it was that most damage was done. Britain's share in that £11,300,000,000 is 22 per cent. No definite allocation of Britain's share between the various units of the Empire has yet been made. This is the matter to which the Honourable Mr. Kale's Resolution now draws attention. We have during the last few months been sending Home to the Secretary of State all the claims against Germany on account of reparation which have been received through the Local Governments. We have given a total estimate of the claims at something like Rs. 80 lakhs. This was made up in various ways. I may mention here that under the Peace Treaty Germany has assumed responsibility for certain acts of her allies and in respect of certain classes of damage that were caused. Thus Germany becomes responsible for much loss and damage caused to British subjects by Turkey's action in the war. I believe that the treaty does not saddle Germany with claims arising out of the maltreatment of prisoners of war in Turkish hands: that is not to be added to Germany's bill. The

claims against enemy Governments in respect of property requisitioned, sequestrated or destroyed by those Governments, which were registered with the Foreign Claims Office—these claims were started as long ago as 1916—amounted to Rs. 9 lakhs. They are against various enemy Governments. The claim against Germany is nearly Rs. 5 lakhs; against Turkey nearly Rs. 3 lakhs; against Austria half a lakh and against other Governments not specified about three-quarters of a lakh. Then there were further claims received far more recently after the Government of India had notified that they were prepared to receive them. The total amount of the claim against Germany is about Rs. 24½ lakhs; against Austria Rs. 1½ lakhs, and against Turkey nearly Rs. 50 lakhs. These claims arise chiefly out of the depredations of the 'Emden'—the German battleship that got astray in the Indian Ocean—the loss of lives and damage to health and property occasioned by Germany's illicit submarine campaign, and the pecuniary exactions and other sufferings inflicted by Turkey on British Indian subjects in Mesopotamia and Arabia and by Germany in what was German East Africa. The House is probably aware that Indian Merchants in Arabia were compelled to give up a great deal of their property. Their camels, their money, and other property were taken away and they were given worthless Turkish notes in exchange. The traders in German East Africa in some cases never got their goods because the ships carrying them did not reach their destination. All these claims have been forwarded to the India Office and as the House knows, they will be dealt with by the Reparations Commission. But the Commission is not concerned in the very slightest with the cost of the actual fighting. It only deals with the amount of the damage caused to individuals. An officer of this Department has been at Home on leave during the winter. He has been going to the India Office and keeping us informed of what is going on. We have not heard very much lately. All that we can say is that there is likely to be some considerable delay. The Reparations Commission is expected to begin work very shortly. There will be a representative of the British Empire on it. He will have a staff and a secretariat which I have no doubt will include a representative of India. As the House is aware, a Member of this Council, the Honourable Mr. Sastri, is being deputed to London as India's representative at the Imperial conference. This question of reparations is among the matters which he will deal with, and I think that the Council may rest assured that the matter could not have been left in better hands. The Government of India have no hesitation in accepting the Resolution.

THE HONOURABLE MR. KALE: Sir, I am very thankful to the Honourable Mr. Moncrieff Smith for his kindness in accepting the Resolution which I have moved. I had always thought that there would be no opposition on the side of Government, and I hope that when the time comes for determining what the share of India is to be Government will see to it that India secures a proper share in the reparations along with the Dominions and other parts of the Empire.

THE HONOURABLE THE PRESIDENT: The question is:

'That the following Resolution be adopted:

"This Council recommends to the Governor General in Council that he should move the Secretary of State for India to secure for this country, through His Majesty's Government, an adequate share of the indemnities and reparations to be obtained from Germany."

The motion was adopted.

[H. E. the Viceroy.]
worked this Session. Even the British Constitution, as Mr. Gladstone has shown, may break down if it is worked in any way other than that of mutual respect and in a common interest for a common aim. It is, then, in the belief that it is with good sense and good-will that the new Constitution will be worked that I have faith in what I have set my hand to.

It is the first step which counts, and this first Session should go far to dispel the doubts of those who have looked upon our new constitutional departure with gloomy forebodings. It should go far to hearten those who are pledged to fight the constitutional cause against the forces of disorder and anarchy. But for those who have displayed such conspicuous wisdom and courage in launching the new Constitution on right lines, there still remains work to do. There is need for the spreading of the constitutional gospel in the country. You will then, I hope, in your recess make an organised effort to teach people what this reformed Constitution means; that real powers—not sham—are vested in the Councils, and how surely through these Councils progress must come.

And now it falls to my lot to bid you farewell. Before you meet again another will stand in my place, one who is marked out by achievement, by experience and by character as offering the promise of a great Viceroyalty. I know I can assure him of a warm and hearty reception on the part of you all. He will find difficulties to meet him, but they are, I think, less than they appeared likely to be some six or seven weeks ago. My constant thought and endeavour has been to smooth his path, and in that, I believe, I have been in a large measure successful. But I would not in saying this be unmindful of the mission of healing in which His Royal Highness the Duke of Connaught played so conspicuous and great a part. India has had on many occasions reason to be grateful to its British Emperors. This last visit of His Royal Highness, taken at the instance and by command of His Majesty, is one more proof of the constant solicitude of His Majesty for the well-being of his Indian subjects.

We have gone through troublous times during the past five years, but I ask you to look upon India's position in the Empire and at Home in 1916 and to-day. She has now an assured position in the Imperial Cabinet and her sons voice her views at its meetings. At home Indians occupy the highest posts in Government, are responsible for the policy in those subjects which go to promote a country's well-being and in the rest exercise a far-reaching influence. In the sphere of the Indian Legislature you know your powers and in the Provincial Councils the powers and responsibility are even greater.

And all this has been accomplished during a period disturbed by war and the aftermath of war; nor was it at the expense of India's effort, for no one can gainsay that effort nor its decisive influence upon the war. My participation in your affairs is now at an end. It has been a high privilege to have been your Governor General during this great epoch. It is for you now to justify our great adventure. I have no fear that you will fall short of what is required of you. What is well begun is half done. Continue to exhibit the courage, the sobriety, the sense of responsibility of the first Session and there can be no doubt that your labours will not be in vain. I commend both you and them to the guidance of divine Providence.

I now declare this Session prorogued.

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