

THE
COUNCIL OF STATE DEBATES

(Official Report)

VOL. III, PART III

(From the 16th to the 28th July 1923) *



THIRD SESSION

OF THE

COUNCIL OF STATE, 1923.



SIMLA
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1923

Council of State.

The President:

THE HONOURABLE SIR ALEXANDER MUDDIMAN, KT., C.S.I., C.I.E., I.O.S.

Panel of Chairmen:

THE HONOURABLE SIR MANECKJI DADABHOY, KT., C.I.E.

THE HONOURABLE SIR DINSHAW WACHA, KT.

THE HONOURABLE SIR ZULFIQAR ALI KHAN, KT., C.S.I.
(Vacant).

Secretary:

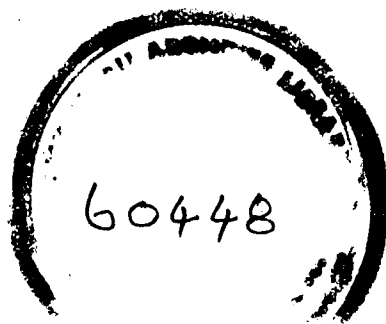
MR. L. GRAHAM, I.O.S.

Assistants of the Secretary:

MR. W. T. M. WRIGHT, I.O.S.

MR. S. C. GUPTA, BAR.-AT-LAW.

MR. G. H. SPENCE, I.O.S.



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COUNCIL OF STATE.

Monday, the 16th July, 1923.

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

MEMBERS SWORN.

The following members took the oath of allegiance :—

The Honourable Mr. A. C. McWatters (Finance Secretary) ; the Honourable Mr. A. H. Ley (Secretary, Department of Industries and Labour) ; the Honourable Sir Robert Middleton Watson Smyth (Bengal Chamber of Commerce) ; the Honourable Mr. W. C. Shepherd (Bombay : Nominated Official) ; the Honourable Major G. D. Ogilvie (Political Secretary) and the Honourable Mr. S. Vedamurti (Burma : General).

CONGRATULATIONS TO MEMBERS ON DISTINCTIONS CONFERRED.

The HONOURABLE THE PRESIDENT : Before we proceed to the business of the day I should like to say a few words. Since we last met several marks of distinction have been conferred upon Members of this Council, and I am sure the House would desire that I should tender on behalf of the Council and myself congratulations to the recipients of those honours. I may first mention the very distinguished honour of the Knight Commandership of the Star of India which has been conferred on the Honourable Sir Narasimha Sarma. (Applause). I may perhaps here be permitted to add a special personal note of congratulation on this honour, because the honourable gentleman is a very old friend of mine. He has been known to us all in this Council, but he was known to me in the old Council. In those days he was a distinguished financial critic, on the benches opposite to those on which he is now sitting. We heard his voice more frequently than we have had the pleasure of hearing it lately. The honourable gentleman, I think, hardly thought in those days that he would come to sit on the bench on which he is now sitting and carry on the arduous duties of administration which he is now performing with such ability. (Applause).

The Council also welcome the honour that has been conferred on my friend Sir Purshotamdas Thakurdas and also on my friend, Sir Annamalai Chettiyar. (Applause). Their public services both inside and outside the Council have been recognised, I am sure, to your entire satisfaction and on your behalf I tender them congratulations.

It was in January last that we congratulated Sir Edward Cook on the C.S.I., which had been conferred on him. He is not now a Member of this Council, but our congratulations are again called for as he also received the honour of a Knighthood.

I should like to take this opportunity of regretting the loss to this Council of the eloquent and intellectual contributions which have always been made by Professor Kale, and I am sure we all hope that, in his new sphere of action, he will add lustre to the reputation which he has certainly achieved in this Council. (Applause).

The HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member): Sir, will you kindly permit me to express how deeply grateful I am to the House and to you in particular for the kind manner in which you have expressed your appreciation of the honour that has been conferred upon me so graciously by His Majesty. The only thing that I need say is that I recognise how ill I deserve that honour, and to assure the House and you, Sir, that it shall be my constant endeavour to be worthy of the distinction and to earn, if possible, the goodwill of this House and the country by my conduct both here and elsewhere.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-Official) : Sir, I need hardly say that I am most grateful to you and to the House for the kind words you have been pleased to say in connection with the honour that has been conferred upon me. This is my first session of the Council in Simla, and I well recognise that I am one of the most junior members of this House. The warm approval that the House has been pleased to give to what you said, Sir, makes me feel that I have won the confidence of the House, even though it be to a small extent. It will always be my endeavour to prove worthy of the approval that the House has been pleased to give to what you said so kindly.

The HONOURABLE SIR ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : Sir, I thank you and my Honourable Colleagues here most heartily for the kind congratulations you have been pleased to offer me on the honour that has been conferred upon me, and I feel most grateful to you for your very kind appreciation.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : If you will allow me, Sir, I should like to ask the Questions standing in the name of the Honourable Mr. Sethna as he is unfortunately absent to-day.

The HONOURABLE THE PRESIDENT : I consent to that course.

QUESTIONS AND ANSWERS.

RECOMMENDATIONS OF INCHEAPE COMMITTEE.

1. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to lay on the table a statement showing in detail (1) which of the recommendations of the Incbeape Committee they have accepted *in toto*, (2) which in a more or less modified form, and (3) which not at all? In the case of those which they have not been able to accept at all, will they state the reasons that have led them to reject them altogether?

The HONOURABLE MR. A. C. MCWATTERS : I place on the table a statement which shows briefly the action taken with regard to each recommendation of the Retrenchment Committee. The statement has been compiled in the form in which the information is most readily available, that is, the progress report maintained by the Finance Department. It is not altogether in the form in which the Honourable Member has asked for information to be supplied, but I hope he will find the statement fairly complete. If he desires further information on any particular point, I shall endeavour, as far as possible, to obtain it. I also lay on the table a further statement giving fuller reasons in the more important cases why Government have been unable to accept the recommendations of the Committee.

QUESTIONS AND ANSWERS.

I.—Statement showing the action taken on the recommendations of the Indian Retrenchment Committee regarding the Military Services.

Serial No.	Head.	Reference to Report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
1	48—Army	9	4	Reduction of peace establishment of British infantry battalions to 884 British Other Ranks.	Rs. 144 lakhs less the necessary lag.	The proposal is under discussion with the Secretary of State.	Rs. None at present. This will depend on the decision arrived at.	
2	"	10	5	Reduction of peace establishment of active Indian infantry battalions (other than Gurkha units) to 766 Indian ranks.				
3	"	10	5	Reduction of peace establishment of training battalions by 50 Indian ranks.	Rs. 42 lakhs less lag.	The proposal is under discussion with the Secretary of State.	None at present. This will depend on the decision arrived at.	
4	"	10	5	Reduction of peace establishment of active pioneer battalions to 722 Indian ranks.				
5	"	10	5	Alteration of terms of service of Indian soldiers so as to include colour and reserve service.	Nil.	This question has been taken up with a view to the introduction of new conditions of service for Indian soldiers as soon as a definite decision has been arrived at on items 2, 3 and 4. The savings to be effected by this recommendation will not be realised this financial year.	Nil.	
6	"	11	6	Reduction of 8 British cavalry regiments.	Rs. 74 lakhs less the necessary lag.	The proposal is under discussion with the Secretary of State.	None at present. This will depend on the decision arrived at.	
7	"	11	7	Reduction of 10 per cent. in artillery.	Rs. 43 lakhs less the necessary lag.	The proposal is under discussion with the Secretary of State.	None at present. This will depend on the decision arrived at.	

Serial No.	Head.	Reference to Report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.)
		Page.	Para.					
8	48—Army	12	12	Reduction of officers employed at Army Headquarters to full extent recommended by Innes Committee, Rs. 4 lakhs being effected in 1923-24.	Rs. 4 lakhs less the necessary lag.	These two recommendations are being dealt with together. Orders of Government giving effect to a reduction of Rs. 5,85,000 per annum have already issued. These reductions will take effect from various dates during the current year and the full saving will not therefore be realised this financial year.	Rs. 5 lakhs.	
9	"	13	12	Reduction of clerical establishment of Army Headquarters by Rs. 2 lakhs.	Rs. 2 lakhs less the necessary lag.	The question of reductions to the full extent recommended by the Innes Committee is also under consideration.		
10	"	13	13	The necessity for retention of 4 Commands to be again reviewed after 12 months (i.e., February 1924), and in meantime no expenditure to be incurred on new offices for the Commands.	Nil	The matter is under examination.	Nil	
11	"	13	16	The provision for Command, district and brigade staffs to be reduced by Rs. 4 lakhs for 1923-24 in addition to savings under transport and forage charges.	Rs. 4 lakhs less the necessary lag.	These two recommendations are being dealt with together. Orders of Government giving effect to a reduction of Rs. 7.24 lakhs per annum have already been issued.	Rs. 6 lakhs.	
12	"	14	17	All work in connection with movement of troops to be decentralised to Commands and districts and total provision for embarkation and railway transport staff be limited to Rs. 3,00,000.	Rs. 3.413 lakhs.	The question of reduction to the full extent recommended is under consideration.		
13	"	15	19	Tenders should be obtained for the construction of the Hindu-Bagh Fort Sandeman Railway, and if the cost approximate to Rs. 35 lakhs, work should be put in hand forthwith.	Nil	Data is being obtained to enable this recommendation to be considered.	Nil	
14	"	15	20	All the 1,792 obsolete Mechanical Transport vehicles should be sold or scrapped forthwith except vehicles of standard types which should be dismantled and their parts placed in stock as spares.	Nil	Sales are proceeding	Rs. 1.5 lakhs.	

Serial No.	Head.	Reference to Report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.)
		Page.	Para.					
15	48—Army	15	20	While present financial conditions obtain, the authorised establishment of motor vehicles including reserves should not exceed 1,600 vehicles exclusive of motor cycles.	Es.	Proposals for revised establishments are under consideration. Some reductions have already been made provisionally.	Rs.	The reduction effected is included in items 18 and 21.
16	"	16	21	Establishment of motor cars in use to be limited to 150 and their mileage to be restricted to 9,000 miles per annum.	1 lakh...	Departmental orders regarding the limitation of motor cars to 150 have been issued. Orders of Government will issue in due course.	1 lakh.	
17	"	16	22	The possibility of increasing the mileage of Ford Cars per gallon of petrol to be explored (present mileage being 14 miles per gallon.)	Nil.	Data are being collected to enable the recommendation to be considered.	Nil	
18	"	16	22	All lorries and miscellaneous vehicles to be limited to 1,000 miles running per annum, petrol and other supplies being rationed to ensure the mileage limitation being enforced.	Rs. 48 lakhs.	Orders of Government regarding the limitation of mileage and the rationing of petrol and lubricants have already been issued.	Rs. 33.5 lakhs.	
19	"	16	22	Number of ambulances in use to be limited to 200.	Nil	The full savings will not accrue this financial year as, owing to the bad state of repair of vehicles, it was necessary to provide Rs. 15½ lakhs for special repairs.	...	The existing peace establishment of motor ambulances is 200. No action is necessary regarding this recommendation.
20	"	18	22	Total establishment of motor cycles to be fixed at not more than 350, and all obsolete cycles to be sold or scrapped forthwith.	The proposed reduction is included in item 18.	Departmental orders have issued giving effect to this recommendation. Government orders laying down the revised establishments will issue in due course.	The reduction effected is included in item 18.	
					No reductions were proposed on account of sales.	Sales are proceeding.	The reduction effected on account of sales is Rs. 2 lakhs.	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
21	48—Army	16	23	The adoption of the recommendations, regarding personnel, of the Braithwaite Committee, with the exception of that relating to the increase of the establishment of the Mechanical Transport training school.	Rs. 20 lakhs less the necessary lag.	Departmental orders regarding this recommendation have issued. Orders of Government giving effect to the reduction in establishments will issue in due course.	Rs. 15 lakhs.	
22	"	16	23	Total annual expenditure on Animal and Mechanical Transport should be reduced by Rs. 55 lakhs, viz.: Reductions of Personnel in Mechanical Transport units and formations (para. 23) ... 20 Reductions of drivers of motor cars due to reduction of numbers of cars in use (para. 21) ... 1 Reduction in running expenses of motor lorries and other vehicles (para. 23) ... 48 Deduct annual replacements 14 Net saving... 55 There will be an additional saving under the stock account of Rs. 15 lakhs.	Shewn against items 16, 18, 21 and 60.	See remarks against items 16, 18, 21 and 60.	Shewn against items 16, 18, 21 and 60.	
23	"	16	24	Owing to an over-estimate in 1922-23 on account of Sea Transport charges, there will be a saving of Rs. 46.05 lakhs in 1923-24.	Rs. 46.05 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 46.05 lakhs.	
24	"	17	25	Provision for Railway charges under all heads for 1923-24 to be reduced to Rs. 1,86,00,000.	Rs. 14.75 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 14.75 lakhs.	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
25	48—Army	18	26	(a) Provision for educational and instructional establishments for 1923-24 to be reduced by Rs. 7.42,450. (b) Grant for practice ammunition will have to be increased by Rs. 23 lakhs.	Rs. 7.42 lakhs less the necessary lag. Nil.	Proposals giving effect to the recommendation are under consideration. The increased provision has been allowed for in the budget for 1923-24.	Rs. 6.16 lakhs. Nil.	
26	"	20	27	The provision for Army Education to be reduced to Rs. 33,00,000 for 1923-24 and to be fixed at this figure for the next 5 years, exclusive of any additional expenditure on the Dehra Dun and King George's Military Schools. A proportionate further reduction should be made if proposals regarding reduction of fighting troops are accepted.	Rs. 4,18,550 less the necessary lag.	The second part of the recommendation will be considered when a decision has been arrived at about the precise reduction in the strength of troops. As regards the first part of the recommendation, proposals giving effect to it are under consideration.	Rs. 3,52,000	
27	"	21	28	An enquiry to be made with a view to closing down hospitals where their retention is not justified and to substantially reducing the number of beds in the hospitals retained.	Nil.	Enquiries regarding this recommendation are proceeding.	Nil.	
28	"	20	28	A reduction of Rs. 5 lakhs to be made in the cost of the present establishments employed in hospitals in addition to the savings which should automatically result from reductions in Army personnel.	Rs. 5 lakhs less the necessary lag.	Proposals giving effect to the reductions are under consideration. Many of the reductions necessary have already been effected.	Rs. 4 lakhs.	
29	"	21	28	A reduction of Rs. 31 lakhs to be made under the head of "provisions and diets."	Rs. 31 lakhs.	The reduction has been given effect to in the Budget for 1923-24.	Rs. 31 lakhs.	
30	"	21	28	A reduction of Rs. 16 lakhs to be made under the head of "clothing for patients."	Rs. 16 lakhs.	The reduction has been given effect to in the budget for 1923-24.	Rs. 16 lakhs.	
31	"	21	28	A reduction of Rs. 1 lakh to be made under the head of "cost of drugs." Total reduction under head of "working expenses of hospitals."	Rs. 1 lakh.	The reduction has been given effect to in the budget for 1923-24.	Rs. 1 lakh.	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
32	19-Army	22	32	The provision for Arsenal and Ordnance depots for 1923-24 to be limited to the amount provided for 1922-23, and possibility of effecting economy by temporarily utilising military labour for clearing up arrears of work to be explored.	Rs. Nil	With the exception of charges for railway freight and losses on sale of surplus stores which have gone up since last year the provision for Arsenal in the Budget for 1923-24 has been limited to the same figure as for 1922-23. The aggregate provision under all heads on account of rail charges for the Army has been restricted in accordance with the recommendation shown against serial No. 31; but the share of the aggregate provision specifically made available for arsenals and ordnance depots is greater in 1923-24 than in 1922-23, the budget grant for the latter year having proved too low. The provision included in the estimates for 1923-24 on account of loss on sale of surplus stores represents a loss inseparable from heavy sales of surplus stores that will be necessary in order to give effect to the recommendation shown against Serial No. 59 (b). The question of temporarily utilising military labour for clearing up arrears of work is being explored. It is stated, however, that all work of a nature that troops could carry out has probably been concluded.	Rs. Nil	
33	"	22	31	Steps to be taken to close down as an early date 3 out of the 4 clothing and boot depots.	Nil	The Committee appears to have been under a misapprehension when they made this recommendation. There were 4 boot and clothing depots of which it was intended to close 2. One of these has been closed, and the closing of the other depends on the building of increased storage elsewhere. The matter is being considered.	Nil	
34	"	22	31	Withdrawal from unit charge of mobilization reserve of winter clothing and their concentration in depots.	Nil	This is being done gradually.	Nil	
35	"	22	31	Budget provision for 1923-24 for Clothing and Boot Depots to be reduced to Rs. 4,50,000.	Rs. 21,08,000 less necessary lag.	The matter is under consideration.	Nil	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
36	19-Army	24	33	A saving of Rs. 41 lakhs to be effected in the cost of the supply services in 1923-24. The whole position to be again reviewed in 12 months' time with a view to a further reduction being effected.	Rs. 41 lakhs less the necessary lag.	The saving of Rs. 41 lakhs includes Rs. 15.38 lakhs on account of saving in turnover of certain mobilization reserves of Supply and Transport Supplies which are being either reduced or abolished. Departmental orders giving effect to these reductions have been issued. Orders of Government will issue in due course.	Rs. 36.7 lakhs.	
37	"	24	34	Cost of Medical Stores Depots to be reduced to Rs. 4 lakhs in 1923-24 Budget.	Rs. 24 lakhs less the necessary lag.	Proposals giving effect to this recommendation are under consideration.	Nil at present.	
38	"	24	35	Reduction in Veterinary services recommended by the Braithwaite Committee to be put into effect for 1923-24 Budget.	Rs. 3.92 lakhs.	Orders of Government giving effect to this recommendation have already issued.	Rs. 3.92 lakhs.	
39	"	25	36	A reduction of Rs. 10 lakhs to be made in the Budget for Remount depots and breeding operations.	Rs. 10 lakhs less the necessary lag.	Departmental orders giving effect to the majority of the reductions recommended have already issued. Orders of Government will issue in due course. The remaining recommendations are under consideration.	Rs. 14.0 lakhs.	
40	"	25	39	Accounts on a commercial basis to be instituted for all manufacturing establishments (vide Appendix F. of Report with debit for interest on capital and depreciation).	Nil	Accounts on a commercial basis have already been introduced for most of the principal manufacturing establishments on the Army side. The question of developing the arrangements is under consideration.	Nil.	
41	"	26	42	The proportion of British personnel in Army clothing factories and depots to be reduced to 12 per cent. of the total staff.	Nil	Orders of Government giving effect to this recommendation have already issued.	Nil.	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
42	48-Army	27	44	In view of the large reductions recommended in the use of the Mechanical Transport, only a small repairing shop should be retained at Chak-lala, and the possibility of utilising the balance of the available accommodation to be explored.	Rs. Nil	The matter is under consideration.	Rs. Nil.	
43	"	27	44	Endeavours to be made to come to a favourable arrangement with the commercial concerns supplying the standard types of vehicles adopted by the Army to undertake complete overhauls in India of their own vehicles.	Nil	The matter is under consideration.	Nil.	
44	"	28	46	Consequent on the reduction in numbers of British troops in India of the Roman Catholic persuasion, the numbers of Roman Catholic Chaplains to be reduced to the essential minimum and all other Roman Catholic clergyman ministering to troops to be placed on a capitulation basis.	Rs. 1.5 lakhs, less the necessary lag.	The proposal is under discussion with the Secretary of State.	Nil at present.	
45	"	28	46	An early decision to be come to on the proposal to form an Army Chaplains Department for Church of England Chaplains; and, if proceeded with, no additional expenditure to be involved.	Nil	Action on the formation of an Army Chaplains Department is temporarily in abeyance.	Nil.	
46	"	28	47	A reduction of Rs. 50,000 due to fall in prices, to be made in grant for Administration of Canonments.	Rs. 5 lakhs.	The reduction has been allowed for in the Budget for 1923-24.	Rs. 5 lakhs.	
47	"	29	48	A reduction of Rs. 20,000 to be made under the head of Recruiting Staff.	Rs. 2 lakhs.	Orders of Government giving effect to this recommendation have already issued.	Rs. 2 lakhs.	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1923-24.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
48	48-Army...	50	50	An early settlement to be arrived at on the basis of the future capitulation rate for British soldiers serving in India. Meantime the provisional rate having been reduced to £25 there will be an automatic saving of £44,000.	Rs. 6.6 lakhs.		Rs.	
49	"	30	51	Budget provision in 1922-23 for furlough allowances for officers of the Indian service was too high by £346,000. This will automatically produce a saving in 1923-24.	Rs. 5.9 lakhs.			
50	"	30	53	The payment to War Office of £93,000 in 1922-23 on account of clothing and equipment brought to India by British troops should disappear in 1923-24 consequent on the reductions proposed in British troops.	Rs. 13.95 lakhs.			
51	"	30	54	The non-recurrence of the item of exchange concession in respect of Mesopotamia will produce an automatic saving of £250,000.	Rs. 37.5 lakhs.			
52	"	30	55	The non-recurrence in the stock account of arrears payments of £410,000 and £80,000 on account of ordnance and mechanical transport equipment indented for in previous years will produce an automatic saving of Rs. 73.5 lakhs.	Rs. 73.5 lakhs.			
53	"	31	59	Stocks to be eaten up to the extent of Rs. 35 lakhs. Credit to be taken for Rs. 35 lakhs on account of fall in prices as compared with 1922-23. Debit of Rs. 10 lakhs to be taken on account of anticipated losses and writes off.	Rs. 60 lakhs.	The reduction has been allowed for in the Budget for 1923-24.	Rs. 60 lakhs.	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
54	48-Army...	32	60	Messing allowance of the British soldier to be reduced to 3½ annas per diem.	Rs. 37 lakhs less the necessary lag.	Orders of Government are about to issue giving effect to this recommendation.	Rs. 27.75 lakhs.	
55	"	32	61	Stocks to be eaten down to the extent of Rs. 10 lakhs. Credit to be taken for Rs. 50 lakhs on account of fall in prices and reduction of ration scales. Debit of Rs. 5 lakhs to be taken on account of anticipated losses and write-off.	Rs. 55 lakhs.	The reduction has been allowed for in the Budget for 1923-24.	Rs. 55 lakhs.	
56	"	32	63	Stocks of petrol and lubricants to be reduced by Rs. 5 lakhs.	Rs. 5 lakhs.	The reduction has been allowed for in the Budget for 1923-24.	Rs. 5 lakhs.	
57	"	33	61	The stocks of medicines and surgical instruments are to be reduced to the level authorised by the orders issued on this subject in September 1921 and the estimated figures of Rs. 35.15 lakhs for new purchases in 1923-24 to be curtailed by Rs. 10 lakhs. A complete review to be made of all articles held, and, apart from the mobilization reserve of Rs. 4 lakhs, any stocks in excess of 18 months' supply of articles not in common use or liable to deterioration to be sold.	Rs. 10 lakhs.	Reports as to stocks have been called for. A reduction of Rs. 7 lakhs has been allowed for at present in the budget for 1923-24. The question of a further curtailment of purchases will be considered.	Rs. 7 lakhs.	
58	"	33	65	Possibility of authorised periods of wear of clothing being increased by 25 per cent. and other economies in clothing and kit allowances to be further reviewed. Reduction of Rs. 30 lakhs to be effected in existing stocks.	Rs. 53 lakhs.			
59	"	33	66	(a) A reduction of 50 per cent. in the war reserve could be effected.	...	Orders of Government increasing the authorised periods of wear of clothing have already issued. The question of the reduction in War reserves is	Rs. 140 lakhs.	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
				(b) The total stock of stores should be reduced to Rs. 8 crores. Expenditure on purchase in 1923-24 to be restricted to Rs. 130 lakhs after allowing for Rs. 10 lakhs fall in prices, a reduction of Rs. 1,00,00,000. Any balance required for consumption to be obtained by reduction of stocks or from the proceeds of sales of surplus stores.	Rs. 100.42 lakhs.			
60	48-Army...	34	67	The provision for additions by purchase to be reduced by Rs. 21 lakhs, etc.— By consumption of existing stocks of tyres and spare parts. 15 lakhs. Omission of budget provision for purchase of new vehicles as shown in 1922-23 Budget. (But see paragraph 23 of report). 6 lakhs. Total 21 lakhs.	Rs. 21 lakhs.	The reduction of Rs. 6 lakhs for the purchase of new vehicles has been allowed for in the budget for 1923-1924. A credit of Rs. 5 lakhs on account of consumption of existing stocks has also been allowed for. The question as to whether existing stocks can be utilized to a greater extent during the current year is under consideration.		
61	"	34	68	No purchase of camels being necessary in 1923-24, there will be a saving of Rs. 3.33 lakhs. If reduction in strength of fighting troops is accepted it should be possible to reduce purchase of animals by Rs. 10 lakhs by making equivalent reduction in number of animals in remount depots.	Rs. 10 lakhs.	A reduction of Rs. 5 lakhs has been allowed for in the budget for 1923-24. A further reduction may be possible when the recommendations at item 6 regarding the reduction of Cavalry and Artillery have been settled.	Rs. 5 lakhs.	
62	"	34	69	Not saving under recommendations contained in paragraphs 68 to 67 inclusive when compared to the 1922-23 estimate is only Rs. 188.43 lakhs, since the 1922-23 estimate assumed savings of Rs. 162.23 lakhs due to reductions of stocks.	Shewn against items 53 to 61 inclusive.	See remarks against items 53 to 67.	Shewn against items 53 to 67.	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
63	48-Army...	34	70	The provision for Waziristan occupation for 1923-24 being limited to Rs. 19.5 lakhs will produce an automatic reduction of Rs. 153.5 lakhs under this head.	Rs. 153.5 lakhs less the necessary lag.	A change in the Waziristan policy since the Committee reported has rendered some 75 per cent of this saving nugatory.	Rs. 43.5 lakhs.	
64	"	34	70	Recommended that the garrison at Aden be reduced to its pre-war strength representing a saving of Rs. 10 lakhs on the 1922-23 Budget.	Rs. 10 lakhs less the necessary lag.	The proposal is under discussion with the Secretary of State. A reduction of Rs. 3 lakhs has been allowed for in the budget for 1923-24.	Rs. 3 lakhs. for the present.	
65	"	34	70	War arrears adjustments in connection with the Great War and the Afghan War having been completed, the sum of Rs. 3.4 lakhs allowed under these heads in the 1922-23 Budget will not recur.	Rs. 3.4 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 3.4 lakhs.	
66	"	35	71	(a) Where stores are issued by the Army to other departments, a debit should be raised against the department concerned. (b) The Grant for net miscellaneous expenditure to be reduced to Rs. 20 lakhs.	Nil.	(a) Orders of Government have issued giving effect to the recommendation. (b) The net expenditure recommended has been allowed for in the budget for 1923-24.	Nil.	
67	"	35	72	No provision for unallotted reserve to be made in future budgets. Rs. 30 lakhs is being allotted for the completion of equipment in 1923-24. As approximately half of the "new measures" for 1922-23 are recurring charges and will be shown under appropriate heads, the net saving for "new measures" amounts to Rs. 3 lakhs.	Rs. 3 lakhs.	The reduction has been allowed for in the Budget for 1923-24.	Rs. 3 lakhs.	
68	"	35	73	Recommended that the pre-war arrangement be reverted to under which a settlement of pension was arrived at for each individual on retirement on the basis of his expectation of life.	Nil.	The matter is under discussion with the Secretary of State.	Nil.	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
69	48-Army...	35	74	The share of India or the allowances and gratuities payable to demobilised officers during 1923-24 will amount to £115,000 an increase of £25,000 or Rs. 4.75 lakhs over 1922-23.	Nil.	The increased provision has been allowed for in the budget for 1923-24.	Nil.	
70	"	36	75	Recommended that the Budget for 1923-24 for the Auxiliary and Territorial Forces be fixed at Rs. 108 lakhs, the main saving being in Territorial Forces charges.	Rs. 10.86 lakhs.	The reduction has been allowed for in the Budget estimates for 1923-24.	Rs. 10.8 lakhs.	
71	50-Military Works.	58	3	That reappropriation of funds for Military Works be prohibited except for works included in the sanctioned programme when the reappropriation should be subject to the surrender of savings being justified by the financial situation.	Nil.	The recommendation is under consideration.	Nil.	
72	"	54	4	That the whole arrangement for accommodation of both British and Indian troops should be reviewed and that it should be considered whether it would be possible in some cases to accommodate the troops in existing barracks, and in other cases whether the old system of hutting grants should not be reverted to until the future distribution of the army and the strength of units have been definitely decided.	Nil.	The recommendation is under consideration.	Nil.	

Serial No.	Head.	Refer- ence to report.		Recommendation.	Reduction proposed on budget of 1923-24.	Action taken or proposed.	Reduction affected for 1923-24.	Remarks (further action proposed etc.).
		Page.	Para.					
73	50-Military Works.	54	5	That the whole programme of Military Works requirements be examined and curtailed on the basis that the total provision for new works and works in progress, apart from the requirements of the Royal Air Force and any special measures rendered necessary by the military situation, should be reduced by Rs. 20 lakhs.	Rs. 20 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 20 lakhs.	
74	"	54	6	That in the present financial conditions no major works should be embarked on without examination at headquarters and that the annual provision should be reduced to 16 lakhs.	Rs. 6.7 lakhs.	The recommendation regarding the major works is under consideration. The reduction has been allowed for in the Budget for 1923-24.	Rs. 6.7 lakhs.	
75	"	54	7	That the reserve for buildings and works costing up to Rs. 10,000 be limited to 14 lakhs.	Rs. 5 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 5 lakhs.	
76	XXXVIII—Military Works.	55	9	That the possibility be explored of effecting economies in new construction by utilization of vacant buildings for military purposes and that steps be taken to dispose of all buildings which cannot be so utilised.	Nil	The recommendation is under further consideration although the policy recommended is already in force.	Nil	
77	50—Military Works.	55	9	That the provision for repairs to buildings in 1923-24 be limited to 55 lakhs.	Rs. 9.47 lakhs.	The reduction has been allowed for in the budget for 1923-24.	...	
78	"	55	10	That the decision be expedited on the question of retransferring certain frontier roads to the civil authorities.	Nil.	The recommendation is under consideration.	Nil.	
79	"	55	10	That the total provision for roads be reduced to 27 lakhs.	Rs. 2 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 2 lakhs.	
80	"	55	11	That the total expenditure in 1923-24 under the head Miscellaneous be limited to Rs. 73,78,000.	Rs. 8.25 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 8.25 lakhs.	

Serial No.	Head.	Refer- ence to report.		Recommendation.	Reduction proposed on budget of 1923-24.	Action taken or proposed.	Reduction affected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
81	50-Military Works.	56	12	That the staff of officers employed on Military Works should be progressively reduced approximately to the pre-war cadre, the grant for establishment in 1923-24 being fixed at Rs. 75,00,000, a saving of Rs. 5 lakhs and that further saving should be effected thereafter.	Rs. 5 lakhs.	Proposals giving effect to the recommendation are under consideration. The reduction has been allowed for in the budget for 1923-24.	Rs. 5 lakhs.	
82	"	56	13	That the rule under which imported material must be obtained through the High Commissioner for India should be amended, so as to enable new works or extensive repairs to be given out on lump sum contracts.	Nil.	The recommendation is under consideration.	Nil.	
83	"	56	14	That some system should be immediately introduced to obviate the wasteful expenditure incurred in consequence of the lapsing of unspent grants.	Nil.	Orders of Government giving effect to this recommendation have already issued.	Nil.	
84	"	57	15	That the provision under the head "Tools and plant" be limited to Rs. 3 lakhs.	Rs. 5 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 5 lakhs.	
85	XXXVIII—Military Works.	57	16	That in the case of all new occupants of Military Works quarters rent should be charged with reference to present rate of interest irrespective of the date of construction but subject to the usual maximum of 10 per cent. of pay.	Nil.	The recommendation is under consideration.	Nil.	
86	50-Military Works.	57	17	That a reduction of Rs. 10 lakhs should be effected in the total purchases of Military Works stores in 1923-24.	Rs. 10 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 10 lakhs.	
87	48-Army...	126	3	Reduction in the establishment of His Excellency the Viceroy's body-guard.	Rs. 4 lakhs.	The reduction has been allowed for in the budget for 1923-24.	Rs. 4 lakhs.	
88	"	126	4	Reduction in the establishment of His Excellency the Viceroy's band.	Rs. 42 lakhs.	The reduction has been allowed for in the budget for 1923-24.	...	

II.—Statement showing the action taken on the recommendations of the Indian Retrenchment Committee regarding the Royal Indian Marine.

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
1	...	43-44	3	The three troop-ships "Pufferin", "Hardinge" and "Northbrook" be laid up forthwith and placed under care and maintenance parties until sold.	Rs. 30,86,000	Vessels laid up and placed under a care and maintenance party from 1st April 1923. Confirmation of Secretary of State for India awaited before advertising sale of ships.	Rs. 30,00,000	
2	...	44-45	27	Fitting up of the "Lawrence" to perform both the duties of the Political Despatch Vessel and Light-house Tender in the Persian Gulf. The "Nearehus" (the present Lighthouse Tender) being disposed of. Cost of maintaining the "Lawrence", exclusive of interest of capital and depreciation to be transferred to the Political Estimates.	4,62,000	Proposal accepted in principle by Government. Sanction of Secretary of State will be asked for as soon as possible. Director, Royal Indian Marine authorised to refit the "Lawrence" for dual duties and meet expenditure involved from existing provision in Marine Estimates for this year pending a decision on question of incidence of cost which is under consideration.	...	
3	...	44	4	Arrangements to be made for the tending of certain of the Burma lights by trawlers and for the "Clive" station ship at Burma, to combine the duties of Port Blair and Burma station ships, thus enabling the disposal of the "Minto", station ship at Port Blair.	1,98,000	This can only come into force when the port authorities of Burma take over certain lights which are really harbour and port lights and not coastwise lights. This question is under consideration in the Department of Commerce in connection with the general question of light house administration in India. It will be sometime before a decision can be arrived at on the general question.	...	
4	...	44	4	Discontinuance of the use of the "Dalhousie" as a Receiving ship at Bombay and her disposal.	1,30,000	Scheme for reorganisation of Royal Indian Marine will be adversely affected by acceptance of recommendation. Question of policy to be adopted in regard to recommendations of this kind under consideration.	...	
5	...	44	6	Immediate disposal of one patrol craft boat.	Not calculated.	Ditto	...	
6	...	44	6	Immediate disposal of at least 1 trawler.	19,000	Ditto	...	
7	...	44	7	Reduction in the number of yard craft at Bombay.	Not calculated.	Director, Royal Indian Marine asked to submit specific proposals for reduction.	...	
8	...	44	7	Reduction in the number of military launches by 6 or 7.	60,000	Military launches reduced by 6.	1,21,000	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
9	...	44	8	Replacement of "Bhamo" and "Sladen" by two vessels purchased by the Government of Burma.	Rs. 1,70,000	"Sladen" placed out of commission. "Bhamo" will be replaced on arrival of vessels purchased by the Government of Burma.	Rs. 1,13,000	
10	1—General Supervision and Accounts.	45	10	Reduction in the Accounts Section.	Not calculated.	Under consideration by Military Accountant General in consultation with controller of Marine Accounts.	...	
11	"	45	10	Abolition of appointment of Deputy Director, Royal Indian Marine, and house under construction for that officer to be occupied by Director, Royal Indian Marine.	34,900	Vide remarks against item 4.	...	
12	"	45	10	Permanent retention of an officer in the appointment of Controller of Marine Accounts.	Nil	Financial Adviser has decided to give effect to recommendation by not transferring Controller of Marine Accounts too frequently.	...	
13	"	45	10	Provision for "General Supervision and Accounts" to be limited to Rs. 3½ lakhs of which Rs. 2 lakhs should be recovered from Royal Navy and other bodies in connection with the work carried out in the Dockyard.	69,530	Recommendation largely dependent on acceptance of items (10) and (11) which are under consideration. Director, Royal Indian Marine, was asked to submit specific proposals by which reduction could be effected and to let us know amount likely to be recovered during this year from Royal Navy and other bodies. His proposals have just been received and are under examination. In the meantime a sum of Rs. 4,12,560 has been provided in this year's budget estimates as against Rs. 4,19,530 included in the last year's budget.	6,990	
14	2—Marine Survey. 5—Salaries and Allowances of officers and men afloat.	46-48	11-14	Reduction in the number of crews of Royal Indian Marine vessels.	50,000	Recommendation of the Director, Royal Indian Marine, who was asked to submit specific proposals for reduction, have just been received and are under examination.	...	
15	2—Marine Survey.	46	11	Inclusion of interest on capital, depreciation and pension charges in the cost of Marine Survey to be recovered from Port Trusts, Local Governments and Anglo-Persian Oil Company.	Not calculated.	Under consideration.	...	
16	3—Miscellaneous Establishments.	48	12	Cost of working Perim Lighthouse to be recovered from light dues.	10,000	Under consideration by Department of Commerce. It will take some time to arrive at a decision.	...	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction effected for 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
17	8—Miscellaneous Store Establishments.	46	12	Coal depot at Henjam be closed unless it can be shown that its retention is justified financially. If it be retained, a saving of Rs. 32,000 will be effected by the employment of an outside contractor.	Rs. 32,000	Employment of outside contractor sanctioned, which will effect saving of Rs. 28,000 per annum approximately and further saving anticipated. Question of retention, or otherwise, of depot will be considered later on.	Rs. 16,000	
18	"	46	12	Total provision for "Miscellaneous Store Establishments" to be limited to Rs. 31,000	42,000	Original Budget estimates for 1922-23 included Rs. 78,000. Amount subsequently increased to Rs. 1,55,000. Budget Estimates for this year provide Rs. 1,33,700 and saving of Rs. 21,300 on this figure is anticipated. There will be a saving of Rs. 49,300 over last year's Revised Estimates. Further savings anticipated.	21,000	
19	4—Dockyards.	47	13	Drastic reduction be made in the Bombay Dockyards and only sufficient personnel maintained to provide for current work and leave the Dockyard capable of expansion in an emergency.	Not calculated.	File remarks against item 4.	...	
20	5—Salaries and Allowances of Officers and men afloat.	48	14	Reduction in the rates of pay of the ratings of the Royal Indian Marine consequent on the recent reduction in the pay of Indian Mercantile Marine ratings.	Do ...	Government of Bombay asked to furnish information as to reductions of pay of Indian Mercantile Marine ratings employed by shipping companies in the Bombay Presidency.	...	
21	6—Victualing of Officers and men afloat.	48	15	Saving owing to the fall in the price of rations.	30,000	Dependent on state of market. No action taken.	...	
22	9—Miscellaneous.	48	17	Limiting the total provision under "Head 9—Miscellaneous" to Rs. 3 lakhs.	2,88,000	Rs. 3,46,540 provided in this year's Budget Estimates. Recommendations of Director, Royal Indian Marine, who was asked to submit specific proposals whereby saving will be effected, have just been received and are under examination.	2,39,200	
23	"	50-292	19-7	Restricting the reserve of imported marine stores to one year's requirements, limiting the provision for such stores during 1923-24 to Rs. 1,25,000 or Rs. 1,25,000 and early and progressive reduction in the stocks at present held.	17,95,000 (Rs. 1,19,000)	Under consideration. Budget Estimates for 1923-24 fixed at Rs. 1,45,720 or Rs. 6,86,800. Orders issued for the disposal of surplus articles.	22,30,200 (Rs. 1,48,600)	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
24	9—Miscellaneous.	50	19	Limiting the provision for supply of coal to subsidised vessels of the Royal Navy and the Persian Gulf during 1923-24 to Rs. 3,25,000.	Rs. 3,24,000 (Rs. 21,600)	Provision for 1923-24 fixed at Rs. 4,980 or Rs. 5,24,700. At present prices and on the estimated quantity required, it is hoped to keep the expenditure on supply of coal to subsidised vessels of the Royal Navy in the Persian Gulf within the figure of Rs. 225,000 suggested by the Committee. The balance of the Budget provision represents the cost of coal to be issued on payment.	Rs. 1,74,200 (Rs. 11,620)	
25	4—Dockyards.	50	Clause (2) of "Conclusions".	The Dockyard be worked as a separate entity on a commercial basis.	Not calculated.	Under consideration	...	
26	"	50	Clause (8) of "Conclusions".	Budget estimates for 1923-24 be limited to Rs. 62 lakhs.	75,00,000	Total net Budget Estimates for 1923-24 fixed at Rs. 75,07,000. Endeavours will be made to effect as much economy as possible.	61,92,000	

III.—Statement showing the action taken on each recommendation of the Retrenchment Committee on the Civil Side.

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or now proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
1	Railways...	61	5	Steps be taken to curtail working expenses as necessary to ensure that under normal conditions an average return of at least 5½ per cent. is obtained on capital invested on State Railways.	Rs. ...	Steps have been taken to limit working expenses during the current year to the provision made in the budget, <i>viz.</i> , Rs. 61 crores. If the earnings anticipated are realised and working expenses limited as proposed the net revenue will, it is estimated, give a return of 5·48 per cent. The Financial Commissioner is examining the question whether in the varying circumstances of the Railways the average of 5½ per cent. represents a standard which can be adopted for the regulation of working expenses and adjustment of rates and fares.	Rs. ...	
2	"	62	6	The overtaking of arrears of maintenance and renewals should be postponed on Railways not able to earn sufficient receipts to pay interest and sinking fund charges. This would mean (paragraph 27) a saving of Rs. 2½ crores on the N. W., O. & R., E. R., G. I. P. and M. & S. M. Railways.	2½ crores	The question of provision for overtaking arrears is under consideration in connection with the report of the Depreciation Committee. In the case of the Railways mentioned it has been necessary to allow for commitments and essential renewals, <i>e. g.</i> , of worn out material and also for works in progress. The figure of Rs. 2½ crores referred to is based on certain theoretical figures for normal depreciation proposed by the Depreciation Committee and these figures had no connection with the Budget figure for Programme Revenue. The sanctioned estimate, however, stands at Rs. 9 crores which is Rs. 2½ crores less than the figure originally proposed. The saving suggested has therefore been exceeded though it was not possible to accept the recommendations as regards individual Railways. The question of dealing with Capital and Revenue Expenditure on the Railways classed by the Committee as unremunerative is being separately considered.	2½ crores.	
3	"	62-63	7	The present system of Programme Revenue to be abolished and adequate provisional provision to be made annually by each Railway for maintenance and renewals of permanent-way rolling stocks.	...	As stated against Serial No. 2 the whole question of provision for renewals is now under consideration and it is expected that a proper system will be evolved shortly	...	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or now proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
4	Railways	66	12	Revision of regulations to ensure a more equitable distribution between capital and revenue of expenditure on the maintenance of way and works and on rolling stock.	Rs. ...	The rules for allocation between Capital and Revenue are under examination in connection with the establishment of a depreciation fund.	...	
5	"	66	13	In present financial circumstances renewals of permanent-way on unremunerative lines be limited to cases when track is worn out and not capable of being strengthened to meet probable requirements for a substantial period.	...	The principle laid down is generally in force. Renewals are not made before track has reached the limit of its useful life and in all cases rails and sleepers taken from the main line are used in branches and subsequently in sidings when the demand generally exceeds the supply.	...	
6	"	67-68	14	Expenditure on fuel to be reduced to Rs. 8·63 crores.	55 lakhs.	The sanctioned grant for fuel stands at Rs. 8·5369 crores or a further reduction of Rs. 15 lakhs.	70 lakhs	
7	"	69	14	The system of placing long term contracts for fuel to be reconsidered.	...	The Railway Board controls contracts for the three State Railways only and the present contracts run till April 1925. Most Company Railways have contracts for a similar period. The question: whether the decision to make these contracts has proved of advantage to Railways will be further examined.	...	
8	"	68	15	Renewals of locomotives on unremunerative lines to be postponed.	...	The question of expenditure on lines classed as unremunerative is being examined. As far as possible expenditure on renewals of locomotives is being limited to actual commitments.	...	
9	"	70	18	Operating staff on all railways to be reduced to level necessary to meet current requirements. Reductions in headquarters staff to be effected as on G. I. P. Railway.	...	An enquiry is in progress on all railways and every possible reduction is being made. It is pointed out that the increase in the G. I. P. administrative and clerical staff between 1914 and 1922 was 32·8 per cent. compared with 28 per cent. in general on all railways and possibility of reduction was greater on that railway. New statistics are being prepared which will form a better classification of numbers and cost of staff employed.	...	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed in budget of 1922-23.	Action taken or now proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
9-contd.	Railways...				Rs.		Rs.	
10	"	70	20	That an investigation be made into the methods adopted by the E. B. Railway to reduce losses and that the provision for compensation be reduced still further.	...	There was no opportunity of explaining to the Committee that one of the reasons for the large reductions in compensation on the Eastern Bengal Railway was the construction of the Sera Bridge over the Ganges and the consequent reduction in damage and loss caused by transhipment over the river. The position of each railway is now being examined with a view to reducing expenditure under the head to the minimum.	...	
11	"	70	21	Steps to be taken to eliminate records which serve no practical purpose.	...	The Report of the Committee on Statistics has been received and the new system is being introduced. Only those items which are sufficient for working requirements will be maintained.	...	
12	"	71	21	The present forms of Railway accounts to be investigated and recommendations of the Accounts Committee which have not yet been adopted to have the immediate attention of the Financial Commissioner.	...	The Financial Commissioner is considering the system.	...	
13	"	72	22	A saving of Rs. 1 crore on salaries and wages.	...	The saving of Rs. 1 crore was included in the reduction of Rs. 3½ crores in working expenses as summarised in paragraph 30, and the Committee has recognised that it might be necessary to make alterations in the methods recommended for effecting this reduction. See remarks against Serial No. 9 as regards reductions of staff.	...	
14	"	75	23	No expenditure to be incurred on renewals of locomotives on the North-Western Railway in 1923-24.	...	Owing to commitments entered into before receipt of this recommendation it has not been possible to carry it out entirely. Some of the engines ordered will, however, be transferred elsewhere. The total provision for renewals which cannot be avoided stands at Rs. 27 lakhs compared with Rs. 46 lakhs originally provided.	...	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or now proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
15	Railways	75	23	Programme for renewals on Great Indian Peninsula Railway for 1923-24 to be limited to actual requirements.	Rs. ...	The figures upon which the Committee worked were not the finally authorised figures and no useful deductions can be made from them. An improved system is, however, under consideration which will enable demands for renewals and replacement to be more rigidly scrutinised and revised.	Rs. ...	
16	"	75	23	Expenditure on freight stock on N. W. and M. and S. M. Railways to be largely curtailed as also the provision for miscellaneous vehicles on the O. and R. M. and S. M. Railways.	...	See remarks against Serial No. 15.	...	
17	"	70	23	On all unremunerative lines renewals of tracks to be limited to sections of line completely worn out and expenditure on certain railways to be drastically curtailed.	...	See remarks against Serial No. 8. The expenditure on track renewals on the railways specified has been restricted to actual commitments in regard to running contracts for rails.	...	
18	"	76	23	Total provision for other works to be limited to Rs. 1 crore.	...	The actual provision for 'other works' depends largely on the Capital Programme and is made up of a number of small items representing the revenue portion of works of improvement mainly charged to Capital. Railways are now revising their Capital Programmes and when these are revised it will be possible to estimate the effect under this head.	...	
19	"	76	23	Remodelling of Grant Road and Victoria Terminus at Bombay to be reconsidered.	...	These estimates are now under reconsideration. No sanction has yet been given to either work. The Committee appear to have been unaware that these works are connected with the reorganisation and electrification of suburban traffic in Bombay from which substantial economies are expected in dealing with these estimates care will be taken that only such expenditure will be allowed as is financially remunerative.	...	

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20	Railways	76	29	Programme revenue expenditure in 1923-24 to be limited to Rs. 9 crores. Agents to be empowered to utilise the amounts allocated to them at their discretion.	...	The provision has been limited to Rs. 9 crores. The second proposal involves an important question of principle and is under consideration. The Railway Board point out that this recommendation appears to be inconsistent with recommendations made elsewhere in the report that the Board should prevent money being spent on unremunerative lines in renewals of plant, permanent-way, etc.	...	
21	"	77	30	Budget provision for working expenses to be limited to Rs. 64 crores subject to further allowance to meet any increase in traffic.	4.50 crores.	The recommendation has been given effect to.	4.50 crores.	
22	"	78	31	Except for existing commitments no further capital expenditure to be incurred on unremunerative lines until the position has been examined by the Financial Commissioner.	...	Capital programmes for all Railways for the current year are now under review. The revised programmes will be examined by the Railway Board and the Financial Commissioner. The question of expenditure on unremunerative lines is under consideration.	...	
23	"	78	32	Reduction in Railway stores.	...	Stores balances are being examined by the Financial Commissioner with a view to reduction of balances. Stocks are being examined for disposal of obsolete material and new standards are being fixed. The figure of Rs. 34 crores is not correct. It should be Rs. 23½ crores.	...	
24	"	79	33	Agents of Railways to be designated General Managers and made responsible for administrative working and financial results of their Railways.	...	This question involves a careful consideration of the whole question of delegated powers which will be examined. It may be observed that Agents of State Railways and Boards of Companies Lines are already responsible to this extent. The extent to which powers are delegated to Agents of Companies' Lines is a matter for the Company concerned.	...	
25	"	79	34	Appointment of a Financial Adviser.	...	A Financial Commissioner has been appointed with effect from 1st April 1923.	...	
26	"	80	35	Abrogation of the rule imposing restriction on salaries of Managers of Railways.	...	There is no special rule in force as regards salaries of Agents. The present scale was fixed by Government after very careful consideration. The matter will, however, be further considered.	...	
27	"	80	37	Grouping of Railways.	...	The question is under examination.	...	

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28	Posts and Telegraphs.	83	8	Reduction in number of officers.	Rs. 6,00,000	The recommendation has been examined. It has been pointed out that the increase of officers included 44 officials who, on revision of pay, were automatically classed as such. The balance of 44 includes 17 officers and 15 officers respectively of the new Wireless and Telephone branches in which no reduction is possible. Of the remaining 12 officers, 6 have been reduced. No further reductions are possible.	Rs. ...	Savings have been taken into account in the general reduction under salaries.
29	"	84	9	Economy in staff employed in telegraph offices.	...	The Director-General has shown that the sanctioned strength of telegraphists is not in excess of requirements. It appears that in making their calculations the Committee did not take into account the authorised proportion of telegraphists employed on non operation duties and the additional leave reserve thereon.	...	The question will be further examined in connection with the traffic of the current year. It is understood that the traffic of 1921-22 was below normal.
30	"	85	10	Economy in engineering and line staff.	...	Under consideration.	...	
31	"	85	10	Reduction in provision for salaries.	25 lakhs	It is pointed out that the Committee did not take into account Rs. 18½ lakhs required in 1923-24 for increments of pay to staff on time scales and for new sanctions accorded in 1922-23. With these additions the normal budget of 1923-24 would have been Rs. 6,15,87,000 for salaries. The corresponding figure for 1923-24 is actually Rs. 5,94,74,000 a reduction of Rs. 31 lakhs on the normal expenditure though the limit imposed by the Committee has been exceeded.	31 lakhs	The reduction on the normal scale of expenditure on salaries has been effected mainly under the following heads during the current year. Rs. Officers... 60,000 285 clerks and sorters... 1,33,000 Line staff... 1,16,000 900 Postmen... 1,83,000 828 Peons, etc.,... 1,22,000 Wireless staff... 73,000 Temporary establishment... 1,84,000 Reduction in grant for normal expenses of staff... 3,50,000 The total reductions for 1923-24 amount to Rs. 14 lakhs in addition to over Rs. 16 lakhs retrenchment affected in the provision under this head in 1923-23.

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33	Posts and Telegraphs.	96	11	No additional motor services to be provided save on grounds of economy and use of motors to be confined to large towns, etc. Better rates to be obtained on renewal of contracts.	Rs. ...	Existing motor services are governed by contracts but on termination of these, recommendation of the Committee will be followed. Proposals for new motor services will be dealt with as proposed.	Rs. ...	
33	"	96	12	Reduction in provision for conveyance of mails.	7,00,000	The provision for the current year has been reduced to Rs. 74 lakhs.	9.3 lakhs	
34	"	96	12	Reduction in charges for Account and Audit.	3,71,000	A reduction to Rs. 25 lakhs has been effected in the budget and endeavour will be made to keep to this figure but it has to be remembered that it is false economy to restrict the check on the transactions of the Department, which may mean in the end a considerable loss to the Revenues.	3,71,000	The question of further reduction is under consideration but the Accountant General points out that considerable reductions amounting to about 170 clerks had already been effected in 1922-23.
35	"	97	14	Reduction in expenditure on travelling allowances.	4,61,000	The provision has been reduced to Rs. 15 lakhs and with the recent alteration of the rules and the strict supervision of travelling it is hoped to keep within this reduced figure.	5,55,000	
36	"	97	15	Check over wastage in forms and consequent reduction in expenditure on stationery and printing.	3,00,000	The provision for the current year has been reduced to Rs. 27,21,000 and steps are being taken to minimise wastage of forms.	5,00,000	
37	"	97	16	Reduction in provision for postal buildings.	9,19,000	The programme has been revised and the expenditure in the current year is limited to Rs. 6 lakhs.	9,19,000	
38	"	97	16	Outside tenders to be called for for large buildings.	...	The matter is under consideration and it is hoped to employ outside agency more extensively in future.	...	
39	"	98	17	Reductions in charges for supplies and services.	4,92,000	The reduced provision of Rs. 8 lakhs has been accepted.	4,92,000	
40	"	99	20	Revision of house rent allowances and reduction in provision for house rent, local and other allowances.	2,61,000	The scale of allowances is under consideration and the provision has been reduced to Rs. 22 lakhs.	2,69,000	
41	"	100	21	Automatic reduction in subsidies to cable companies.	50,000	The reduction has been effected.	50,000	

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42	Posts and Telegraphs.	100	22	Maintenance of telegraph and telephone lines.	Rs. 6,00,000	The provision has been reduced accordingly.	6,00,000	
43	"	101	23	Miscellaneous expenditure (purchase of stores).	Rs. 74 lakhs	It has been necessary to raise the provision by Rs. 74 lakhs owing to commitments on purchase of stores in England.	76.8 lakhs	
44	"	102	24	Payments under arrangements with Treasury.	...	The sum of Rs. 7 lakhs has been omitted on the presumption that payment will not be required this year as the arrangements are still under discussion.	7,00,000	
45	"	102	25	Reduction in furniture grant.	3,75,000	The reduction has been effected.	3,75,000	
46	"	103	27	Reduction in scales of clothing and extension of periods between issues of supplies.	...	The question will be taken up with the Stores Department. Scales have been reduced and periods of issue extended.	...	
47	"	103	28	Reduction in provision for contingencies.	6,31,000	Reductions have been effected but it has been found necessary to reduce the saving by Rs. 1 lakh.	5,31,000	
48	"	103	29	Reduction in miscellaneous expenditure.	2,29,000	This reduction is being effected.	2,29,000	
49	"	104	30	Reduction in expenditure on maintenance and repair of buildings.	4,58,000	The reductions have been effected in the budget but it is now realised that the reduction was too severe and it may be necessary to increase the expenditure, the increase to be met by savings elsewhere.	4,80,000	
50	"	104	31	Reduction in expenditure on apparatus and plant.	97,000	It has been found necessary to provide for the same expenditure as in the past year owing to commitments.	...	
51	"	104	33	Reductions in depot establishments.	1,01,950	The establishment of the depots is under examination and all possible sources of economy are being explored.	17,950	Further reduction depends upon the enquiry now proceeding.
52	"	105	34	Reduction in telegraph workshops.	30,000	This reduction has been carried out.	30,000	
53	"	105	35	Reduction in Wireless expenditure. Closing of stations.	93,630	Further reductions have been effected. Patna has been closed. Poona placed in charge of maintenance party, Ishapore handed over to Army signals. Maymyo placed in charge of caretaker. Eight out of nine stations mentioned have been placed under care and maintenance parties. Peshawar alone being retained with minimum staff. The matter is one of general policy and is under consideration.	1,79,860	
				Dismantling of more stations.				

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54	Posts and Telegraphs.	106	39	Reduction in capital expenditure on the telegraph department.	Rs. 50.7 lakhs	The programme has been reduced accordingly but the reductions did not take into account necessary expenditure on telegraphs for new Delhi and essential expenditure on railway control lines and it will probably be necessary to raise the provision by Rs. 18 lakhs approximately.	Rs. 50.7 lakhs.	
55	"	106	37	Raising of rental charges on canal and railway lines.	...	This question is under examination.	...	
56	"	107	39	Further purchase of automatic apparatus to be postponed and enquiry to be made into comparative cost of ordinary and automatic exchanges.	...	No new commitments will be entered into and the proposed enquiry has been undertaken.	...	
57	"	107	40	Appointment of Financial Adviser.	...	The appointment was made with effect from April 16th.	...	
58	"	107	Conclusion (c)	Reduction in total estimates for the Department for 1923-24.	137.27 lakh.	The estimate has been reduced to Rs. 2,90,18,000.	139.24 lakhs.	The difference is mainly accounted for under 'salaries' where, as shown above, the Committee had not taken into account unavoidable commitments for 1923-24.
59	Indo-European Telegraph Department.	116	5	Steps to be taken to improve the output per man.	...	To attain this object further recruitment to the signalling branches has been stopped.	...	
60	"	116	7	Reduction in allowances.	2,63,000	Some expenditure will be necessary on kran compensation owing to state of exchange. Allowances are being scrutinised and some local allowances have already been reduced. It is hoped that reductions anticipated will be secured.	...	Exact saving not known.
61	"	117	8	Reduction on repairs to lines.	32,000	Estimates have been substantially reduced and the full saving is expected.	32,000	
62	"	117	9	Reduction on repairs to buildings.	70,000	Accepted	70,000	
63	"	117	10	Reduction on apparatus and plant.	32,600	Estimate has been reduced to Rs. 92,500.	10,000	Efforts are being made to effect further possible savings.
64	"	117	11	Reduction under Stationery and Printing.	28,000	Six months supply will only be kept.	18,000	Full saving not yet known.

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65	Indo-European Telegraph Department.	118	13	Savings under contingencies and miscellaneous.	1,78,000	The estimates have been reduced to Rs. 2,39,000.	2,39,000	
66	"	118	14	Reduction on cable repairs.	76,000	Estimates have been reduced to Rs. 82,000 as against Rs. 1 lakh recommended.	94,000	
67	"	118	15	Reductions on cable factory.	2,840	Estimates have been reduced to Rs. 73,034 and it is hoped to reduce to the full extent recommended if prices fall.	6,200	
68	"	119	16	Reductions in expenditure on cable steamer.	1,00,000	The budget estimate stands at Rs. 2,56,000 and reduction depends on the fall in prices. The question of reduction in salaries and wages is under consideration.	2,000	
				Arrangement should be made with commercial cable company for repair of cables.	...	The only company which has a steamer near is the Eastern Telegraph Company at Aden and this steamer cannot be spared for other work.	...	
69	Indo-European Telegraphs.	120	18	Decision to be arrived at on future control of Department and meanwhile no capital expenditure to be incurred.	...	The question is under the consideration of the Secretary of State and meanwhile no expenditure of a capital nature is being incurred.	...	
70	"	120	19	System of commercial accounts should be introduced and form of accounts improved.	...	Under consideration	...	
71	"	120	Conclusion (d)	Reduction into total estimates.	7,34,000	The provision has been reduced accordingly.	7,34,000	
72	Irrigation	124		Reduction in expenditure and closing of one division.	2,18,000	The savings will be effected and one division has been closed.	2,18,000	
73	General Administration.	128	8	Modification of scales of pay for lower division of the Secretariat.	...	The proposal is at present under examination. Departments already stop promotion at the efficiency bar where clerks are not qualified for more important work.	...	
74	"	129	9	Economy in expenditure of a contingent character.	...	The allotments of all departments have already been cut down materially under these heads as will appear from the demands for grants, and the expenditure is undergoing further scrutiny.	Included under general reductions in departmental budgets.	

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75	General Administration— <i>contd.</i>	128	9	Reductions in number of peons.	Rs. ...	Reductions have been carried out in all departments in accordance with a revised distribution scale calculated to effect an approximate reduction of 25 per cent.	Rs. Included under general reductions in departmental budgets.	The actual saving effected is not at present available but it is probably in the neighbourhood of the Rs. 75,000, suggested.
76	"	128	10	Reduction in expenditure on telegrams.	...	Substantial reductions have been effected in the provision under all departments which are curtailing the number and length of telegrams to the full extent possible.	"	"
77	"	129	11	Reduction in number of officers and amount of establishment and records moved down from Simla.	...	The proposal is being examined in all departments in connection with the next move and expenditure will be restricted as much as possible.	...	"
78	"	129	12	Reductions in Foreign and Political Department.	1,47,000	It will be seen from the demands for grants that the allotment for this department has been reduced from Rs. 10,42,9 0 to Rs. 9,41,200.	1,01,700	The possibility of further reduction is under consideration.
79	"	129	13	Reductions in Home Department including abolition of post of Inspector of Office Procedure.	57,000	The Department is effecting savings of Rs. 57,000 and the balance will be effected by larger reductions under attached offices. The post of Inspector of Office Procedure has been abolished.	57,000	"
80	"	130	14	Reductions in Legislative Department.	1,08,000	The full reduction is being accepted. One post of Deputy Secretary has been held in abeyance. The Peace Treaty Branch has been amalgamated with the Local Clearing Office saving Rs. 24,400. Further reductions have been made in clerical and menial staff.	1,08,000	"
81	"	130	15	Reductions in Department of Education and Health. Abolition of Educational Commissioner, Bureau of Education and Central Advisory Board.	...	The Department of Education and Health has been amalgamated with that of Revenue and Agriculture. Government have decided that it is necessary to retain the Educational Commissioner for a further year but propose to effect economy by placing him in charge of the duties of Superintendent of Education, Delhi and Ajmere. The Central Advisory Board has been held in abeyance and the post of Curator, Bureau of Education, abolished.	...	The economies are shown under the remarks on the general recommendation for amalgamation of departments. The retention of Educational Commissioner will be reconsidered after experience has been gained of the working of the present reorganisation.
82	"	130	16	Reductions in Finance Department.	1,01,200	The budget allotment has been reduced to Rs. 5,90,000 as proposed and the reductions noted have been effected.	1,01,300	"
83	"	130	17	Military Finance.	68,000	The full saving is being effected.	68,000	"
84	"	131	18	Reductions in Revenue and Agriculture Department.	...	This Department has been amalgamated with the Department of Education and Health.	...	The financial effect of the amalgamation is shown under the section dealing with the reorganisation of the Secretariat.

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85	General Administration— <i>contd.</i>	132	19	Enlargement of the Board of Revenue.	Rs. ...	The scope of the Board has been enlarged to include the administrations of Customs, Salt, Opium, Excise and Stamps.	...	"
86	"	132	19	Discontinuance of Industrial Intelligence and the Labour Bureau.	...	The intelligence work has been discontinued. The reorganisation of the Department involves the abolition of the Labour Bureau as such and consequent reduction of staff.	...	"
87	"	132	20	Reductions in Army Department.	84,000	Further reductions have been effected in the Marine establishment and Army list sections and in other portions of the office. The total reductions proposed have been carried out.	84,000	"
88	"	133	21	Reductions in Public Works Department.	...	The Department has been amalgamated with that of Industries and Labour. The 'estate work' is now dealt with by the Consulting Engineer in touch with local officers.	...	The effect of the reorganisation is shown under the section dealing with the reorganisation of the Secretariat.
89	"	133-134	22-24	Reorganisation of five Departments under two Departments and expansion of Board of Revenue.	10,68,900	Government have not adopted the exact line suggested by the Committee but have proposed as a more workable arrangement the reduction of five departments to three costing approximately as follows:— Rs. Commerce ... 3,00,000 Education, 5,15,000 Health and Lands. Industries and Labour, 6,00,000 Total 14,15,000	See remarks	The figure of Rs. 14,00,000 represents the cost of the departments as reorganised and with the addition of Rs. 1 lakh for addition to the Board of Revenue, the reorganisation will cost slightly over Rs. one lakh more than the arrangements proposed by the Committee. The figure for the Education, Health and Lands Department excludes the cost of the Secretariat Library for which a reduced figure of Rs. 17,000 will be required. On the other hand there will be a saving of Rs. 14,000 approximately on the assumption by the Educational Commissioner of the duties of Superintendent of Education, Delhi and Ajmere. It must be

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89	General Administration— <i>contd.</i>				Rs.		Rs.	understood that the total saving of Rs. 9½ lakhs will not be realised in the current year as it will be necessary to provide funds :—
								(a) for the period required to bring the new organisation into effect, i.e., up to 16th April.
								(b) for expenditure on the grant of notice, leave and travelling allowance concessions to the staff which has been retrenched. Details of this extra expenditure during the current year are not yet available, but a possible estimate is Rs. 3 lakhs.
90	"	137	26	Saving on Staff Selection Board.	13,300	There will be no examination this year and the question of the retention and constitution of the Board will be further examined. If it is retained, endeavour will be made to make it self-supporting. The budget provision this year is only Rs. 4,890.	17,020	
91	"	135	27	Central Bureau of Information.	...	No specific recommendation was made but it has been decided to reduce the expenditure proposed by Rs. 2,000.	42,000	
92	"	35	28	Bureau of Central Intelligence. Proposals as regards recovery of cost of the Finger Print Bureau and the Questioned Documents Section or their abolition.	3,01,000	Orders have issued for closing of the Bureau from 1st July, and arrangements are in train to make the Document Section self-supporting.	2,56,000	The Committee have assumed as a direct saving the cost of the Documents Section, but if it is continued—even if it be made self-supporting—provision will be necessary on the expenditure side of the Budget.

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93	General Administration.— <i>contd.</i>	136	20	Speeding up of work of elimination of records with a view to reduction of staff and setting free valuable accommodation.	Rs. 2,000	The budget estimates have been reduced to Rs. 1,03,000. Recommendations for the weeding of the pre-mutiny records are under consideration. Measures have been taken for weeding the post-mutiny records.	Rs. 11,400	
94	"	136	33	Abolition of appointment of Inspector-General of Irrigation.	78,400	After careful consideration Government have decided that in view of the importance of irrigation questions it is necessary for them to retain the services of an expert. It has however been decided to abolish the separate post and the duties will be performed by the Consulting Engineer to Government who also takes over part of the works hitherto transacted in the Public Works Department of the Secretariat. The appointment of Assistant Inspector-General has been abolished.	9,400	The cost of the Consulting Engineer and establishment is estimated at Rs. 88,000 but this includes Rs. 13,000 for establishment which was not separately provided for in the estimates for the Inspector-General of Irrigation but was included in the budget of the old Public Works Department.
95	"	136	31	If Local Governments press claims for services rendered, the Central Government should consider whether arrangements cannot be more economically carried out by an agency of its own.	...	This has been accepted in principle and claims will be dealt with in the light of this proposal.	...	
96	"	137	33	Reductions on the North-West Frontier.	...	The estimate has been reduced to Rs. 17,22,000 as against Rs. 17,38,000 proposed.	16,000	
97	"	137	34	Reductions in Delhi, and payment by the Municipality of the cost of their Secretary.	32,000	Reductions have actually been effected under the Chief Commissioner's establishment to the extent noted. The arrangement with the Municipality has been in force since 1906 but the question has been taken up whether the proposal of the Committee is practically feasible and administratively sound.	28,000	The budget as shown in the Demands for Grants is increased this year by the transfer of certain expenditure from the Head—Land Revenue.
98	"	137	35	Reduction in Ajmere.	9,000	The savings have been effected.	9,000	As in Delhi, charges have been transferred from Land Revenue, excluding these the budget on the old basis is Rs. 1,40,000.

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99	General Minist Ad- tion—ra- concl d.	143- 144	49- 55	Expenditure of High Commis- sioner.	£ 52,000	The High Commissioner has been addressed on the specific recommendations. As the budget is a net budget after deduction of recoveries much depends on the actual recoveries but meanwhile a lump deduction of £10,000 has been made in the net total for 1923-24 and the reductions in gross amount to £37,550. Under this head the net estimate for the present year is £142,800 compared with £109,900 (estimates) or £183,300 (revised) for 1922-23. The question of increasing recoveries for agency work done has been taken up. The reduction proposed under Stationery and Printing has been effected. The High Commissioner has been addressed on the recommendation as regards indents in paragraph 51. The issue of the orders recommended in paragraph 52 is also under consideration.	...	NOTE.—The total reductions under General Administration already effected in the budget estimates of 1923-24 compared with the budget of 1922-23 amount to Rs. 36,37,000 as against Rs. 40,89,000 recommended by the Committee for the whole expenditure dealt with under "General Administration."
100	"	138- 142	37- 48	Reductions in expenditure of India Office.	48,700	The Government of India are in correspondence on the subject with the Secretary of State who has intimated that every practicable method of economy is being carefully considered and that a detailed statement of results expected will be furnished at an early date. Meanwhile under his instructions a lump deduction of £15,000 was made in the original estimates for the current year. The Secretary of State has pointed out that the actual expenditure of the past year was considerably higher than the figure assumed by the Committee. The net budget for the current year is £27,600.	Awaiting advice from Secretary of State.	
101	Political Expenditure	154	7	Reduction in cost of frontier defence and immediate saving on cost of rations, clothing, etc.	Rs. 1,00,000	The position on the frontier is still unbalanced. The proposed saving will probably be effected under grain compensation charges.	Rs. 1,00,000	
102	"	154	9	Reduction in cost of entertainment.	48,000	This reduction has been made.	48,000	
103	"	154	11	Reduction in provision for political expenditure in the North-West Frontier Province.	26,27,000	The budget estimate for the year 1923-24 stands at Rs. 90,31,000.	10,17,000	Reduction in expenditure is still under consideration. As the position on the Frontier is still unbalanced, it is impossible to say what the final expenditure of the year will be.

QUESTIONS AND ANSWERS.

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Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or now proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
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104	Political expenditure.— contd.	154	14	Reduction in Baluchistan under Political Agencies.	Rs. 1,45,000	Reductions of Rs. 1,21,000 have already been effected and further reductions are under consideration.	Rs. 1,21,000	
105	"	155	16	Reduction in temporary levies on the Sarhad.	90,000	Under consideration	...	Exact saving likely to be effected in the current year not yet known.
106	"	155	17	Additions to irregular forces to be abandoned.	8,22,000	The proposed additions have been abandoned, pending examination of the Railway Project.	8,22,000	
107	"	155	18	Reduction in contract for food-stuffs.	50,000	Under consideration	50,000	
108	"	155	10	Reduction in political expenditure in Baluchistan.	2,31,000	It is hoped to limit the expenditure to Rs. 40 lakhs this year.	2,31,000	The total reduction made on the provisional estimate for 1923-24 is Rs. 14,35,000.
109	"	156	50	Re-consideration of plans of Kabul Legation.	...	Estimates are being re-considered.	...	
110	"	156	23-23	Administration of Aden.	...	Under consideration	...	
111	"	157	24	Incidence of pay of Chairman, Aden Port Trust and other reductions in Aden.	33,000	Under consideration	16,000	A deduction of Rs. 16,000 has been made on account of the Port Trust and other charges, pending examination.
112	"	157	27	Saving on lighting and buoying of the Persian Gulf.	1,00,000	A deduction on this account has been made. The transfer of the "Lawrence" is under consideration.	1,00,000	
113	"	157	28	Incidence of expenditure in Persia.	...	Proposals have been made to the Secretary of State on the lines recommended.	...	
114	"	159	34	Reduction in charges in Central India.	21,000	An appointment of Medical Officer, Indore, has been abolished. One agency has been kept vacant for the present as an experimental measure.	21,000	Savings on the agency not yet reported.
115	"	159	36	Examination of incidence of charges on account of the Resident, Mysore.	...	Proposals are under examination.	...	
116	"	160	40	Administration of the Bombay States and meanwhile a reduction of Rs. 1,75,000.	1,75,000	The recommendations made by the Committee will be considered when a decision has been arrived at on the question of the transfer of the Bombay States. Meanwhile the Government of Bombay are unable to accept a reduction of more than Rs. 1,51,000.	1,51,000	A lump deduction has been made for the current year pending examination of the question.

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117	Political Expenditure—contd.	160	41	Reductions in charges in Burma.	Rs. 1,50,000	Reductions slightly in excess of this amount have been accepted.	Rs. 1,50,000	
				Adoption of proposal for a fixed contribution for Political charges in Burma.	...	The question of political charges is under consideration with the Burma Government.	...	
118	"	161	Conclusion (6)	Total reduction in Political expenditure.	45,70,000	Excluding some Rs. 60 lakhs on account of military police in Burma and Assam transferred from the head Adjustments to this head in the current year, the provision in the budget for 1923-24 is Rs. 271 lakhs, a reduction of Rs. 28½ lakhs as compared with the budget estimates of 1922-23.	38,53,000	Further reductions are under consideration.
119	Audit ...	164	2	Reduction of appointment of Auditor, Government of India Sanctions, and conversion of other appointments.	88,000	These reductions have been accepted.	Included in total saving on Department.	
120	"	165	5	Separation of audit and accounts.	...	This and the other points raised in paragraphs (3) and (4) are under consideration.	...	
121	"	165	6	Simplification of rules of audit.	...	The matter is and has been receiving the continuous attention of the Auditor-General.	...	
122	"	165	Conclusion (c)	Limitation of budget estimates.	3,76,000	The provision has been fixed at Rs. 79,40,000.	3,76,000	
123	Administration of Justice.	166	4	Reductions in expenditure in North-West Frontier.	30,000	Sanction has been accorded to certain retrenchments proposed by the Chief Commissioner on the recommendations of the Local Retrenchment Committee.	26,000	
124	"	166	6	Abolition of Small Causes Court in Ajmere.	16,000	It has been shown that the abolition of the Court would cause great inconvenience and involve a loss of revenue. Further the total saving could not be Rs. 16,000. Reductions of Rs. 12,000 are, however, being made in other directions as a set off.	12,000	
				Adoption of revised scale of court fees.		The United Provinces' revised scale is being introduced.		
125	Jails ...	168	4	Reduction of expenditure in Minor Administrations.	37,000	Larger reductions have been made on account of fall in prices.	79,000	
126	"	68	Conclusion (2).	Limitation of budget provision.	4,80,000	Provision has been limited to Rs. 4,00,000 for the current year. A reduction of Rs. 4,20,000 on the preliminary estimates of 1922-23 and of Rs. 5,08,000 on the revised estimates for that year.	4,26,000	

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127	Police ...	169	4	Abolition of appointment of Personal Assistant.	Rs. 16,000	A lump deduction of Rs. 1,25,000 has been made on the estimates for 1923-24 and total provision reduced to Rs. 50,80,000 compared with Rs. 55,66,000 which was the estimate for 1922-23.	1,25,000	The question of further reductions will be considered on receipt of the recommendations of the Chief Commissioner.
128	"	170	5	Reductions in police force.	2,50,000			
129	"	170	6	Continuance of frontier allowances and economies in clothing of police.	...	These questions are under consideration.	...	
130	"	171	9	Revised scale of pay for police recruits in Baluchistan.	...	Under consideration.	...	
131	"	171	11	Reduction of police expenditure in Baluchistan to Rs. 12,16,000.	...	Reductions have been effected and provision has been limited to Rs. 12,06,000.	10,000	
132	"	171	12	Reduction in expenditure on police in Delhi.	92,000	A reduction of Rs. 60,000 has been on the estimates for the current year and the provision limited to Rs. 7,98,000 compared with Rs. 9,74,000 which was the revised estimate for 1922-23. It is doubtful whether it will be possible to effect further reductions.	60,000	
133	"	171	13	Reduction in police expenditure in Coorg.	21,000	This reduction will be effected.	21,000	
134	"	172	14	Reduction on police expenditure in Ajmere.	...	The Committee recommended that expenditure should be limited to Rs. 3,28,000. Reductions of Rs. 50,000 have been effected and the provision for 1923-24 will be reduced to Rs. 3,97,000. The figure adopted by the Committee represented the original estimate for 1922-23 after deduction of a cut of Rs. 50,000 towards meeting the lump cut made by the Assembly. Necessary expenditure was subsequently restored under this head. The possibility of further economy will be explored.	50,000	
135	"	172	15	Revision of Contributions from Durbars for Rajputana Police.	...	The question is under consideration in connection with the reorganisation of the Police.	...	

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136	Police ...	172	16	Revision of arrangements for payment of Railway Police.	Rs. ...	Under consideration.	Rs. ...	
137	" ...	172	16	Abolition of Inspector General and reduction of expenditure on police.	10,000	Reductions of Rs. 24,000 have been made and the budget provision will stand at Rs. 3,76,000. The actual expenditure in 1921-22 was Rs. 4,27,000.	24,000	The possibility of further reductions will be examined.
138	" ...	173	17	Revision of contribution for police aid rendered to States and limitation of expenditure to Rs. 2,00,000.	...	A reduction of Rs. 24,000 has been made in the current year and the net expenditure will be Rs. 2,67,000. The Committee did not take into account the additional provision required for revision of pay and extra establishment entertained in consequence of the reduction in the Malwa Bhil Corps.	...	
139	" ...	173	Conclusion.	Limitation of police expenditure to Rs. 80,93,000 or reduction of Rs. 9,00,000 on the estimated expenditure for 1922-23.	...	The revised estimates for 1922-23 were Rs. 80,15,000. The estimates for 1923-24 are Rs. 86,84,000 and further reductions are under consideration.	...	Considerable reductions have been effected when allowances are made for necessary additional expenditure on account of increments of pay.
140	Ports and Pilotage.	175	8	Steps should be taken to make the various services self-supporting and reduction of Rs. 2,11,000 should be made in expenditure.	2,11,000	The budget estimates for 1923-24 are Rs. 26,12,000, a reduction of Rs. 1,20,000 and it is expected that receipts will increase. The reorganisations of the services are under examination. The case of the Bengal Pilot Service has been examined by a local Committee. The question of making lighthouse services and the survey of vessels entirely self-supporting is under consideration.	1,20,000	
141	Ecclesiastical expenditure.	175	...	Early decisions should be arrived at on questions of policy now under consideration. Further recruitment of chaplains should be stopped and further economies effected.	2,00,000	The general questions of policy with regard to ecclesiastical matters are being considered and no fresh recruitment is being made. A saving of Rs. 1,00,000 at least is expected in the current year.	1,00,000	
142	Scientific Departments.	180	4	Reduction in cadre of military officers, etc.	50,000	Four vacancies in the cadre of military officers have not been filled up and revision of 3 officers has been arranged. Retrenchment of military officers has been suspended. The immediate saving of Rs. 50,000 will be effected.	50,000	

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143	Scientific Departments.	180	5	Co-operation between Survey Department and Local Governments, etc.	Rs. ...	Under consideration	Rs. ...	
144	"	180	6	Saving of 20 per cent. on Supplies and Services.	8,400	The saving has been effected.	8,400	
145	"	181	7	Reduction in contingent charges for Trigonometrical Survey Office.	24,900	The provision has been reduced to within Rs. 40,000.	24,900	
146	"	181	8	Placing of accounts of the Mathematical Survey Office on a commercial basis, etc.	...	The question is being considered by a special committee.	...	
147	"	181	8	Charges of Instrument Office to be fixed on a uniform basis to cover full cost.	...	Under examination by a special committee.	...	
148	"	...	...	Stocks to be reduced.	...	Ditto.	...	
149	"	182	10	Reduction in survey parties. Estimates to be reduced to Rs. 26 lakhs.	9,00,000	A lump deduction of Rs. 84 lakhs has been made in the general charges for survey parties and the question of reducing the number of parties is under consideration.	6,50,000	
150	"	182	12	Retention of headquarters at Calcutta to be examined.	...	According to latest estimates the cost of new offices at Dehra Dun would be Rs. 47 lakhs while the Calcutta offices would fetch Rs. 25 lakhs. It has been decided to postpone the transfer.	...	
151	"	183	13	Abolition of Weather Reports and reductions in general expenditure on Meteorology.	84,000	Monthly weather review has been abolished and issue of reports during dry season discontinued.	84,000	
152	"	183	14	Vacancies in Geological Survey to be kept unfilled till Indian recruits available. Department to work in co-operation with Provincial Governments.	67,000	Of 8 vacancies in the current year three only will be filled. The budget estimate for the current year is Rs. 5,73,000. Under consideration.	73,000	
153	"	185	17	Reduction in plantation of quinine.	50,000	The reduction has been effected.	50,000	
154	"	185	19	Estimates for Botanical Survey to be limited to Rs. 18,35,000.	8,90,000	The estimate has been reduced to Rs. 18,70,000.	9,08,000	
155	"	185	19	Reduction of establishment of Zoological Survey and provision to be limited to Rs. 1,30,000.	47,000	The provision will be limited to Rs. 1,55,000 and proposals for further reduction are under consideration.	22,000	

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156	Scientific Departments.	185-187	20-21	Reductions in Archaeological Survey.	Rs. 6,29,000	It has been decided to make a lump reduction of Rs. 8 lakhs in the current year and restrict expenditure to Rs. 13,72,000 as against Rs. 10 lakhs recommended by the Committee. The reduction has been effected under the heads supplies, services and contingencies.	Rs. 3,01,000	
157	"	187	25	Recovery of cost of mine surveys.	...	Will be taken up in connection with amendment of Land Acquisition (Mines) Act.	...	
158	"	187	25	Curtailment of free issues of publications, etc.	...	Under consideration	...	
159	"	188	27	Reductions in Archaeological Section of Calcutta Museum.	14,000	The expenditure has now been transferred to the head Archaeological Survey in which a reduction of Rs. 3,00,000 has been effected. The present proposal will be considered in making the general reduction.	...	
160	"	189	30	Reductions in expenditure in Minor Administrations.	16,000	Accepted	16,000	
161	"	189	31	Discontinuance of grant to Imperial Institute.	21,000	Accepted	21,000	
	"			Grant to Mineral Resources Bureau to be reduced to £1,000.	18,000	Accepted	18,000	
162	"	189	31	Reduction in purchase of Stores in England.	4,03,000	The provision has been reduced to £23,700.	3,49,500	
163	"	190	(8)	Provision for Scientific Departments to be limited to Rs. 82,58,000.	30,02,000	Provision has been limited to Rs. 88,93,000.	23,87,000	Further reductions are under consideration.
164	Education	192	3	Elimination of grant to Rajkot College and reduction of grant to Aitchison College.	38,000	The provision for the Rajkot College has been reduced to Rs. 10,000 and that for the Aitchison College to Rs. 15,000.	28,000	
165	"	193	7	Reduction in grant to Training College, Peshawar.	25,000	The post of Principal will be kept unfilled and possibility of further reductions is under consideration.	...	
	"			Contribution to Islamia College not to be increased. Grant to Dera Ismail Khan College to be withdrawn.	5,000	There is no proposal to increase grant to the former college. Question of latter college under consideration.	...	
166	"	191	8	Reduction in grant for secondary education in the North-West Frontier Province.	1,68,000	Government have decided to reduce Rs. 60,000 under University and Secondary education. The Chief Commissioner has been asked what further steps will be required to reduce the grant to the figure proposed by the committee.	60,000	
167	"	195 and 11	10 and 11	Reductions in cost of special schools and general charges.	44,000	Reductions of Rs. 40,000 have been made.	40,000	

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168	Education	195	12	Reductions in expenditure on Secondary Education in Baluchistan.	15,000	The reductions will be effected.	15,000	
169	"	195	13	Reduction in general charges in Baluchistan.	18,750	The provision has been reduced by Rs. 7,000 and further reductions are under consideration.	7,000	
170	"	196	15	Reductions of grants to Delhi Colleges.	91,500	It has been decided that the provisional cut should be restored to the extent of Rs. 25,000.	6,500	
171	"	196	15	Scheme for Delhi University to be re-considered.	50,000	It has been decided to retain the University and provision has been voted by the Assembly.	...	
172	"	196	16	Reduction in expenditure on secondary education in Delhi.	50,500	A provisional reduction of Rs. 45,000 was made in the budget but it has been decided to apply to the Assembly for restoration of Rs. 25,000.	20,000	
173	"	197	17	Reduction in expenditure on education in Coorg.	41,000	The provision has been reduced by Rs. 20,000.	20,000	
174	"	197	19	Reduction of expenditure on the Ajmere College.	19,700	Under consideration	...	
175	"	198	20	Reduction in expenditure on secondary education in Ajmere.	35,000	A lump deduction of Rs. 20,000 was made and reductions to the extent of Rs. 13,568 are being effected. Further reductions are under consideration.	13,568	
176	"	198	24	Reductions in grants for secondary education in Rajputana.	14,000	Under consideration	...	
177	"	199	26	Reductions in grants in Hyderabad.	18,400	A reduction of Rs. 9,000 has been accepted for the current year.	9,000	
178	"	200	33	Curtailment of grants for higher education, etc.	...	The Educational Commissioner is examining the question.	...	
179	"	200	34	Grants for primary education to be fixed on a capitation basis.	...	It is stated that the system advocated by the Committee is wasteful and that it has been discredited in the past.	...	
180	"	200	Conclusion (i).	Reduction in total expenditure on education.	5,19,080	The provision for Education after restoration of Rs. 80,000 will stand at Rs. 33,06,000 compared with Rs. 27,77,000 recommended by the Committee.	...	The total reductions which have now been admitted amount to Rs. 1,90,000.
181	Medical Services and Public Health.	204	8	Abolition of appointments of Officer on Special Duty and D. A. D. G.	30,900	The appointments have been abolished.	25,300	

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181	Medical Services and Public Health - contd.	...	...	Reduction of ap- pointment of Public Health Commissioner.	Rs. 45,000	It has been decided that the post should not be abolish- ed during the current year. It is proposed to effect countervailing sav- ings of Rs. 13,000 under other items.	Rs. 13,000	
182	"	204	4	Reduction in ex- penditure in Director-General's Office.	34,000	Reductions in excess of the recommendation have been made.	37,000	
183	"	205	8	Abolition of ap- pointments of 12 Bacteriological officers.	1,97,400	The provision for 1923-24 was reduced to Rs. 1,07,000. Further reductions of Rs. 12,500 are proposed. It is considered necessary to retain a nucleus of 6 officers.	1,02,000	
184	Medical Services.	206	8	Contribution to Indian Research Fund to be dis- continued.	5,00,000	This has been discontinued for the present.	5,00,000	
				Appointment of Director, Medical Research to be abolished.	3,000	The appointment has been kept in abeyance and proposals have been made for abolition.	27,500	
185	"	206	11	Reduction in plague charges and grant for Central Health Board.	10,500	Accepted	10,500	
186	"	206	12	Reduction of charges for Im- perial Serologist and abolition of appointment if not made self- supporting.	20,000	Reductions effected, fees will be levied and abolition will be considered if office does not prove self-supporting.	20,780	
187	"	206	13	Charges to be levied for training at X-Ray Insti- tute.	...	It appears that the amount recoverable would be so small that it would not be worth while to effect recovery.	...	
				Cancellation of indent for stores and limitation of stocks.	1,27,000	Accepted	1,27,000	
188	"	206	14	Revision of quaran- tine arrangements.	...	It is stated that the Com- mittee has misunderstood the situation and it is not proposed to pursue the matter further.	...	
189	"	207	16	Reductions in Balu- chistan.	57,000	A reduction of Rs. 44,500 will be effected under Medical and Rs. 10,000 under Public Health.	54,500	
190	"	207	17	Reductions in Delhi	54,000	The item of Rs. 23,000 was in correctly reported to the Committee as non-recur- ring. It is hoped to secure a saving of Rs. 9,000 under Medical and of Rs. 7,000 under Public Health. Plague has altered the situation.	10,000	

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191	Medical Services.	208	18	Reductions in Coorg	Rs. 11,500	A lump deduction of Rs. 10,000 has been made and further reductions are under consideration.	Rs. 10,000	
192	Medical Services and Public Health.	209	Conclusion (4)	Total reductions in these Depart- ments.	14,10,000	The total reductions made under these two heads amount to about Rs. 12 laks.	12,00,000	
193	Agriculture	209	4	Dairy Farms to be self-supporting and two Military Farms to be trans- ferred to the De- partment.	...	Under consideration	...	
194	"	210	6	Central Cotton Committee to be self-supporting.	79,000	All expenditure incurred will be met from proceeds of Cotton Cess.	79,000	
195	"	210	7	Continuance of Sugar Bureau to be examined.	...	It has been decided to con- tinue the Bureau in view of the useful work which it does.	...	
196	"	210	8	Local Government to be asked to in- crease contribu- tion to Pusa Hos- pital.	...	The Local Government has been addressed.	...	
197	"	210	9	Reductions in es'ab- lishment of Agri- cultural Adviser.	10,000	Accepted	10,000	
198	"	210	10	Reduction of Rs. 10,000 under sup- plies, services, etc.	10,000	Reduction of Rs. 5,000 ac- cepted.	5,000	
199	"	211	11	Reduction in ex- penditure on Re- search Institute.	15,000	Accepted	15,000	
200	"	211	12	Charges for train- ing of students at Pusa Institute.	...	Under consideration	...	
201	"	211	13	Muktesar Institute to be self-support- ing.	...	Under consideration. A reduction of Rs. 35,000 has been made in the expenditure.	...	
202	"	211	14	Reductions in North West Frontier Pro- vince and Balu- chistan.	19,000	Accepted	10,000	
203	"	211	Conclusion (4)	Reductions in total expenditure on Agriculture.	2,88,000	Actual reductions amount to Rs. 2,55,000.	2,55,000	
204	Industries	212	5	Postponement of School of Mines and Geology.	...	It has been decided to make no provision for the con- struction of the School in 1923-24.	...	
205	Civil Avia- tion.	213	3	Retention of Chief Inspector not jus- tified.	...	Appointment has been re- tained for six months pending consideration of future arrangements.	...	
				Provision for Aero- dromes.	7,000	No provision has been made	13,000	

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206	Civil Aviation.	213	4	Disposal of gift Aeroplanes.	Rs. 5,000	Machines have been disposed of.	Rs. 5,000	
207	Do.	213	5	Reduction in total provision.	33,000	Provision has been reduced to Rs. 24,000 and further reductions are under consideration.	24,000	
208	Miscellaneous Departments	214	4-6	Reductions under Commercial Intelligence.	2,00,000	The expenditure has been reduced to Rs. 2,53,000 and the possibility of further reduction is under consideration particularly in the matter of publications.	2,27,000	
209	Do. ...	216	12	Abolition of Board of Examiners.	50,000	The Board is being abolished and expenditure in the current year reduced to Rs. 35,000.	31,000	
210	Do. ...	216	13	Fees to be charged for inspections by Explosives Department.	...	Under consideration.	...	
211	Do. ...	216	15	No provision to be made for further expansion of the Indian Stores Department until expansion is financially justified. Expenditure to be limited to Rs. 3,00,000.	83,000	Government have decided that expenditure on the Stores Department should be allowed to the extent of Rs. 4,41,000 in the current year to permit of expansion to the extent contemplated when the budget was originally fixed at that figure in accordance with the sanctioned programme.	...	
212	Do. ...	216	16	Discontinuation of registration of Provincial Trade statistics.	15,000	Reductions have been effected.	0,000	
213	Do. ...	217	18	Abolition of separate Office of Indian Trade Commissioner in London.	1,15,000	The proposal has been accepted saving Rs. 24,000 in the current year. The saving will be greater next year. The appointment of Trade Commissioner, East Africa, has also been abolished at a saving of about Rs. 20,000.	90,000	
214	Do. ...	217	19	Reduction in provision for expenditure in England on sundry items.	45,000	A reduction has been effected to this extent, but it appears that there will be a carry over of some £2,500 from last year and it is doubtful whether the whole saving will be effected.	45,000	
215	Do. ...	217	Conclusion (9)	Total reductions under the head Miscellaneous Departments.	11,18,000	Excluding the special provision of Rs. 23,40,000 for the British Empire Exhibition a saving of Rs. 7,19,000 has been effected in the normal expenditure under this head.	7,19,000	Further reductions under consideration.
216	Customs	218	Conclusion.	Strength and pay of staff in Customs Houses to be examined.	...	The question will be taken up when a Customs Member has been appointed to the Board of Revenue.	...	
217	Salts	221	6	Introduction of commercial accounts.	...	Under examination by an accounts officer.	...	

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218	Salt	221	8-9	Reductions in Northern India Salt Revenue Department.	Rs. 13,51,000	Accepted	Rs. 13,51,000	
219	Do. ...	223	12	Reduction in Bombay and examination of possibility of Central Government taking over administration of Salt.	5,02,000	Reduction accepted. Question of administration is under consideration.	5,02,000	
220	Do. ...	224	18	Total reductions in Salt Estimates.	10,15,000	These reductions have been accepted.	19,15,000	
221	Opium	225	3	Abolition of appointment of Managing Director.	18,000	Under consideration. If the appointment is necessary, an endeavour will be made to effect equivalent reductions elsewhere.	...	
222	Do. ...	225	4	Reduction of purchase price paid to cultivators.	...	The proposal has been examined, but it is reported to be too early to reduce the present price.	...	Question will be reconsidered after a year.
NOTE.—The reduction of Rs. 20 lakhs assumed by the Committee was based on estimates which were then incomplete. Further prior commitments for purchase of opium have made it impossible to effect the reduction assumed. In any case any reduction in expenditure would mean a considerable loss of revenue.								
223	Land Revenue	227	4	Reductions in North-West Frontier Province.	1,02,000	Provision has been reduced to Rs. 4,61,000.	65,000	Reductions are under consideration. Special provision had to be made for the Peshawar Settlement.
224	Do. ...	227	5	Reductions in Baluchistan.	31,000	Accepted	31,000	
225	Do. ...	227	7	Reductions in Coorg.	47,000	A reduction of Rs. 48,000 has been made, but part of this is due to adjustment. The question is under consideration.	48,000	
226	Do. ...	228	Conclusion.	Reduction in total expenditure under Land Revenue.	3,97,000	The budget has been reduced to Rs. 11,64,000.	3,98,000	A part of the reduction is due to readjustment of Treasury Charges.

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227	Excise ...	228	3	Arrangements to be made with provinces regarding payment of still-head duty or, alternatively, direct manufacture by Central Government.	Rs. ...	Supplying provinces are not prepared to forego the duty and the question of erecting a distillery is under consideration.	Rs. ...	
229	Stamps ...	230	7	Debit to minor administrations of cost of stamps supplied.	...	Steps being taken to give effect to this.	...	
229	Do.	231	8	Printing of post-cards in India.	...	Under consideration	...	
230	Stamps ...	231	10	Charging provincial expenditure direct to provincial accounts in England.	...	Under consideration with High Commissioner.	...	
231	Do.	231	11	Reduction of stocks.	...	Under consideration and saving anticipated.	...	
232	Do.	231	12	Claim against Provincial Governments for loss in exchange.	...	Under consideration	...	
				Recovery of railway freight.	...	Accepted	...	
233	Do.	234	13	Improvement in system of effecting recoveries.	...	The High Commissioner and the Controller have been addressed in the terms of this recommendation.	...	
234	Do.	234	Conclusion.	Reduction in net expenditure on stamp operations.	22,00,000	Larger reductions are anticipated.	25,50,000	
235	Forests ...	234	2-3	Change in present method of administration and management of forests on commercial lines.	...	Under consideration	...	
236	Do.	235	7	Reconsideration of scheme for expansion of Research Institute and limitation of expenditure to Rs. 8 lakhs.	80,000	The scheme is under reconsideration and charges have been reduced to Rs. 8,73,000.	91,000	The reduction was made on the provisional estimate for the current year.
237	Do.	236	9	Abolition of appointment of Director of Forest studies in England.	13,500	Recommended to Secretary of State.	...	
238	Do.	236	Conclusion.	Reduction in total Forest expenditure.	6,90,000	The total provision has been reduced to Rs. 4,10,000.	6,35,000	
239	Interest ...	238	5	Purchase of sinking funds by open tender.	...	Under consideration	...	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or now proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
		Page.	Page.					
240	Currency...	239	5	Discontinuance of one rupee note.	Rs. ...	The opinions of Local Governments and Chambers of Commerce have been invited. Meanwhile new supplies have been restricted and question of reducing cost of supply is also under consideration.	Rs. ...	
241	Mints ...	242	4	Closing of portion of Mints.	...	Under consideration	...	
				Transfer of Calcutta Mint to cheaper site.	...	Under consideration with Government of Bengal.	...	
242	Do. ...	244	Conclusion	Reduction in expenditure on Mints.	4,12,000	The reduction will be effected.	4,12,000	
243	Exchange	244	2	Revision of method of shewing exchange in the budget.	...	The method has been revised in the current budget though on different lines.	...	
244	Civil Works	246	3	Reconsideration of expansion of Forest Research Institute.	...	Expenditure will be limited to existing commitments. Provision for current year reduced.	2,00,000	
				Reconsideration of plans of Kabul Legation.	...	Plans are being reconsidered.	...	
				Dhanbad School of Mines.	2,00,000	Provision has been omitted in current year.	2,00,000	
				Reduction in provision for Agricultural Institute.	1,00,000	Provision reduced accordingly.	1,00,000	
				General reductions in expenditure on original works.	5,30,000	Total reductions effected	5,00,000	
245	Do.	248	4	Limitation of provision for repairs.	7,50,000	Accepted	7,50,000	
246	Do.	246	5	Future utilisation of buildings in Calcutta.	...	Under consideration	...	
247	Do.	247	6	Reductions in establishment charges in Rajputana and Central India.	40,000	An alternative scheme has been adopted involving abolition of two Executive Engineers and considerable further savings in establishment.	1,07,000	
				Reductions in Coorg	20,000	Reduction partly effected	12,000	Further reduction under consideration. Saving of Rs. 42,000 proposed for 1924-25.
				Reductions in Simla	35,000	Will be effected	23,000	
				Total reductions in establishment charges.	2,50,000	Reductions have been effected on lines proposed.	2,00,000	
248	Do.	247	7	System of tenders for complete works and of lump sum contracts whenever possible.	...	The system has been encouraged but as Local Governments are the Agents in this work, the question is largely for their discretion. The question is however under further consideration.	...	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or now proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
249	Civil Works	248	8	Revision of arrangements for execution of works now carried out by the agency of Local Governments.	Rs. ...	The question is under consideration and a scheme is being examined for an organisation independent of Local Governments.	Rs. ...	
250	Do. ...	248	9	Reappropriation of funds and introduction of a system to obviate rush of expenditure at end of year.	...	Under consideration	...	
251	New Delhi	249	5	Revision of scheme for construction of new station.	...	Under consideration	...	
252	Territorial and Political Pensions.	250	...	Endeavour to be made to effect progressive reductions.	...	The principle has been followed in the past and will be strictly adhered to in future cases.	...	
253	Superannuation allowances and pensions.	251	4	An actuarial examination should be made of the cost of revision of pensions.	...	The Government Actuary was consulted, but an accurate examination would mean very great delay. It has been otherwise ascertained that, compared with the present system, the revised rules are not likely to involve any material charges in present scale of expenditure.	...	
254	Do.	251	5	Adoption of varying mortality rates.	...	The principle has been accepted and an examination will be made.	...	
255	Do.	252	7	Debit to commercial departments of pensionary charges	...	This is already being done in the accounts of the main commercial departments and steps are being taken to include these charges in other departments which perform functions of a commercial character.	...	
256	Do.	253	8	Revision of temporary increased scales of pension in 1924.	...	Local Governments have been asked for their opinion and the question will be considered on receipt of their replies.	...	
257	Stationery and Printing.	253-280	...	Reductions and improvements in Stationery and Printing organisation.	10,37,000	The specific recommendations are under consideration and budget provision for 1923-24 has been reduced to Rs. 60 lakhs.	15,86,000	
258	Miscellaneous.	261	5	Special commissions of enquiry to be resorted to only in exceptional cases.	...	This recommendation has been noted and will be observed whenever possible.	...	
259	Do.	261	7	Local Clearing Office to be amalgamated with Peace Treaty Branch.	...	This has been carried into effect.	..	
260	Do.	262	9	Revision of incidence of certain payments to provinces.	45,000	Decision will shortly be arrived at. A provisional saving of Rs. 20,000 has been made.	20,000	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or now proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
261	Miscellaneous.	263	11	Reduction in miscellaneous expenditure on the North-West Frontier Province.	Rs. 1,22,000	Provision for grain compensation has been omitted. The reserve of Rs. 30,000 has been cut out and a reduction of Rs. 2,000 effected under Durbar Presents.	Rs. 1,20,000	
262	"	63	13	Reduction in miscellaneous charges in Delhi.	45,000	The reserve has been eliminated and the grant to the Notified Area reduced as proposed.	65,000	
263	"	264	Conclusion.	Reduction of provision under the head Miscellaneous.	14,08,000	It has not been possible to secure this reduction. The Committee assumed a reduction of Rs. 7,80,000 in expenditure in England under this head but the estimate for the current year is Rs. 21 lakhs, a reduction of Rs. 2,37,000 only. Provision has also been necessary for the Public Services and for unavoidable payments to provincial governments. Omitting the special provision for anticipated supplementary grants the normal estimate under this head will be Rs. 69,86,000. Reductions have been effected as indicated under the preceding items.	...	
264	Adjustments with Provincial Governments.	272	2	Steps to be taken to determine the amount of the fixed assignment to be made to Burma for the cost of Military police.	...	The question is under consideration with the Government of Burma.	...	
265	Expenditure in Minor Administrations.	277	Conclusion.	Settlement to be entered into with the North-West Frontier Provinces and Baluchistan.	...	The decision on the report of the North-West Frontier Province Enquiry Committee is awaited. Further, owing to the disturbed condition of the frontier, the present time is inopportune for framing standard figures to form the basis of a settlement. It is therefore proposed to postpone consideration of the question till the budget of 1924-25 is settled.	...	
				A special enquiry to be made into the cost of minor administrations in Central India and Rajputana.	...	This has been accepted. It is hoped to secure the services of the officer who conducted the enquiry in Coorg and to commence the investigation shortly.	...	

Serial No.	Head.	Reference to report.		Recommendation.	Reduction proposed on budget of 1922-23.	Action taken or now proposed.	Reduction in 1923-24.	Remarks (further action proposed, etc.).
		Page.	Para.					
266	Pay, leave and allowances.	285	Conclusion	(1) The whole question of pay and leave conditions of the subordinate services to be made the subject of an enquiry in which local Governments will be associated.	Rs. ...	Local Governments have been addressed on the question of pay and their replies are awaited. An examination of the present leave rules is in progress with a view to economy.	Rs. ...	
267	Pay, leave and allowances.	285	Conclusions (2) and (3)	Revision of travelling allowance rules.	...	The recommendations of the Committee have been accepted with a slight modification and orders have been issued accordingly.	...	The probable saving is not known but on the basis of expenditure for 1922-23, it is estimated that a saving of about Rs. 15 lakhs should be secured by the revision of the rules and stricter control over this expenditure.
268	General Observations.	292	6	Introduction of commercial accounts.	...	Will be adopted for all departments affected.	...	
269		292	7	Reductions in holding of stores.	...	Stocks are under examination in all departments affected and the recommendation is being carried into effect.	...	
270	...	...	...	Total reductions recommended in the civil departments.	9.05 lakhs.	Exclusive of interest and sinking fund charges, the total reductions now accepted in the current year's budget are over Rs. 7½ crores.	7.57 lakhs.	The possibility of further reductions is being considered.

Statement showing the reasons why Government have been unable to accept the recommendations of the Retrenchment Committee in some of the more important cases.

ABOLITION OF EDUCATIONAL COMMISSIONER.*

It was considered necessary to retain an experienced adviser upon educational matters with the Government of India, but in order to effect economy, it was proposed, as an experiment for one year, to put him in charge of the duties of the Superintendent of Education, Delhi and Ajmer-Merwara, in addition to his own work. At the same time the Central Advisory Board and the staff of the Bureau of Education have been brought under reduction. Thus a saving of approximately Rs. 75,000 out of the estimate of Rs. 1,00,000 made by the Retrenchment Committee should be effected.

ABOLITION OF THE APPOINTMENT OF INSPECTOR GENERAL OF IRRIGATION.†

The Retrenchment Committee recommended the abolition of the post of Inspector General of Irrigation and also the amalgamation of the Public Works Department with some other department of Government. Had this recommendation been accepted in full, it would have led to the abolition both of the Inspector General and of the Public Works Secretary. Both these officers had technical functions, the one in connection with Irrigation, the other with Civil Works, and it was decided that the responsibility of the Central Government in regard to these matters was such that expert advice at headquarters was essential. A single Consulting Engineer to the Government of India, who will primarily be an irrigation expert, has, therefore, been appointed, who discharges the technical duties which formerly devolved upon the two officers mentioned.

TOTAL REDUCTIONS IN THE EDUCATIONAL EXPENDITURE.

North-West Frontier Province.‡—A lump reduction of Rs. 1,00,000 in the budget grants for 1923-24 under the head "31—Education" was made provisionally in order to give partial effect to the recommendations of the Indian Retrenchment Committee. But further investigations showed that it was not possible in a secondary school to ration teachers on a pupil basis in the manner recommended by the Committee. At the most it was considered possible to cut Rs. 60,000 in the current year. The Government of India will, therefore, require a supplementary grant of Rs. 40,000 this year. The question whether expenditure on education should not be reduced or restricted in other ways in 1924-25 is being examined.

Delhi.§—A reduction of Rs. 75,000 was made provisionally in the budget grants for 1923-24 under the head "31—Education". Further examination showed that it would be false economy to starve the private colleges into decay and that reductions on secondary education could not be made on the lines proposed by the Committee, as in the case of the North-West Frontier Province. The Government of India will, therefore, require a supplementary grant of Rs. 50,000 this year (Rs. 25,000 on account of arts colleges and Rs. 25,000 on account of secondary schools). The question whether expenditure on education should not be reduced or restricted in other ways in 1924-25 is being examined.

Delhi University.||—The Government of India were advised that the university could not be put on end to without a repealing Act, and that by the more repeal of the Act the three Delhi colleges now included in the university would not automatically be restored to the Punjab University. Doubt was also expressed as to whether a repealing Act could be passed through the Legislature before the close of 1922-23. It was accordingly decided to keep the university in being so long as the Assembly voted the money needed. The matter was brought up in the Assembly and the money for 1923-24 was voted.

* Page 130, paragraph 15 of Report.

† Page 136, paragraph 30 of Report.

‡ Pages 193-5 of Report.

§ Pages 195-6 of Report.

|| Page 196, paragraph 15 of Report.



The remaining recommendations regarding the reduction of educational expenditure are dealt with in the following statement :

Page of Report.	Paragraph of Report.	Recommendations of the Committee.	Remarks.
192	3	We consider that if any grant is made (to the Aitchison College), it should be limited to Rs. 15,000.	Recommendation given effect to. The grant has been reduced to Rs. 15,000.
192	3	We are informed that the (Rajkot) College authorities hope to make the Institution self-supporting in 1923-24. No provision should therefore be necessary.	It has been found impossible to withdraw the Central Government's subvention before 1924-25, but for the current year the grant has been reduced by Rs. 15,000.
187	19	"The grant to the Government College, Ajmer, has been increased from Rs. 28,614 in 1913-14 to Rs. 64,700 in 1922-23. In 1921 the teaching staff comprised a Principal and 8 Professors as against a Principal and 6 Professors in 1913-14, although the average daily attendance of students had only risen by 9. We consider that there is no justification for the increased staff and that in present financial circumstances the staff should be reduced to at least pre-war level. We are informed that the question of raising the fees charged for tuition is now under consideration and we recommend that the grant for 1923-24 should be limited to Rs. 45,000."	The Agent to the Governor General has definitely stated that no reduction in the staff of the College is possible. His views were invited on a proposal to reduce the college to an intermediate status. In his report, which has just been received, he has strongly deprecated the reduction until a definite decision is arrived at about the proposed establishment of a University for Rajputana. His views are under consideration. The fees for tuition have been raised and an additional income of Rs. 5,000 a year is expected thereby.
198	20	"This table shows that whereas the average daily attendance at the Government schools has fallen off, there has been an increase in the number of teachers employed. We consider that the number of teachers should be reduced to pre-war standard, saving 19 teachers, also that the scale of fees which is lower than in the aided schools should be raised and the grant reduced to Rs. 70,000." "The standard of staffing in the aided schools is also excessive and we think that the grant to these schools should be reduced to Rs. 10,000."	The Chief Commissioner has reported that the fees have been raised to the rates prevailing in the United Provinces. He deprecates reduction in the teaching staff of the schools as also any reduction in the grants-in-aid which are now given at rates below those followed in the United Provinces, Delhi or Punjab. His views are under consideration.
198	21	Primary Schools.—The average number of pupils per teacher in the Government Primary schools is only 19.4 and in the aided schools 12.7. We consider that these standards should be materially raised, which would set free funds for increasing the number of schools.	The Chief Commissioner deprecates any retrenchment in Primary education; his views are under consideration. He has reported that he is considering the question of raising the District Board cess, which may provide extra funds.

Page of Report.	Paragraph of Report.	Recommendations of the Committee.	Remarks.
		N.B.—The Chief Commissioner has effected a reduction of Rs. 13,566-5-1 towards meeting the lump out of Rs. 20,000 made by the Legislative Assembly in the education budget of Ajmer-Merwara for 1923-24.	
195	12	That the grant for secondary education in Baluchistan be reduced by Rs. 15,000.	The Agent to the Governor-General has been able to effect a reduction of Rs. 15,000 in all under the head "31—Education."
195	13	That the provision for scholarships in Baluchistan should not exceed Rs. 24,000.	
198	24	That the grants-in-aid to secondary schools in Rajputana amounting to Rs. 34,000 should be reduced to Rs. 20,000.	The Agent to the Governor-General has intimated that a reduction of Rs. 3,350 only can be effected during the current year.
198	26	That the grants for secondary education in Hyderabad be reduced by Rs. 18,490.	The Resident at Hyderabad intimated in May last that the lump reduction of Rs. 9,000 made under the head "31—Education" in the Central budget for 1923-24 would be effected by reducing the grant to the secondary schools in the administered areas to the extent of Rs. 9,000.

PUBLIC HEALTH COMMISSIONER.*

It has been decided not to abolish the post of Public Health Commissioner for 1923-24. But savings amounting to Rs. 13,000 have been effected by the abandonment of the proposal to depute the Public Health Commissioner to attend a Conference in Paris during the current year and by the appointment of a Captain in place of a Major to the post of Assistant Director General, Indian Medical Service (Sanitary) with effect from the 1st June 1923.

REDUCTION IN BACTERIOLOGICAL OFFICERS.†

The Government of India have been unable to agree with the Retrenchment Committee that all the existing appointments of bacteriological officers holding unspecified posts in the Medical Research Department should be abolished. They have decided that 11 out of the 17‡ sanctioned posts should be held in abeyance in 1923-24 and that not more than 6 posts should be filled until the financial situation improves. The pay of the six officers will be charged to central revenues but the Indian Research Fund Association will find the money for their travelling and field allowance and the expenses generally of their enquiries. The Association is unable to meet the pay of the officers.

INDIAN STORES DEPARTMENT.§

The views expressed by the Indian Retrenchment Committee regarding the Indian Stores Department have been carefully considered by the Government of India: they have, however, now decided to proceed with the expansion and development of that Department as circumstances and the financial situation permit. In arriving at this decision they were influenced by the following facts:—

- (1) In the absence of a properly constituted Stores Department with an intelligence, purchase and inspection agency it is impossible to divert to Indian mills and workshops the large indents for stores which are at

* Page 204, paragraph 3 of Report.

† Page 208, paragraph 8 of Report.

‡ Provision was made only for 12 in the Budget for 1922-23.

§ Page 216, paragraph 15 of Report.

present sent to the London Stores Department for compliance. The organization of each branch of inspection and purchase means another step in the direction of transferring the balance of Government purchases to India.

- (2) Economies are expected from the centralised purchase of stores. The sooner these can be effected the better.
- (3) The existing headquarters staff of the Department was created with a view to expansion along the lines already announced, and it would be in the highest degree uneconomical, while retaining this headquarters' staff, to cripple its activities by postponing such expansion for an indefinite period.

The Retrenchment Committee recommended that the further expansion of the Department should be postponed until it had been ascertained whether the provinces collectively were prepared to utilize it, but this recommendation appears to have been based on a mistaken conception of the position. Compared with the purchasing transactions of the Government of India and of Railways, the purchases of provincial Governments are comparatively trifling and, whether Local Governments choose to utilize the services of the Department or not, the quantity of stores purchased by the Central Government and Railways alone amply justifies the development of the Indian Stores Department.

REPORTS OF THE INNES AND BRAITHWAITE COMMITTEES.

2. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to lay on the table the reports of the Innes Committee and of the Braithwaite Committee referred to in the report of the Inchcape Committee ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Government do not propose to lay the Reports on the table, as this would mean reprinting, the expense of which it is desirable to avoid. A copy of each of the two Reports in question will, however, be placed in the Library of the House.

CLOSING DOWN OF MILITARY HOSPITALS.

3. The HONOURABLE MR. PHIROZE C. SETHNA : Have Government made an inquiry as recommended by the Inchcape Committee with a view to closing down military hospitals where their retention is not justified, and to substantially reducing the number of beds in the hospitals retained ? If so, what is the result ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The question whether it is possible to close forthwith certain hospitals, and also to reduce the number of beds in both British and Indian station hospitals, is now being investigated.

REPORT OF INCHCAPE COMMITTEE AND THE PRESS.

4. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to state why the report of the Inchcape Committee was not made available to the Press until weeks after it was distributed to the members of the Central Legislature ?

The HONOURABLE MR. A. C. MCWATTERS : The facts are as follows :—

Copies of the Report were issued to the Associated Press and to the representatives of newspapers in Delhi on the 3rd March, i.e., the same day that they were distributed to the Members of the Legislature.

At the same time a telegraphic summary of the report prepared by the Finance Department was handed to the Associated Press. Between the 5th and 7th March a further consignment of 420 copies was distributed to various centres throughout India and copies were issued to the principal newspapers. Those in Calcutta received copies on the 7th March, those in Bombay on the 8th March, and those in Madras on the 10th March. Issues were also made at the same time to local branches of the Associated Press.

On the 9th March also the Government Press was directed to print off in Delhi a supply of the foolscap edition for immediate demand by the public, and also to issue a cheaper octavo edition which had to be reset in Calcutta. The issue of the octavo edition from the Calcutta Press began on the 12th April.

MILITARY DAIRIES.

5. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to state what steps they propose to take in order that the military dairies may be run at a profit and not at a loss as at present ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The matter is at present under the consideration of Government. As a first step, certain reductions have already been made in the administrative and executive staffs.

REPORT OF LORD LYTTON'S COMMITTEE.

6. The HONOURABLE MR. PHIROZE C. SETHNA : Have Government considered the report of Lord Lytton's Committee and what action do they propose to take thereon ?

The HONOURABLE SIR NARASIMHA SARMA : The report has been published and circulated to Local Governments and Administrations for an expression of their views on the various recommendations made therein.

The HONOURABLE MR. LALUBHAI SAMALDAS : Will this House be given an opportunity of considering the views of the Local Governments when they are received by the Government of India ?

The HONOURABLE SIR NARASIMHA SARMA : We shall endeavour to meet the wishes of the Honourable Member.

REPORT ON IMPERIAL DEFENCES.

7. The HONOURABLE MR. PHIROZE C. SETHNA : With reference to my question No. 136 asked on 14th February 1923, will Government be pleased to lay on the table the report of the sub-committee of the committee on Imperial Defence on the conclusions of the Military Requirements Committee if they have by this time received it ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Government do not propose to lay the Report on the table. To publish it would not be in the public interest.

INDIANS IN THE EAST INDIES SQUADRON.

8. The HONOURABLE MR. PHIROZE C. SETHNA : (a) Will Government be pleased to state how many Indians are employed in the East Indies Squadron ?

(b) What is the total cost of maintenance of the Squadron, and the proportion in which it is borne by each of the countries concerned ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (a) Indians are not eligible for admission to His Majesty's Royal Navy, of which the East Indies Squadron forms a part. A very small number, however, are employed in some of the ships as officers, stewards, cooks, etc.

(b) So far as the Government of India are aware, the cost of the squadron is borne by His Majesty's Government alone. They have no information as to what the cost amounts to.

REDUCTION OF EXECUTIVE COUNCILLORS AND MINISTERS.

9. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to state whether inquiries into the question of reducing the number of Executive Councillors and Ministers have been concluded and, if so, what decision has been arrived at in the matter ?

The HONOURABLE MR. J. CRERAR : The views of the Local Governments concerned have been received and are under consideration.

The HONOURABLE MR. LALUBHAI SAMALDAS : When can we expect to receive final orders ?

The HONOURABLE MR. J. CRERAR : I am afraid I cannot give any indication as to when a final decision will be arrived at.

PRINTING OF CURRENCY NOTES IN INDIA.

10. The HONOURABLE MR. PHIROZE C. SETHNA : Have Government received Major Willis' report on the subject of printing currency notes in India and, if so, will they place it on the table ?

The HONOURABLE MR. A. C. MCWATTERS : A preliminary report has been received and a final report is expected shortly. Government will be prepared to consider the question of publication.

ADMISSION OF INDIANS TO THE ROYAL ARTILLERY, ROYAL ENGINEER AND ROYAL AIR FORCE SERVICES.

11. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to state what action they have decided to take in pursuance of the resolution of the Legislative Assembly on the question of admitting Indians to the Royal Artillery and Royal Engineer Services in India and to the Royal Air Force ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The proposal that Indians should be admitted to the Royal Artillery and the Royal Engineers, which are branches of the British Army and not of the Indian Army, has not been agreed to. The proposal that Indians should be admitted to the Royal Air Force, which is also a British Service establishment, has not been agreed to. Indianisation of the commissioned ranks of the Army is for the present limited to the scheme of Indianising 8 selected Cavalry and Infantry units in the Indian Army.

DUTIES, POWERS AND PROCEDURE OF ADVISORY COMMITTEES.

12. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to state—

(a) whether the duties, powers and procedure of advisory committees have been prescribed, as provided for under section 12, clause (2), of the Indian Territorial Force Act ; and

(b) if so, to place on the table the rules relating thereto ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (a) and (b). The duties, etc., of Advisory Committees are prescribed under rule 30 of the Indian Territorial Force rules published under the Indian Territorial Force Act. The rules are available to the public, and it is unnecessary to lay them on the table of the House.

APPOINTMENT OF INDIANS AS SECRETARY, DEPUTY SECRETARY, ETC., IN THE GOVERNMENT OF INDIA.

13. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to state what action they have taken on the resolution of this Council regarding the appointment of at least one Indian as Secretary, Joint Secretary or Deputy Secretary to every Department of the Secretariat of the Government of India ?

The HONOURABLE MR. J. CRERAR : A copy of the orders issued is laid on the table.

No. F. 29-23-Ests.

GOVERNMENT OF INDIA.

HOME DEPARTMENT.

ESTABLISHMENTS.

Simla, the 7th May 1923.

OFFICE MEMORANDUM.

SUBJECT.—*Appointments of Indians as Secretary, Joint Secretary or Deputy Secretary to every Department of the Government of India Secretariat.*

The undersigned is directed to forward, for the information of the Foreign and Political Department, etc., a copy of the Right Honourable V. S. Srinivasa Sastri's Resolution on the above subject which was adopted by the Council of State at its meeting of the 28th February 1923, and to intimate the orders passed by the Governor General in Council. His Excellency the Viceroy is not prepared to agree to any fixed ratio of Indians in Secretariat posts which are essentially selection appointments, but accepts the principle of appointing Indians in Secretariat appointments in increasing numbers subject to the following conditions.

2. The principle adopted in filling the posts in the Government of India Secretariat has always been that experienced and suitable men should be selected and in the majority of cases a previous training in the provincial Secretariats has been regarded as necessary. His Excellency the Viceroy has directed that on the occurrence of vacancies in the appointments mentioned in the Resolution the possibility of obtaining a suitable and competent Indian officer from the provincial Secretaries should be definitely considered. In pursuance of this object, he desires that on every occasion on which Local Governments are asked to submit names for nomination to Secretariat appointments in the Government of India, they should be asked to give the names of Indian officers, where suitable, as well as of Europeans.

3. It is requested that action may be taken by the Foreign and Political Department, etc., in accordance with His Excellency's orders.

(Sd.) C. W. GWYNNE,

Officiating Joint Secretary to the Government of India.

To

All Departments of the Government of India.

Resolution.

This Council recommends to the Governor General in Council that, in order to give Indians an insight into the larger problems of Imperial administration and policy, he would be pleased to appoint, so far as possible, at least one Indian as Secretary, Joint Secretary, or Deputy Secretary to every Department of the Secretariat of the Government of India.

AVERAGE INCOME PER HEAD OF INDIAN POPULATION.

14. The HONOURABLE MR. PHIROZE C. SETHNA : (a) Have Government instituted any recent inquiries with the object of finding out what is the average income per head of the Indian population ?

(b) If so, will they state the results of those inquiries and also lay on the table all papers relating thereto ?

(c) If not, will they be pleased to state what in their opinion is the average income per head of the population at present ?

The HONOURABLE MR. A. C. McWATTERS : (a) There has been no recent inquiry, and (b) therefore does not arise.

(c) Government are unable to commit themselves to any estimate of the average income per head of population. They consider that any such estimate, whether drawn up by a statistician or by a Committee appointed by Government, could only be approximate and could not be safely quoted without all the assumptions and explanations on which it is founded being quoted too.

PRINTING OF POSTAGE STAMPS IN INDIA.

15. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to state what have been the results of the inquiry made by them into the feasibility of getting postage stamps printed in India ?

The HONOURABLE MR. A. C. McWATTERS : The officers who were deputed to investigate the question of the feasibility of manufacturing currency notes, stamps and stamped papers in India have recently submitted their preliminary report. They have come to the conclusion that there is no reason why the printing of security papers should not be done in this country, and they recommend that as an initial step an experimental press should be started at the earliest possible date in order that the methods proposed by them may be thoroughly tested and learned, and that a nucleus staff may be afforded the necessary training and experience. Government have accepted this recommendation, and, with the concurrence of the Standing Finance Committee, have already taken in hand the arrangements which are required to give effect to this proposal.

IMPERIAL SERVICES.

16. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to lay on the table the replies received from the Local Governments to the Circular letter of the Home Secretary to the Government of India as regards Imperial Services ?

The HONOURABLE MR. J. CRERAR : The correspondence will of course be considered by the Royal Commission ; the Government of India do not intend to publish it or lay it on the table.

PROSECUTIONS UNDER THE INCOME-TAX ACT.

17. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to lay on the table a statement showing the number of prosecutions instituted in each province for offences against the Income Tax Act and the number of convictions ?

The HONOURABLE MR. A. C. McWATTERS : A statement is laid on the table :

Statement showing the number of prosecutions and convictions in the various Provinces for offences under the Income-tax Act, 1922, during the year 1922-23.

Provinces.	Prosecutions.	Convictions.
Madras	27	11
Bombay	9	5
Bengal	3	..
United Provinces	..	..
Punjab	1	1
Burma	5	2
Bihar and Orissa	..	..
Central Provinces	23	12
Assam	..	..
Baluchistan	..	..
Delhi	..	..
Coorg	..	..
Ajmer-Merwara	1	1
Abu	..	..
Total	69	32

RESIGNATIONS OF EUROPEAN OFFICERS.

18. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to state how many European officers in each Department since the inauguration of the Reforms have resigned their appointments before becoming entitled to full pension ?

The HONOURABLE MR. J. CRERAR : The number of European Officers of each service who have been permitted to retire in accordance with the terms of Home Department Resolutions No. F-149-I, dated the 8th November 1921, and No. F-267, dated the 5th July 1922, is as follows :—

Indian Civil Service	64
Indian Police Service	93
Indian Service of Engineers	41
Indian Educational Service	22
Indian Forest Service	17
Indian Agricultural Service	9
Indian Veterinary Service	4
TOTAL	250

PAY OF PROVINCIAL SERVICE OFFICERS HOLDING INDIAN CIVIL SERVICE POSTS.

19. The HONOURABLE MR. PHIROZE C. SETHNA : Is it a fact that when an officer of the Provincial Civil Service officiates in a post ordinarily reserved for members of the Indian Civil Service, he draws the lowest senior scale salary of the Indian Civil Service, or Rs. 300 a month above his pay at the time of promotion, whichever is greater, and that he also receives the annual increments according to the Indian Service scale of pay ?

The HONOURABLE MR. J. CRERAR : The pay is regulated by the orders contained in the Home Department Resolution No. 1260, dated the 24th June 1920, as amended by subsequent orders, copies of which are laid on the table. It will be observed that the lowest initial pay admissible is Rs. 1,275 a month and not Rs. 1,000, the lowest pay of the superior scale of the I. C. S. Thereafter increments are drawn annually in accordance with the I. C. S. scale of pay.

No. 1260.

GOVERNMENT OF INDIA.

HOME DEPARTMENT.

ESTABLISHMENTS.

Simla, the 24th June 1920.

RESOLUTION.

With the approval of His Majesty's Secretary of State for India it has been

*1. Officer promoted from the Provincial Service to hold Indian Civil Service posts.

*2. Officers recruited from the Bar.

*3. Military and other uncovenanted members of the old mixed commissions (including members of the old Berar commission).

*4. Statutory Civil Servants.

decided to allow the officers noted on the margin* to draw with effect from the 1st December 1919, the same pay as has been sanctioned in the Home Department Resolution No. 286, dated the 13th February 1920, for regular members of the Indian Civil Service, subject to the following reservations or principles :

- (1) Only officers of non-Indian domicile belonging to the third category set forth in the margin will be eligible for overseas allowance.
- (2) (a) The initial pay of an officer promoted from the Provincial Service will on each occasion of his promotion be fixed on the superior time scale at a stage which will represent Rs. 300 a month above the pay last enjoyed by him in the regular line of the Provincial Service, or the initial stage of the superior scale (Rs. 1,000) whichever is greater.
- (b) In bringing such officers at present in service on to the time scale, their pay on permanent appointment to posts ordinarily held by members of the Indian Civil Service will first be determined in accordance with the principle in Clause (a) above, and to this will be added as many increments as they would have received according to their length of service after such promotion.
- (3) Military and other uncovenanted members of the old mixed commissions (including members of the old Berar Commission) and statutory civil servants will be brought on to the time scale in accordance with paragraph 4 of the Home Department Resolution no. 286, dated the 13th February 1920, the date of commencement of service in their case being reckoned from the date of their first appointment to the mixed Commission or Indian Civil Service.
- (4) In regard to officers recruited from the Bar, full discretion is left to the local Governments and Administrations to bring in such recruits at any suitable stage up to Rs. 2,000,

ORDER.—Ordered that a copy of this Resolution be forwarded to all Local Governments and Administrations, the several Departments of the Government of India (including the Financial Adviser, Military Finance) and the offices subordinate to this Department, for information and guidance.

Ordered also that it be published in the Supplement to the Gazette of India for general information.

H. McPHERSON,

Secretary to the Government of India.

No. 2353.

GOVERNMENT OF INDIA.

HOME DEPARTMENT.

ESTABLISHMENTS.

Simla, the 1st November 1920.

RESOLUTION.

The following amendment is made in the Home Department Resolution No. 1260, dated the 24th June 1920, regarding the pay to be drawn by officers (other than members of the Indian Civil Service) holding posts ordinarily held by members of the Indian Civil Service :—

For the word "pay" occurring in line 4 substitute the words "pay and allowances (including the judicial allowance of Rs. 150 sanctioned for officers holding superior judicial appointments)."

ORDER.—Ordered that a copy of this Resolution be forwarded to all Local Governments and Administrations, the several Departments of the Government of India (including the Financial Adviser, Military Finance) and the offices subordinate to this Department, for information and guidance.

Ordered also that it be published in the Supplement to the Gazette of India for general information.

H. McPHERSON,

Secretary to the Government of India.

Copy to the

C. W. GWYNNE,

Deputy Secretary to the Government of India.

No. 1053.

GOVERNMENT OF INDIA.

HOME DEPARTMENT.

ESTABLISHMENTS.

Simla, the 5th May 1921.

RESOLUTION.

The Government of India have had under consideration representations made by Provincial Civil Service officers holding Indian Civil Service posts as to the adequacy of the remuneration admissible to them under paragraph 1(2)(a) of the Home Department Resolution No. 1260 (Establishments), dated the 24th June 1920. With the approval of the Secretary of State, the Government of India are pleased to direct that the following shall be substituted for paragraph 1(2)(a) of the Resolution in question :—

"(2)(a). The initial pay of an officer promoted from the Provincial Service will on each occasion of his promotion be fixed on the superior time-scale at the lowest stage which exceeds the substantive pay last enjoyed by him in the regular line of the Provincial Service by not less than Rs. 300 a month, or the stage of the superior

scale for the 10th year of service in the Indian Civil Service (Rs. 1,275), whichever is greater. In addition, he will be allowed to count towards increments any period during which he may have previously officiated in a listed post. Provided that in no case will a Provincial Service officer draw a higher pay than that to which an officer of the Indian Civil Service of the same number of years' service would be entitled under the superior time scale."

2. The following amendments shall be made in paragraph 1 (2) (b) of the same Resolution :—

- (i) For the words "on permanent appointment" in line 2 read the words "when first permanently appointed".
- (ii) Omit the word "first" in line 3.

3. All the changes announced in this Resolution will have effect from the 1st December 1919.

ORDER.—Ordered that a copy of this Resolution be forwarded to all Local Governments and Administrations, the several Departments of the Government of India (including the Financial Adviser, Military Finance) and the offices subordinate to this Department, for information and guidance.

Ordered also that it be published in the Supplement to the Gazette of India for general information.

C. W. GWYNNE,

for Officiating Secretary to the Government of India.

No. F. 936-Ests.

GOVERNMENT OF INDIA.
HOME DEPARTMENT

ESTABLISHMENTS.

Simla, the 23rd January 1923.

RESOLUTION.

It has been brought to the notice of the Government of India that, under the orders contained in paragraph (2) (a) of the Home Department Resolution No. 1280, dated the 24th June 1920, as amended by paragraph 1 of the Resolution No. 1053, dated the 5th May 1921, a Provincial Civil Service officer appointed to officiate in a listed post for the second or third time can sometimes earn increments on the Indian Civil Service time scale without completing one year's service in each stage. As this result, which was never contemplated by them, is directly opposed to the fundamental rules regarding increments, they have now, with the approval of the Secretary of State, decided to amend the orders in question by the insertion of the words "in that stage" before the words "in a listed post" in the penultimate sentence of paragraph (2) (a), and by the omission of sub-paragraph (b) which is no longer necessary.

2. These amendments will have effect from the 1st January 1923, and the emoluments of officers holding listed posts permanently on that date will not be affected. Officers who will have officiated in such posts prior to that date will also be protected to the extent that their stage in the superior time scale on the next occasion of holding these posts will not be lower than it was on the previous occasion.

ORDER.—Ordered that a copy of this Resolution be forwarded to all Local Governments and Administrations, the several Departments of the Government of India (including the Financial Adviser, Military Finance) and the offices subordinate to this Department, for information and guidance.

Ordered also that it be published in the Supplement to the Gazette of India for general information.

J. CRERAR,

Secretary to the Government of India.

No. F. 936-Ests.

Copy forwarded to

(Sd.) G. F. WINN,

Assistant Secretary to the Government of India.

OFFICERS REDUCED UNDER RETRENCHMENT POLICY.

20. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government please state the number of those in Government service whose services were dispensed with by the Government of India in pursuance of the policy of retrenchment?

The HONOURABLE MR. J. CRERAR : The total number is 2,027. This figure includes the staff reduced in Army Headquarters and the Government Presses and also 867 menials.

RECOMMENDATIONS OF THE INDIAN JAILS COMMITTEE, 1919-20.

21. The HONOURABLE MR. LALUBHAI SAMALDAS : Will the Government be pleased to say what action they have taken on the following recommendations of the Indian Jails Committee, 1919-20 :—

- (1) "That the punishment of flogging shall only be inflicted for mutiny or incitement to mutiny and for serious assaults on any public servant or visitor." (Paragraph 227 of the Report).
- (2) "That the use of this device (Belchain) should be prohibited except as a strict measure when men are placed in insecure huts or tents outside a permanent jail ; for instance, on the occasion of an outbreak of cholera." (Paragraph 244 of the Report).

The HONOURABLE MR. J. CRERAR : (1) The Honourable Member is referred to paragraph 2 of the Home Department letter No. 104, dated the 4th April 1921, published on pages 272-4 of the Debates of the Legislative Assembly held on the 15th September 1921 in which the Government of India expressed a general agreement with the Committee's recommendation regarding the restricted occasions on which the punishment of flogging should be resorted to. They have suggested a redraft of the rules to Local Governments ; and the replies of Local Governments, which have all been received, are now under consideration. It is hoped that final orders will be issued shortly.

(2) Attention is invited to paragraph 7 of the Home Department letter referred to above in which the Government of India asked Local Governments and Administrations to take steps to limit the use of the belchain to occasions when it is absolutely indispensable as a precaution against escape.

The HONOURABLE MR. LALUBHAI SAMALDAS : Has the attention of the Government been drawn to the Report of the Visapur Jail Committee about belchains?

The HONOURABLE MR. J. CRERAR : This Report has not been specifically referred to other Local Governments, but the recommendations of the Committee have appeared in the press and doubtless have been duly noted by other Local Governments than the Government of Bombay. So far as the recommendations of the Committee in this particular matter are of general applicability, they substantially coincide with those of the Indian Jails Committee which, as already stated, have been referred to all Local Governments.

STATEMENT BY MICHAEL O'DWYER *RE* REFUSAL OF COMMISSIONS BY INDIANS.

22. The HONOURABLE MR. LALUBHAI SAMALDAS : (1) Will the Government be pleased to say whether they have noticed a statement made by Sir Michael O'Dwyer reported in the Bombay Dailies of 21st May 1923 :—

(a) "That the Indian officers were refusing commissions and also that Indian fighters were refusing to fight under commissioned Indian officers"; and

(b) "That the handling of the (Moplah) rebellion showed that Indians were most incapable of maintaining law and order".

(2) Will Government be pleased to state how far these statements are true; and

(3) If not, what steps the Government have taken or propose to take to contradict them?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The Government have seen the report in question; and, in order to ascertain whether it was an accurate account, a reference was made to Sir Michael O'Dwyer, through the Secretary of State. In reply, Sir Michael O'Dwyer has described the report as an absolute travesty of what he said about the army. On the occasion mentioned in the report, he referred to the belief, which apparently is current in England as well as in India, that Indian officers already in the Indian Army have displayed unwillingness to transfer to Indianised regiments as such; but denies emphatically having expressed satisfaction that this should be the case. As regards the other observations attributed to him, Sir Michael O'Dwyer asserts that he did not say that Indians were incapable of maintaining law and order, but that the reformed Government had failed in so doing and thus had prolonged the Moplah rebellion.

The remarks attributed to Sir Michael O'Dwyer by the Bombay newspapers, to which the Honourable Member has referred, were not reported in the English press, but a correct account of his speech, on the points dealt with in this question, has since been cabled to India and has already appeared in the press.

INDUSTRIAL BANKS.

23. The HONOURABLE MR. LALUBHAI SAMALDAS : Will Government be pleased to state what steps they have taken in connection with the Resolution of the Honourable Professor Kale regarding the starting of the industrial banks?

The HONOURABLE MR. A. H. LEY : The Government of India consider that the time is inopportune for the appointment of the Committee proposed by the Honourable Mr. Kale. The subject of industrial finance is primarily a matter for the provinces, some of which have already taken action on the lines suggested by the Industrial Commission by means of legislation regulating the grant of industrial loans. The question of industrial banks was discussed at more than one of the conferences of the Directors of Industries and Ministers of Local Governments in charge of Industries, and the majority of Local Governments

were opposed to the idea of State enterprise or assistance to industrial banks. The Government of India consider that expenditure of money on the proposed Committee would not be justified in present circumstances, and have consequently decided to take no action on the Resolution in question.

TWENTY MILLION POUNDS STERLING LOAN.

24. The HONOURABLE MR. LALUBHAI SAMALDAS : Will Government be pleased to say why 20 million pounds sterling loan was raised recently in England, although the Finance Minister in his budget speech had said that it would be necessary to raise a sterling loan of 15 million pounds?

The HONOURABLE MR. A. C. McWATTERS : If the Honourable Member will refer to the Budget Speech of the Honourable Finance Member, he will see that the figure of £15 millions for sterling borrowings was an assumption made for the purpose of the Ways and Means Estimates. In the same speech the Honourable Finance Member expressly stated that it was never possible to adhere to a strict programme in regard to Government's Ways and Means operations and that Government had to be guided very largely by the changing conditions of the money market both here and in London.

The HONOURABLE MR. LALUBHAI SAMALDAS : Will the Finance Department place the revised ways and means budget on the table?

The HONOURABLE MR. A. C. McWATTERS : There is no revised ways and means budget at the present moment.

BROKERAGE CHARGES ON 20 MILLION POUND STERLING LOAN.

25. The HONOURABLE MR. LALUBHAI SAMALDAS : Will Government be pleased to give the service charges, i.e., the amount of brokerage and the interest on the broken period for the sterling loan of 20 million pounds?

The HONOURABLE MR. A. C. McWATTERS : The underwriting and brokerage charges combined did not exceed $1\frac{1}{2}$ per cent. The first dividend, as stated in the prospectus of the loan, is payable on the 15th November 1923 and will represent a full half year's interest.

REPORT OF FIJI EMIGRATION COMMISSIONERS.

26. The HONOURABLE KHAN BAHADUR SIR AHMEDTHAMBY MARICAIR : Will the Government be pleased to state whether the report of the Fiji Emigration Commissioners has been received by Government; if so, when it will be published for public information?

The HONOURABLE SIR NARASIMHA SARMA : The report of the deputation sent to Fiji has been received. The Government of India hope to publish it shortly.

PURCHASE AND MANUFACTURE OF STEEL DURING 1915 TO 1922.

27. The HONOURABLE MR. LALUBHAI SAMALDAS : Will Government be pleased to lay on the table a statement giving—

(a) the tonnage of steel purchased by Government and the Indian Railways in British India during the years 1915 to 1922; and

- (b) the tonnage manufactured in India and the average price paid for the same ; and
 (c) the tonnage manufactured outside India and the average price for the same ?

The HONOURABLE MR. A. H. LEY : The information asked for by the Honourable Member is not readily available and much time and labour would be involved in collecting it from various sources. The Government of India have no information of the steel purchases of Company-worked Railways, nor will it be possible to ascertain what proportion of the steel locally purchased by Railways was of indigenous manufacture or from imported stock. A reference to the accounts relating to the Sea-borne Trade and Navigation of British India will show the quantity and value of steel imported by Government during the years in question ; these figures include imports by the Central and Provincial Governments and State Railways.

DUTY ON SALT.

28. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to show, by a tabular statement, the amounts of duty realised on salt during the months of March, April and May of 1922 and 1923 and, if possible, also in the month of June 1922 and 1923 ?

The HONOURABLE MR. A. C. McWATTERS : A statement showing the revenue realised from salt during the months of March, April and May of 1922 and 1923 is placed on the table. The figures for June 1923 are not available.

Statement showing the revenue realised from salt during the months of March, April and May of 1922 and 1923.

Month.	Rs.	Rs.	Remarks.
	1922.	1923.	
March	56,17,000	32,32,000	
April	65,56,000	64,27,000	
May	72,77,000	74,55,000.	

RECOMMENDATIONS OF INDIAN RETRENCHMENT COMMITTEE.

29. The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Will Government be pleased to put on the table a statement showing :—

- (a) the recommendations of the Indian Retrenchment Committee accepted by the Government of India during the current year ;
 (b) the recommendations of the Indian Retrenchment Committee which Government have resolved upon accepting during the coming financial year ; and
 (c) the recommendations of the Indian Retrenchment Committee which Government have resolved to reject stating the reasons for such rejection in each case ?

The HONOURABLE MR. A. C. McWATTERS : Reference is invited to the statements laid on the table to-day in reply to a similar question

asked by the Honourable Mr. Pheroze Sethna. I hope the Honourable Member will find the information which he requires in those statements, but if further information on any point is desired, I will endeavour to furnish it.

CAPITAL EXPENDITURE ON NEW DELHI.

30. The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : (a) Has the attention of Government been drawn to paragraph 5 of the Retrenchment Committee's Report on " Capital Expenditure on New Delhi " wherein the said Committee recommend that the present scheme for the construction of the new station be again reviewed with the object of curtailing expenditure as far as practicable ?

(b) If the reply to the above be in the affirmative, will Government be pleased to state what action they have taken, or propose to take, on this recommendation of the Retrenchment Committee ?

The HONOURABLE MR. D. T. CHADWICK : (a) Yes.

(b) The Railway Board has caused to be carried out a traffic investigation of the Delhi area. The report has recently been received and is being examined with a view to curtailing, as far as practicable, expenditure on the New Station and other works.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : May I ask a supplementary question, Sir ? Do Government expect to place that report on the table ?

The HONOURABLE MR. D. T. CHADWICK : On that, I cannot speak with certainty. But they expect considerable reduction in the original estimates.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Do I understand that Government propose to withhold that report from the Council ?

The HONOURABLE MR. D. T. CHADWICK : Certainly not, Sir.

RETRENCHMENT COMMITTEE'S REPORT ON POLITICAL EXPENDITURE.

31. The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : (a) Has the attention of Government been drawn to paragraph 20 of the Report of the Indian Retrenchment Committee under the head " Political Expenditure " recommending that the proposal for building a Legation in Kabul at a cost of Rs. 16 lakhs be reconsidered with a view to restricting the cost to a smaller figure ?

(b) If the reply to the above be in the affirmative, will Government be pleased to state the result of their consideration of the Committee's recommendation ?

The HONOURABLE MAJOR G. D. OGILVIE : (a) Yes.

(b) On the receipt of the Inchcape Committee's recommendation Government instituted an exhaustive re-examination of the plans, specifications and estimates in consultation with His Majesty's Minister and the architect. The matter is still under consideration. But in view, on the one hand, of the high cost of land sites and building, of the absence of modern sanitation, and the prevalence of epidemic diseases

in Kabul, and, on the other, of the offices and official reception rooms required and of the number of persons—the Minister, his staff, their servants, and the escort—for whom accommodation has to be provided, the prospect of any material reduction seems remote.

INDIA'S LIABILITIES IN PERSIA.

32. The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : (i) Has the attention of Government been drawn to conclusion No. 3 in the Indian Retrenchment Committee's Report under the head "Political Expenditure" wherein they recommend that "the present principles governing the incidence of expenditure in Persia be revised without delay and that India's liabilities in Persia be strictly defined and limited" ?

(ii) Has the attention of Government been drawn to paragraph 22 of the Indian Retrenchment Committee's Report where under the head "Political Expenditure" the said Committee recommend that the present arrangement for the administration of Aden and incidence of charges not being in accordance with the Welby Commission Report should be reviewed ?

(iii) Will Government be pleased to state what action they have taken on the above-named two recommendations of the Indian Retrenchment Committee, stating further their reasons in case no action has been taken till now ?

The HONOURABLE MAJOR G. D. OGILVIE : (i) and (ii). Yes.

(iii) His Majesty's Government were addressed on both questions before the Inchcape Committee was assembled and have since been reminded. Replies to these references are awaited.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Will Government please place the replies on the table of the Council when they are available ?

The HONOURABLE MAJOR G. D. OGILVIE : I am afraid I must ask for notice. The Honourable Member will realise that the case is one that concerns not myself but the Foreign Secretary.

ESTABLISHMENT OF RAILWAY LOCAL ADVISORY COUNCILS.

33. The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : With reference to the recommendation of the Indian Railway Committee (Paragraph 142 of their Report) for the establishment of Local Advisory Councils, will Government be pleased to state at what centres such Local Advisory Councils have been established till now, and the reasons why Government have not yet established such Local Advisory Councils in other important centres ?

The HONOURABLE MR. D. T. CHADWICK : Local Railway Advisory Committees have so far been established at the headquarters of the Eastern Bengal, North Western, Oudh and Rohilkhand, Assam Bengal, Burma, Rohilkund and Kumaon and Bengal and North Western Railways. The Bengal and North Western Railway has in addition formed a Committee at Muzaffarpur. Arrangements for establishing committees at headquarters of other railways are well advanced.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Can Government say what is the cause of the delay in establishing the same Advisory Committees at other important stations like Bombay, Madras and Calcutta ?

The HONOURABLE MR. D. T. CHADWICK : Obviously Government has powers to establish these Committees in connection with the State Railways, but they have no powers to compel the establishment of such Committees on Company Railways. The Company Railways are actively working on this idea, but in such circumstances, there are bound to be differences of opinion. Those differences of opinion are very nearly solved.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Are Government aware that the representatives of these Company Railways who gave evidence before the Railway Committee unanimously agreed to the Advisory Committees being formed ?

The HONOURABLE MR. D. T. CHADWICK : Yes, Sir, and the Government are actively working to form these Committees.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I take it that subsequently some objections were raised.

FINANCIAL ITEMS IN DISPUTE BETWEEN GOVERNMENT OF INDIA AND HIS MAJESTY'S GOVERNMENT.

34. The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Will Government be pleased to put on the table a statement giving :—

- (a) the various financial items in dispute between the Government of India and His Majesty's Government in connection with allocation of expenditure incurred either in India, England or any foreign countries ;
- (b) a brief history of each item ; and
- (c) the method by which Government expect to settle these differences between them and His Majesty's Government ?

The HONOURABLE MR. A. C. MCWATTERS : The information is being collected.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Do I understand that Government do not propose to give a reply to my Question No. 34 to-day ?

The HONOURABLE MR. A. C. MCWATTERS : Yes, Sir. We have written to the India Office to obtain this information.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Will the Government of India give us the information which they themselves are in possession of ?

The HONOURABLE MR. A. C. MCWATTERS : I think, Sir, I should require notice. We are not in possession of most of the information which the Honourable Member requires.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Will Government give such information as they may be in possession of ?

The HONOURABLE MR. A. C. McWATTERS : I will endeavour to trace such information as we have here, but the Honourable Member will understand that it is not complete.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : May we have such information as Government have, even if it may be on one or two items ?

The HONOURABLE THE PRESIDENT : I think the Honourable Member has had his answer.

ESTABLISHMENT OF RAILWAY RATES TRIBUNAL.

35. The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : (a) With reference to paragraph 156 of the Indian Railway Committee's Report, will Government be pleased to state if they have accepted the recommendations of the said Committee to establish a Rates Tribunal as contained in that paragraph ?

(b) If the reply to the above be in the affirmative, will Government be pleased to state when they expect the tribunal to be constituted and working ?

The HONOURABLE MR. D. T. CHADWICK : (a) and (b). Government hope to discuss the whole question with the Central Advisory Council in the course of the current session.

SALT DEPARTMENTS IN BIHAR AND ORISSA.

36. The HONOURABLE MR. PHIROZE C. SETHNA : Will Government be pleased to state—

(a) the necessity for maintaining two separate Salt Departments in the province of Bihar and Orissa, in spite of the sanction given by the Secretary of State for India in 1914 for the amalgamation of the Salt Departments in this province ;

(b) the steps, if any, that have been taken to give effect to the above scheme since the questions put on this subject by Mr. Baidyanath Prasad Sinha in the Legislative Assembly in February 1922 ?

The HONOURABLE MR. A. C. McWATTERS : When the original scheme for the amalgamation of the Salt and Excise Departments in Bihar and Orissa was sanctioned by the Secretary of State in 1914, it was contemplated that it would result in economy. The circumstances which necessitated the postponement of the amalgamation were explained in reply to Question No. 226 asked by Babu Baidyanath Prasad Sinha at the meeting of the Legislative Assembly on the 27th February 1922 and Question No. 84 asked by the Honourable Maharaja Bahadur Keshva Prasad Sinha at the meeting of this Council on the 11th September

* Vide page 2564 of Volume II, Part II of Legislative Assembly Debates.
† Vide page 132 of Volume III, Part I of Council of State Debates.

ber 1922. In December 1922 the Local Government submitted proposals for giving effect to the scheme from 1st March 1923, but on examination the Government of India found that these proposals, so far from resulting in economy, would actually involve additional expenditure to Central revenues. The introduction of the scheme has therefore been postponed, with the consent of the Local Government and further discussions on the subject are now taking place. The amalgamation will however be carried out as soon as an agreement is reached which is financially satisfactory.

POSTS OF STATION AND ASSISTANT STATION MASTERS, NORTH-WESTERN RAILWAY.

37. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : (a) Is it a fact that on the North-Western Railway there are 10 posts of Station Masters and Assistant Station Masters, in the grade of Rs. 425—20—500, 16 posts in the grade of Rs. 360—20—400, 25 posts in the grade of Rs. 320—15—350 and 130 posts in the grade of Rs. 250—10—300 ? If this is wrong, what are the right grades—and what is the right number of posts in each grade ?

(b) Is it a fact that, in these two highest grades, there is not a single Hindu, Sikh or Muhammadan holding any appointment ?

(c) Is it a fact that, among the next two lower grades, there is only one Muhammadan holding the higher grade, and that there is not a single Hindu, Sikh or Muhammadan holding the lowest of these grades ?

(d) If the above facts are substantially true, will the Government please explain the cause of this state of affairs ?

The HONOURABLE MR. D. T. CHADWICK : (a) and (b). The facts are as stated.

(c) No. There are nine Indians in the lower of the two grades referred to.

(d) The explanation is that the appointments are filled from those amongst the subordinate traffic department who pass the necessary qualifying examination, and, owing to the system of recruitment now in force, most of the men who thus qualify are Anglo-Indians.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : In connection with the reply to (c). I do not think a proper answer has been given. My question related to the number of Hindus, Muhammadans and Sikhs in all of these grades.

The HONOURABLE THE PRESIDENT : The Honourable Member cannot comment on the answer given. He can ask a supplementary question.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : My supplementary question is how many Hindus, Muhammadans or Sikhs are there holding these grades.

The HONOURABLE MR. D. T. CHADWICK : My information is that there are nine Indians in these lower grades. I am not able to say whether they are Hindus, Muhammadans, Sikhs or something else.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : I request that my question may be gone into and a reply given later on.

The HONOURABLE MR. D. T. CHADWICK : Yes, Sir, with pleasure.

(Questions Nos. 38 and 39 withdrawn.)

1ST AND 2ND CLASS PASSENGER TRAFFIC.

40. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will the Government kindly state the number of 1st and 2nd class passengers carried by Indian Railways since the last increase in fares, as also the number carried during a similar period immediately before the great war ? The corresponding incomes from these sources may also please be stated.

The HONOURABLE MR. D. T. CHADWICK : As enhanced fares were introduced by the different railways from different dates during May, June and July 1922 an accurate comparison of the number and earnings of passenger traffic with similar figures for the period immediately before the great war, cannot easily be made.

The number of 1st and 2nd class passengers-carried and the earnings realised therefrom, on 10 of the most important railways for which figures are readily available, are however, as follows :

699,380 1st class passengers with Rs. 1,23,78,065 as earnings during the year 1922-23 as against 66,63,700 1st class passengers with Rs. 58,06,000 as earnings during the year 1913-14 and 4,083,976 2nd class passengers with Rs. 1,84,80,953 as earnings during the year 1922-23 as against 2,887,300 2nd class passengers with Rs. 72,26,000 as earnings during the year 1913-14.

TRANSPORT OF BRITISH TROOPS.

41. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : What was the total cost of transport of British troops to and from India last year ? What part of this cost has been met by the Imperial Government ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The Government of India have no information on the subject. Arrangements for the transport of British troops to and from India are made by the authorities in England. Under an arrangement made between His Majesty's Government and the Government of India during the war, which will remain in force for five years from the termination of the war, Indian revenues have to pay towards the transport charges, (1) a certain sum calculated on normal movements between England and India less (2) a rebate of £180,000 which was recommended by the Welby Commission. The figure for (1) in 1922-23 was taken at £610,000 in the revised estimate for that year.

REVISION OF TRANSPORT CHARGES FOR BRITISH TROOPS.

42. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will the Government kindly state why the sea transport charges of British troops to and from India were not revised along with the capitation rate in 1908 and thereafter ? Does the Government now contemplate to move in this matter in order to secure half the actual cost and arrears due of such transport from the Imperial Government ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Before the war, India had to pay the actual transport charges of British troops to and from India less the rebate of £180,000 mentioned above. There was, therefore,

no question of revising the rate for sea transport charges along with the capitation rate in 1908 or thereafter. As the Welby Commission had recommended a fixed sum of £130,000 as rebate payable by His Majesty's Government to India in connection with those sea transport charges, and this recommendation was accepted at the time, the Government of India consider that they are precluded from raising the question of increasing the rebate pending a general revision of the principles on which the capitation rate now paid by India for British troops is based. The question of the general revision of the capitation rate is now under discussion between His Majesty's Government and the Government of India.

RETRENCHMENT IN ESTABLISHMENT CHARGES ON STATE RAILWAYS.

43. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will the Government kindly state the amount of retrenchment effected in establishment charges in each department on each of the three State-managed railways (North-Western, Eastern Bengal and Oudh and Rohilkhand) ? The number of posts brought under reduction in each department on each railway amongst (a) officers, (b) subordinates drawing Rs. 250 and over, (c) subordinates drawing under Rs. 250, and (d) menials, may please be stated. In the case of the first three, grades may also be given.

The HONOURABLE MR. D. T. CHADWICK : Retrenchment is in progress, and the Government of India have not the details in the form requested. But information of this kind will be included in next year's budget memorandum.

CONTROL BY WAR OFFICE OVER MILITARY POLICY AND ADMINISTRATION IN INDIA.

44. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state whether, under the present constitution, the British War Office, through the Secretary of State for India, exercises any control over the military policy and army administration in India ? If so, will they kindly explain the nature of such control over the following departments of the army administration :—

- (a) Military training and education ;
- (b) Remounts ;
- (c) Ordnance and clothing ;
- (d) Veterinary ;
- (e) Medical ;
- (f) Supplies ;
- (g) Mechanical transport ; and
- (h) Animal transport ?

CONTROL BY WAR OFFICE OVER STRENGTH OF ARMY IN INDIA.

45. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government also kindly state whether the British War Office exercises

any control or any influence in fixing the respective strengths of the cavalry, artillery, engineers, signal units, infantry forces, armoured car companies, and royal air forces, for service in India ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : With your permission, Sir. I propose to answer Questions Nos. 44, 45 and 47 together. They appear to be based upon a misconception which can be wholly removed by the following general statement. The control of the army in India is vested in the Governor General in Council, and the constitutional position of the Government of India is, in practice, adequately safeguarded. By the expression 'British War Office' I presume the Honourable Member means the Army Council and the Chief of the Imperial General Staff who is the senior member, and I may explain that the functions of the Chief of the Imperial General Staff in regard to Indian military affairs are purely advisory and consultative, while neither the Army Council nor the Chief of the Imperial General Staff are permitted to exercise direct influence over the military policy of India or to interfere in regard to the administration of the army in India. Resolution No. 6 of the Resolutions passed by the Legislative Assembly, on the 28th March 1921, with reference to the Report of the Esher Committee, recommended that a certain procedure should be laid down in regard to correspondence between the Commander-in-Chief in India and the Chief of the Imperial General Staff. This recommendation has been accepted, and the procedure is observed in practice. There is absolutely no foundation in fact for the suggestion that the War Office can or does overrule the Government of India in regard to Indian military administration either directly or through the Secretary of State for India.

THE HONOURABLE MR. S. VEDAMURTI : Supplementary question, Sir. If the military policy of India is directed by the Government of India with the consent of the Commander-in-Chief, has the attention of the Government been drawn to a recent speech in the House of Lords in which Lord Derby has expressed a contrary view ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : My recollection of the statement is that Lord Derby did not express a contrary view, but I shall be glad to examine the question again if the Honourable Member so desires.

INDIAN STORES DEPARTMENT.

46. **THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS :** (a) Will the Government kindly state whether they have definitely made up their mind to constitute the Indian Stores Department as the sole agency for the purchase and inspection of stores and materials on behalf of the various departments of the Central Government to the extent recommended by the Stores Purchase Committee ?

(b) If this is the case, will the Government kindly state whether it is not advisable, as a step in the right direction, to expand the department further during the currency of the present year so as to enable it to undertake the purchase and inspection of a larger variety of stores and materials than is possible under the existing arrangements ?

THE HONOURABLE MR. A. H. LEY : (a) Yes. It is the intention of Government that the stores required by the various officers and departments of the Central Government, except those specially exempted, should

be obtained through the Indian Stores Department, provided that such stores and materials can be purchased in India in conformity with the provisions of the Stores Purchase Rules.

(b) The Government of India are proceeding with the expansion and development of the Department as rapidly as circumstances and the financial situation permit. In pursuance of this policy they have sanctioned the following additional measures, to be given effect to during the current financial year :—

- (1) The constitution of a branch for the purchase of engineering plant and materials ;
- (2) the constitution of a branch for the collection, collation and dissemination of information regarding actual and potential sources of supply, market prices, etc. ;
- (3) the recruitment of an officer for the post of Director of Inspection, and the constitution of a branch to undertake the preparation and revision of specifications, etc. ;
- (4) the reconstitution of the office of the Superintendent of Local Manufactures and Government Test House, the separation from that organization of the inspection work hitherto undertaken by it, and the constitution of a separate Inspection Circle at Calcutta.

As a result of these measures the Stores Department will now be able to undertake the purchase and inspection of a larger variety of stores and materials than heretofore. In view of the present financial situation, Government are unable to proceed further in the current year in the direction indicated by the Honourable Member.

THE HONOURABLE SIR EDGAR HOLBERTON : Arising out of the Honourable Member's answer to the first portion of this question, may I inquire whether there is any intention to alter the Indian Stores Purchase Rules in order to facilitate purchases in India ?

THE HONOURABLE MR. A. H. LEY : The question is now under consideration of the Government and the Secretary of State will shortly be addressed on the subject.

CONTROL OF THE GOVERNMENT OF INDIA BY WAR OFFICE.

*47. **THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS :** (a) Will Government kindly state whether the control or influence of the British War Office, through the Secretary of State for India, is exercised either internally by issuing instructions directly to the Indian Commander-in-Chief or externally by overruling the Government of India ?

(b) Will Government kindly state how many times during the last five years has the Secretary of State for India thus overruled the Government of India ?

GOVERNOR GENERAL'S ASSENT TO CERTAIN BILLS.

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

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

The Indian Official Secrets Act, 1923.

The Malkharoda and Gaontia Villages Laws Act, 1923.

The Legal Practitioners (Women) Act, 1923.

The Indian Penal Code (Amendment) Act, 1923.

The Indian Merchant Shipping (Consolidation) Act, 1923.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

MAHENDRA PARTAB SINGH ESTATE BILL PASSED.

The SECRETARY OF THE COUNCIL : Sir, the following message has been received from the Legislative Assembly :

" I am directed to inform you that the Legislative Assembly have, at their meeting of the 2nd July, 1923, agreed without any amendments to the Bill to provide for the forfeiture of the estates and other property of Mahendra Partab Singh and for their grant to his son, subject to certain conditions, which was passed by the Council of State on the 26th March, 1923."

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY.

The SECRETARY OF THE COUNCIL : Sir, In accordance with Rule 25 of the Indian Legislative Rules, I lay on the table the following Bills which were passed by the Legislative Assembly at its meetings held on the 27th March, 3rd and 5th July, 1923 :—

A Bill further to amend the Code of Civil Procedure, 1908.

A Bill to modify certain provisions of the Indenture confirmed by the Moorshedabad Act, 1891.

A Bill further to amend the Code of Civil Procedure, 1908, for certain purposes.

A Bill further to amend the Indian Income-tax Act, 1922, for certain purposes.

A Bill further to amend the Indian Paper Currency Act, 1923.

A Bill to repeal the Acts which provide for the levy of a cess on indigo exported from British India.

A Bill further to amend the Code of Criminal Procedure, 1898.

A Bill to amend the Charitable and Religious Trusts Act, 1920.

A Bill to amend the Hindu Law relating to exclusion from inheritance of certain classes of heirs and to remove certain doubts.

A Bill to alter the order in which certain heirs of a deceased Hindu dying intestate are entitled to succeed to his estate.

RESOLUTION RE APPORTIONMENT OF FINANCIAL LIABILITIES IN DISPUTE BETWEEN THE GOVERNMENT OF INDIA AND HIS MAJESTY'S GOVERNMENT.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay, Nominated Non-Official) : Sir, I rise to move the Resolution which stands in my name and which runs as follows :

" This Council recommends to the Governor General in Council that in all matters where the apportionment of financial liabilities between the Government of India and His Majesty's Government may be in dispute between the Government of India and His Majesty's Government, no compromise should be made between His Majesty's Government and the Government of India without the previous sanction of the Indian Legislature : This Council further recommends to the Governor General in Council that in any such case where arbitration is resorted to, the arbitrators of such disputed items between the Government of India and His Majesty's Government shall be the Premiers of the Empire in Conference assembled and nobody else."

Before I commence the few remarks that I have to make on the subject-matter of this Resolution, I take it that the House will excuse me if I refer to the omission on the part of the Government to give a reply to the three sub-headings under question No. 34. The House will readily understand that the main part of my Resolution has been passed, as far as the recent few years' period is concerned, on the replies that Government may be pleased to give to the information asked for in this question, No. 34. I was, Sir, very much surprised indeed to hear from the Honourable Secretary to the Finance Department that the Government of India are not in possession of the information. I hope that I have misunderstood the Honourable the Finance Secretary, because I cannot possibly believe that the Government of India make up their accounts without finding out what items are under suspense, what items are under dispute, and what items are closed and finally settled items. I sincerely trust that I have misunderstood the Honourable the Finance Secretary when he gave the reply that he did, or which I heard him give to my question. I feel, Sir, that in spite of this handicap, which I look upon as a very great handicap, in convincing this House in favour of my Resolution, I shall be able to put before the House a very strong case in favour of the Resolution that I have the honour to move to-day. That case will not be based on any conjecture or guess or any inference on my part. The case is based on the opinions recorded in Government Blue Books on complaints made by successive Viceroy's of India and also by Secretaries of State from 1859 right up to 1900, the period up to which the public in India and I are in possession of the official records. I therefore wish that the Government of India and the Finance Department had seen the advisability of taking this House and the Indian public into their confidence by telling us in reply to the question that I had put as to what is the amount that is in dispute as far as the Government of India and His Majesty's Government are concerned. But I am afraid, Sir, you may perhaps rule once more that the Government have given their final reply ; I hope the Honourable the Finance Secretary will be able to give us a few instances in which such disputes have been solved between the two Governments.

[Sir Purshotamdas Thakurdas.]

I beg to ask one concession from this House, and that is, to allow me to read off and on from the manuscript that I hold in my hand. I am quite aware of the great and rather important aspect of the Resolution that I put before the House, and I wish to be as accurate as possible in my statements. As I said before, Sir, I am relying for my case on what has been said in official documents, and I hope that the House will not feel worried or tired if I read a little more than I am usually accustomed to do from the manuscript in my hand.

Sir, this Resolution refers to the apportionment of charges between the Government of India and His Majesty's Government for purposes in which both are interested. The question is not a new one. It had baffled solution till 1900 when the Welby Commission reported on it as a distinct subject of reference to them. Ever since India passed to the Crown in 1858 this question of the apportionment of charges between the Governments of the United Kingdom and of India for purposes in which both were interested has been a source of grievance as far as the Government of India are concerned.

The principal items in this category are questions relating either to Military, Naval, Political or Diplomatic questions. Questions relating to administrative charges also figure largely in this category.

A Select Committee of the House of Commons reporting on Indian Finance in 1874 stated :

"That they had received an impression from papers and evidence before them that charges had in some instances been imposed upon India which ought to have been borne by England. They had, however, been assured by various witnesses that a very general desire prevailed among the different English departments not to throw any charge on India improperly. The Committee strongly insisted on the importance of securing for India strict impartiality in all her financial arrangements with England."

The said Select Committee of the House of Commons added :—

"Your Committee would remark that while there appears to be every disposition among the heads of other Departments to consult the India Office upon proposed changes which may affect India yet this has sometimes been omitted, in consequence of the fact that India may be affected by such changes having been overlooked; and the India Office as the controlling authority, has occasionally acted independently of, or not in accord with, the opinions of the Government of India, in India."

In spite of the above from the Select Committee of the House of Commons, the Government of India had to submit to the Welby Commission a letter, dated the 27th February 1895, enclosing a list of charges. I am quoting the Welby Commission :—

"The list of charges imposed upon the Indian revenues in consequence of orders of the War Office issued in all cases without the concurrence of the Government of India, and in some cases without that of the Secretary of State for India having been previously obtained."

Neither the Government of India nor the Secretary of State in some cases were consulted.

The Commission add that :—

"The instances are probably few in which the India Office has not been consulted, but we have no hesitation in saying that there ought to be no such instances."

Even after a period of 21 years and after what the Select Committee of the House of Commons said, the Government of India had to complain that neither they nor the Secretary of State were consulted.

Honourable Members would perhaps like to know at this stage some details of the various items in dispute between the Government of India and His Majesty's Government from 1859.

In 1861, when the Mutiny had been quelled and order had been re-established the financial condition of India required serious consideration. History perhaps repeats itself, and the financial condition of India requires serious consideration to-day also. In that year the Viceroy wrote to the Secretary of State recommending that Her Majesty's Government should place a force of ships at the disposal of the Indian Government for the naval defence of India, that the force should never be withdrawn without the consent of that Government, and that the cost of the force should in part be defrayed out of the revenues of India; that the Indian navy should then be abolished, and that a transport service should be created in its place. Sir Charles Wood, then Secretary of State, did not accept this suggestion, holding that—

"It is contrary to the true principles of naval warfare that any portion of the naval force of a country should be confined to the defence of one particular place."

Finally, the Indian navy was abolished in November 1862, and the Admiralty undertook the general naval defence of India, the protection of her trade generally and the putting down of the slave trade on the Eastern Coast without at that time asking for a contribution from the Indian revenue.

Practically what the Viceroy wanted in 1861, though rejected on his demand, had to be conceded in 1862. On the 23rd January 1869, however, the Admiralty raised the question of a contribution from India. They proposed that India should make a contribution of £70,000 a year towards the service, that being the assumed cost of a naval force of 1,000 men at £70 per man. After some correspondence this contribution was accepted, and this was paid from 1869 to 1887. In the latter year the number of ships in the squadron was diminished, and the contribution was reduced to £38,500 a year, together with a yearly payment of 5 per cent. towards the cost of a vessel in the Persian Gulf. The Imperial Government, however, thought this contribution insufficient, and the Treasury urged a reconsideration of the question. A long correspondence ensued, and the two Governments being unable to come to an agreement, the question was referred in 1891 to a Conference which met at the Foreign Office under the presidency of the Prime Minister Lord Salisbury, and at which the Treasury, the Admiralty and the Foreign Office and the India Office were represented.

The two Governments however were unable to agree upon a definition of the term "Indian purposes" used by the Conference, and after a long correspondence it was decided, in 1894, to refer the question to the arbitration of Lord Rosebery, then Prime Minister.

Lord Rosebery made his award on the 19th February 1895.

[Sir Purshotamdas Thakurdas.]

It was agreed between the two Governments that effect should be given to the award of Lord Rosebery. The Admiralty held—

“That five ships of 6,605 tons were required and calculated the annual cost of these ships at £117,000 in addition to a separate charge (£4,000) for the repairs of the ‘Sphinx’.”

The Government of India urged that a smaller force of three ships of 750 tons only was necessary. The view of the Admiralty prevailed, but the Imperial Government agreed after the first year to reduce the annual contribution from £117,000 to £100,000, and they waived claims on account of previous years amounting to £153,000. The Secretary of State for India accepted it with reluctance in a Despatch to the Government of India on the 26th June 1895. Subsequently the India Office modified their views in a memorandum they placed before the Welby Commission. The attention of the Commission was invited to the broad question whether it is right to exact from India £17,000 of the full charge, effective and non-effective, of the squadron. Captain Hext, Director of the Indian Marine, who gave evidence before the Welby Commission on behalf of the Government of India argued against the principle of any contribution by India for naval protection.

The Welby Commission fixed India's contribution at £100,000, Sir James Peile and Mr. Buchanan dissenting.

Regarding the military questions, the examples are much more numerous and the history much fuller.

Beginning with the Army Amalgamation Scheme of 1859 the Welby Commission gave a useful summary of the various disputes up to the celebrated debate in the House of Commons in July, 1896, when Lord Morley moved that no portion of the charges of the Indian Force that was despatched to Africa in aid of the Egyptian troops, whether ordinary or extraordinary, should be imposed on the Government of India.

In paragraph 252 and subsequent paragraphs, the Welby Commission deal with the early history of the capitation charges. Later on, they record that, amongst the extremely few occasions when the Government of India won their point was one in 1870, when India disputed the fairness of the £10 rate and, pending revision of the arrangement, absolutely declined to pay more than a certain sum which they made out as payable by them on account. This strong attitude of the Government of India saved for India £400,000 in 1870, which was remitted by the War Office in accordance with an Act of Parliament. Barring this solitary instance, payments on account have been the bane of the system followed in connection with the capitation grant. The rate of £7.10 per head fixed for three years from 1892-3 was protested against by the Government of India before the Welby Commission in 1896 as too high.

The decision of the Welby Commission, six members out of thirteen dissenting and asking for much more liberal treatment for India, was as under :—

“On the whole we see no reason for immediately revising the capitation rate, so far as these services are concerned, and we think, as in the case of the recruiting

services, that it might be left in operation for a further period of five or six years, but that a general revision should take place at that time. Advantage might, however, be taken of the interval to consider these points of moment upon which we entertain no doubt.”

Since then, the capitation rate of £7.10 which was considered too high by the Government of India in 1896 has had the following course :— It was raised to £11.8 in 1908, as the result of a compromise between the India Office and the War Office. Since 1920-21, a provisional basis was fixed and payments were made to the War Office on the basis of £28.10 per head. In 1922-23, the provisional basis was altered to £25.13. The question still hangs fire.

But the most exciting and annoying controversies were in regard to the employment of Indian troops outside India. Lord Cross, speaking as Secretary of State for India, and having in his mind a loan of Indian troops to the United Kingdom, laid it down in a Despatch to the Government of India of the 3rd February, 1887, that he had urged upon the Treasury that—

“In the event of any occasion arising hereafter for the employment of Indian troops on duties not directly attributable to the requirements of your Government or at a distance from India, no portion of the expense should be charged against India without Your Excellency's concurrence.”

Sir Henry Fowler, who had held the same position, said in the House of Commons on the 6th July 1896 :—

“Who is to be the judge as to whether India has this interest or not? I think Lord Cross gave the right answer when he says the Government of India.”

And yet, regarding the Indian troops sent to Africa in aid of the Egyptian troops, Lord George Hamilton and Her Majesty's Government took a view exactly opposite to that of the Government of India, and the question was which of the two authorities was right. Lord Morley characterised “the argument of the noble Lord (Lord George Hamilton) respecting the security of the Suez Canal as one of the most spurious and insincere arguments ever put forward,” and he expressed his belief that “the Canal was in no more danger from the Dervishes than the City of London. The glory of England was to be tarnished in order to effect a saving of £35,000, but he felt sure that many Honourable Members opposite must be thoroughly ashamed of the transaction.”

The London “Times” called it a “shabby transaction.” India all the same had to pay the cost so that she may learn to think, and I add, so that she may learn to pay, imperially.

But this shabby deal set the responsible Ministers at thinking and the idea of a Tribunal to decide such questions between India and England was officially mentioned in the House of Commons in 1896. Mr. Balfour said on the 6th July 1896 :—

“I should have asked the House to consider whether the time has not arrived when we might with advantage both to India and to England, constitute some kind of tribunal of arbitration (if I may use the phrase) for determination of questions of this sort—some tribunal in which the interests of India and Great Britain should be alike and equally represented; which might have authority in this country—an authority which perhaps, neither the expressions of the Indian Government, speaking for India, nor the expressions of the British Government—speaking as they endeavour to do, not for Great Britain alone, but for the whole Empire do not carry with them.”

[Sir Purshotamdas Thakurdas.]

Lord Salisbury even went further and expressed a wish for the establishment of a tribunal. He, however, very much regretted that the fact of the Royal Commission (Welby Commission) then sitting compelled him to postpone consideration of such a proposal as this.

The Welby Commission unfortunately contented itself with "laying down principles which would have most powerful influence when future decisions are under consideration, whilst a tribunal (if it could be formed) would certainly facilitate their application to future circumstances."

Mr. Dadabhoj Nowroji and his colleagues Sir William Wedderburn and Mr. Caine, who made a minority report on the Welby Commission Report, suggested that any question in dispute between India and Great Britain should be referred to the Judicial Committee of the Privy Council. Paragraph 107 of the Minority Report deals fully with this suggestion of the dissenting members of the Welby Commission.

A very suitable tribunal is available now. Such differences between the Government of India and the Secretary of State for India or His Majesty's Government cannot have decreased since 1900. It is only to be hoped that the reply that I expect from the Benches opposite will enable me to deal with this part of the question a little more fully. It may have to be painfully observed that His Majesty's Government has not yet begun to look at such differences in a manner which would enable the United Kingdom to show sympathy and generosity to what was termed in the earlier part of the last 50 years as "our Indian fellow subjects." I would suggest that in cases where there is a substantial difference of opinion between the Government of India on the one side and His Majesty's Government on the other side regarding the liability of India to any charge, such questions of difference of opinion should be settled by a final reference to a Tribunal.

The whole question to my mind is what sort of tribunal will be acceptable to India and to England. The Judicial Committee of the Privy Council was suggested and the very fact that it has not been accepted till now makes me feel that there must be something in that suggestion which perhaps does not meet with the requirements of either England or India. The Premiers of the Empire assembled in Conference appear to me to be people concerned in the welfare of the Empire, concerned in the contentment of the component parts of the Empire, people who are not outside the Empire, and who may well look at the weak points of any of the two parties appearing before them in arbitration and still not expose the same to the outer world. It is quite possible that the Government of India may be absolutely unfair and unreasonable in their contention. But to put their case before the Premiers' Conference would practically mean putting their case before the members of a common group or family, and I hesitate to believe that His Majesty's Government can have any objection to the Premiers acting as arbitrators. I, therefore, Sir, have ventured to submit for the consideration of this House that the suggestion which was made by the responsible Ministers of the Crown as far back as 1896 should now be acted upon. The main reason for it is this. In 1896, the Legislatures of India were not responsible to the tax-payers

for taxation. To-day they are responsible to the tax-payers, and it is only fair that in matters where sums, be they large or small, it is a pity that I cannot say what the sums involved are—perhaps the Honourable Member will help me when he gets up to reply—are involved, they should be referred to an impartial tribunal of arbitration, which will avoid charges being imposed upon the revenues of India for which she is in no way responsible. His Excellency the Commander-in-Chief said this morning in reply to a question that Government are not prepared to publish the Innes' and the Braithwaite's Committees' Reports out of considerations for economy.

If India and the Government of India have come to such stages of economy that reports cannot be published, then, even a few hundreds or thousands of pounds that may be saved is, I submit to this House, worthy of serious consideration at the hands of this House.

Lord Northbrook giving evidence before the Welby Commission suggested giving "to the Government of India a power of absolute veto upon contributions proposed by the Imperial Government," but he pointed out that "this arrangement would be quite outside the statutory rights of the Secretary of State in Council and the powers of Parliament." "It might however be provided" say the Welby Commission "that if the veto of the Indian Government is overruled at Home, the veto, together with the decision overruling it, must be laid before Parliament, and that no charge should be imposed upon India until it has been approved by Parliament." The Welby Commission thought this worthy of consideration as an alternative, "whether in the event of the two Governments of the United Kingdom and India not agreeing upon the question of 'distinct and special' interests, reference might not be made to a tribunal, such as Lord Salisbury suggested, before the final authority is invoked." The said Commission reminded themselves that section 55 of the Government of India Act of 1858 provided that the revenues of India were not to be applied to any expedition beyond the frontiers of India, except with the consent of both Houses of Parliament. Lord Northbrook had clearly informed the Commission that "in the case of the Perak Expedition, which took place during his Viceroyalty, the Statute was distinctly neglected by the Home Government and that an unconstitutional charge was made upon India, notwithstanding a remonstrance from the Government of India" then presided over by Lord Northbrook himself.

So much for the military charges as known up to the time of the Welby Commission.

Regarding charges divisible under the head "Political" in foreign countries between the Government of India and the United Kingdom, the Welby Commission observe that "it must be admitted that the imposition upon India of contributions towards the cost of these (Consular) services connected with these places has no parallel in our relations with other Colonies and dependencies." They, however, go on to say:—

"We recognise the desirability of the principle of apportionment, but the rate of appointment requires constant revision, first in the light of the proportion which the home trade with the Far East bears to Indian trade with the same; and next in consideration of the growing interest of Australian Colonies in the maintenance of the Red Sea Route."

[Sir Purshotamdas Thakurdas.]

The Incheape Committee, which was the next Committee after the Welby Commission to have an opportunity to go into the details of the practical working of the principles laid down by the Welby Commission, the Committee which had the power to call for information from the Finance Department without being put off by them, observe that they "consider that the present arrangement should be reviewed, as it does not seem to us that India's share is strictly in accordance with the Welby Report which recommended that half the military expenditure in Aden should be borne by His Majesty's Government." Regarding Persia, the same Committee observe—I am again quoting from their report—

"At present political expenditure in Persia is divided in moieties between the Indian and Imperial Exchequers, this arrangement being based on the recommendations of the Welby Commission. We are informed, however, that owing to the lack of sufficiently strict definition, the question has arisen from time to time whether important individual items of expenditure are properly governed by this principle of division. We are impressed by the heavy liabilities imposed upon India during the War, and we are strongly of opinion that the present arrangement should be revised without delay."

In spite of this, the Finance Department of the Government are not to-day in possession of figures regarding the items in dispute between the two Governments. All I can say is that their records must either be in England or they are beginning to forget things very soon.

It is not possible to know what steps the Government of India have taken all this while to safeguard the interests of India. By "all this while" I mean the period between 1900 and the Year of Grace in which we are to-day. I hope (and I would be extremely surprised to learn to the contrary) that the Government of India have been protesting to His Majesty's Government regarding the various complaints made by the Incheape Committee. This would be in absolute keeping with the traditions of the Government of India till now, but failure to give relief would also be similarly in keeping with the traditions of His Majesty's Government till now.

Another similar question, commercial this time, has also been the subject of dispute between the two Governments. The P. and O. Company's Mail subsidy, towards which India makes a contribution, was a subject of arbitration between the Governments of the United Kingdom and India. The Halifax Award of 1876 was found unsatisfactory by the Government of India. The Government of India themselves said to the Welby Commission that they found it unsatisfactory. In 1898, this question was referred to Lord Morley for arbitration. The Welby Commission therefore expressed no opinion on the subject of India's contribution to the subsidy and the archives of the Government of India continue to be sealed to us to enable us to know what the Government of India thought of the compromise made by Lord Morley and what opinion they hold to-day regarding this P. and O. subsidy. I am afraid the Government of India may not have any more information to give us on this subject either.

Regarding administrative charges, the Welby Commission in paragraphs 316 and 317 of their Report say: "that questions of financial

administration are constantly pending between the two Governments and that the Home Government undertakes various services for the Indian Government, or in which the Indian Government has an interest. Difficulties arise in adjusting the claims which the Home Government puts forward in respect of such services and these difficulties lead to protracted official correspondence with no satisfactory result." Lord Northbrook said before the Welby Commission that he entertained—the words are his—the very strongest opinion, which opinion was expressed by the Government of India at the times of Lord Lansdowne and Lord Elgin, that these controversial questions between the two Governments are—he used deliberately a strong expression—almost a scandal. He said that he could not express his opinion too strongly upon the political importance—he almost said necessity—of some arrangement being made which will put an end to these controversies. He further added that all these little discussions were extremely annoying and wearisome. That they are from the financial point of view absolutely wasteful need not be added. The Welby Commission agreed with Lord Northbrook and added that it was essential to recognise that such differences between the Government of India and His Majesty's Government could only be decided by arbitration. They also said that it was essential to the principle of arbitration that the award of the arbitrators should be accepted as final.

All, Sir, that I have said above, will, I hope, have convinced the House that as far back as 1900, when India had not even the Morley-Minto reforms and therefore less responsibility to the taxpayer than to-day, Cabinet Ministers in England and such conservative Commissions as the Welby Commission considered necessary an impartial tribunal to decide differences of opinion in questions of apportionment of charges between the Governments of the United Kingdom and India. The said Commission doubted if a suitable tribunal for this purpose could be found then. The necessity and advisability of referring pertinent questions to its solution were recognised—nay they were emphasised.

The Welby Commission submitted their Report in April 1900. Twenty-two years have passed since then and these have been years of great and increasing expenditure for India in the directions indicated above and dealt with by me at some length. The apportionment of charges between the Governments of India and the United Kingdom for purposes in which both are interested is bound to have been a most delicate and thankless task for the officers concerned. The great war is sure to have been a fruitful source of many and substantial and grave differences of opinion between the Governments of India and the United Kingdom in this connection.

The peculiar constitution of the Government of India prevent full and detailed replies being available to the Legislature in connection with such important subjects. If the Government of India are prepared to take the Legislature in their confidence, if the Government of India are prepared to justify to the tax-payer the increasing expenditure in some of these directions, I would ask them to place on the table complete correspondence between them and the Secretary of State in connection with at least the following subjects:

- (1) The increase in the capitation charges since 1908.

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[Sir Purshotamdas Thakurdas.]

(2) The increase in the cost of consular and military expenditure in Persia since, say, 1914.

(3) The increase in the cost of military expenditure in Aden since, say, 1914. Perhaps they may not like to go further back.

(4) The increase in pensions payable to the War Office since the same year or an earlier year.

If, as would be the case in any country where the Legislature is a party to taxation, the Government of India will inform the Legislature regarding the various details of the increase in expenditure here, and will place on the table the correspondence between them and the Secretary of State since the periods I have named, I think this Council will be convinced of either the one or the other of two things, either that the complaint made by the Government of India before the Welby Commission has still continued unredressed, or that everything is O. K., that His Majesty's Government are dealing with the Government of India in an absolutely fair and commercial spirit and there is no cause for this Resolution. If my Honourable friend opposite can in the course of his reply give me any figures and facts to this end nobody in this House will be a happier man than myself to withdraw this Resolution.

I would ask the House to bear in mind the long and uninterrupted traditional fate of the pleadings and objections of the Government of India in this connection, as far as His Majesty's Government are concerned. Barring one or two bright exceptions the Government of India have had generally to swallow the humble pie. Either the Secretary of State, if he is a so-called strong man, dictates to the Government of India and asks them to accept his ruling, or a compromise is made with the relative department of His Majesty's Government, or if the subject goes before Parliament, (which has been very rare) "Little Englanders," in the words of the "Times," score, "even though they may have seldom conceived anything more unworthy of the Empire or less fitted to consolidate it." I am quoting these words from the London "Times" Weekly Edition, 10th July 1896.

The utter despair of the Government of India in successfully fighting on any question with the War Office is correctly reflected in the following reply given to Lord Kimberley who in 1884 as Secretary of State told the Government of India that he agreed with the War Office that any increase of pay, etc., sanctioned by His Majesty's Government will have to be accepted by the Government of India without any question as far as the British troops in India were concerned. It is to be noted that only thirteen years before that, that is, in 1871, the Duke of Argyll, the then Secretary of State, had impressed on the War Office the Government of India's point of view with great force, and had endorsed the same. The next Secretary of State, thirteen years later, tells the Government of India here "You are absolutely in the wrong; you have got to accept what the War Office asks you to." The Government of India then wrote to Lord Kimberley, and these are their words:

"We feel that it is useless for us to combat the alterations in the establishments, rates of pay and privileges sanctioned by the War Office for the British Army."

It may be contended, Sir, that what is suggested herein will attribute to the Government of India an independence of authority which has not prevailed and perhaps cannot prevail under the strict interpretation of the existing Government of India Act. I am aware that the Governor-General must, subject to the alternative of resignation, accept and carry out the orders he receives from the Secretary of State, and the Secretary of State similarly, subject to a similar alternative of resignation, must accept the decision of the Cabinet of which he is a member. It is because of this movement in a circle—in ordinary parlance to be called a vicious circle, but I shall use the more dignified phrase—it is because of this movement in a circle that I suggest that in cases where the interests of His Majesty's Government and the Government of India clash, the Secretary of State should not enforce his authority on the Governor-General, but in all fairness in accordance with what would be done in ordinary dealings between two parties, that he would let an impartial tribunal decide on the difference of opinion.

The Welby Commission say in one place: "The fullest justice is done to both if each is conceived independent of the other, with Governments fighting out their bargains on strict commercial principles." But such a conception hardly fructifies unless natural and free scope is provided for an impartial trial of the reason and grounds of each party's contention. No commercial principle can prevail in the existing state of affairs.

And such a tribunal to my mind the Premiers in Conference might prove to be. Of the various suggestions made by the Welby Commission and the Minority Members thereon, I am inclined to think that these Premiers of the Empire are the one set of people who may be trusted to look impartially from the point of view either of both or of none, and that is all that has been asked for ever since 1896.

Sir, I have very great pleasure in moving this Resolution for the acceptance of this House.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I do not propose, Sir, to enter into a discussion of the main Resolution which the Honourable Member has put forward; I leave that to my Honourable Colleagues in the Law and Finance Departments. But the Honourable Member has referred to an answer to a question that I gave in this House this morning. He has complained that we have refused to publish the reports of the Innes and Braithwaite Committees. The Honourable Member knows perfectly well what those reports contain; as a Member of the Incheape Committee he has studied them throughout. He knows perfectly well also, or he ought to know, that in answer to a question I gave this morning, I said that we refused to publish them purely on account of expense; we have placed copies of them in the Library for anybody to study; and the recommendations of those reports have all been included in the Incheape Committee Report, as he quite well knows. I therefore think that his complaint with reference to the answer that I gave this morning is entirely unjustified.

THE HONOURABLE SIR PURSHOTAMDAS THAKURDAS: I never complained; I merely mentioned it to show how very hard-up Government were.

The HONOURABLE SIR S. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : Sir, I have a few words to say in support of the Resolution. Instances have been given by the Honourable Mover of disputes in matters financial between the Government of India and His Majesty's Government. In almost all of these the Government of India do not seem to have been treated with that amount of consideration which is due to them. Their views do not generally prevail as they should. Unseen pressure is exerted on them through the Secretary of State for India to meet liabilities which the Government of India are least prepared for and the wonder is they say 'yes' to every demand made on them, even though they put up a brave fight against it in the beginning. From what we have heard from the Honourable Mover, it seems that the War Office is responsible for most of these things. The War Office contributes a sum of £1,30,000 as against a payment to it by the Government of India of a sum of about £7,00,000 on capitation and other charges on British troops, whereas it ought to have given us much more than this sum. The War Office was careful enough to revise the capitation charges, while studiously avoiding a corresponding revision in their contribution to the Government of India, for the capitation charges which have no parallel anywhere else in the Empire. Sir, men of eminence and position who can speak with authority in matters of this kind have questioned the propriety and fairness of the capitation charges, which, as I have said, have no parallel anywhere else within the Empire. In other matters too, there are likely to be disputes between the Government of India and the Secretary of State, I mean the Home Government. The Government of India stoutly plead their inability at first to incur additional liabilities, but, Sir, somehow or other, they climb down at the end and find themselves committed to a policy or forced to pay for what they refused at first or pay more than what they bargained for. Increased liabilities are forced on the Government of India. They find themselves opposed in the Legislative Assembly which would not vote them the money for the additional liabilities they incur. Most delicate situations are thereby created. It is but proper therefore, Sir, that the Government of India should consult the Indian Legislature before arriving at a compromise in such cases of disputes. That would give them the money and also the necessary backing for putting up a fight with the Home Government.

Now, Sir, with regard to the latter part of the Resolution, I have a word to say. My Honourable friend suggests a reference of the disputes between the Government of India and the Home Government to the Premiers of the Empire for arbitration. The Premier of England and a representative of this country will, I believe, also be Members of the suggested Premiers' Conference. Well, Sir, can these two Members while being parties to the dispute be also judges over themselves? Or are they to withdraw from the Conference when the dispute is being heard?

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Interested parties can take no part.

The HONOURABLE SIR ANNAMALAI CHETTIYAR : Then they will have to withdraw.

I would suggest, Sir, two or three Privy Councillors, and one or two selected Judges of the High Courts in India in the place of the Premiers' Conference. If I had understood my Honourable friend aright, he said that a dispute of a family should not be referred for arbitration to the members of the same family, but I think that a body consisting of the Members of the Privy Council and the Judges of the High Courts of India will be sufficiently an independent tribunal.

The HONOURABLE THE PRESIDENT : Will the Honourable Member follow up his speech by moving an amendment?

The HONOURABLE SIR ANNAMALAI CHETTIYAR : No, Sir, I do not wish to move an amendment. I only make a suggestion.

The HONOURABLE THE PRESIDENT : If the Honourable Member wishes to press this point, I think he ought to move an amendment.

The HONOURABLE SIR ANNAMALAI CHETTIYAR : I do not propose to move an amendment. I only make a suggestion.

Well, Sir, the Resolution as a whole will strengthen the hands of the Government, and I do not see why they should not accept it.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces : General) : Sir, this Resolution, as I understand it, only seeks to prominently bring to the notice of this Council a subject which has been agitating the public mind for the last thirty years. The Resolution if examined without prejudice and dispassionately is nothing more than a mere attempt to strengthen and fortify the hands of the Government of India in a matter in which they often come in conflict with the Home Government, and as such I see no objection, or rather I see great force in the Resolution, and therefore to the first part of it I shall extend my whole-hearted support. My Honourable friend Sir Purshotamdas Thakurdas has so copiously and ably dealt with the subject that I do not propose to go over the same ground again. The profuse extracts which he has quoted this morning from the Welby Commission and the opinions of some of the most prominent Members of Parliament will leave no room for doubt that in the past there have been serious differences of opinion as regards appropriation charges in naval, military, political and diplomatic matters, and those differences, as a rule, have been settled to the prejudice of the Government of India. It is, therefore, unnecessary to repeat and bring back to the notice of this Council those instances.

This Council is aware that it was this pronounced difference of opinion on many vital questions which prompted the appointment of the Welby Commission. But unfortunately the Welby Commission on account of the influences then prevailing in England was not in a position to deal with this great and important subject with that completeness and precision which India's cause really demanded. The difficulty in the past has arisen mainly on account of the difficulty in the interpretation of the term "purposes of India." This term "purposes of India" has been so elastic that the Imperial Government have sought every

[Sir Maneckji Dadabhoy.]

possible opportunity of throwing on the Government of India those charges which perhaps ordinarily would not be justified, but only by the elasticity of the expression or rather the indefinite nature of this expression "public purposes." Whatever, it may be, we had then obtained the important admission from the majority of the Welby Commission that in many instances in which charges were apportioned the Government of India were not at all consulted. I submit this is a state of affairs which would hardly be tolerated in the present age. With the reformed Councils, with the conferral of fiscal powers on the Indian Legislature, it does not stand to reason for a moment that the Imperial Government should have it all their own way without the interference of the Indian Legislature. And, as far as I am able to see, the first part of the Resolution incorporates a demand which is not only just and reasonable, but to which hardly any exception can be taken by this Council.

Sir, it is, I understand, the intention of the Imperial Government to give to this country progressive powers at successive stages as this country justifies its fitness, and I say therefore that no more suitable opportunity could occur than the one which this Resolution seeks to attain, and that is that, whenever on any important question there is a great and serious difference of opinion as regards the contribution of India's share between His Majesty's Government and the Government of India, the Indian Legislature should be consulted, and that it could be safely trusted to give to the subject an impartial and a just consideration. It will, as I have said before, strengthen and fortify the hands of the Government of India. It will in a way remove the Government of India on many occasions from a very awkward predicament and enable her to resist the demands of the Imperial Government, and it will help to the speedy solution of her difficulties. Sir, I therefore think the first portion of my Honourable friend's Resolution is one to which validly no objection could be taken, and to it I shall give my whole-hearted support.

But, Sir, as regards the second part, with much deference to my friend, Sir Purshotamdas, I propose to differ from him. Sir, Sir Purshotamdas has stated that a suitable tribunal is now available, and this tribunal is no other than the conglomeration of the Premiers of the Empire, who may meet, decide and solve any difference of opinion between the Government of India and the Imperial Government. My friend has stated that it will be a welcome family arrangement, and there could be no objection to the Imperial Government agreeing to this proposal. I am afraid that this proposal is somewhat impracticable. Apart from the fact that in a domestic matter, in a matter affecting purely Indian interests, the Premiers of the Empire should not be called upon to meet and waste their time over it—perhaps the Premiers themselves would be put in an awkward position and they would very thankfully decline this offer. It must also be borne in mind that our relations with the Dominions may be good for the time being, but there may be occasions, Sir, when our relations with the self-governing Dominions of the Empire may not be very cordial. We may differ from

them, or they may adopt an attitude in the matter of franchise and emigration hostile to Indian interests, it is also quite possible that they may find their interests antagonistic to our interests. I would, therefore, be unwilling to entrust such a task to the Premiers of the Empire. Various methods, various suggestions, Sir, have from time to time been made as regards the constitution of this Tribunal. The Welby Commission defined the principles but were not in a position to arrive at a decision as regards the composition of the tribunal itself. Mr. Balfour and Lord Salisbury were also in favour of appointing a tribunal, but they could not come to a conclusion as to the character and constitution of this contemplated tribunal. My objection to Sir Purshotamdas' recommendation is of a more serious nature. India's future, I feel, permanently rests with the House of Commons, and India should not do anything which will set the Houses of Parliament against her. I doubt very much if the Houses of Parliament will agree or submit to the Premiers of the Empire overriding their decisions. In this matter, I know that the House of Commons would feel very strongly and is not likely to delegate its authority or undermine its prestige or curtail its privileges by submitting to the verdict of the Premiers of the Empire. Further, I am of opinion that, under the present constitution, under the present Indian constitution as well as the constitution of England, such a proposal could not possibly be entertained, and I therefore think we must find out some other solution maintaining and safeguarding at the same time the prestige and authority of the House of Commons. I can see no other way and my Honourable friend is perhaps aware—I can refer him to the examination of Lord Northbrook, the statement which he made before the Welby Commission. He stated that his opinion was that there should be no other tribunal but the tribunal should be the Governor General himself in whom an absolute power of veto should be vested. He expressed that opinion and at the same time stated that such a power of veto would not be consistent or compatible with the statutory powers of the Secretary of State for India or with the powers of veto entertained by the House of Commons. We can get over this difficulty by making the Governor General, I mean, absolutely master in his own house, all-powerful in his own house, by giving him this privilege and at the same time providing that the papers should be placed in every case before both the Houses and that on the motion of any Member of either House that veto could be raised by a decision arrived at after full discussion. I submit this will be a practical solution of the difficulty. This will help the cause of India. This will enhance in my opinion the prestige and reputation of the Indian Legislature, and it will in many ways remove the Government of India from a singularly awkward position in which it would otherwise find itself. I, Sir, with your permission, therefore, will move an amendment to the second part of the Honourable Sir Purshotamdas Thakurdas' Resolution ;

"That for the sentence beginning with 'This Council further recommends' down to the end, the following words be substituted :

"This Council further recommends that, in order to deal with such disputes between His Majesty's Government and the Government of India, necessary legislation be undertaken to provide and vest in His Excellency the Governor General, the right of absolute veto as far as the additional claim by His Majesty's Government is concerned, subject to the decision of the Houses of Parliament to raise such veto."

[Sir Maneckji Dadabhoy.]

With these words, Sir, I support the first part of the Resolution and seek to modify the second part of the Resolution.

The HONOURABLE THE PRESIDENT : To the Resolution under consideration amendment moved :

“ That for the sentence beginning with ‘ This Council further recommends ’ down to the end of the Resolution, the following words be substituted :

‘ This Council further recommends that in order to deal with such disputes between His Majesty’s Government and the Government of India, necessary legislation be undertaken to provide and vest in His Excellency the Governor General, the right of absolute veto, as far as the additional claim by His Majesty’s Government is concerned, subject to the decision of the Houses of Parliament to raise such veto. ’ ”

I presume the Honourable Member has handed over a copy of his amendment to the Member in Charge.

The HONOURABLE SIR MANECKJI DADABHOY : I will, Sir.

The HONOURABLE THE PRESIDENT : And to the Honourable Sir Purshotamdas Thakurdas.

The HONOURABLE SIR MANECKJI DADABHOY : I have not got many copies, Sir.

The HONOURABLE THE PRESIDENT : That is the proper procedure. The amendment which I have just read to the House is now for its consideration, and the debate, till this amendment has been disposed of, must be confined to the question of the alternative proposals for the latter portion of the Resolution.

The HONOURABLE SARDAR JOGENDRA SINGH (Punjab : Sikh) : Sir, I rise to oppose this amendment. I fail to follow the Honourable Member’s reasons for pressing the amendment which he has just moved. So far as we are aware, the Governor General is able to represent even now the view of the Government of India before the House of Commons. Sir Maneckji Dadabhoy may have absolute confidence in the House of Commons in dealing with the affairs between India and England. I am not sure whether this Council shares his confidence when matters of such a delicate nature are placed before the House of Commons. With these words, Sir, I oppose the amendment moved by Sir Maneckji Dadabhoy.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Are we discussing the amendment, Sir ?

The HONOURABLE THE PRESIDENT : The amendment is being discussed by itself.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I am speaking on the amendment, Sir. I am afraid I am not in a position to accept the amendment moved by my Honourable friend Sir Maneckji Dadabhoy. Honourable Members may have observed that during the course of my whole long speech, I purposely

kept out any reference to the House of Commons or to the British Parliaments, and I was very much pained, if my Honourable friend Sardar Jogendra Singh will excuse my saying so,—I was very much pained to hear within the portals of this House any reference to the British Parliament, especially in the strain in which my Honourable friend was pleased to make a reference to it. I personally thought that the Resolution that I have moved is in the words of the Welby Commission, a Resolution suggesting a method of dealing with disputes between two countries which should be considered to be independent, and fighting out their cases independently. There is no question of Parliament, which are the ultimate supreme authority and can, whenever they like, step in and do what they think best. I should be most reluctant to say or even to endorse what the Honourable Sardar Jogendra Singh has said, and I do wish that in the course of this discussion, no reference shall be made to the British Parliament. For, it has to be borne in mind that rarely have these questions gone to the British Parliament—this has happened only twice, once in 1870, when the British Parliament said “ You must refund to the Government of India £40,000.” In 1895, as I said, Lord Morley was very severe on the Cabinet in power. But I do not think that we are justified in the slightest degree in saying that we will not get justice from the British Parliament. The question, Sir, is this. Has the British Parliament got the time and can they go into details adequately ? There may be small departmental squabbles involving sums of money either large or small, or there may be important questions of policy involved in such differences between the two Governments. The policy will always be laid down by Parliament. I fully realise the anxiety of my Honourable friend Sir Maneckji Dadabhoy not to trust anybody outside England or India in this connection. But have we not been told, Sir, year in and year out, that we are part of the Empire ? Is there the slightest apprehension that questions like these which may be few and far between, when the contending parties know that somebody will sit in judgment over them,—that questions like these will be so many that the Premiers may not have time for dealing with these charges ? I therefore feel, Sir, that the moral effect of any such a tribunal would be so great that these questions will tend to decrease. I should be most reluctant to think that the Premiers will say “ Why should we bother ourselves about these disputes ? We have no time for these.” The Honourable Sir Maneckji Dadabhoy said that we may at times be at variance with some of the Colonies or some of the Dominions. And what then ? I personally feel, Sir, that a person who is a Premier, be he of the smallest Colony or of the smallest Dominion, and who comes to a representative gathering like the Premiers’ Conference, must have enough sense of responsibility to rise superior to any such petty ideas of doing a little avoidable injustice to the part of the Empire with whom they may have disputes. I personally feel that my suggestion would, at any rate, be much better than the position in which we have been carrying on till now. I am sure that I am not at all disposed to bring in any questions of reference to Parliament. That is vested in them and does not require legislation of this House. I therefore think that unless my Honourable friend Sir Maneckji Dadabhoy can suggest something else, I could not accept his amendment as a suitable alternative to the one that I have put before the House.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member) : Sir, I venture to join my friend the Honourable Sir Purshotamdas Thakurdas in deprecating any observations of the kind which was made by my Honourable friend Sardar Jogendra Singh with reference to the British Parliament. Indeed, it seems to me that, in the interests of India and of the constitutional development which we all have at heart, it is unwise in any discussion whatever to utter the kind of sentiment which my Honourable friend Sardar Jogendra Singh gave expression to this morning.

Dealing with the amendment which is now before the House, and with the amendment alone, I venture to point out that the amendment is entirely impracticable as well as inadvisable. In the first place, Honourable Members will have noticed that my Honourable friend advocates "necessary legislation." He does not tell the House by whom this legislation is to be undertaken. It cannot obviously be undertaken by the Indian Legislature. That is obvious, because, it affects Great Britain as well as India. Does he mean that the legislation is to be undertaken by the Houses of Parliament in England? If so, a Resolution moved in this Council asking for such legislation is not the proper procedure to be adopted in a case like this. Then, I would like to point out that according to my Honourable and learned friend, this legislation is "to provide and vest in His Excellency the Governor General the right of absolute veto as far as the additional claim" of His Majesty's Government is concerned. My Honourable and learned friend, who is a Barrister of long experience, is aware of the fact that where two parties are concerned in a dispute, no legislation can be undertaken to give one of the parties an absolute veto over the matter in dispute between the two.

In the amendment my Honourable and learned friend adopts a position which is contrary to all principles, either of arbitration or of adjudication, that I know of in disputes between two parties. The Governor General is the supreme head of the Indian Government and as such represents India. The dispute is between India and Great Britain, and according to the legislation proposed by my Honourable and learned friend, the supreme head of the Government of one country which is a party to this dispute would have the right of absolute veto in a matter in which that country is at loggerheads with Great Britain. Well, the proposal, again, I respectfully submit, is bad on that ground. Then, my Honourable and learned friend goes on to say that the Governor General is to have the right of absolute veto with reference to what? With reference to the additional claim by His Majesty's Government. My Honourable friend has not explained to us what he means by the words "additional claim by His Majesty's Government." What is this additional claim with reference to which the Governor General is to have this right of absolute veto?

The HONOURABLE SIR MANECKJI DADABHOY : I thought you would know that.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : I did not hear a single word from my Honourable friend in his speech defining this additional claim. Had he given his definition of this additional claim,

I would certainly have been in a position to meet it. But in the absence of any definition of this expression "additional claim" used by him in his amendment, I am unable to accept the proposition that he has put forward.

Then, my Honourable and learned friend adds these words, that this right of absolute veto which is to vest in His Excellency the Governor General is to be "subject to the decision of the Houses of Parliament to raise such veto." Now, here again, my Honourable and learned friend introduces another complication in the machinery which he proposes. How are the two Houses of Parliament to raise this veto, as my Honourable and learned friend has expressed it? By an Act of Parliament, by a Resolution, by a joint sitting of the House of Lords with the House of Commons, or in what manner? In what manner are the two Houses of Parliament to be empowered to raise this veto, which according to this legislation, is to be vested in His Excellency the Governor General? It seems to me, Sir, that the proposal put forward by my Honourable friend is in the highest degree fanciful and impractical, as well as inadvisable, and I would ask the House to reject this amendment.

The HONOURABLE SIR EDGAR HOLBERTON : I move, Sir, that the question be put.

The motion was adopted.

The amendment was negatived.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I rise to support the Resolution which has so exhaustively been dealt with by my Honourable friend Sir Purshotamdas Thakurdas. I give a few instances in which India has had experience of these dealings with the Imperial Government and how India has not been properly treated in the matter of sharing such expenses. The cost of the Afghan War was thrown on India, although it was a result of European policy, I mean that it was brought about as a result of European policy. The cost of the Egyptian Expedition was thrown on India without any justification. This is the way in which the British War Office deals with Indian military policy, i.e., by thrusting on the country the British Army Amalgamation Scheme. I beg to represent that no portion of the Indian tax-payer's money should be spent without the sanction of the representatives of the people in the Legislature. With these few words, I give my hearty support to the original Resolution as it stands.

The HONOURABLE MR. A. C. McWATTERS (Finance Secretary) : Sir, every Member of this House will fully appreciate and sympathise with the intentions of the Honourable Sir Purshotamdas Thakurdas in moving this Resolution, which he clearly put forward solely in the interests of India. I may say here, with reference to some remarks which he made regarding an answer to a question this morning that if we thought it desirable to collect the information from the India Office regarding these disputed claims it was solely in order that the Honourable Member should be given a full, up-to-date and comprehensive answer, to his question. We do not deny in the least that a real difficulty exists, and we do not deny that the sums under discussion, have been and are large. But that is more or less immaterial to the main issue; the real issue before the

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House is, does the Honourable Member's Resolution really provide a solution of the difficulty? The Resolution, Sir, goes very far, both constitutionally and administratively. I take it that what the Honourable Mover desires is that the Governor General in Council should bind himself to enter into no arrangements where there is a difference of opinion regarding the apportionment of financial liabilities between himself and His Majesty's Government, without the previous sanction of the Indian Legislature. The instances may be small; they may relate to the incidence of pay, shall we say, of an Officer who is performing dual functions; on the other hand, they may extend to the very widest and most important items of war expenditure. I notice by the way that the Honourable Sir Maneckji Dadabhoy, perhaps unconsciously, limited the Resolution by introducing the word 'important,' and instead of saying 'previous sanction' introduced the word 'consulted,' thereby getting rid of two of the principal difficulties which arise on this Resolution. The amounts in question also may relate to voted or to non-voted items of expenditure, a point to which I shall return a little later.

In asking the House to approve this Resolution, the Honourable Mover did not deal in any great detail with the question of procedure, but I take it that it would be necessary for Resolutions to be passed in both Houses, approving or disapproving, or modifying the financial arrangements into which Government proposes to enter. Presumably if those Resolutions were rejected, the Government would be debarred from entering into the arrangements; and if one House introduced amendments, which were agreed to by the other House, the amendments would have to be accepted by Government. If the two Houses disagreed, the Honourable Mover has not explained what should be done.

The really important point is that this Resolution goes constitutionally very much further than, I think, has been indicated in any of the speeches so far. The proposal is absolutely at variance with the powers of control of the Secretary of State as they stand at present under section 21 of the Government of India Act. With the permission of the House, I will read that section:

"Subject to the provisions of this Act and rules made thereunder, the expenditure of the revenues of India, both in British India and elsewhere, shall be subject to the control of the Secretary of State in Council, and no grant or appropriation of any part of those revenues, or of any other property coming into the possession of the Secretary of State in Council by virtue of the Government of India Act, 1858, or of this Act, shall be made without the concurrence of a majority of votes at a meeting of the Council of India."

Therefore, as the law stands now, the Secretary of State can, subject to the provisions of this Act and the rules made thereunder, give directions to the Government of India regarding the disposal of the Indian revenues and insist on compliance with those orders.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS: Did this section exist in the Government of India Act of 1896?

The HONOURABLE THE PRESIDENT: Did the Honourable Member ask me that question?

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS: No, Sir, asked the Honourable the Finance Secretary.

The HONOURABLE MR. A. C. MCWATTERS: I have not the other Act before me at the moment.

The HONOURABLE THE PRESIDENT: The section less recent additions was in the old Act.

The HONOURABLE MR. A. C. MCWATTERS: Section 21, Sir, covers cases of expenditure where payments are involved. But there may be other cases where questions may be in dispute which result in the abandonment of a claim, just as when the Government allows remissions of land-revenue or allows a rebate of customs duty. Now, Sir, the general powers of the Secretary of State are in this case also retained by 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, and all grants of salaries, etc."

I read this so that it may be perfectly clear to the House what at present the constitutional position is. The Honourable Mover presumably contemplates altering the present position either by a revision of the Act or of the rules or by the establishment of a convention. With regard to the latter, I will merely say that it is not possible to frame a convention which is in contravention of or inconsistent with the Act itself. Therefore, in effect what is contemplated is a revision of the Act and rules as they stand at present.

I wish to add one further point. In practice financial disputes of this kind with the Home Government almost invariably relate to subjects which come under the heads military or political; in other words, they come under the heading "non-voted expenditure." Therefore, if the House accepts this Resolution it will be doing so knowing full well that it is making a very great constitutional innovation by increasing the powers of the Legislature in regard to non-voted items of expenditure. I suggest to the House that this Resolution is an attempt to go too fast. Surely, constitutional progress will be better achieved if it follows the lines laid down by Parliament, and Parliament certainly did not contemplate in the first period of the reformed constitution an innovation of this kind.

That, Sir, is the constitutional aspect of the question. It also has a very important administrative and practical aspect. The Honourable Mover and the Honourable Sir Maneckji Dadabhoy have both emphasised that they wish to strengthen the hands of the Government of India, but I will ask them to say whether they are really strengthening the hands of the Executive Government by imposing restrictions of this kind? In practice these questions usually involve negotiation, but if this Resolution is passed no negotiation will in fact be possible, because either the matter will have to be definitely decided first by the Legislature out here, or, if the negotiations take place first and the results are referred back to the Legislature, those negotiations cannot be final until the sanction of the

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Legislature is received. What is to be the position of an Executive Government which is to enter into negotiations with their hands tied in this fashion? I suggest to the House that there is not a Government in the world which is so restricted. Negotiations obviously require promptness of decision; they require certainty, a certainty that your decision will not be upset; they also require flexibility; you may have to yield on one point to gain another. How can you do any of these things if either your basis of negotiation is cut and dried beforehand by the previous sanction of the Legislature, or you have to refer the result of the negotiations back to the Legislature for sanction and thus introduce great delay and uncertainty? Therefore, I do not think that this Resolution, as it stands at present, would really strengthen the hands of the Government of India, because I consider that an Executive Government would be handicapped in dealing with what we must postulate to be its opponent.

The real difficulty of course in this case is one which I recognise as much as the Honourable Mover, that is the fact of distance. England and India are far apart, and it is not possible for negotiations ordinarily or normally to be conducted elsewhere than in England. It is not a difficulty which will be solved by any simple solution of this kind. This Resolution will not cut the Gordian knot. Would it benefit the Indian revenues to be handicapped in negotiation when the other side is not so bound? Is it not a necessary corollary that the British Parliament should also tie the hands of the Treasury? So far therefore as the first part of the Resolution is concerned, though I sympathise absolutely and entirely with the Honourable Mover's intentions, I think that constitutionally it goes too far and administratively, to say the least of it, it would be inconvenient.

As to the second part of the Resolution, which suggests that the Premiers of the Empire shall be the sole arbitrators in connection with disputed items, I may say that in recent years,—I have made inquiries,—I find that only one instance of arbitration has occurred, so that the matter has not been, except for that one instance, of very great practical importance. But here, again, I entirely sympathise with the Honourable Mover's object in trying to obtain an impartial tribunal in matters of this kind. My only objection to this part of the Resolution is to the selection of the Premiers of the Empire in conference as the sole arbitrators. In the first place, the Premiers of the Empire meet only once a year and not always even then, so that we might have to wait for 18 months to have the arbitration decided. In the second place, as the Honourable Sir Maneckji Dadabhoy pointed out, they are busy men who will be fully occupied with the work of the Imperial Conference, and I doubt very much if they will have the inclination to serve as arbitrators in connection with all matters relating to India. Thirdly, it is surely better in cases where technical matters are in dispute to have as arbitrators technical experts, as was suggested by the Honourable Sir Annamalai Chettiyar. I suggest that it might be better if a legal point was at issue, to have an Arbitration Board of two Judges or two lawyers, one European and one Indian. I merely suggest this as a possible alternative which, in certain circumstances, would be better than the Premiers of the Empire meeting in conference. Then again, as the House is aware, there are two parties to this transaction,

and it is really useless for this House to pass a Resolution which will be unacceptable to the other party, and the second part of the Resolution is too restrictive and too cumbrous to be likely to commend itself to the Home Government.

That is all I have to say with regard to this Resolution. From the point of view of the Government it cannot be accepted. We are entirely in sympathy with the object of it, but constitutionally it is a very great innovation and goes much further than possibly the Honourable Mover realised, while from the practical point of view, we consider it a positive handicap and at the least extremely inconvenient.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I desire to add a few words to what has been said by my Honourable friend, Mr. McWatters, with reference to the constitutional aspect of the proposal which is now before the House. Honourable Members will have noticed that my Honourable friend proposes that in all matters where the apportionment of financial liabilities between the Government of India and His Majesty's Government may be in dispute between the two Governments no compromise should be made between..... (and then) without the previous sanction of the Indian Legislature.

Now, bearing the exact nature of this proposal in mind, it seems to me that, speaking from a constitutional point of view, the proposal is entirely inadmissible. That is the position which I ask the House to please bear in mind. Under the existing constitution, certain powers are vested in the Secretary of State in Council alone. Certain other powers are vested in the Governor General and others over which the Indian Legislature has a certain measure of control. "Previous sanction of the Indian Legislature" presupposes that with regard to the actual proposal embodied in the Resolution constitutionally the Indian Legislature has the final word, or has the power of sanction. Now, what my Honourable friend, Sir Purshotamdas Thakurdas has ignored is this; that not only has the Indian Legislature no control over the matters covered by his Resolution, but on the contrary the Indian Legislature is by express enactment debarred from dealing with them. In these circumstances, it is entirely unconstitutional, I submit, for this House to adopt a Resolution of this kind. The Honourable Sir Purshotamdas Thakurdas himself admitted during the course of his speech that the principal items (I took down his words) that the principal items of dispute in the matters that he refers to are naval, military, political and diplomatic. Now, if you turn to section 67-A, sub-section (3), clause (20), you will find that expenditure, classified by the order of the Governor General in Council as "ecclesiastical, political and defence" are excluded from the vote of the Indian Legislature. The four heads mentioned by my Honourable and learned friend, "naval, military, political and diplomatic" fall under the two heads "political and defence" and items connected with political and defence are in consequence not votable. That being so, it necessarily follows that the proposal embodied by my Honourable friend in the Resolution which is now before the House is outside the powers of the Indian Legislature. My Honourable friend, I see, shakes his head. (The Honourable Sir Purshotamdas Thakurdas: "I will prove it to you when

[Sir Muhammad Shafi.]

I get up to reply.") Now, I suppose that the real object of the Resolution moved by my Honourable friend is that, when a compromise is arrived at, which is detrimental to India, that is to say, under which India has to pay to His Majesty's Government or what His Majesty's Government really owes to India is not paid to India, (these are the only two alternative cases that are conceivable), in such cases, the compromise should not be acted upon without the previous sanction of the Indian Legislature. Because, if the compromise is equitable, it is obvious that the Indian Legislature could have absolutely no objection to such a compromise being carried out. If the compromise is such that it is, according to my Honourable friend, to the detriment of India, then any action which may be taken in connection with that compromise will fall under the two heads—"defence and political"—as I have already invited the attention of the House to.

Moreover, as was pointed out by Mr. McWatters, section 21 of the Government of India Act is perfectly clear. The proposal embodied in the Resolution is entirely inconsistent with section 21. It takes away, practically takes away, from the Secretary of State in Council the powers which are vested in him under that section. That is to say, if this proposal were adopted, the Secretary of State in Council could exercise his constitutional powers, vested in him under that section, without the previous sanction of the Indian Legislature.

Well, however desirable the course suggested by my Honourable friend—I do not propose to go into that question, as I am dealing only with the constitutional aspect of the matter—I submit that constitutionally the proposal is entirely inadmissible.

Just a few words as regards the latter portion of the proposal and I have done. My Honourable friend would make the Premiers of the Colonies arbitrators between His Majesty's Government and the Government of India in respect of a dispute which may arise between these two Governments. Is not the proposal on the face of it entirely impracticable as well as inadvisable, in so far as the interests of India are concerned? I ask, is it likely that, if a proposal of the kind which my Honourable friend has put forward were to be suggested, say, to Canada, that in all matters such as these, wherever a dispute arises between His Majesty's Government and Canada, India should be accepted as the arbitrator, that Canada would be likely to accept such a proposal as that? And, if Canada is not likely to accept such a proposal, ought India to accept the kind of proposal which my Honourable friend seeks to put forward? I do not wish to enter in detail into this portion of my argument, but I leave it at that, and I leave it to the Honourable Members to see as to whether such a proposal is desirable in the interests of India.

Then, it should be remembered that the Premiers in the Colonies have not a permanent tenure of office. In the Colonies just as in Great Britain, a Premier may go out of office any day on any vital measure, when the local Parliament has decided against him, he would have to resign and get out. Supposing a Premier, say, of Canada, while this tribunal of arbitration is sitting in London—Is it to sit in London or in India? my Honourable friend has not made that clear;—but assum-

ing that the tribunal is sitting in London and at that time one of the Premiers is ousted from office. What is to happen in that case? Is this tribunal to begin its proceedings *de novo* on the arrival of his successor, the new Premier appointed in that particular Colony? Is it to suspend its sittings until he arrives from Australia, from Canada, from New Zealand, as the case may be? Then, when he arrives, is it to begin its proceedings *de novo*, for he is not the man who originally sat on this tribunal when the proceedings were started, and therefore, when a new judge is substituted, the whole proceedings should begin *de novo*. Then, as was suggested by my Honourable friend, Sir Narasimha Sarma, this tribunal may be more expensive to India than the item in dispute before the tribunal itself. Indeed, it seems to me that in a case of this kind, such a proposal as this is really impracticable, and from the point of view of the interests of India is also inadvisable. I would therefore ask the House not too readily to accept a somewhat dangerous proposal of this kind.

The HONOURABLE THE PRESIDENT: I think this will be a convenient opportunity for the Council to adjourn. I understand some Honourable Members have long distances to go. I would like to ask the Leader of the House if in these circumstances it would be convenient if I adjourn the Council till 3 O'Clock.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: I have no objection, Sir. It is true that some Honourable Members have to go long distances and return, (A voice: "Finish the debate"), and if an adjournment is necessary, I think that 3 O'Clock would be the best. If you think, Sir, that the debate on this Resolution is practically finished—I do not know whether any other Honourable Member would like to speak.

The HONOURABLE THE PRESIDENT: I see no reason to suppose that the debate is finished. I think two Honourable Members got up to speak and the Mover has still got to reply. I adjourn the Council till 3 O'Clock.

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

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

The HONOURABLE THE PRESIDENT: The Council will now resume the debate on the Honourable Sir Purshotamdas Thakurdas's Resolution.

The HONOURABLE SARDAR JOGENDRA SINGH: I was waiting anxiously to hear the Honourable Mr. McWatters on this Resolution. From what His Excellency the Commander-in-Chief said, I thought that the arguments which Mr. McWatters was going to advance would simply smash all the arguments which my Honourable friend, Sir Purshotamdas Thakurdas advanced. I am sorry that his arguments have left me altogether unconvinced. I have a lurking suspicion that

[Sardar Jogendra Singh.]

Mr. McWatters himself sympathised with the principle of the Resolution and was only concerned with administrative difficulties. I am sure this Council will not be led away by considerations of administrative difficulties but will take into consideration the principle which my Honourable friend, Sir Purshotamdas Thakurdas has so clearly set forth. It would be idle to deny, so far as the records of Government show, that for many years past there have been many questions which have come up for settlement and remained unsettled. It may be, that the Government of India can, with a good grace, accept defeat, but now that it has got the Legislative Councils, the representatives of the people of India at its back, the time has arrived when the will of the country ought to prevail, and we should seek justice in all financial matters which concern the Government of India and His Majesty's Government. I was really surprised when I heard that the Government was going to oppose this Resolution. I expected that they would welcome it, that they would like to get the strength which the Legislative Councils would bring them, but I fear they are more nervous about the Legislative Councils and would rather trust the uncertain tribunal to which they have so far appealed in vain. It would mark a great advance if the Government of India were more intimately identified with the Legislatures and depended upon them more than they do to-day. Is it want of confidence in the Legislatures that inspires them? I should like to know. For the last three years, so far as I remember, the Councils have supported them in everything, and I am sure that if the matters in dispute were brought forward before the Councils and their sanction was obtained, the Government would strengthen their case enormously, rather than rely on pleadings before a tribunal which so far has not been very fair. I will not repeat what my friend, Sir Purshotamdas, has so ably argued. There are instances in which English Statesmen have shown themselves unjust and unfair. With the changing Government in England, is it very surprising that we in India are also a little distrustful of the Government. In earlier times the Government of England was in the hands of aristocratic and fighting classes. It is now in other hands. I for myself believe in a little idealism and have a great distrust of practical men, with eyes glued to the shop window, looking for immediate profits. Are you quite sure that with this kind of Government now ruling the Empire, you can expect a fair treatment? Are you quite sure that it will not be better if our own Councils had the power to influence decisions? I was rather surprised at the hyper-sensitiveness of my friend, Sir Purshotamdas, but not so much at what my friend, Sir Muhammad Shafi, said. All I can say is, that the kingdom of unrealities is for the faithful, but the realities are there and they will have to be faced. The Honourable Mian Sir Muhammad Shafi when speaking talked a good deal about the tribunal which the Honourable Sir Purshotamdas wanted to constitute. He ignored completely the generosity and fairness and the spirit of the trustfulness that underlay that proposition. He was quite prepared to trust the Premiers and he must have been disillusioned when told that he could not do so. There are practical difficulties about the constitution of the tribunal. I personally adhere to the first proposition that all disputes, not every

matter that is pending between His Majesty's Government and the Indian Government, as Mr. McWatters seemed to imply, should be put before the Council and their sanction obtained. I do not see anything unreasonable in it.

It has been said that this Resolution is beyond the present constitution. I am not a lawyer and so I cannot say how far that is true, but what I feel is, that the country wishes to broaden the constitution and to make the Legislatures the final authority in all matters. The Members on the Government benches may cut themselves from the currents of opinion, but those who are in touch with them, must force those opinions before the Council and press for the broadening of the constitution. I hope, Sir, that Members of this Council, both official and non-official, will consider the principle that underlies this proposition, the principle that there should be fairness between India and England, that there should be justice, so far as business transactions are concerned. We want business fairness and nothing else. I support this Resolution without any hesitation whatsoever.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Before referring to the constitutional aspect which has been so strongly put forward by the Honourable the Leader of the House and my Honourable friend, Mr. McWatters, may I just explain the position from a business point of view? Take the Empire as a family and Great Britain and India as two branches of the family and suppose there is a difference of opinion between the two branches. Would it not be right that India should go and put its case before a tribunal, if there was a tribunal appointed, with all the members of that branch united, or is it right, is it advisable that the senior member, the Government of India, should go and present the case without the other members knowing anything about it? Is it not desirable that when there is a dispute, all the members of one branch of the family should come together and discuss the points and then ask the senior member to represent the case before a tribunal? That appears to be a correct solution and I did not expect that Government benches would oppose it. My friend the Honourable Mr. McWatters said that he was in entire sympathy with what we said and what is underlying the Resolution. Sympathy we have had by the cart loads. What we want now is some actual proposal to carry out our wishes. Mr. McWatters told us that it may be difficult to get the previous sanction of both the Houses of the Legislature at every turn, when carrying on negotiations. If that is the difficulty, is it not up to him and the Members of the Government to suggest some other remedy? The basic principle of the Resolution is that whenever we want to go to the British Government to put our case before them, the Secretary of State, the Government of India and the Legislature should be united. We have been told by the Leader of the House and by the Honourable Mr. McWatters that under the Act as it stands the Secretary of State's voice is the final voice in the matter. That view is quite correct, and nobody can take exception to it. We have moreover been told by the Joint Committee that in this as well as other matters relating to fiscal autonomy conventions shall grow. Is it not possible for Government to meet us and allow conventions to grow, they can only grow if they take us into their confidence?

[Mr. Lalubhai Samaldas.]

The best way to take us into their confidence is to appoint a Standing Committee of both Houses whom they can consult on these occasions. This Committee should consist of Members elected by the elected Members of both the Houses. At present whenever we make definite proposals for reforms, we hear words of sympathy from the other side, and then attempts are made to pick holes in our proposals, but no attempt is made to help us to arrive at a solution. Is that the correct attitude for the Government to take up, after three years of reforms? I appeal to the Honourable the Leader of the House and the Honourable Mr. McWatters whether we cannot put our heads together and find out some solution, by which we can go to the War Office or to the Foreign Office as a united body. Another difficulty raised was as to what was to be done if both the Houses differ. One solution is the adoption of the system of a Joint Session of both the Houses. Let me however add that I do not insist that such questions should always be discussed in full Houses of both the Chambers. Government could very well appoint a Standing Committee, whom they can consult confidentially. The discussion will not then be made public and the committee will be able to guide the Government as to how to put their case before the War Office or the Foreign Office, as the case may be. My friend, Sir Purshotamdas Thakurdas, cited so many cases that it is unnecessary for me to go into detail in regard to them. I shall therefore refer to the general policy of Government in such matters. It is an unhappy coincidence that ever since the Morley-Minto Reforms and since the time when the Government was said to be more responsible to the Legislature and to the tax-payers through the Legislature the Government of India have for some reason or other not told the Legislature what action they are taking to fight their battles either with the War Office or the Foreign Office. We have found, Sir, that so long as the Government considered themselves as trustees of the people of India, they showed greater moral responsibility than they do now. I do not insinuate that the moral responsibility has grown less but the way in which they treat us, the way in which they keep back their cards (and sometimes even the good work that they do is concealed) shows that they do not exhibit their moral responsibility to the same extent as before. In their interests, and in the interests of the reforms, it is much better that we should all combine. It is up to the Government to place full confidence in us and if they do that, I think there will be very few occasions when either this House or the other House will not agree to proposals for compromise with the Home Government.

I now come to the second part of the question; the question whether these matters should be referred to the Premiers of the Dominions or the Imperial Conference has been objected to by the Honourable the Leader of the House. He said that it was most impracticable and inadvisable and he said that so many questions would arise that it would not be possible to arrive at a decision at all. I do not know what my Honourable friend the Mover of the Resolution had in view when he put down this portion of the Resolution on the paper. But I take it, Sir, that what he wanted was, not that the details of all such disputes should be settled at the Imperial Conference or by the Premiers, but that the general lines,

the principles underlying these questions, should be discussed by them and then the Premiers may well appoint a committee to decide the details. Is it not possible for the Premiers or for the Imperial Conference to find time to do this much work? I do not entirely agree with the Honourable Sir Maneckji Dadabhoy when he said that he feared that the Premiers, if we had any difference with their colonies may not give a just decision. I have not much love for the colonies that treat our fellow countrymen as helots and yet I have confidence that when we go to their accredited representatives as arbitrators and as judges they will decide the case not on racial grounds but on grounds of justice and fairness. It is only when their other interests are involved that they may treat us not as citizens of the British Empire or as brethren. But leaving aside that point, the only way is to appoint arbitrators when two parties differ. Here in this Resolution, we have the principle of arbitration; it may not be an ideal principle as Sir Maneckji Dadabhoy said, but it should be borne in mind that this principle was suggested by conservative Prime Ministers like Lord Salisbury and Mr. (now Lord) Balfour, and recommended also by the minority of the Welby Commission, that it is absolutely necessary that some Board or tribunal should be appointed for the disposal of these disputes. For the present let us be satisfied with this Board or tribunal as suggested in the Resolution. Later on, if we find cause, as Sir Maneckji Dadabhoy fears, that they do not do us justice, we can appoint another tribunal. When there is a dispute between two parties, each party ought to have the right to appoint the tribunal. For the present as the Resolution says we are prepared to accept the tribunal of the Premiers for the time being; later on we may have to reconsider it if we find that they do not decide cases justly or fairly. With these few words, I strongly support the Resolution.

THE HONOURABLE SIR PURSHOTAMDAS THAKURDAS: Sir, I wish His Excellency the Commander-in-Chief was present here now. I feel that unfortunately for both of us he completely misunderstood the reference I made to the Innes and Braithwaite Committee reports being laid in the Council's Library and not being printed for publication. I referred to that only as an instance, the freshest instance that the House had before them, as to how the Government were driven to economy even in publishing reports of important committees for circulation amongst Members of the Council. But it appears that His Excellency the Commander-in-Chief thought that I was rather trying to, what they say in colloquial words, pull his leg. I am very sorry if he understood what I said in that light. I know what confidential information is contained in those reports, and I was agreeably surprised when he said in reply to the question of the Honourable Mr. Sethna that the reports would be placed in the Library for the perusal of Members of the Council. If His Excellency the Commander-in-Chief had only said in reply to the Honourable Mr. P. C. Sethna's question that the reports cannot be published for circulation as Government did not want them to be published in the press, but that they will be laid at the disposal of Members of Council in the Library, there would have been no occasion for me to refer to that as an instance of economy which the Government of India were driven to make. I hope His Excellency the Commander-in-Chief will somehow hear of or read what I am saying now and that he will

[Sir Purshotamdas Thakurdas.]

understand that I had nothing else in my mind except the reference to the freshest instance, as given by himself to the House, of the minutest economy that the Government of India have to make.

I must, Sir, in the very first instance thank those of my non-official colleagues who have very kindly supported me as far as this Resolution is concerned. I am very grateful to them and appreciate immensely the cordial support that they have given to my Resolution, in spite of the most serious and grave warnings of the Honourable the Leader of the House as to the unconstitutional and other grave disabilities and flaws in the Resolution. The support that I have received for this Resolution in spite of these very high-sounding warnings from the Leader of the House, naturally touches one's heart. I shall only, therefore, content myself as far as my non-official colleagues are concerned, by expressing to them my grateful thanks for their support. I propose, Sir, to deal now with the only two official speeches that have been made on my Resolution.

The Honourable the Finance Secretary made a speech about which I have not much to say. He began by saying that there were some disputes between His Majesty's Government and the Government of India; but I am sorry he was not in a position, or was not able, to give to the Council either the rough approximate amounts of money concerned in such disputes, or the approximate periods over which the disputes he had in his mind had extended. If the Honourable the Finance Secretary could have given even this meagre information to the House I am sure the House would have appreciated it and would have been able to decide whether the Resolution that I place before them is a merely frivolous Resolution, or whether it is a Resolution that deserves their most serious consideration. The Honourable the Finance Secretary again said that I had not dealt with the procedure by which the arbitration was to be done, or the procedure by which the Legislatures were to be informed as to any compromise that the Government of India may propose or wish to make. I should have thought that in this House we dealt more with the underlying principles and the broader aspects of questions, and not with the details of the procedure as to how the arbitrators were to be asked to meet, etc., etc. If the Honourable the Finance Secretary had anything else in his mind, I at any rate cannot think what he meant by procedure. I feel that the procedure is one which is for the department concerned to devise; this House only lays down what is to be done and there its duty ordinarily ends. If this House is to lay down the procedure, I would very much like to ask whether in some of the other departments of the Government of India the Executive Government would allow this House any sort of interference or meddling regarding the procedure to be followed. Why ask this House this rather extraordinary question, and why remark that I did not say what procedure should be followed?

The Honourable Finance Secretary then referred to the Government of India Act, which I take it is the latest Government of India Act. I am not a lawyer, I do not claim to have studied the Government of India Act minutely; but I go on what I call my little common-sense and I say

that the Government of India Act of 1919 cannot be stricter than the Act of 1858; and if under the Act of 1858 a tribunal was feasible in 1896, *a fortiori* a tribunal is feasible, is a sound proposition, is a sensible proposition even to-day; for both the Government of India and the people at Home claim and some of us also believe that the Government of India Act of 1919 has been an advance on the Government of India Act of 1858. The Honourable the Finance Secretary next said that the main questions that can be dealt with under this head under dispute would be either political, military or naval; all non-votable. The Honourable the Leader of the House, a responsible adviser to the Government of India in matters legal and constitutional, gave his very strong support to the Honourable the Finance Secretary in this plea of his. I then, Sir, interjected and said that I expected to be able to prove to this House, according to the best of my lights, that there is no question here of votable or non-votable items, and I venture to submit that in pressing this point before this House, the Honourable the Leader of the House has given a support to the Honourable the Finance Secretary which it would be difficult to justify.

Votable and non-votable items relate only to sanction before expenditure. If the Government of India say that they want to spend so many lakhs or crores of rupees on the frontier, they need not go to the Assembly; they may and indeed do spend it and debit it. The question at issue there in my Resolution is not at the time of or before expenditure. The expenditure has been made by the Government of India or by the Government of the United Kingdom. The question comes up *after* the expenditure has been made; it comes up, be it a lakh or a hundred crores of rupees, when the expenditure has to be divided between the two parties concerned or interested in the expenditure. Where, Sir, may I ask, in the name of common sense,—I do not know what the law is,—but where, Sir, is the risk of telling the Legislatures of India as constituted under the present Act that “Government have spent, say, a hundred lakhs of rupees in Persia or Iran? That the Government of India claim that they are liable to pay 25 lakhs of rupees and the British Government must pay the other 75. That His Majesty's Government claim that they are liable to pay only 50 lakhs and we should pay the other 50 lakhs. We propose a compromise or to go in for arbitration.” What risk is there, what is there unconstitutional, what is there unfeasible, what is there impractical,—to use the words of the Honourable the Leader of the House,—in a proposition like this?

Regarding the constitutional and legal part of it, the Honourable the Leader of the House reminded my Honourable friend, Sir Maneckji Dadabhoy that he was a Barrister of long-standing. He also reminded him that as such Sir Maneckjee Dadabhoy ought to know that certain things suggested in my Resolution are not legal or constitutional. I do not know which of the two Honourable Members are Barristers of longer standing, but I as a humble merchant will leave it to them both, one the Honourable the Leader of the House and the other to the Honourable the Vice-President of the House, to decide between themselves as to which is the constitutional and which is the unconstitutional part in dispute between them. All that I am concerned with is, Sir, this. Here is money belonging to the tax-payers of India which, as far as

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the history that we know of, might be at stake. All that we say is we should devise some means by which we could save this or be convinced that it is justifiably debited to India. The Honourable the Leader of the House comes out with all sorts of constitutional and legal questions, which must be correct. I am prepared to concede that the Honourable the Leader of the House cannot say anything here which is not most accurate and correct. But what I contend, Sir, is that he has not showed us a way out of the difficulty if my proposal is unconstitutional or illegal. Sir, the House must be thankful, and I am thankful,—for small mercies,—to the Honourable the Leader of the House that although he found many faults with this Resolution, he did not say that the grievances of India complained of by the Welby Commission and the grievances to deal with which the Resolution has been submitted, did not exist.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Sir, may I rise to make a personal explanation ?

The HONOURABLE THE PRESIDENT : The Honourable Member in possession of the House has not given way.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : All that he said, Sir, was that things are not in absolute keeping with the law and the constitution. I should have expected, Sir, to hear from him, "No, there is no room for this Resolution, there is no friction between the Government of India and the Home Government ; we are absolutely in agreement with each other and therefore this Resolution is unnecessary." If he had said something like that and brought us facts and figures in support of the same, I should have been most happy to hear it. On the other hand, the Honourable the Finance Secretary did say that there was at least one Arbitration since 1900, though he was not pleased to give the details to the House. He did say that there are certain items in dispute between the Government of India and His Majesty's Government. Nay, he went further and said that he has asked for full information from the Secretary of State. In spite of all that, the Honourable the Leader of the House says, "This is wrong, and that is wrong and that is wrong, and therefore, do not vote for this Resolution." I submit, Sir, that the House has just reason to say to the Honourable the Leader of the House that they expected from him more constructive remarks, a more constructive suggestion, a better helping hand, and if I may use a phrase which is perhaps more apt, more co-operation with the non-officials.

Then the Honourable the Finance Secretary said that not a Government in the world is tied down or can be tied down to take the sanction of the Legislature before a compromise is made in financial matters with another Government. I venture to ask him, Sir, if he can point out to me in this big broad world another parallel to the Government of India, and further another parallel to the present constitution of the Government of India where the tax-payer's money is at stake and still the tax-payers' representatives are not to know what is the amount that is at stake ?

The Honourable the Finance Secretary said that the difficulty will not be solved by so simple a course as I suggest. If the course that I suggest is much too simple to be acceptable to the Government of India, I should have been happy to hear from him of a less simple or a more acceptable course to the Government of India. My complaint, Sir, is that although we have not been told that there have been no occurrences of the sort which were related before the Welby Commission, there is not one small finger moved by occupants of the Benches opposite to help a humble non-official, without the backing of any legal knowledge and without the backing of any sort of precedent in this matter to take the interests of India to a safe and reliable end.

The Honourable the Finance Secretary divided my Resolution into two parts, and he condemned both of them. He said that my proposal to obtain the sanction of the Indian Legislature went too fast and too far. I fail to see how it is too fast, because 25 years ago responsible Viceroy's and Secretaries of State and Cabinet Ministers in England said that India was being done an injustice, and still to-day we are told that this very modest demand would take the Government of India too fast. He further told us that my proposal went too far. I am afraid I have not been able to understand what is the distance which he would call reasonable and moderate and what is the distance that he would call fairly distant, and how he will compare that with the one covered by my Resolution ?

Regarding the second part, namely, the reference to the Premiers in conference, he apprehended that Premiers may not have the time. Why not let the Premiers themselves say so ? Would it be *infradig* for this House or for the Government of India to hear from them that they have not the time ? Why speak for people who are quite capable of speaking for themselves ? I hesitate to accept any such reason from anybody in India until official intimation has been received and a flat refusal has come.

The Honourable the Finance Secretary then referred to my Honourable friend Sir Annamalai Chettiar's suggestion for employing experts, and he said that experts may be wanted, but the Premiers may be nothing better than diplomats and politicians. I can refer the Honourable the Finance Secretary to further quotations from Government Blue Books, but I do not want to worry the House with any further quotations, and I may refer him to paragraph 317 of the Welby Commission's Report where they themselves say that such arbitrations are best done by keeping away experts who are to be sent for only when they are wanted. You do not want expert knowledge in first-class arbitrators beyond absolutely open minds and all the other requirements of arbitrators. Experts can always be employed on fees.

Then the Honourable the Finance Secretary was followed by the Honourable the Leader of the House and, as I have pointed out already at some length some of the grounds on which the Honourable the Leader of the House recommended this House to throw out this Resolution, I will have very little more to say about it. But I am bound to say this, that the Honourable the Leader of the House has in his great enthusiasm either to look at this question only from the constitutional point of

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view—which he is in duty bound to do and with which I am not quarrelling at all—in fact for the opinion which he has given us I am grateful—but I am afraid that in his preoccupation with the constitutional point of view, he has overlooked the more practical and more solid part of the whole grievance sought to be remedied by this Resolution. The Resolution as worded may not be absolutely as constitutional and as legally worded as the Honourable the Leader of the House may wish it to be; but when he says that it is absolutely unconstitutional I would certainly very much like him to consider if the idea of an arbitration court like this, mooted first, suggested originally by such eminent people as Mr. Balfour and Lord Salisbury, can be as absurd as he would like this House to believe. Sir, since the last few years, we may have made immense strides regarding legal knowledge and legal acumen, but I also submit, Sir, we have made great strides in India, as far as constitutional reform in India is concerned. Two reform schemes have been introduced and tried. The responsibility of this House to the tax-payer has increased, and I looked for a solid lead from the Honourable the Leader of the House in the direction of making the Resolution, with such modifications as was necessary, acceptable to the Government of India. I am greatly disappointed that no such lead has been given. The only effort made has been at picking holes. I will content myself, therefore, with just recommending this House to pass the Resolution as it stands in order to show His Excellency the Viceroy and the Government of India which way the feelings of this House go. In fairness to this House, in fairness to the subject under discussion, Sir, I submit that the official Members here to-day should not vote. My reason is simple and I propose to put it before the House.

The HONOURABLE THE PRESIDENT : I must remind the Honourable Member that he has already exceeded his time.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I will finish in two or three minutes, Sir. I submit, Sir, the question is one affecting the relations between the Government of India and His Majesty's Government. Even if the Government of India may be fighting and standing up for the best interests of India—which must be the case because all precedents point to that—the official Members present here to-day cannot say so, and I therefore submit for the sake of discipline and for the sake of loyalty to the ultimate superior—whatever or whatever that may be—whether the Secretary of State or the United Kingdom—the fairest thing to the official Members themselves and to the House and to the subject-matter of the Resolution, would be for the official Members to abstain from voting and say “The Resolution expresses general feeling amongst the non-officials only.” I do not know whether this would be accepted but I know one thing, that when it suits Government or when it does not affect Government, they do ask the official Members to abstain from voting. I only therefore suggest that the official Members may see their way not to vote on this Resolution. The Resolution has been condemned by the Leader of the House as being bad in many respects, and there is no reason why Government officials should be a party to it. Let the non-official Members

take the responsibility for my Resolution, if passed, and then I will have very little to add.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : With your permission, Sir, I would like to offer a personal explanation. As Law Member it is, I venture to submit, my duty to advise the Council in so far as the constitutional aspect of a proposal before the House is concerned. So far as the policy of Government towards a particular proposal put forward in a Resolution is concerned, it is the business of the Member representing the Department in question to state to the House what that policy is. My Honourable friend, Mr. McWatters, did that. I, when I rose, expressly stated that I was only going to add a few words to what Mr. McWatters had said on the constitutional aspect of this question. My Honourable friend's observations or strictures as regards myself, therefore, I submit, were entirely out of place. As regards co-operation....

The HONOURABLE THE PRESIDENT : The Honourable Member must not answer the speech.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : That, I venture to submit, is a personal explanation; I am not answering the arguments.

The HONOURABLE THE PRESIDENT : The Honourable Member may go on with a personal explanation. I am merely laying down the rule. If the Honourable Member does answer the arguments, I shall stop him.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : I was only going to say, Sir, that, if my Honourable friend had been longer in this House, he would have known whether the Leader of the House does co-operate with non-official Members or not.

The HONOURABLE MR. A. C. McWATTERS : Sir, I do not propose to detain the House for long. In some ways, perhaps, it is unfortunate that the Member who has the right of reply is myself and not the Leader of the House, who, I am quite confident, would have been able to reply effectively to the criticisms which have been made by the Honourable Mover. I should like, however, to point out, with regard to the question of voted and non-voted expenditure, that it is clear that the previous sanction which is required by this Resolution must in fact amount either to an authorisation of expenditure or to vetoing of expenditure. In either event, it relates to an appropriation of funds. In the second place, either I or the Honourable the Leader of the House was accused of saying that a tribunal is impossible. We never said that. I quite admit that a tribunal is not impossible. What we objected to was the particular form of tribunal proposed. I may say, Sir, that Government are quite as anxious to recognise the principle of justice as Sardar Jogendra Singh wishes us to do, and we claim to be trustees for India as much as the Honourable Mr. Lalubhai Samaldas desires. Further we have the most absolute confidence not only in this House but in the Indian Legislature in general. But we are dealing with a practical point before us—a definite Resolution. I never suggested it was a frivolous Resolution—far from it—it is a very serious Resolution—and I should wish the House to regard it in a practical manner. It is a Resolution, I submit,

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which is in no way a solution of the real difficulty which we are trying to face. I call attention to the wording of the Resolution : " in all matters where...without the previous sanction of the Indian Legislature "; I may say, Sir, that the Honourable Mover and the Honourable Mr. Lalubhai Samaldas seem a little doubtful themselves with regard to the wording of the Resolution and in fact invited us to try and put it right. It is rather late in the day to put it right. The Honourable Mover never approached any officer of Government to try and put it right.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I gave notice of it on the 16th of last month.

The HONOURABLE MR. A. C. McWATTERS : I say, as it stands, I see no way in which it can be put right : it must be entirely altered. I therefore submit that it would be a pity for this House, merely because they want to ventilate a certain subject, which purpose has already been served by the speeches in this House, to pass a Resolution which on the face of it is not workable in practice and which, as was stated by the Honourable the Leader of the House, is constitutionally a very great innovation indeed, and further would be to the detriment of Indian revenues inasmuch as it handicaps the Executive Government in matters in which their hands should not be tied. Therefore, I am afraid I must ask the House to oppose the Resolution.

The HONOURABLE THE PRESIDENT : I propose to put the Resolution in two parts.

The Question is that the first part of the Resolution, which runs as follows, be adopted :—

" This Council recommends to the Governor General in Council that in all matters where the apportionment of financial liabilities between the Government of India and His Majesty's Government may be in dispute between the Government of India and His Majesty's Government, no compromise should be made between His Majesty's Government and the Government of India without the previous sanction of the Indian Legislature."

The Council then divided as follows :—

AYES—12.

Acharyya Chaudhuri, Maharaja S. K.	Lalubhai Samaldas, Mr.
Chettiyar, Sir S. M. Annamalai.	Maricair, Sir Ahmedthamby.
Dadabhoy, Sir Maneckji.	Purshotamdas Thakurdas, Sir.
Harnam Singh, Raja Sir.	Ram Saran Das, Mr.
Jogendra Singh, Mr.	Vedamurti, Mr. S.
Lal Chand, Lieut.	Zulfiqar Ali Khan, Sir.

NOES—14.

Amin-ul-Islam, Mr.	McWatters, Mr. A. C.
Barron, Mr. C. A.	Ogilvie, Major G. D.
Chadwick, Mr. D. T.	Sarma, Sir Narasimha.
Crerar, Mr. J.	Shafi, Dr. Mian Sir Muhammad.
Holberton, Sir Edgar.	Shepherd, Mr. W. C.
Ley, Mr. A. H.	Tek Chand, Mr.
MacWatt, Major-General R. C.	Watson Smyth, Sir Robert Middleton.

The motion was therefore negatived.

The HONOURABLE THE PRESIDENT : The question is that the second part of the Resolution, which runs as follows, be adopted :—

" This Council further recommends to the Governor General in Council that in any such case where arbitration is resorted to, the arbitrators of such disputed items between the Government of India and His Majesty's Government shall be the Premiers of the Empire in Conference assembled and nobody else."

The Council then divided as follows :—

AYES—10.

Harnam Singh, Raja Sir.	Maricair, Sir Ahmedthamby.
Holberton, Sir Edgar.	Purshotamdas Thakurdas, Sir.
Jogendra Singh, Mr.	Ram Saran Das, Mr.
Lal Chand, Lieut.	Vedamurti, Mr. S.
Lalubhai Samaldas, Mr.	Zulfiqar Ali Khan, Sir.

NOES—13.

Amin-ul-Islam, Mr.	Ogilvie, Major G. D.
Barron, Mr. C. A.	Sarma, Sir Narasimha.
Chadwick, Mr. D. T.	Shafi, Dr. Mian Sir Muhammad.
Crerar, Mr. J.	Shepherd, Mr. W. C.
Ley, Mr. A. H.	Tek Chand, Mr.
MacWatt, Major-General R. C.	Watson Smyth, Sir Robert Middleton.
McWatters, Mr. A. C.	

The motion was therefore negatived.

RESOLUTION RE POUND STERLING AS LEGAL TENDER AT RS. 15.

The HONOURABLE SARDAR JOGENDRA SINGH : (Punjab : Sikh) : Sir, I move that—

" This Council recommends to the Governor General in Council to make pound sterling a legal tender in India with Rs. 15 to the pound and delete from the Currency Act the words which make Rs. 10 legal tender, to a pound."

I feel rather diffident in moving a Resolution of this kind, dealing with a complicated subject on which there are bales of files in the Secretariat. Mr. Findlay Shirras remarks that the ink that had flowed on the subject would suffice to float a dreadnought. I will be very brief in explaining my views.

We in the villages are not really concerned with currency questions. We deal with the money as it passes, without noticing what the authorities in the Finance Department are doing, lowering or raising the price of produce. To me, if I may take an example from village life, the whole question appears in this way. Suppose there was a group of villages dealing with each other and they made wheat as a commodity of barter between themselves. Suppose one of these villages made it gram when in all the surrounding villages wheat was the standard of values. How can the man making gram his standard of value attain any stability in currency ? And that is really what is happening in India. For a long time almost all the countries of the world have recognised gold as the standard of values. Only we in India, in spite of many Committees and Commissions,

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are still clinging to a silver currency and trying somehow to link it to a gold standard. It may be that the Government of India without the support of the Legislatures never had the courage of its convictions to follow up what they have so often desired and introduce a gold standard. They have always somehow hesitated before taking action. They have talked about it. They have written about it. They have appointed innumerable Commissions, and commented on the reports, but so far as it has come to taking action, they have always stopped short and clung to the silver currency, keeping trade and production dependent on an uncertain exchange.

If I may for a moment indulge in a sort of historical survey of the question, I hope I will not be wearying the Council. I should like to point out that according to Prinsep even in the Hindu times there was gold currency. Abul Fazl, in his memorable book, says that silver coin was only introduced by Sher Shah. Up till the time of Muhammed Shah, so far as I am aware, gold coin was current in India. Indeed, even when the government was taken over in Madras there was a gold coin which found currency. It was in 1835 that it was positively declared that gold was not to be accepted as legal tender, and from that date our troubles begin. From 1835 onwards the Government of India and most of the Chambers of Commerce have been pressing for the introduction of gold standard. Some of my friends outside the House, if not here, would like to know what is the difference between a gold and a silver standard in the country. The question which they might reasonably ask is, what is the Indian currency, and I shall leave it to the Financial Secretary to answer what is really the Indian currency; is it the silver coin, with its altering values? Is it the gold coin to which our currency is linked? What is really the current coin of India with a stable value; and if the currency has no stable value, why has it not? I suppose the Finance Secretary, when he stands up, will explain the matter. I will not dwell on the disadvantages of an uncertain exchange. Most of us are aware of it. The Government of India has to frame its budgets depending on an uncertain monsoon to which also is added an uncertain exchange, and the result generally is they have to depend on additional taxation—this year it was the salt tax. The serious handicap on trade I need not enlarge upon. People who are placing orders in India and England do not know what they are going to get, when the shipping documents are presented—whether it is going to be at Rs. 10 a sovereign or a sovereign is going to get Rs. 15 and *vice versa*. Ricardo, a hundred years ago, pointed out “to secure the public against any other variation than those to which the standard itself is subject,” and our standard is subject to tremendous fluctuations. For instance, if we ask the Finance Member what is our Gold Standard Reserve in India he will calculate it at Rs. 10 to the pound, while the market rate is Rs. 15 to the pound! I depend entirely on official records and I will just try to show you in a very brief manner that from 1835 to 1874 except Mr. Wilson every Financial Member supported the introduction of a gold standard. At the same time all the Chambers of Commerce pressed for it. In 1866 a Commission recommended “the legal tender of gold to be part of the currency arrangements of India” but nothing happened. Then, again, in 1878, the Government of India found themselves in serious diffi-

culties owing to heavy losses in purchasing gold. Then in 1881 the Government of India admit that they never knew their loss or gain on exchange, silver having failed to fulfil the function required of a standard of value. Sir David Barbour who was opposed to the introduction of a gold standard, was finally convinced and frankly and firmly turned to a gold standard. Then we come down to the Fowler Committee which finally decided that gold should be legal tender in India and ought to find effective circulation. I remember not many years ago Sir William Meyer's bringing out, at a dinner, a gold mohur which was coined in Bombay and which he promised would be current coin for India in future. The gold mohur somehow disappeared, and we had another Committee to consider the question. The evils of an uncertain exchange and managed currency were nowhere illustrated more clearly than by the adoption of the report of this Committee.

Losses on the reverse Council have been clearly brought before this Council, the decline of trade which followed and the flow of gold from India to England which continued brought about a serious situation. India's exports declined from 31 crores to 16 crores in ten months. The balance of trade swung against India to the extent of 33 crores! It may be, that because, India is a dependent country that we are given a managed currency. I have the authority of Professor Nicholson who says that a managed currency is only available in a dependent country. His reason seems to be that a dependent country having no voice in its financial affairs, the paramount power manages the currency as it wishes. I leave it at that, but there can be no question that since 1835 in spite of every effort the Government of India have failed to introduce a stable currency.

May I ask you, is it fair to deny India her share of gold, the gold that flowed in India for centuries. How is it that our Government with all its resources is unable to give us gold currency. Perhaps the Financial Secretary will enlighten us on that point. There can be no doubt that a currency that fails to perform its function, and that function is none other than to give stability values is a serious danger to trade. It has been said that India will prove a sink of gold absorbing all the gold that is produced in the world. That remains to be seen, and depends on trade currents. When we are buying and selling, to hoard to any large extent is impossible; we shall have to meet our obligations. Our foreign trade for five years ending with 1914 showed a credit balance of 78 crores, in the next five years, ending with 1919, 76 crores and in 1920 our balance of trade reached 119 crores. In 1921, when the new report of the Currency Committee was adopted, the balance swung back with a debit of 79 crores. Our trade with England is enormous. In 1920 imports were 140 crores and exports 65 crores. The figures are sometimes in gold and sometimes in silver, and as the standard of value varies, in different periods, it is very difficult to reach any definite conclusions. As I just now pointed out, the quotation to-day is Rs. 10 to the pound, while the current price is practically Rs. 15 to the pound. The idea that pound sterling should be made legal tender in India is not mine. It originated with Sir Leslie Protyn. He proposed that there should be a gold standard without gold currency. Mr. Lindsay advocated again a gold standard with rupees and paper for internal currency. Professor Slater, in 1918, put forth the idea in the papers and I recently saw very

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careful articles in support of the proposition in the "Financial Review," making practically the same recommendations. So I may say that though I am not connected with trade or anything of that kind, I am not speaking without authority and high authority at that. The main question is, as Dr. Marshall pointed out, whether we are going to be isolated from the main currents of trade and bring our gauge in line with the standard gauge of the world. I do not know what objection the Financial Department may have. Personally I hope that the Financial Secretary is going to accept the Resolution, because I am merely proposing the introduction of a stable standard which the Government of India have been wishing to introduce all these years. We have ample resources in our gold standard in England, in our bullion and gold coinage in India to support this issue. I would cancel the Rs. 10 note, as we have cancelled the 15 rupee note and issue a pound note with Rs. 15 marked in one corner, so that we may get stability of value. We can certainly wait for a little while till the pound sterling has made its way, for the final coming of the gold currency, which is inevitable. I get a good deal of strength from the idea which has found support on the need of an Empire currency. What I propose before this House, is that India should take the lead in this matter and start an Empire currency by introducing pound sterling in India. It will help all parts of the Empire to have a uniform current coin. I suppose that nearly 100 years of experience and experimenting is enough to convince our Financial Department, if not, nothing can. In that case the Government influenced by the Vedanta takes time as an illusion and will not act. I do hope this Council will support this Resolution.

The HONOURABLE SIR EDGAR HOLBERTON : (Burma Chamber of Commerce) : Sir, I do not intend to enter upon an argument with my Honourable friend as to the rights and wrongs of his Resolution, nor to enter with him into a discussion as to whether the causes of the differences in balances of trade which he has given have been due to exchange or to other reasons. On general principles, like most people in India at the present moment, I shall be very much opposed to anything in the way of a commission which did anything towards fixing exchange. The only thing in the minds of most of us that exchange requires at the present moment is that it should be left alone. The trade of the country is gradually adjusting itself. Many have been the failures, many the collapses. Those that are living through are gradually managing to adjust themselves to the conditions of the present day and exchange is gradually following along the road of trade. It would in the opinion of myself, which I know is not entirely unsupported, be the greatest of errors at this juncture to enter into any attempt to alter the fixation of exchange ; but there is one point, Sir, on which I should like to have some information from the Finance Secretary, if he will be good enough to give it to me. I foresee a danger in leaving the exchange standing in the books of the Government at its present figure. When the question of competitive tenders arises between goods from England and goods that can be purchased and sold in India, I have been told on good authority that it is the custom of certain government or semi-government institutions to adopt the figure of 2s. exchange in their calculations, while others take the figure, I am told, at 1½. That is to say, any calcula-

tions entered upon by these particular branches or semi-branches of Government with reference to the merits of a tender received in this country and a tender received from England are entirely obscured by the extraordinary start which they make in fixing the exchange some 3d. or 4d. or even 8d. or 9d. above the actual exchange of the day. If there is any danger, Sir, in my mind of the Government of India continuing to trade on a 2s. or 1-8 basis instead of following the exchange of the day in all their trade transactions, I should be inclined to agree with my Honourable friend that some step would have to be taken to tamper with or alter the present fixation of exchange. If I can get, as I hope, a satisfactory answer from my friend the Finance Secretary, I shall be able with a perfectly free heart to vote, as I desire to do, against this Resolution.

The HONOURABLE MR. A. C. McWATTERS : (Finance Secretary) : Sir, I think it will be for the convenience of the House if I get up at this stage to reply on this Resolution. I do not propose to follow the Honourable Mover back to the days of Abul Fazl ; I want to deal with the matter as a practical problem of the present day. When I first saw the Resolution I admit it seemed to me somewhat confusing, as it perhaps did to other people ; but the Honourable Mover has made quite clear what he means. It is what I call a portmanteau Resolution ; it aims at doing two things ; first of all, it proposes to link the rupee to the pound sterling ; in other words to the British paper pound instead of to gold. In the second place, it proposes to link it at the old rate of 1s. 4d. ; in other words, to fix the value of the rupee as against sterling. I may point out incidentally to the Honourable Mover that the substantive section which will require to be amended is not in the Paper Currency Act at all ; it is in the Indian Coinage Act. Section 11 of the Indian Coinage Act makes gold coin legal tender at present at Rs. 10 to the sovereign. The sections in the Paper Currency Act—sections 13 and 18 (8) (a)—relate to the rate at which currency notes may be issued from the currency offices and treasuries in exchange for gold coin other than legal tender coin, and for bullion, and the rate at which gold coin shall be held in the Paper Currency Reserve. But the substantive section is, I say, section 11 of the Indian Coinage Act, and that section at present fixes the sovereign as legal tender at Rs. 10. Now, I ask the Honourable Mover if his Resolution is given effect to and the pound sterling is made legal tender at Rs. 10, at what rate does he propose the sovereign is to be legal tender, or does he propose that the sovereign should remain legal tender in India at all ? It is not an academic question at the present moment ; it goes to the root of the whole problem. The pound sterling and the sovereign are not at present synonymous, and that is the reason why I must oppose both parts of this Resolution as premature.

I quite admit the importance of inter-Imperial trade and we want to foster trade with sterling-using countries. Very many ingenious solutions, in addition to the one put forward by the Honourable Mover, have been made for an inter-Imperial currency ; but I must say that the time is not yet ripe for it ; and the time will not be ripe for it until the pound sterling and gold are together again. There was one point at any rate on which the majority report of the Babington-Smith Committee on Indian Currency and the minority Report were in agreement, and that is the importance of basing Indian currency on gold. When the pound

[Mr. A. C. McWatters.]

sterling and gold come together again that particular difficulty will disappear; but at the moment it is a very real difficulty. I will not trouble the House with the various practical difficulties which would arise in giving effect to an empire currency. They are possibly not insuperable, but they are very great. If we had such a currency, with a note for Rs. 15 equivalent to a pound note, circulating in India as well as outside India, our responsibilities for that currency outside our borders would be enormous; we should have to consider very carefully the extent of the reserve we should have to keep against that extra currency; we should have to consider very carefully, for example, what would happen at the outbreak of war, supposing large quantities of paper were returned to us, as would have happened in 1914. I merely mention these as some of the difficulties. The real answer to the present Resolution is that it is premature. The Resolution contemplates fixing now a new ratio and abandoning our waiting policy. The Honourable Member gave notice of this in August last, and since then the Honourable the Finance Member in his budget speech made, if I may say so, with exceptional knowledge and authority, a very important pronouncement in which he showed, conclusively, I think, to most people, that the time was not ripe for making any experiments. He pointed out as follows:—

“Can we say that the position to-day is such that an attempt to give the rupee a fixed value, whether at 1s. 4d. or any other rate, in terms of gold, or in terms of some other currency,” (I call the attention of the Honourable Member to that remark because it applies to the pound sterling) “is much more likely to succeed than it was in 1920? I think not. The French are in the Ruhr; the whole of Continental Europe is faced with the threat of impending chaos; throughout the world prices are unstable; sterling has approached close to par with gold, but it is not yet at par; and even if it were at par, it is too soon to say whether political and monetary conditions in the United States may not lead to a fresh cycle of rising prices in terms of dollars which would almost necessarily have to be followed by a rise in sterling prices. For the moment, therefore, I repeat that the time has not yet come for a new attempt to fix the rupee, whether at 1s. 4d., 1s. 6d., or any other figure.”

I ask the House whether the position in July has materially altered from the position in March last. The French are still in the Ruhr. The German mark has taken an even greater plunge. The reparations question is probably in the acutest stage that it has reached. The British Premier, as recently as the 12th of this month, is reported to have said that British anticipations regarding the consequences of the Ruhr occupation had largely been realised. Germany herself appeared to be moving fast towards economic chaos and the recovery of the world was in danger. Even since March sterling has declined in terms of gold and English prices have been showing a tendency to rise. The English Bank rate was raised about a fortnight ago, and those who are in touch with such things, as many Members of this House are, know that it portends a financial situation of some anxiety in the United States of America. I ask the House whether this is an opportune moment for any experiment of the kind suggested?

I do not wish the House to think that Government is not alive to the importance of stability in exchange as soon as it can be reached and maintained. It is obvious that so long as uncertainty in exchange remains business men must work on larger margins and trade must be restricted. Government will aim at stability as soon as conditions per-

mit. The Honourable the Finance Member emphasised this also in his Budget speech from which I have quoted. He said: “If therefore the time has not yet come for an attempt finally to stabilize the currency of India, stability is our goal, and we mean to achieve it at the first opportunity”. It is purely a question of choosing the right time, and our contention is that action now will be premature. The question for discussion is not what would be a suitable rate. This must eventually be determined in the interests of India as a whole. The only question now before us is whether the present is an opportune moment for making an experiment and trying to fix a rate. It is not even a question of what the currency in India now is, which I admit is an extremely interesting question. I had the privilege of discussing this question of exchange when I was Controller of the Currency with many business men, and I may say that, while welcoming stability in exchange, they were all agreed that Government should not take any action unless they were absolutely certain that such action would be a final settlement of this exchange question and could be made effective.

With regard to the very pertinent question which the Honourable Sir Edgar Holberton put to me, I must ask him to put the question to me outside this House when I will certainly inquire into it. If what he says is true it seems to demand inquiry.

I think, Sir, that as Government's attitude has been so recently and so clearly defined at the time of the Budget, I need do little more than emphasise this, that it is dangerous to legislate in currency matters, especially in matters of such importance as the legal standard for money payments at a time when international relations, exchanges, price levels and world conditions generally are so unsettled. There is nothing to be lost by waiting, but there is a great deal to be risked by premature action. The time will certainly come for the consideration of such questions as an Inter-Imperial Currency, such as the Honourable Member has put forward, and other similar measures for improving inter-Imperial and International trade. That time will certainly come but not until the pound sterling has again reached parity with gold. In view of these considerations, I hope that the House will agree that this Resolution is premature and I would ask the Honourable Mover to withdraw it.

The HONOURABLE SARDAR JOGENDRA SINGH: There are just a few points to which I should like to refer, and with your permission later on and in view of what the Honourable the Finance Secretary has said that the present is an unsuitable time, I shall have to ask your permission to withdraw my Resolution.

The HONOURABLE THE PRESIDENT: Permission to withdraw the Resolution is a matter for the Council and not for me. If the Honourable Member makes a speech he exposes himself to the risk of being refused leave of the Council to withdraw his Resolution, in which case I will have to put the Resolution to the Council.

The HONOURABLE SARDAR JOGENDRA SINGH: I have not quite followed you, Sir. Will you put the Resolution to the vote.

The HONOURABLE THE PRESIDENT : The position as to the withdrawal of a Resolution is this. The Honourable Member must obtain the unanimous permission of the Council to withdraw his Resolution. he makes a speech he will lay himself open to the danger of arousing opposition at least in the mind of one Member of the Council. If he arouses that opposition and his application to withdraw is objected to, it will be my duty to put the Resolution to the vote of the Council. It is now for the Honourable Member to consider his position.

The HONOURABLE SARDAR JOGENDRA SINGH : I shall take the risk and make a few remarks. In the first place, the Honourable the Finance Member has laid great stress on the point that this is a very unripe time for trying to stabilise the currency. I am sure the Members of this Council will agree that it would strengthen stability if there was a stable currency in India and England, and the united currency of these two countries will certainly influence the stability of other countries with which we are in trade. Then again, as the Honourable Sir Edgar Holberton pointed out, the retention of the Rs. 10 in the Coinage Act as legal tender is full of tremendous confusion in India and outside, I submit that Government should consider this matter seriously and take early steps to remove it.

The Honourable the Finance Member pointed out that there is no parity at present between the gold sovereign and the paper pound, and until that is attained, it would not be wise to attempt to introduce any paper pound in India. I would like to point out, Sir, that these conditions only came into being after the War, and I would ask what prevented the Government of India before the war from introducing a stable currency in India ? The Indian merchants too, as I pointed out before, are concerned with their immediate gains and would not approve of any change which would alter the present conditions, but I think taking a long view of things, the Finance Department might consider and take the first opportunity in giving us a stable currency, and to my mind, it would not be difficult if paper pound was introduced in India. The distrust that arises in the minds of most people, is based on the fact, that it is nearly a hundred years since we have been tinkering with our currency, and there never has been a time which could be called ripe for putting the currency on a stable basis. I hope the Honourable Finance Secretary in his time, will find an opportunity to give India a stable currency. With the assurance which the Honourable the Finance Secretary has given us, and with your leave, Sir, I would ask the Council to permit me to withdraw the Resolution.

The HONOURABLE THE PRESIDENT : Has the Honourable Mr. McWatters got anything to say ?

The HONOURABLE MR. A. C. MCWATTERS : I do not object.

The HONOURABLE THE PRESIDENT : I did not ask whether the Honourable Member has any objection. I wish to know whether he wants to make a reply as the Mover had made a speech.

The HONOURABLE MR. A. C. MCWATTERS : No, Sir.

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

The HONOURABLE THE PRESIDENT : It is now late, but I will allow the Honourable Member (Sir Ahmedthamby Maricair), if he so wishes, formally to move his Resolution, so that he may secure his priority.

RESOLUTION RE OPENING OF PORT OF MADRAS FOR PILGRIM TRAFFIC.

The HONOURABLE SIR AHMEDTHAMBY MARICAIR (Madras : Muhammadan) : Sir, I beg to move the Resolution standing in my name, which reads thus :

" This Council recommends to the Governor General in Council that arrangements be made with the Madras Government to open the port of Madras for pilgrim traffic to Mecca and other holy places, as per my Resolution moved and adopted by Government in the meeting of the Council held on the 13th February, 1922, by providing required funds for the upkeep of sanitary arrangements, etc."

The HONOURABLE THE PRESIDENT : I think it would be convenient if the discussion of this Resolution were postponed as the Honourable Member has now secured his priority. I therefore adjourn the Council till to-morrow at 11 A.M.

The Council adjourned till Eleven of the Clock on Tuesday, the 17th July 1923.

COUNCIL OF STATE

Tuesday, the 17th July, 1923.

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

MEMBER SWORN.

MR. EDWARD HENRY BERTHOUD (Bihar and Orissa : Nominated Official).

QUESTIONS AND ANSWERS.

PUNISHMENT FOR SMUGGLING.

48. The HONOURABLE KHAN BAHADUR SIR AHMEDTHAMBY MARICAIR : Is it a fact that the only punishment under the Land Customs Act for smuggling is confiscation of the article ?

The HONOURABLE MR. A. C. McWATTERS : The answer is in the affirmative.

The HONOURABLE SIR AHMEDTHAMBY MARICAIR : Are Government going to modify the Acts by imposing fines also ?

The HONOURABLE MR. A. C. McWATTERS : The Acts to which the Honourable Member refers are all Provincial Acts. The question of modifying them so as to increase the penalties is under consideration.

INDIAN BUDGET GRANT FOR ARMY IN INDIA.

49. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state what is the Indian budget grant in 1923-24 for payment of the claims of British War Office in connection with the raising and training of British contingents to the army in India ? Are British contingents kept in other colonies, whether Crown or self-governing ? If so, are such payments made by the colonies to the British War Office ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF.—The Indian budget grant in 1923-24 for payments to be made to the War Office in connexion with the raising and the training of British troops for service in India is £1,700,000 or, converted at 1s. 4d. to the rupee,—Rs. 2,55,00,000.

The Government of India are not in a position to give the Honourable Member any authentic information on the second and third parts of the Honourable Member's question.

TRANSPORT CHARGES BORNE BY BRITISH WAR OFFICE.

50. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Does the British War Office bear or share transport charges from the British colonies for the British contingents stationed there ? If so, to what extent ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The Government of India have no information on the subject.

ASSISTANT TRAFFIC SUPERINTENDENTS, NORTH-WESTERN RAILWAY.

51. The HONOURABLE SIR ZULFIQAR ALI KHAN : Will the Government be pleased to state the number of Assistant Traffic Superintendents recruited for the North-Western Railway during the years 1914 to 1920, both years inclusive ? How many of these were Indians and how many Europeans ?

The HONOURABLE MR. D. T. CHADWICK : I presume that the Honourable Member wishes to know how many officers of the class now known as Assistant District Traffic Superintendents were recruited between 1914 and 1920. The answer is 28, of whom 11 were Indians and 17 Anglo-Indians and Europeans.

APPOINTMENT OF ASSISTANT TRAFFIC SUPERINTENDENTS AS DISTRICT TRAFFIC SUPERINTENDENTS.

52. The HONOURABLE SIR ZULFIQAR ALI KHAN : Is it a fact that, according to the service rules existing at the time, when the above-mentioned Indian Assistant Traffic Superintendents were recruited, they would, in course of time, be holding charges of Railway Districts as District Traffic Superintendents ?

The HONOURABLE MR. D. T. CHADWICK : Yes, if reported to be fit to hold such a charge.

ALTERATION OF RAILWAY SERVICE RULES.

53. The HONOURABLE SIR ZULFIQAR ALI KHAN : Is it a fact that, by a Resolution, dated Simla, the 31st August 1921, the Railway Board have altered the rules that govern the above-mentioned service ?

The HONOURABLE MR. D. T. CHADWICK : No. The Resolution introduced on State Railways a new branch of the service called the Local Traffic Service on the lines of the new Provincial Engineer Service.

PROVINCIAL SERVICE FOR ASSISTANT TRAFFIC SUPERINTENDENTS.

54. The HONOURABLE SIR ZULFIQAR ALI KHAN : Is it a fact that, according to this Resolution, the Assistant Traffic Superintendents in future will comprise a Provincial Service and the posts originally held by Assistant Traffic Superintendents (Imperial Service) will in future be held by Assistant District Traffic Superintendents ?

The HONOURABLE MR. D. T. CHADWICK : Yes. Officers appointed to this service will be known as Assistant Traffic Superintendents, and those appointed to the Superior Service will be known as Assistant District Traffic Superintendents.

CHANGE IN NOMENCLATURE OF RAILWAY SERVICE.

55. The HONOURABLE SIR ZULFIQAR ALI KHAN : Will the Government kindly give the reasons for this change in the nomenclature of the service ?

The HONOURABLE MR. D. T. CHADWICK : The Assistant District Traffic Superintendents are expected to be qualified for district charge and are liable to transfer from one State Railway to another. Assistant Traffic Superintendents, as a rule, remain on the Railway for which they were recruited.

RECRUITMENT FOR POSTS IN IMPERIAL RAILWAY SERVICE.

56. The HONOURABLE SIR ZULFIQAR ALI KHAN : Is it a fact that, according to the above-mentioned Resolution, 20 per cent. of the Indian-recruited Imperial posts of Assistant District Traffic Superintendents will in future be held by persons who have been promoted from the Provincial Service (future Assistant Traffic Superintendent) ? Will the Government be pleased to state as to what percentage of the total number of Imperial Service posts (Assistant District Traffic Superintendent) will be recruited in India and what percentage of these India-recruited posts will go to Indians ?

The HONOURABLE MR. D. T. CHADWICK : The answer to the first part of the question is in the affirmative. As regards the second part no definite percentage has been fixed but, generally speaking, the policy is to follow the recommendation of the Public Services Commission. Since the beginning of 1919 for instance 20 appointments of Assistant District Traffic Superintendents have been made on State Railways, and of these 10 have been Indians.

CHANGES IN NAME AND METHOD OF RAILWAY SERVICE.

57. The HONOURABLE SIR ZULFIQAR ALI KHAN : Is it a fact that this change in the name and method of the service has been brought about because such a good number of Indians got the Imperial posts during the war, i.e., 1914-1920 ?

The HONOURABLE MR. D. T. CHADWICK : The answer is in the negative.

REDUCTION IN NUMBER OF INDIANS HOLDING IMPERIAL POSTS ON RAILWAYS.

58. The HONOURABLE SIR ZULFIQAR ALI KHAN : Is it the desire of the Government to reduce the already existing number of Indians holding the Imperial posts ?

The HONOURABLE MR. D. T. CHADWICK : Most certainly not. As the Honourable Member will see from the reply just given, 10 out of 20 appointments made since the war have been given to Indians.

INDIANS IN THE PROVINCIAL RAILWAY SERVICE.

59. The HONOURABLE SIR ZULFIQAR ALI KHAN : Is it a fact that, according to the Resolution above-mentioned, the Indians who are now holding the Imperial posts can be called upon to accept a Provincial post or else resign ?

The HONOURABLE MR. D. T. CHADWICK : Those who have been brought into this grade will only be reverted in the event of their failing to qualify for district charge.

CHANGE OF POSTS FROM IMPERIAL TO PROVINCIAL SERVICE.

60. The HONOURABLE SIR ZULFIQAR ALI KHAN : Will the Government be pleased to quote any other instance in which men recruited in the Imperial Service have been suddenly, by change of rules, thrown into a Provincial Service ?

The HONOURABLE MR. D. T. CHADWICK : So far as Government are aware no Assistant District Traffic Superintendents have yet been "thrown into" the Local Traffic Service nor will any be so "reduced" unless as already explained in an earlier answer they prove to be unfit for district charge. For a precedent for this Local Traffic Service, the Honourable Member is referred to the Provincial Engineer Services of the State Railways and in the Public Works Department.

MISGIVINGS CAUSED BY CHANGE OF RAILWAY RULES.

61. The HONOURABLE SIR ZULFIQAR ALI KHAN : Is the Government aware that the above-mentioned Resolution has caused serious misgivings in the minds of the public ?

The HONOURABLE MR. D. T. CHADWICK : Government have no cause to think that such a result has occurred.

KENYA PROBLEMS.

The HONOURABLE THE PRESIDENT : I have received private notice of three questions which I understand the Member in charge of the Department is prepared to answer. They have been sent in by the Honourable Sir Purshotamdas Thakurdas, and as they have not been circulated to the House I will read them out. I have allowed them on the ground of public interest, but in future Members should endeavour to give private notice to me a little earlier.

(1) Have the Government of India heard of any decision, provisional or otherwise, arrived at by the authorities concerned in England in connection with the Kenya problem ?

(2) If the said information in possession of the Government of India justifies the report in the Associated Press as given by Mr. Desai yesterday, will Government be pleased to give this Council the earliest opportunity of expressing their opinion in connection with any decision contrary to the Indian point of view ?

(3) If the decision is unfavourable to India, do the Government of India intend to take any measures to express their great resentment on such a decision, and, if so, when do they intend to take such measures and could they indicate the direction of such measures ?

The HONOURABLE SIR NARASIMHA SARMA (Member for Education, Health and Lands) : 1. The Secretary of State for India has informed the Government of India of the provisional proposals of the Colonial Office, and the subject is under correspondence between the Secretary of State for India and the Government of India, who have cabled their views in reply. No decision has been reached on the subject by His Majesty's Government,

2. The Government of India regret that they are unable to disclose the information in their possession and can therefore express no opinion, directly or indirectly, but they may state that the Associated Press telegram does not upon their information correctly represent the views of the Colonial Office. They do not think that any useful purpose would be served by any discussion in the Council at present. The Honourable Member may rest assured that the Government of India have informed the Secretary of State of the strength of the Indian public feeling in this matter. The Secretary of State is in full possession of the views of the two Houses of the Indian Legislature. The Government of India are doing all that lies in their power to secure a just settlement of the Indian claims.

3. The question does not arise. The Government of India can express no opinion as to the course of their policy in future.

The HONOURABLE MR. LALUBHAI SAMALDAS : Is it a fact that the Secretary of State for India has given an undertaking that during the time that he holds his office, no question regarding the Highlands will be allowed to be raised by him ?

The HONOURABLE SIR NARASIMHA SARMA : As the matter is under correspondence, the Government of India regret that they are unable to disclose what has passed between the Secretary of State and the Government of India.

The HONOURABLE MR. LALUBHAI SAMALDAS : Is the Wood-Winterton agreement to be observed by the Secretary of State for India ?

The HONOURABLE SIR NARASIMHA SARMA : We have no authority to disclose the Winterton agreement, which has been the subject of further discussion as between the Secretary of State and the Government of India.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY.

The SECRETARY OF THE COUNCIL : Sir, in accordance with rule 25 of the Indian Legislative Rules, I lay on the table the following Bills passed by the Legislative Assembly at its meeting held on the 16th July 1928 :—

A Bill further to amend the Indian Stamp Act, 1899.

A Bill further to amend the Code of Criminal Procedure, 1898, for certain purposes.

A Bill further to amend the Indian Lunacy Act, 1912.

A Bill to amend the Indian Territorial Force Act, 1920, and the Auxiliary Force Act, 1920, for certain purposes.

A Bill further to amend the Indian Army Act, 1911, and the Indian Lunacy Act, 1912, for certain purposes.

A Bill to amend the Cutchi Memons Act, 1920.

RESOLUTION RE REDUCTION OF ALLOWANCES OF MEMBERS OF THE COUNCIL OF STATE.

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

"This Council recommends to the Governor General in Council that, with effect from the beginning of the next session, the travelling and other allowances of the Members of the Council of State be placed on the same footing as those of Members of the Legislative Assembly."

[Sir Muhammad Shafi.]

Sir, Honourable Members are no doubt aware that prior to the last winter session, with the single exception of railway travelling allowances, the allowances of Members of both Houses stood on an absolutely identical footing. In their Report the Incheape Committee, while pointing out that the expenditure under the Head Legislative Bodies had increased from Rs. 1,71,000, actuals, in 1913-14, to Rs. 7 lakhs according to the revised estimates of 1921-22 and to Rs. 8,50,000 according to the Budget estimates of 1922-23, made the following observations at page 127 of their Report :

“ The large increase which has taken place in expenditure since 1913-14 is due to the appointment of full-time Presidents since the expansion of the Councils, the longer sittings held under the reformed constitution, and the grant of more liberal allowances to Members present in Delhi and Simla. The bulk of the increase is inevitable, but we feel that the matter of reduction or otherwise in travelling and other allowances is one that should be left to the Legislature.”

Honourable Members can well realise the real reasons why the Incheape Committee, instead of giving a definite pronouncement of their own, left it to the Legislature to come to an ultimate decision on this point. When the Demands in connection with the Budget were placed before the Legislative Assembly last session at Delhi, the Legislative Assembly decided, in so far as Members of that House were concerned, to reduce the daily allowances which under the old rules were usually given to Honourable Members of that House. Under the old rules for 7 days before the commencement of a session and for 7 days after the conclusion of a session Members of the Assembly, as well as Honourable Members of this House, could have their daily allowances. The Assembly thought that this was somewhat extravagant and reduced the grant of daily allowances to 3 days before the commencement of a session and 3 days after. This, of course the House will realise, was a voluntary action taken by the Assembly in the interests of economy. Subsequently, when the allowances for Members of the Council of State came under discussion, there was a motion made by one of the Honourable Members in that House similarly to reduce the daily allowances of Members of this House and also to reduce the travelling allowances. Honourable Members are well aware of the difference between the travelling allowances allowed to Members of this House and to those of the Assembly. I appealed to the Members of the Legislative Assembly not to come to a decision upon these two questions themselves, but to leave it to the good sense of this House to reduce the allowances or not, and I undertook to place a Resolution before this House in that connection. The Assembly responded to that appeal of mine and the two motions in that House were withdrawn. This, in brief, is the genesis of the Resolution which I have now moved to-day. The position which the Government wish to adopt in connection with this Resolution is exactly what I explained during the debate I have already referred to in the Legislative Assembly. What I then said was that ‘ what the Government propose to do in this connection is that they will place before the other House a motion for a revision of the rules in this connection, and if the other House agrees, Government will carry out the decision accordingly. But in any case Government propose to take away this privilege from the official Members.’ The position, therefore, at present is this, that official Members of this House as well as of the Legislative Assembly, as well

as the non-official Members of the Legislative Assembly are in an identical position with regard to these various allowances. It is only the non-official Members of this House who occupy a position with regard to railway travelling and daily allowances somewhat different from the rest of the Members of these two Houses. I leave the decision of this question in the hands of this House.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces : General) : Sir, there was not much necessity for elaborating on a point like this. I can assure the Honourable Dr. Mian Sir Muhammad Shafi that this Council will always be ready and will always be willing to support Government in any matter where a scheme of retrenchment has to be brought about. This Council, I have not the slightest doubt, will agree to the proposal made by Government that their travelling allowances as well as their daily allowances should be placed on the same footing as those of the Members of the Legislative Assembly. I do not think there will be much talk or criticism on that point, as I know the feeling now prevailing is that every possible endeavour should be made not only by various departments of Government, but by individuals and Members of the Legislature to help the Government in effecting economy. I will only say one word, Sir. We shall cheerfully abide by this decision. But I hope, Sir, that Members of Government will also set an example and dispense with their luxurious travelling and other allowances and try and effect economy in the expenditure which Government Members now entail on the Indian Exchequer. I hope there will be a similar response from the Members of the Executive Council.

The HONOURABLE SIR EDGAR HOLBERTON (Burma Chamber of Commerce) : Sir, I am afraid I am not prepared to be so broad-minded or liberal-minded as my Honourable friend. I am quite prepared to admit at once that the allowance of 7 days at each end of the session is too much, and I shall not raise the slightest objection to reducing that to three or even to one day. But I do not see in the least why this Council should give up one of the very few privileges which remains to it by way of comfortable travelling. Most of us are people of a certain age in life, busy men, people whom it does not do any good to be hustled and hustled and crushed in railway carriages. I do not think you will find, if you examine the lists, that we exercise this privilege of a complete compartment every time we travel ; it is only in times of stress. Also, I do consider that people like the non-official Members of this House, who come up here perhaps partly because they like it but chiefly because they want to serve the State, should be allowed a certain number of privileges. Also a great many of us are busy people. We have a great deal of work to do while we are travelling and I put it to you that it is impossible—absolutely impossible—to do any work except when you have a carriage to yourself. From this point of view, I entirely disagree with my Honourable friend, Sir Maneckji, about the Government Members and their travelling allowances. It is perfectly essential that responsible Government officers should have a carriage to themselves when they travel, or it will be quite impossible for them to cope with the work which they have to do. I crave, Sir, the indulgence of a similar extension of privilege for the Members of this House.

The HONOURABLE SARDAR JOGENDRA SINGH (Punjab : Sikh) : Sir, if I may add a word, I am in entire agreement with my friend here—I think the privileges and dignities of this House should be maintained, and I am surprised that the Leader of the House should be the person to bring this Resolution forward.

The HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab : Muhammadan) : Sir, although it seems rather undignified to fight over this affair, it seems to me—from what I conclude from the Honourable Sir Muhammad Shafi's speech—that it was due entirely to his intercession that the Members of the Assembly consented to wait till he put this Resolution here before the Council and not to cut down our allowances. I think this is a very humiliating position, especially when, as my Honourable friend on my right has said, most of the Members of this Council are busy men and they have to travel in reserved compartments in order to do some business and also on account of the age of the elderly Councillors. Well, Sir, whatever the Members may decide, I for one would raise a protest against this cutting down of the allowances, not because we feel we gain anything by getting Rs. 20 a day or by keeping reserved compartments, but because the dignity of this august Chamber is bound up with such privileges and one essential thing that we want to show is that we are not entirely at the mercy of the Lower Chamber. If they want to cut down our powers, if they want to cut down our daily allowance, I think we must not submit to such an arrangement. As all the Honourable Members know, the daily allowance of the Members of the Lower Chamber was raised from Rs. 15 to Rs. 20 *per diem* and we raised no objection. They are as honourable as we are, and therefore when it came up, we did not mind it. But when they cut down our powers and our allowances simply because they are jealous of these.....

The HONOURABLE THE PRESIDENT : I do not think the Honourable Member ought to make that observation. The ground put forward is economy. I think it is wrong to put it on the ground of jealousy.

The HONOURABLE SIR ZULFIQAR ALI KHAN : I am sorry. You are perfectly right, Sir, perhaps I was mistaken in saying that they were jealous but all the same, from the very start we have noticed that the dignity of this Upper Chamber is a thing which the Lower Chamber has not willingly accepted and I protest against it.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-Official) : Sir, in spite of what has fallen from the few Honourable Members who disagreed with the Honourable the Leader of the House, I cannot help feeling that the motion put before the House is one which will meet with the general approval of the House. I, however, Sir, expected that the Honourable the Leader of the House would have stated to the Council why Government had to make any differentiation from the start between the daily allowances of Members of the two Houses ; or on what grounds Government had from the start to make any differentiation as regards the travelling allowances to Members of the two Houses. I am afraid it has been overlooked by the Honourable the Leader of the House when he moved his Resolution that the House would, as the Honourable Sir Maneckji Dadabhoy said, readily agree

with the Resolution. I think it would be useful to hear from the Honourable Leader of the House the grounds on which Government thought it necessary to make any differentiation at all between the travelling allowances of Members of the two Houses from the very opening of the two Houses. It is quite possible that some of the considerations may be what the Honourable Sir Edgar Holberton mentioned, in which we would like to know if Government think the conditions then prevailing have changed.

I also think that it would have been very interesting to have from the Honourable the Leader of the House some figures as to the approximate saving that would be made to the Indian Treasury by the curtailment of the two allowances. As far as I am aware I think the concession to this House is a reserved compartment or two first class fares. The concession to the other House is—I speak subject to correction—two first class fares. I hope the Honourable the Leader of the House will correct me if I am wrong.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : With regard to that particular statement, it is one and three-fifths, I think.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Whatever it is, I think it would be very interesting to know how many Honourable Members of this House, non-officials especially, utilise the luxury of a reserved compartment for themselves, and what is the approximate saving that the Honourable the Leader of the House estimates would be made. It is possible, I understand, that very few Honourable Members indulge in that luxury. It is possible that the saving may not be large enough to call forth a serious difference of opinion. But apart from that and subject to the Honourable the Leader of the House making out a case for the consideration which led the Government of India to lay down from the start that Members of this House were entitled to more luxurious concessions for travelling than the Members of the other House—and those conditions have changed—I think it is very likely that the Honourable the Leader of the House may make some addition to the Resolution, say, that “until the financial condition of the Government of India improves” or to a similar effect. I only throw out this suggestion for the consideration of the Leader of this House. I personally say, reduce everything, both the allowances to the officials and the non-officials and let us get down to rock bottom and a balanced budget without the necessity for further taxation or certification.

I, Sir, wish to add one more word before I sit down. Of the many recommendations made by the Incheape Committee, the one that the Honourable the Leader of the House has put before the House to-day in the form of a Resolution is perhaps the mildest and one that will lead to comparatively the least economy or saving. Every pie goes to make a rupee and every rupee goes to make a crore and to that extent I am agreeable, but I would certainly very much appreciate it, if the Honourable the Leader of the House would say what other recommendations of the Incheape Committee have been accepted as far as travelling allowances and the curtailment thereof by various Government departments are concerned. I think it would carry much more weight if the Leader of the House could put that before the House, and say “Government have done this for various departments and wish you to agree to a little sacrifice and continue the same until our financial conditions

[Sir Purshotamdas Thakurdas.]

improve." I am in agreement with the principle underlying the Resolution, but I hope the Leader of the House will be able to give the information I have indicated in order to ensure the Resolution not being negatived.

The HONOURABLE THE PRESIDENT : As this is a matter which concerns the privileges of the Council of State, I should like to say a few words. I have the more reason for doing so, as possibly that some Members of the House know, when the rules were framed, I was in a position perhaps to know as much about them as anybody in the House. I can assure Honourable Members they were not framed with the intention of making any invidious distinction between the two Chambers. I think the Honourable the Leader of the House, if he will examine the matter, will find that in practically all Colonial Legislatures, where there are two Houses, one a small Chamber and one a large Chamber, there is generally a distinction drawn between the composition of the Houses and between the allowances of the Members of the Houses. As a rule the franchise is different; frequently the age of the Members is different, and the numbers are always different. The second Chamber is always a very much smaller Chamber and I think it is probably for those reasons that the difference in allowances is made. These considerations apply in the case of the Council of State. As Sir Edgar Holberton pointed out, the Members of this Chamber are also not young men. They are possibly not entirely decrepit, still they are on the verge of decrepitude. (Laughter). On these grounds some distinction is made between the allowances. The Honourable the Leader of the House will be able to say if this is correct, and whether that is not the reason why, in the first instance, the distinction was made.

On the merits of this case I do not desire to speak, but I have one word to say, in regard to the question that was raised by my Honourable friend, Sir Zulfiqar Ali Khan, the question of *izzat*. I do beg Honourable Members to remember that if we stand on our dignity, we must support the dignity of other people. This case comes before us, if I may say so, in the most courteous way. Apparently a motion for reduction was made in the other House, but was withdrawn on the intervention of the Honourable the Leader of this House, and as I understand the matter was left to your discretion. Surely you cannot make that a ground of complaint. I do think however it is a pity that the framers of this Constitution did not provide some automatic method of determining these rather petty questions which would avoid any suggestion of conflict between the Members of the two Chambers on a matter in which their personal interests are concerned. I suggest that when the Constitution comes to be revised the points may be borne in mind by the Government.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : If I may venture to say so, my Honourable friend, Sardar Jogendra Singh, instead of expressing his surprise that I should have moved this Resolution in the House, ought to have appreciated the exact nature of the circumstances in which the Resolution has been moved in this House to-day. Perhaps I did not make it perfectly clear to him that this is a votable item over which the Assembly have legally the absolute control. It

was open to the Assembly to reduce the allowances at present enjoyed by Honourable Members of this House and a motion to that effect was actually made in that Assembly. I, in the interests of this House, intervened and appealed to the Honourable Members of the Assembly not to take a decision on that question, but to leave it to this Honourable House to come to whatever decision they liked upon this question. Instead of expressing surprise that I should have moved this Resolution in the House to-day, my Honourable friend ought to have appreciated the exact circumstances under which I have had to place this motion before the House. As regards the origin of these differences, as far as I recollect, you, Sir, will remember that in the old Imperial Legislative Council the rule was that Members were entitled to a first class compartment when travelling from their places of residence to Simla or Delhi, and that privilege was continued in the case of Honourable Members of the Council of State, and not allowed to Members of the Legislative Assembly. As far as I recollect, at that time the consideration which you, Sir, have mentioned with regard to similar differences existing in the case of Colonial and other Parliaments was not, I believe, before the Government. The real reason was that it was thought the Council of State took the place of the old Imperial Legislative Council, and it was decided that the allowances which were at that time enjoyed by Members of the old Council should be continued to the Members of the Council of State. That is, as far as I remember, the consideration which weighed with the Government in coming to this decision. As regards the information which my Honourable friend Sir Purshotamadas Thakurdas has called for, I regret I am not in a position—it must be obvious to Honourable Members that without previous notice I cannot be in a position—to furnish that information to the House. If the House thinks it necessary to have that information before coming to a conclusion on this matter, then I am afraid the debate will have to be adjourned. Meanwhile, I ask the Honourable Members to remember that the undertaking given by me in the Legislative Assembly was, as I read out in my opening speech, that should this House agree, the Government will carry the decision of this House into effect by amendment of the rules; and as I pointed out in my opening speech, the official Members have already been deprived of the privilege which they enjoyed before the discussion in the Legislative Assembly last March, and they no longer enjoy the privilege of travelling in a reserved compartment as they did under the old rules. So that the position simply is this, that all official Members of both Houses, as well as the non-official Members of the Legislative Assembly, occupy an identical position in regard to these allowances. It is only the non-official Members of this House who enjoy the privilege, and Government leaves it to the non-official Members of the House to come to a decision on it.

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

"This Council recommends to the Governor General in Council that, with effect from the beginning of the next session, the travelling and other allowances of the Members of the Council of State be placed on the same footing as those of Members of the Legislative Assembly."

The motion was negatived.

AMENDMENT OF STANDING ORDERS.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General) : Sir, I beg to move, with your permission :

"That the report of the Select Committee on the Standing Orders on petitions relating to Bills pending before the Council of State, be taken into consideration."

As there are several new Members in this Council who have taken their seats recently and who are perhaps not acquainted with the previous history of this order or the circumstances under which this order has now been brought forward, I would like briefly to relate the circumstances under which this action was taken. In the first year of the existence of this reformed Council I moved a Resolution permitting petitions against public wrong, public grievances and disabilities. If I read my Resolution it will give the Council immediately an idea of the nature of the Resolution. I moved then :

"That this Council recommends to the Governor General in Council that this Council be authorised if necessary by statute to receive from the public petitions on matters relating to public wrong, grievance or disability or to any act or acts of public servants or to public policy to investigate the complaint and to make a report to this Council, and that a Committee be constituted on public petitions with powers to examine witnesses and record evidence."

This Resolution of mine was not accepted in its entirety, but the Government then showed an inclination to make an investigation into the subject to see how far they could meet my views. They promised to make an investigation and on the 4th of February 1922 issued a Notification appointing a powerful and well-represented Committee in which our worthy President and the President of the Assembly were also included, among other Members. The Government also defined the terms of reference in explicit manner and I may draw your attention to those terms. They were :

"To examine the question whether the two Chambers of the Indian Legislature should exercise any powers with reference to petitions, and, if so, what those powers should be; and further, in that case whether Standing Committees of the two Chambers should be constituted and, if so, what should be the procedure and what limitations should be imposed on the powers of the Committees."

A full investigation was made by this highly placed Committee in which legal knowledge was very strongly represented, and they submitted their report to the Government of India a few months later. The Government of India took no action on that report, and it was left to my friend the Honourable Mr. Khaparde by way of an interpellation to inquire in this Council what action Government intended to take on that report. The Government Member replied that the Government did not intend to take any action and that it left it to the Members of this Council to take such action as they deemed desirable. I was then engaged on the Fiscal Commission and my Honourable friend, Mr. Khaparde, took up the matter and moved a motion for reference to a Select Committee of the draft Order which was prepared by the Committee to which I have already referred. The Order was drafted in an extremely careful manner. It was on the lines of the procedure in the House of Commons and in pursuance, or rather in conformity with the report of the Committee, rather limited this right of petitioning to matters relating to

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pending legislation only and not to that larger field of inquiry at which my Resolution aimed, namely, investigation into public grievances, public injuries and public wrongs. This Order is now in the hands of Honourable Members and my motion now is that it be taken into consideration.

This is, Sir, the brief history of this order. I must say that, though it does not substantially comply with my Resolution, it is a step forward and a very important and very substantial step forward. This right will be appreciated by the general public. The public are always interested in the Bills that come up before the Legislature. In the past they have sent up representations and petitions, which have some times been ignored and rarely taken up by Honourable non-official Members of this Council. Now, under this Order a regular Committee will be appointed with a Chairman. That Committee will be seized with powers to investigate into such matters or such petitions relating to Bills before this Council, and they will have power to present the petitions either *in extenso* or a summary of them with their report to this Council. I think this is a very valuable Order and it does really make an important addition to our present statutory rules. I therefore now move that this draft Order may be taken into consideration.

The HONOURABLE THE PRESIDENT : The question is :

"That the Report of the Select Committee on the Standing Orders on petitions relating to Bills pending before the Council of State, be taken into consideration."

The motion was adopted.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I move that the Standing Orders as amended be passed.

The HONOURABLE THE PRESIDENT : I propose to put the Standing Orders separately to the Council, in case any Honourable Member has any observation to make. Honourable Members will find annexed to the Select Committee's report a new Chapter headed "Petitions," which it is proposed to add to the Standing Orders. I will read out each Standing Order by its number. If any Honourable Member has any remarks to make on that number he will ofcourse rise.

No. 73.

The question is :

"That Standing Order No. 73 be added."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is :

"That Standing Order No. 74 be added."

The HONOURABLE SIR EDGAR HOLBERTON : May I ask, Sir, if this procedure is similar to that which obtains in the House of Commons now ?

The HONOURABLE THE PRESIDENT : I think a general question of this kind would have been more properly addressed to the Honourable Member who made the motion, at the time of his moving that the draft be taken into consideration.

The HONOURABLE SIR MANECKJI DADABHOY : I answered that point.

The HONOURABLE THE PRESIDENT : Strictly, the Honourable Member ought to have asked the question before the motion for consideration was passed. It is passed now. But if the Honourable Member wishes to make a statement, he may do so.

The HONOURABLE SIR MANECKJI DADABHOY : I may say for the benefit of the Honourable Member that it does resemble in great measure the procedure adopted in the House of Commons.

The HONOURABLE THE PRESIDENT : The question is :

"That draft Standing Orders Nos. 74, 75 and 76 be added to the Standing Orders."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is :

"That draft Standing Orders Nos. 77, 78 and 79 be added to the Standing Orders."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is :

"That draft Standing Orders Nos. 80, 81 and 82 be added to the Standing Orders."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The question is :

"That the Schedule be added to the Standing Orders."

The motion was adopted.

The HONOURABLE THE PRESIDENT : Now the Honourable Member had better move that the Standing Orders, as approved, be passed.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I beg to move that :

"The Standing Orders as approved be passed."

The HONOURABLE THE PRESIDENT : The question is :

"That the Standing Orders as approved be passed."

The motion was adopted.

SPECIAL MARRIAGE (AMENDMENT) BILL.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, I beg to move that :

"The Bill further to amend the Special Marriage Act, 1872, as passed by the Legislative Assembly, be taken into consideration."

Sir, in support of this measure I deem it necessary to refer to the measure that was passed in 1872 known as Act III of 1872 and the movement that preceded it. It is well known, Sir, that from the time that we in India came into contact with Western education and Western civilization, there was a broadening of our views regarding our social customs. Some of the Hindus started movements which were considered as heterodox movements, known as the Brahmo Samaj, the Prarthana Samaj and others ; on the other hand, young men who went to England,

were on their return put out of caste, and they were obliged practically to form a caste of themselves, and as a result it was very difficult for them to get married in their own caste. This difficulty was put before Government, by the leading Brahmos and at a meeting in 1868 Sir Henry Maine took up this subject and introduced a Bill to legalize marriages outside their castes. He resigned before that Bill was passed. Sir James Stephen, who was in charge of that Bill later on, amended the Bill to a certain extent and the Bill, as amended, was passed, and it now stands on the Statute-book as Act III of 1872. This, however, Sir, was not the only occasion when the Government of India thought it right and fitting to interfere as regards the social customs of Hindus. Measures were passed such as the Prevention of Satti Act, Prevention of Infanticide Act, the Caste Disabilities Removal Act, and the Hindu Widows Remarriage Act. This shows that the Government of India at that time were prepared to take the responsibility of introducing social reform measures and seeing these carried through. After 1872 no difficulty was felt by people taking advantage of Act III of 1872. When however the Privy Council decided the well-known case in which it said that a Hindu by adopting a custom which was not entirely in accordance with the orthodox Hindu customs did not lose his rights as a Hindu, many of those who had got themselves married under Act III of 1872 felt that the benefit of this decision should be extended to them and that their children at the time of marriage should not be obliged to style themselves as non-Hindus under Act III of 1872. I know, Sir, that many eminent Brahmo Samajists have felt this as a stigma. Respectable Brahmo Samajists told me years ago, before Mr. Bhupendra Nath Basu's Bill was introduced—"it is really humiliating to us to be asked to sign ourselves as non-Hindus when in all respects we want to be Hindus and we are Hindus, except that we do not follow certain customs." It was to meet their difficulties that the first attempt was made, not in British India, Sir, but in an Indian State, where, the Prince, with the powers that he has and with the knowledge that his action would not at least be cried down on racial grounds took action which perhaps the British Government in India could not take. The enlightened Maharajah Gaekwar of Baroda in 1908 passed an Act known as the Civil Marriage Act. That Act is not restricted to the subjects of his State ; any man, or for the matter of that any woman, can go to Baroda for a day or two and get married under that Act to a woman or man not belonging to the same caste or same sub-caste. I know of instances, Sir, where people have availed themselves of this opportunity. Only recently a very well-known young man of my community has married a girl belonging to the Brahma Khatri community. His Highness the Maharajah was gracious enough to be present on the occasion to show his approval of the action taken under this Act. In 1911 an attempt was made in British India to have a similar measure passed. Mr. Bhupendra Nath Basu introduced a Bill in 1911 to remove the disabilities imposed by Act III of 1872. That Bill was not passed in the old Legislative Council. The Government of India, for reasons well known to themselves had not the courage to support it, and it was thrown out. Matters continued like this till 1916 when an Act on similar lines was passed by the Durbar at Indore. In 1918, Mr. V. J. Patel introduced a Bill of a much more restricted character in the old Imperial Legislative Council. But when the matter came up before

[Mr. Lalubhai Samaldas.]

the Council it was thought that as the new reforms were likely to come into force very soon, it would be advisable to leave the matter open to the new Legislative Chambers. When the new Legislative Assembly came into existence, my friend Dr. Gour took an early opportunity of introducing a Bill on much wider lines. That Bill was thrown out in the House in January 1922. Dr. Gour, however, was persistent enough. In September 1922, he introduced the Bill again in the Legislative Assembly. Orthodox Hindus rose to oppose it. They based their opposition not on the ground that they did not want to grant the request. People may be Brahmos, or Sikhs or Jains, but they should not be forced to style themselves as non-Hindus, etc., against their will. They opposed it on the grounds that by passing the Bill they will be interfering with certain provisions of the Hindu Law as regards succession, adoption and the rights of religious ceremonies. Those were the three main grounds on which it was opposed by orthodox Hindus in the other place. The ground on which the Muhammadans opposed it was that they did not want to take advantage of such a measure. They said that they can have marriage with Christians and Jews and that they did not want to have marriages solemnised under this Act. Similar objection was raised by my Parsi friends in the other House, and, as a result, Dr. Gour practically gave an assurance that when the matter went to the Select Committee, he would see that those communities who did not want to take advantage of this measure would not be included therein. The matter, Sir, was referred to a Select Committee composed of eminent lawyers conversant with Hindu Law. The Chairman of the Committee, as usually is the case, was the late Law Member Dr. Sir Tej Bahadur Sapru. He was not present at the time when the final report of the Select Committee was published. But he was good enough to put before the Select Committee his considered opinion on the subject. That report was practically adopted by the Select Committee. The Select Committee, Sir, consisted of men like the present Home Member, Sir Malcolm Hailey, reformers like Messrs. Joshi and Jamnadas Dwarkadas, orthodox Hindus like my friends Messrs. Seshagiri Ayyar and T. Rangachariar, and other lawyers like Mr. Samarth. Dr. Gour was of course on the Committee. They included Professor Latthe a Jain and one English gentleman, Mr. Darcy Lindsay. The Select Committee came to a practically unanimous conclusion. They accepted all the suggestions made by Dr. Sir Tej Bahadur Sapru and made that Bill as inoffensive as possible to Hindus, orthodox as well as others. The Bill then went before the other House, and there after a very interesting and exciting debate it was carried by a majority of 37 against 27. That is the Bill, Sir, which I am now submitting to this House for consideration. With the permission of the House, Sir, I would refer only to the salient points of the Bill, leaving the detailed consideration later on, if any Honourable Member opposes any of the clauses of that Bill. The most important amendment made in the original Bill is that none but Hindus, Jains, Sikhs and Indian Buddhists who are practically considered Hindus are included in this Bill. All the other communities, Muhammadans, Parsees, Christians and Jews, who were not anxious to take advantage of this Bill are excluded from it. Then, Sir, the other amendment made is that if a person who is a member of a joint family contracts such a marriage, he would sever his

connection with the joint family. This was an amendment which was strongly insisted upon by the orthodox Hindu members. They said they did not like a man who married a woman from any other caste to have the right to force himself and his wife on the joint family. Then as regards the rights of succession, the same rights and disabilities are given to the members who contract such marriages as they are entitled to under the Caste Disabilities Removal Act. Moreover a special provision is made that nothing in this section is likely to confer on any person a right to religious offices or service or to the management of religious or charitable trusts. That makes it quite clear, Sir, that anybody who contracts a marriage under this Act cannot by right insist on performing any religious service to which he would have been entitled had he not contracted a marriage under this Bill. Another important point raised in the other place was one regarding the rights of succession of children of such marriage, and by a majority the Select Committee came to the conclusion that the provisions of the Indian Succession Act of 1865 should apply to the children of such marriages. Then, Sir, another right which has been taken away from a person contracting such marriage is the right of adoption. Speaking for myself, I do not like that right having been taken away. Right is also given to the fathers of such persons to adopt in case they have no other living son. I believe Dr. Gour thought it much better to meet all reasonable opposition and to grant reasonable concessions, as it was necessary to get as much support as he could for this Bill. I think in measures of this kind, it is much better to have a halfway house than to go the whole hog and lose it. I think Dr. Gour deserves congratulations on having adopted this method. That is, in short, Sir, the scope of the Bill which I am now submitting for the acceptance of this Council. The Bill, as I have said, does not force anybody to contract such marriages. It is of a permissive character. It is only those who want to take advantage of this measure that can avail themselves of it. One other important change that has been made in the proposed Bill is that those who want to take advantage of Act III of 1872 will not be obliged to subscribe to these clauses but can register themselves as non-Hindus or non-Muhammadans or non-Christians under Act III of 1872. All these concessions to various leaders of opposition have been made to win their support and I think that the attitude adopted by my Honourable friend Dr. Gour is the correct one. I hope, Sir, that this Bill will meet with the approval not only of non-official Members on this side but also of the official Members on the opposite side. Government used always to take a leading part till recently in all social reform movements. Recently somehow or other they are adopting a very very cautious attitude. I want, Sir, to appeal to the Honourable the Leader of the House and to the Honourable the Home Secretary to give full freedom to Members of Government as well as other official Members, whether Members of the Government or not, or otherwise, to vote and speak as they like. I know, Sir, that in the other House the Honourable the Home Member said that Government Members will not vote or take part in the discussion. But with the signature of the Honourable the Home Member on the report of the Select Committee and the expressed views of the late Law Member, Dr. Sir Tej Bahadur Sapru, is it right and fair, Sir, that the Government Members should keep themselves aloof and not take part in this debate?

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COUNCIL OF STATE.

[17TH JULY 1923.]

[Mr. Lalubhai Samaldas.]

If they do not approve of it, let them by all means say so, but if they approve of it, let them support it because this social reform is merely doing justice to some eminent Hindus who are classed either as Brahmos or Hindu dissenters. I hope that this measure will be carried unanimously.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Sir, I do not propose to address myself to the merits of the measure before the House, but in view of the remarks which have just fallen from the Honourable the Mover, it seems desirable that I should explain the precise attitude of Government towards it. The measure is undoubtedly an important one, and as has been indicated by the course of debates in another place, not entirely without contentious features. Government recognise that, but they recognise also that it affects more particularly the sentiments, and indeed the religious sentiments, of the communities specifically referred to in the Bill, and they therefore deliberately decided that it would be more proper on their part to leave a matter of this character to the decision of the Legislature, entirely uninfluenced by any attitude taken up in the matter by Government. This decision has been announced in another place and observed in the progress of the Bill to its present stage. Members of the Executive Council will take no part in the debate either by way of speech or vote. Other official Members of the House will be entirely at liberty to participate in the debate in any manner they choose.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, of all the measures before this Council, none is of a more controversial nature and none has aroused such wide opposition as this measure has done. The Honourable the Mover says that one of the reasons why he introduces this Bill is that he finds it very humiliating for a Hindu to sign as a non-Hindu under the old Act. Such measures, which cut at the root of the religious laws, ought not to be welcomed, and in my opinion neither this House nor the Assembly has any right whatsoever of legislating on religion. What we observe of the other communities, we see that our Muhammadan brethren have not made any attempt whatsoever to amend the holy Koran and no other religious people have attempted to modify their religious laws. Undoubtedly there is at present a microscopically small number of persons calling themselves advanced cosmopolitans, apostles of the fullest degree of freedom of thought and action trying to cut at the root of the religious law. What is their number in India ? As far as I know, of all the people in India, 96 per cent. are illiterate, and out of that 96 per cent. of the illiterate people I can with great confidence say that those advanced people do not at all with full responsibility say that they really represent their views in this respect. I know that this measure has met with great opposition and there have been meetings all over India condemning it. The Honourable Mr. Lalubhai Samaldas has said that in one of the marriages which took place at Baroda, where unfortunately such a law is in force, His Highness the Gaekwar was present. In religion whether a person is a Ruling Chief, a King, or an Emperor, he cannot amend the established law. In the eyes of the law, whether it is religious, or whether it is ordinary law, the King and the beggar are on the same footing. I claim therefore, Sir, that a person who does not like to observe the Hindu law, and yet after breaking it likes to

call himself a Hindu, is an anomaly. Sir, if this Bill is passed our society will very greatly deteriorate. What I mean is this that if such marriages are allowed which enable the people to break the religious law, the people, particularly those who are weak in their morals, will easily fall victims to temptation and society will greatly suffer. I am very strongly of opinion that it will encourage polygamy, which is now a thing of the past. At present the rules of society do not allow any Hindu, whatsoever his position in life may be, to marry a second wife when the first wife is alive, and no respectable man, or a man of any consequence will give his daughter or a near or dear female relative in marriage to such a person. To persons of weak morals there will be no potential check, and the facilities and the wide scope which this legislation, if passed, will allow will be disastrous particularly to the higher and more respectable classes of people. There will be no hindrance or no practical bar in their way, and the result will be that any person, particularly a person who is a person of means, will even in the presence of his first wife and in the presence of a number of children, marry a second or even a third wife when the second gets into his disfavour. The passing of the Bill will really mean helping the slackening of the code of morals amongst the people, and encouraging multiplicity of marriages. No Hindu with any sense of responsibility can give his consent to such a measure. Reform does not mean revolution. The two are clearly distinguishable. I quite agree that, as times change, reforms are necessary. We must adapt ourselves to the changing needs of the times, but to the present day reformer I may utter a word of warning. If they want to reform the people and their customs and habits, let them carry the people with them. The reform will come when the people whom it concerns, or at least a majority of them, stand by it. To act in direct contravention of the wishes of society, which are expressed in the crystallised form of the personal law which the society which is subject, and to which it adheres, is not a reform, but is a revolution.

My friend Dr. Gour when discussing this Bill in the Assembly said that it was a permissive measure. But Sir, it is the thin end of the wedge. In religious laws no amendments whether permissive or otherwise can be made. I should be better pleased if a person who breaks his own religious laws did not call himself a member of the religion the ordinances of which he violates. As far as reforms are concerned, how in the world do we reform the people ? Not certainly by force ; and yet there is in this House a measure before us which has been passed by a small majority in the Assembly. Somebody will say there is no force, it is only permissive. Quite so ; but the question is whether any section of the Hindu community has asked for the grant of this permission except a few of these so-called reformers. You permit a Hindu to marry in a sect which is opposed to the Hindu law, the Hindu community has refused to give such permission from time immemorial and refuses the permission to-day with equal force and determination. And yet our present-day reformers insist on getting this Bill through. The members of a religious community have the right to change their manners and customs but not religion, but when it is done against the wishes of the masses and in the teeth of vigorous opposition, the reformers are usurping their authority, an authority which their religion never meant to confer on anybody. Sometimes, Sir, it is said that these two Houses do not quite represent the views of the people. I do

[Lala Ram Saran Das.]

not agree with that, but in measures like the one before us where the personal desires of a few are concerned, an exception may be made to the general rule. I am afraid, Sir, that in this House to-day, when the attendance of Hindu members is so meagre, I know what the fate of this Bill will be, but I, as an orthodox Hindu, cannot but oppose it. The Honourable Mr. Lalubhai Samaldas has said that on the Select Committee there were two eminent orthodox Hindu gentlemen. Both of them were Madarassi gentlemen. I have been in the Madras Presidency and I know that orthodox rules supreme there. There reformed Samajes and reformed associations scarcely exist. I toured in the south for 3½ months and was surprised not to see any sign-board of the Arya Samaj, the Brahmo Samaj, the Dev Samaj or any other Samaj, anywhere. The Madras people do not perhaps realize the conditions which prevail in Northern India and particularly in the United Provinces and the Punjab. In Madras it is very rare to see a man of good social standing following this new Marriage Bill, even if it be passed. In the Punjab, the United Provinces and in Bengal perhaps the instances of this will be numerous. I therefore think the Madras gentlemen have not realized what the conditions are in upper India. I am not a lawyer, Sir, and I do not wish to labour the constitutional point, but I hold that even lawyers have no right whatsoever to amend the holy books. The Honourable Mr. Lalubhai Samaldas has said that in 1872 when the Civil Marriage Bill was passed, Sir Henry Maine stated on behalf of the Government "that so long as he chose to exercise it under the sanction of religion, the State need not interfere." The State, as far as I know, has pledged itself not to interfere in matters religious, and so I would request the non-Hindu and official Members to kindly leave this matter entirely in the hands of the Hindus. With these few words, Sir, I strongly oppose the measure.

The HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI (Bengal : Nominated Non-Official) : Sir, I beg to support this Bill. This Bill is of a mild nature and does not force anybody to accept its provisions. People may avail themselves of it or they may leave it alone. It concerns Bengal mostly, where the Brahmos when they are about to marry have to declare that they are not Hindus, but their succession and other rights are regulated according to the Hindu law. Under this Bill they have not to declare that they are not Hindus, but their succession will be governed by the Indian Succession Act. They thus do not gain much, and it is quite optional for any one to accept the Act or not. With these words, Sir, I support the Bill.

The HONOURABLE SARDAR JOGENDRA SINGH (Punjab : Sikh) : Sir, my friend the Honourable Lala Ram Sarandas has talked a good deal about the holy Books, but he has not stated to what holy Books he refers. (The Honourable Lala Ram Saran Das—All the holy Books.) Their number is legion, and their teaching as various. He also said that no such marriages were contracted in ancient India. Any one who has any acquaintance with the Puranas will not deny that most of the marriages contracted by the religious Reshis were of a very elastic nature, and sometimes were between members of two different castes. I think that the Honourable

Lala Ram Saran Das will not deny that marriage law in ancient India was much more elastic than it is to-day. There is no law at present enabling people of different castes to get married; the Brahmo Marriages Act provides that only those who confess that they profess no religion can marry under the Act. Why should people who are professedly religious have to make such a statement? In a series of articles which I wrote many years ago in the "Pioneer" I pointed out the difficulties under which people in the Punjab and in the United Provinces laboured in the absence of a law of the kind, and I was very glad when Dr. Gour introduced this Bill before the Assembly; so far as we in the Punjab and in the United Provinces are concerned, I am quite sure we welcome the Bill and I hope this Council will pass it.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces : General) : Sir, despite the wholesome and sound advice given by the Honourable Lala Ram Saran Das that the non-Hindus should not meddle with this Bill, I take the liberty of intervening in this debate. My reason for intervening in this debate is that twelve years ago when a similar Bill was introduced in the late Imperial Legislative Council by the Honourable Mr. Bhupendra Nath Basu I gave that Bill my warm support. I am afraid the opposition to this Bill is based not on a correct appreciation of the provisions of this Bill. This Bill as drafted by Dr. Gour, and as far as I am able to understand, proceeds on the lines of least resistance. No measure of this kind could possibly attract universal approbation. Orthodox Hindus and other bigoted people not accustomed.....

THE HONOURABLE THE PRESIDENT : It is not necessary to assume that orthodox Hindus are bigoted people.

The HONOURABLE SIR MANECKJI DADABHOY : I mean the general bigoted public is liable to misconstrue the provisions of this Act. The Honourable Mr. Lalubhai Samaldas has taken considerable pains to explain the precise position which this Bill would occupy; it is absolutely of a permissive kind, it does not force any Hindu, if he desires, not to avail himself of the provisions of this Act, to resort to this Act. It does not at all detach a Hindu from his Hindu institutions or the laws of Manu or from the Hindu scriptures in any way if he wishes to retain them for his spiritual welfare. There is no breach of the Holy laws which my friend, the Honourable Lala Ram Saran Das apprehends will take place under this Bill. Being of a permissive character, a man who is of age and who wants to contract a marriage is at perfect liberty to make his choice or marry in the form that he desires. I say to put any obstruction in the passage of the Bill is incompatible with the existing Hindu civilization and the existing state of affairs. India is rapidly progressing. The High Courts and other Courts have been making rapid inroads on the construction of ancient laws and usages as Dr. Gour explained when introducing the Bill. My friend is again under some misapprehension when he says that a Bill of this character will promote immorality, that it will increase polygamy. If he gives a slight reflection to this matter, he will perceive that it will have the effect, on the other hand, of suppressing polygamy, and not encouraging it. The Hindu law, as it stands at present, gives sanction to polygamy; but a man who marries under this Act will be precluded from making

[Sir Maneckji Dadabhoy.]

another marriage and he would place himself immediately within the pale of the Penal Code and would be liable to be prosecuted for bigamy. So my friend is entirely under a misapprehension as to the scope of this legislation. As this legislation has been framed on the lines of least resistance, as it does not make it obligatory for any man to resort to it, as it is absolutely of a permissive character, I think in the present advanced and progressive times there ought to be no opposition to it. You, gentlemen, the Hindus especially, Members of this Council, are constantly asking for political advancement. Remember that there can be no real political advancement till you set your own house in order and proceed to make a substantial social advance.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, I am very grateful to those of my Honourable friends who have supported me and especially to my friend, the Honourable Sir Maneckji Dadabhoy who made the position very clear, as regards the provisions of this Bill, that marriages under this law shall be monogamous. I think my friend, the Honourable Lala Ram Saran Das, was under some misapprehension ; as regards this point I will for his information read a paragraph from the Select Committee's Report ; it says :—' We are unanimously of opinion that the Bill should be permissive and that marriages under it should be strictly monogamous. But as this is already provided for in the Special Marriage Act of 1872, we do not think any express provision is necessary in the Bill.' So, Sir, the point that morality is in danger is disposed of. Morality would be in danger if this measure is not adopted, because of persons entering into promiscuous marriages of the kind which my Honourable friend, Lala Ram Saran Das, rightly condemned. This Bill will prevent such marriages because it lays down that such marriages shall be monogamous. The question of Hindu religion in danger has always been raised, Sir, whenever any social reform measures are introduced. That was so when the Satti Prevention Bill was introduced in 1872, and this cry was also raised when the Bill to raise the age of consent was passed in the old Legislative Council. Sir, if I honestly thought that my religion was in danger, I would have never touched this Bill, I would have opposed it with all the strength I could, but in supporting it I am convinced that the Hindu religion is not in danger. When people talk of ' religion in danger ', do they realize what religion really means ? Religion in the real sense, in the high sense of the term, means something much higher than mere caste prejudices or caste traditions. If such religion was in danger, I should be the first to oppose it. I can assure my Honourable friend, Lala Ram Saran Das, that the Hindu religion is not in danger. If anything, we are seeking to prevent Hindus from going into other folds and contracting marriages by going out of Hinduism altogether. To prove this, I would cite one instance, a recent instance where a Hindu contracted marriage with a Christian woman. He went to the Padre and said that he was prepared to be a Christian if it was absolutely necessary for him to become one to marry the girl. The Padre said that he would not take him into the fold of Christianity merely on that ground,—but if he really believed in Christianity, he was prepared to convert him to Christianity. The Padre further said that he had no objection to performing the marriage but that

he would not admit him into the Christian fold. What happened thereafter was this. That man after marriage got tired of this wife and said that as he was a Hindu he had the right to marry again. This shows that my friend, Lala Ram Saran Das was mistaken when he said that polygamy was not now in existence. This man, actually under the influence of his Hindu friends has married a Hindu girl, the result being that the poor Christian girl is thrown on the mercy of the Padre. It is to prevent this kind of thing that we want a Bill of this character. The other objection raised by the Honourable Lala Ram Saran Das was that it will help only a small minority. That statement is correct. But because it is only a minority that is in need of such assistance, are we to sit silent and allow them to go on suffering humiliation under Act III of 1872 ? May I quote in this connection the eminent author Sir Henry Maine, who said in 1868 :

" It was not the policy of the Queen's Government in India to refuse the power of marriage to any of Her Majesty's subjects and he doubted whether even orthodox Hindus would wish to deny to the Brahmins a legal privilege fully enjoyed by Sambals and Gonds."

I do not think my Honourable friend Lala Ram Saran Das wants to class the eminent Hindus, the Brahmins and others, as lower than Sambals and Gonds or wants to deny them a privilege which they ought to have. My friend said that no lawyer has got a right to interfere or make any alteration in the Hindu religious books. My friend Sardar Jogendra Singh asked ' which books ? ' and he said ' all.' If he takes all books, I take him at his word. What about the Manu Smriti ?

Manu the eminent lawyer who laid down the Hindu Law allowed such marriages. I daresay my friend knows about such marriages between Hindus of different castes. (*The Honourable Rai Bahadur Lala Ram Saran Das* : They are things of the past). I am glad that the Honourable Lala Ram Saran Das realizes that alterations have been made even in Manu's Code of Law. If the later law-givers had the right to alter the Manu Smriti, then we have as much right to make alterations in later Scriptures, when Manu allowed marriages amongst different Hindu castes. There were only 4 castes. At the present time there are numbers of castes and sub-castes go up to hundreds. I do not know if that is so in the Punjab, but in Bombay, it is so—taking my own community—I am a Nagar Brahman—I may say that there are six sub-castes among us who not only cannot inter-marry but will not even interdine. If we are going to abolish these stupid customs, is there anything wrong in it ? The appeal made by Honourable Lala Ram Saran Das that we must wait till times have changed and we all have progressed sufficiently is the nature of the cry that we very often hear from the opposite Benches, ' let the time come, let the times improve.' Whenever we ask for political reforms, members opposite say, ' we are in sympathy with you, but let the times change, do not rush us.' That is what my Honourable friend Lala Ram Saran Das says when we ask for social reform. Wherever the question of vested interests comes in, the men who are in power do not want to lose that power whether it is political power or social power. We want to see that justice is done even to minorities and I hope that this House will unanimously carry this motion.

The HONOURABLE THE PRESIDENT : The question is :

"That the Bill further to amend the Special Marriage Act, 1872, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

Clauses 1, 2, 3, 4 and 5, the Preamble and the Title were added to the Bill.

The HONOURABLE MR. LALUBHAI SAMALDAS : Sir, I beg to move that the Bill, as passed by the Legislative Assembly, be passed. I have only one word to say, Sir, and it is that the thanks of the Hindu community in general, and specially of those Hindus who are classed as Brahmos, are due to my Honourable friend Dr. Gour for the way in which he has carried this Bill through the other House and got the support of orthodox Hindus not only like Messrs. Rangachariar and Seshagiri Ayyar but also like my Honourable friend Sir Sivaswamy Aiyer. I hope, Sir, that this motion will be carried.

The HONOURABLE THE PRESIDENT : The question is :

"That the Bill further to amend the Special Marriage Act, 1872, as passed by the Legislative Assembly, be passed."

The motion was adopted.

STATEMENT OF GOVERNMENT BUSINESS.

The HONOURABLE THE PRESIDENT : Is the Honourable the Leader of the House in a position to make a statement in regard to the further course of Government business ?

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Sir, there will be further meetings of this House for official business on Thursday, the 19th and on Tuesday, the 24th July. On Thursday the 19th, a motion will be made for the election of two members of this Council to serve on the Advisory Committee to assist the Publicity Department of the Government of India and motions will be made that the following legislative measures which have recently been passed by the other Chamber be taken into consideration :

A Bill to modify certain provisions of the indenture confirmed by the Moorshedabad Act, 1891.

A Bill further to amend the Code of Civil Procedure, 1908, for certain purposes.

A Bill further to amend the Indian Income-tax Act, 1922, for certain purposes.

A Bill further to amend the Indian Paper Currency Act, 1923.

A Bill to repeal the Acts which provide for a levy of a cess on indigo exported from British India.

The Government have agreed to the following non-official Bills being taken into consideration if time permits after the disposal of the Government business.

The Hindu Inheritance (Removal of Disabilities) Bill.

The Hindu Law of Inheritance (Amendment) Bill.

The Charitable and Religious Trusts (Amendment) Bill.

The Code of Civil Procedure (Amendment) Bill.

On Tuesday the 24th July, it is proposed to set down motions for the consideration of the following Bills :—

The Indian Stamp (Amendment) Bill.

The Code of Criminal Procedure (Second Amendment) Bill.

The Indian Territorial and Auxiliary Forces (Amendment) Bill.

The Indian Army (Amendment) Bill.

The Cutchi Memons (Amendment) Bill,

and it is possible if time permits Government will give time after the disposal of official business for the consideration of any non-official Bills which may have reached that stage. In the event of the official business or the non-official Bills not being completed on Thursday the 19th and Tuesday the 24th, there will be a further sitting on Thursday the 26th.

The HONOURABLE THE PRESIDENT : As the business on the paper is finished, this Council now stands adjourned till Eleven of the Clock on Wednesday, the 18th July 1923.

COUNCIL OF STATE.

Wednesday, the 18th July, 1923.

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

The HONOURABLE THE PRESIDENT : The Council will resume the discussion on the first Resolution on the paper.

RESOLUTION *RE* OPENING OF THE PORT OF MADRAS FOR PILGRIM TRAFFIC (Continued).

The HONOURABLE KHAN BAHADUR SIR AHMEDTHAMBY MARICAIR (Madras : Muhammadan) : Sir, the Resolution that stands in my name runs as follows :

“ This Council recommends to the Governor General in Council that arrangements be made with the Madras Government to open the Port of Madras for pilgrim traffic to Mecca and other holy places, as per my Resolution moved and adopted by Government in the meeting of the Council held on the 13th February 1922, by providing the required funds for the upkeep of sanitary arrangements, etc.”

In this connection, I beg to make the following few observations :—

This is a question that affects the religious interests of my community. I moved the Resolution at the meeting of the Council held on the 13th February 1922, requesting the Government to open the Port of Madras for Pilgrim traffic to Mecca and other holy places, as the pilgrims had to undergo great difficulty in going over to Bombay and Karachi with a view to catch their steamers for Jeddah. The Resolution was then adopted by the House but the Government did not give effect to it.

I communicated with the Government of Madras as to what arrangements they have made in getting the Port opened and their reply is as follows :

“ With reference to the question of arranging for pilgrimages to Mecca from Madras, I find from a letter which we have received from the Government of India that that Government considers that a part at least of the expenditure involved in arranging for the supervision and accommodation of pilgrims who are waiting in Madras would have to be met by the Provincial Government. In the present state of our finances it seems to me impossible to undertake this liability.”

Thereupon I wrote to the Government of India about what the Madras Government have said and requested them to arrange for opening the Port at the cost of the Government of India, to which I received the following reply :

“ Mr. Chatterjee has asked me to acknowledge your letter of the 26th of February suggesting that the Government of India should provide financial aid to the Madras Government to enable it to open the Port of Madras for Pilgrim traffic. In the present state of the Government of India's finances he is afraid that it is of no use to pursue your suggestion. You will, I am sure, understand the difficulty.”

[Sir Ahmedthamby Maricair.]

I fully explained at the time of my moving the Resolution last year regarding the difficulties and hardships the pilgrims are undergoing at Bombay which was not at all realised by the Government. Now, my statement on this subject was sufficiently borne out and even admitted by the Government in the debate that took place in the other Chamber on the 4th July. More than 20,000 pilgrims gathered this year at Bombay and Karachi and several thousands of them could not go for want of steamers. It is the duty of the Protector of Pilgrims and the Haj Committee appointed by Government to make necessary arrangements with the Steamship Companies to carry the pilgrims according to the requirements. Owing to the failure on the part of these people, a large number of pilgrims had to go back to their homes after having spent the money they had for their passages at Bombay, while waiting for steamers. As a matter of fact the pilgrims were obliged to live and sleep in the streets of Bombay, as the Musarfarkhanas provided in Bombay are not adequately large enough to accommodate these pilgrims. Had the Government only made the necessary arrangements in getting the Port of Madras open for the pilgrim traffic, there would not have been so much of a rush to one Port and loss of money to the pilgrims would have been avoided. Besides, I understand several of them died of cholera and many were taken ill.

After my Resolution being adopted last year, I advertised broadcast that the Government were going to open the Port of Madras for Pilgrim traffic and that the pilgrims could get boats from Madras for Jeddah during this season and a large number of pilgrims from various parts of the Presidency of Madras and Malaya gathered and were sadly disappointed. They were obliged to go to Bombay at a considerable amount of inconvenience and high cost; even there they were disappointed, on account of the mismanagement of the authorities at Bombay. I have permission to make mention of the name of my friend, Mr. Barodawalla, M.L.A., from Bombay, who had actually seen the miserable sights of these pilgrims.

He writes to me as follows :

"I am glad that you are moving a Resolution in the Council of State to relieve the Hajis from the hardships that they are subjected to while awaiting a passage to Mecca. The following might be of interest to you. The Bombay Government do their best to help the Hajis while they are in this port. Mr. Kelly, the Police Commissioner with his Deputies, including Mr. Clayton, the Municipal Commissioner, did their level best to see to the comforts and convenience of these men who come to Bombay, but owing to the large number of pilgrims proceeding to Mecca, I believe the steamers are not sufficient to carry them; and it happens on several occasions that the departure of a vessel is delayed and the pilgrims are put to very great inconvenience and some of the poor Hajis, owing to their very long stay in Bombay, spend the funds they have, which, had the vessel started at the given date, would have lasted them till their return. Some of the Members of the Haj Committee try to do good work but in my opinion the panel of the Committee requires shuffling." This is what my friend Mr. Barodawalla of Bombay writes about what he actually saw there.

I am sure the Government of Bombay will agree with me that rather than all the pilgrims should go to one particular Port, it would be better if more Ports were opened for Pilgrim traffic, so that the number of pilgrims may be divided among the respective Ports and the authorities at those ports would look after their own pilgrims.

I really cannot understand the plea of the Government as to their inability to help in this direction on account of financial difficulty. There are several items in which the Government of India are spending money unnecessarily. Such items could easily be omitted and funds provided for this important religious purpose. It is the belief among the Muhammadans that if any one goes to Mecca and Medina and performs the religious ceremonies there, his sins are mitigated and purified. Those who returned home from Bombay for want of berth on board the steamers, after having spent all their money and undergone a good deal of hardships, will, I am sure, be cursing those who are responsible. After all it is not very heavy expenditure the Government of India have to meet in this connection; it is very hard on the part of the Government of Madras and we cannot expect them to meet a portion of the expenditure, especially when they are unable to meet their own requirements. Further, it is purely a matter concerning the Central Government and it is only proper that such expenditure should be met by the Government of India.

In these circumstances, I fully trust that the Government will not hesitate to accept this Resolution and I trust Honourable Members, I mean, the non-Muslim Members, of the House, will support my Resolution as it is entirely a religious matter.

With these few words, I commend my Resolution for the acceptance of the House.

The HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab : Muhammadan) : Sir, I rise to support the Resolution which has been so eloquently moved by my Honourable friend, Sir Ahmedthamby Maricair. We have all heard the reasons for which it is necessary that the Port of Madras should be opened for pilgrim traffic. It is an open secret, Sir, that all those people who have to travel from the Madras Presidency to Bombay undergo great hardships as in Bombay itself there is no accommodation to meet the demand. But one thing which I do not know and which my Honourable friend has not made clear is this : whether there are any ships available to take these pilgrims from Madras to Bombay, and if there are no pilgrim ships to take them to Bombay, then I do not see any use in opening this Port for the pilgrim traffic. In any case, if the Honourable Member has made any arrangements with Shipping Companies there, then I think the Government may favourably consider this request. I have no doubt that every pious Muhammadan in this Council will support this Resolution and place under a great debt of gratitude those poor Muhammadans who live in that Presidency. Sir, with these few words, I strongly support the Resolution.

The HONOURABLE SIR NARASIMHA SARMA (Member, Education, Health and Lands) : Sir, the Government are fully aware that the Muhammadan community attach particular importance to this pilgrimage question and have therefore always attempted as far as lay in their power to meet their wishes. It is unnecessary for me to recapitulate the various measures which the Government have taken to facilitate the travelling of those Muhammadans who wish to undertake a pilgrimage to Jeddah. I think Honourable Members who have studied this question and have heard the discussions in this Council and elsewhere this year and last year are

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fully aware of them. This year again the Government have had to face the incurring of heavy expenditure for sanitary arrangements in Jeddah and elsewhere, and for making some provision for the contingency of having to repatriate those Muhammadans who go to Jeddah but who are left destitute there and who are not able to find their way back. The Department over which I have the honour to preside have with very great difficulty been able to secure this year funds for this purpose and it was a very heavy sum indeed, and the Government have to consider as to what steps have to be taken in order to meet this grave trouble that has to be faced, every year, as to what is to be done to prevent a number of people from going to Jeddah who may be left destitute there. The assistance of the Muhammadan community has been sought, and I am glad to say that last year they have been able to do something in this direction, but this year they have expressed their inability and so the Government have to bear the whole burden. I am only mentioning this for the purpose of showing that the Government are fully alive to the importance of the subject and how sympathetic they have always been.

Now, there is one slight inaccuracy in a statement of fact in the Resolution, namely, that Government adopted the Resolution which was moved by my Honourable friend and accepted by this House in February 1922. The Government were unable at that time to see that there was any necessity for opening the Port of Madras—at any rate at that time—for pilgrim traffic for various reasons which still hold good and which I may have to recapitulate shortly. But they desired to comply with the wishes of this House as far as possible and immediately put themselves into communication with the Government of Madras to see if effect could be given to that Resolution, in spite of their feeling that there was not the same necessity for opening the Port of Madras, as there was perhaps for opening the Port of Calcutta, the opening of which Port might facilitate the solution of the problem to a greater extent than possibly the opening of the Port of Madras would, but the Madras Government have again expressed their views in a manner unfavourable to the Mover of the Resolution. They stated firstly that the matter was not of any pressing importance and, secondly, that if the Port were to be re-opened the construction of a camp would have to be undertaken at a cost of Rs. 1 lakhs, non-recurring, that the Musafirkhana or the place where these pilgrims might be temporarily located which my Honourable friend said would accommodate about 800 pilgrims was not really sufficiently large to accommodate more than 200 or 250 pilgrims, and consequently the capital expenditure they mentioned would have to be incurred, and that a recurring expenditure would have to be undertaken to provide sanitary and medical arrangements. Then there is the difficulty to which my Honourable friend Sir Zulfiqar Ali Khan has alluded, namely, as to whether there would be a sufficient number of pilgrims to attract pilgrim ships to Madras, providing a direct communication between Madras and Jeddah. I may say, Sir, once again, that some of the data upon which my Honourable friend proceeded last time seem to have disappeared now, in that he complained last year that there was no direct communication between the Straits Settlements and Jeddah and therefore pilgrims had to break their journey at Madras and instead of being able to take ship again there that they had to go to Bombay, which

was a great inconvenience to them. I am glad to say that there is direct communication between the Straits Settlements and Jeddah, and consequently those pilgrims from the Straits Settlements and the Dutch East Indies who wish to go to Jeddah need not break their journey at Madras or go to Madras unless they wish to see their relatives if they happen to have any, on their way to Jeddah. So, that part of the problem to a certain extent disappears from our calculation although it could never have formed a formidable factor in the situation, inasmuch as we were not bound to provide for pilgrims from the Dutch East Indies or the Straits Settlements.

Then there was another point on which I shall once again lay special stress, namely, that according to the admission of Sir Ahmedthamby Maricair himself the pilgrims may not welcome a long and tedious sea journey from Madras to Jeddah and might prefer—at least many of them might prefer the land route to Bombay and from Bombay a short sea journey to Jeddah. I think he himself stated on a previous occasion that the pilgrims would prefer a land route to a long sea route, but apart from that, again, there is this fact which has to be taken into consideration, namely, that a large number of Muhammadans—about an million and a quarter out of three millions—live on the West Coast in Malabar and South Canara, and they would prefer a west coast port to an east coast port; if Madras were to be opened, they would have to pay travelling fare to Madras and then pay for their sea journey from that place. I do not think Madras would serve either of those districts, or even the central districts of Bellary, Kurnool, Anantapur and Cudappah, or the northern Telugu districts whose people would prefer the Hyderabad route to Bombay because it would be cheaper; at any rate it would be more convenient for them than coming to Madras. Consequently, we are driven to this conclusion, that this Port of Madras would serve the needs of the city of Madras and of the Tamil districts, where there is a large Muhammadan population of over a million. And even as regards many of them, there is this factor, that many of them might prefer a land route and a short sea route to a long sea route. But after all what is the total number of these pilgrims from the Madras Presidency? We were told in a communication from the Government of Madras, dated the 13th November 1922 that according to the information furnished by the Commissioner of Police, Bombay, the total number of Hedjaz pilgrims that started from or passed through the Madras Presidency to embark from Bombay in 1921 was 821 classified as follows: Those that belong to the Madras Presidency proper—424. Of these 424 a certain number would belong to Malabar and the west coast and a certain number to the Ceded districts and the Northern Circars; it is only the remaining number that would properly belong to the Tamil districts and the city of Madras, who may benefit by the proposed Resolution or who may be able to participate in this new scheme. I am not quite sure, therefore, as to whether such a small number would attract a pilgrim ship there at all. If there is any money to spare, from the Government coffers, which at present as Honourable Members are aware are not overfull I think the problem of opening the Port of Calcutta which would supply the needs of about 22 millions of Muhammadans is a matter of greater necessity than the opening of the Port of Madras. But, coming as I do from Madras and knowing full well the conditions there and having

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many friends amongst Muhammadans of the Tamil districts, I for one should stretch a point and try to see, if possible, that the Port of Madras is opened. But I do not think that this House would press the Government to undertake a further expenditure of this kind at the present moment, before they can settle the other factors that I have mentioned in my foregoing remarks, namely, the necessity of finding funds for the pilgrims who have to be repatriated, and the opening of Calcutta which seems to be a matter of greater necessity at the present moment. But I may assure my Honourable friend that the earliest possible opportunity will be taken to induce the Government of Madras to undertake the necessary measures or the Government of India itself to undertake them if they have to find the funds, in order to facilitate the travel of those who wish to journey by steamer from Madras to Jeddah. The Government of India in compliance with the wishes of the Honourable Member and of the House placed the matter before the Standing Finance Committee this year, and they have come to the same conclusion that, in the present state of the finances, it would be absolutely impossible to find any money for this purpose. So, the Government of Madras do not see any very great necessity for it; the Government of India themselves do not see any very great necessity for it; the Standing Finance Committee are not in a position to find funds. There is the greater problem of the opening of the port of Calcutta. I would therefore ask for a little patience from my Honourable friend, who, I am sure, will succeed in his object if he were only to wait a little longer, till funds permitted us to accept his Resolution, and we hope with the settling down of conditions in Europe it will be our good fortune to replenish our exchequer before long. I hope that my remarks will not be taken as made in any critical spirit. It is only because we are not in a position to spare the necessary funds that we are unable to meet the wishes of these Muhammadan residents in Madras. I shall not go into the question now as to whether there is any real desire on the part of my Muhammadan friends there; so far we have not had any Resolutions from them or in the Madras Council; but we are prepared to act upon the statement of my Honourable friend that he knows the feelings of Madras, and that it is unnecessary for us to go into the question now. But taking it that my Honourable friend rightly interprets the wishes of the Madras Muhammadans as desiring the opening of this direct communication from Madras, I only ask for a little time, until we are in a position to spare the necessary money, when we shall undertake to review the question and take it into as favourable consideration as circumstances may permit. I hope, therefore, that the Honourable Member will see there is not much use in his pressing the Resolution now, and will withdraw it.

*The HONOURABLE NAWAB SIR BAHRAM KHAN (Punjab : Nominated Non-official) : Sir, I stand here to support this Resolution. My friend, the Honourable Sir Ahmedthamby Maricaïr has delivered an eloquent speech and explained everything in detail in moving this Resolution, while the Honourable Sir Zulfiqar Ali Khan has delivered a long speech in support of it. There is, therefore, no need for me to go into further details. What I will say is this. This Resolution concerns Muhammadans, and aims

* Translation of speech delivered in the Vernacular.

at providing facilities to the Madras Muhammadans in the matter of shipping arrangements for Haj pilgrims. It can be said that the pilgrims from Madras are not at present feeling any inconvenience in proceeding to Mecca by sea, but it should be understood that the Musalman Hajis from that Presidency have to go to Bombay or some other port to embark for Mecca. This entails not only great inconvenience but extra expense as well. Although the Indian Muhammadans are quite prepared to undergo all expenses and inconveniences in discharging their religious duties in connection with the Haj pilgrimage in going to so far-off a place, yet when Government provides facilities to all religions, without any distinction, in the performance of their religious duties, whereby expense and inconvenience is minimised, I respectfully and strongly support this Resolution. It is a religious matter of vital importance and should get Government support.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-official) : Sir, although not a Muhammadan, I think it is my duty to speak on this Resolution, and when I rise to speak I can only speak on the Resolution in support of it and in no other direction. The question of pilgrimages is one common to both the Hindus and Muhammadans of India. The demand for providing facilities for pilgrims is common to both, and although I am not a Muhammadan I can very easily conceive the difficulties to which pilgrims are put, and which I have witnessed with my own eyes in the case of Hindu pilgrims, owing to insufficient and incomplete arrangements for transport. I am aware of the great inconveniences entailed on Hindus when they proceed to their holy places in India.

Now, Sir, the pilgrimage to Mecca, I understand, is looked upon by Muhammadans as the one craving of a devout Muhammadan. The Honourable Member in charge said that Government had to spend a good deal of money in order to repatriate indigent pilgrims from Jeddah. I wish he could have enlightened some of us who were not in the Council in 1922 when the Honourable Mover of the present Resolution moved his original Resolution, as to the cost entailed in this direction. But if it is a fact that many pilgrims who go to Mecca for their one last wish are so indigent that Government have to provide funds in order to get them back to India, it is all the more necessary, to my mind, Sir, that the shortest, and the cheapest route available should be opened for pilgrims in order to enable them to get to their places of pilgrimage by the easiest, cheapest and soonest method. I do not want to strike a new note. Transport facilities in the shape of up-to-date trains with all comforts are things which the educated, the monied and the more advanced classes all appreciate, but in order that the masses may appreciate the blessings brought by British rule in India in the shape of easier and comfortable transport, the one thing that the Government should do for the political contentment of the masses, Sir, is to provide cheap and comfortable transport facilities for the large classes of people who wish to proceed to their places of pilgrimage to pay their homage. I hope I have made clear to the House the reason why I, a non-Muhammadan, rise to support this Resolution.

The Honourable Mover said,—I wonder if I followed his figures correctly,—he said that the Government of Bombay reported that the

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pilgrims that went to Mecca from Madras were 424. I wonder if I heard him correctly.

The HONOURABLE SIR NARASIMHA SARMA : From the Madras Presidency proper.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I do not know whether the Honourable Mover will confirm it, but I will leave it to him to give an adequate reply to that part of it. I feel that, irrespective of the number of pilgrims,—I do not say that for 424 pilgrims the Mover will ask for any extraordinary expenditure, but irrespective of the number of pilgrims, if a little money is spent by the Government of India even in these days of great economy it would be most excellently and discreetly spent. I do not know,—I am very ignorant in these matters because they do not concern me—I do not know how many ports are open for pilgrims going to Mecca. I understand that Calcutta is one that is likely to be opened. I wonder if Karachi is open or not....

The HONOURABLE SIR NARASIMHA SARMA : It is and Bombay.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : If Karachi and Bombay are the only ports now open, then I for one as a responsible legislator in this House would vote as much as is necessary for the purpose of opening suitable ports on the other coasts of India. I wish the Honourable Mover had told us what it would cost the Central Government to open the port of Madras. I would vote for this Resolution on the underlying principle that all reasonable expenditure incurred in the direction of providing facilities for pilgrims, be they Hindus or Muhammadans, proceeding to their sacred places either to Benares or to Mecca, is very excellently spent and should not be stinted under any excuse. I hope the Honourable Member in charge will give the utmost and the most urgent attention as far as the Government of India is concerned and will not allow small considerations of economy,—I call it small because the gain on the other side is great—to come in the way of the contentment of the Muhammadan and Hindu masses in this direction, as contentment of the masses of these two communities can never be earned at too great a price.

The HONOURABLE SIR AHMEDTHAMBY MARICAIR (Madras : Muhammadan) : Sir, I am very thankful to the Honourable Member in charge of the portfolio for his generous remarks, but I cannot withdraw my Resolution without making some observations.

With regard to the question of figures, the point was challenged last year and it is not at all correct. I am sorry I have not got the proceedings of last year with me otherwise I would have quoted the exact figures.

Then with regard to the question put by my friend, Sir Zulfikar Ali Khan, I have already made arrangements with the British India Steam Navigation Company to supply as many steamers as are necessary at Madras, and therefore there is no question at all about getting steamers there.

Then with regard to what the Honourable Member in charge has said regarding the disinclination of the Madras Government to assist us in this matter, I may say they are quite willing to take up this scheme provided the Government of India is willing to pay a contribution. I saw the representative of the Madras Government in charge of this subject, Mr. Knapp, and the Government of Madras are quite willing to open the port of Madras, provided the Government of India will not compel the Madras Government to pay a portion of the cost. I have already read the letter to the Council, and the whole point is that the Government of India want the Madras Government to pay a contribution, which they are not willing to do. Therefore, to say that the Government of Madras are not in favour of the scheme is not true at all. They are perfectly willing to take up the scheme.

Then with regard to the Malay States, my Resolution did not concern purely the Muhammadan pilgrims of Madras. I mentioned last year that those pilgrims who come from the Straits Settlements and Malaya direct to Madras are desirous of taking the ship to Mecca at Madras, and their number is somewhat large. I had included this figure also last year and I had mentioned in my speech that thousands of such pilgrims would be available per season. The Honourable the Member in charge said that there is a direct steamer service from the Straits Settlements and Malaya for Jeddah. Sir, I have had direct dealings with the Straits Settlements, and as such I know very well that once in a way a steamer goes and picks up a few hundreds of passengers, but it is a very costly and long voyage for them. The people in Malaya do require a steamer direct to Madras, which is about 4 or 5 days' journey. They will take rest in Madras and then take a steamer from there to Jeddah direct. That is the desire of the people and I place it before the Council.

Then, Sir, the Honourable Member said that pilgrims prefer to go by land rather than by sea. When this question was last discussed, the Honourable Member in connection with the Malabar question said that the Malabar Muhammadans were willing to go from Malabar to Bombay direct. I said they preferred to go to Madras by rail and then catch the steamer from Madras. I said it did not mean that, as a general rule, people wanted to go by land. It is not like people going from one place to another in India. When a pilgrim goes to Mecca and Medina he has to take all his rations and clothing with him; he has to take a large quantity of luggage and foodstuffs with him. Would any pilgrim like to go long distances by rail, chopping and changing at many stations? Certainly not. They prefer to get on board a steamer at Madras and go off to Jeddah at one jump, rather than change at various places. So that statement is not at all satisfactory.

The question of Government spending money on repatriation was a thing that was discussed last year. A large number of the Muhammadan Members of both Chambers assembled in Delhi last year under the presidency of the Honourable Mian Sir Muhammad Shafi. A Committee was formed of which I had the honour to be one of the Secretaries. We had a long discussion regarding the expenditure incurred in repatriating pilgrims and it was suggested that, if a return ticket was

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insisted on, Government would not have to incur expenditure for repatriating destitute pilgrims. It was also considered that if Government pressed the steamship companies to take such pilgrims who were destitute for want of funds to go back to India at a concession rate, such difficulties of expenditure would not have occurred. Further, this season nearly 20,000 pilgrims left Bombay. All of them do not generally return. Most of them die there; they like to die in a sacred place rather than return again to their homes, because they consider that if they die in a sacred place like Mecca or Medina they will be taken immediately to Heaven. Further, we know that epidemics rage so badly in Mecca and Medina and the mortality from them is so great that the whole 20,000 do not return to India; naturally there would have been savings on a large number of return tickets to the steamship companies. On these and various other points we had discussions, and the reply of the Honourable Member that the Government will have to spend a lot of money for repatriation and other things is not very satisfactory.

Then, again, take the question of expenditure in opening the Madras ports. What are the sanitary arrangements you are going to make? After all, you will have to have a Musafarkhana. A number of Muhammadan gentlemen in Madras are willing to give Musafarkhanas. Of course, the Government must have one, but this may be had at a monthly rental of Rs. 100 or Rs. 150. Then again, the pilgrim traffic does not take place every month. It is only once a year, seasonal, and, if you take a big house to accommodate these pilgrims for a month or two before and a month after, or three months in all during the pilgrim season, you will have to pay Rs. 350, Rs. 500 or Rs. 600. Assuming, even that it is Rs. 1,000, that is not a great deal.

Then, with regard to the appointment of a Director of Pilgrims as you have in Bombay, you need not appoint a full-time man in Madras. There you have a Protector of Emigrants, and you can ask him to look after this pilgrim traffic once a year for a month in addition to his own duties, and you can pay him an allowance for the trouble he takes. We have already done this in the case of Emigration in Madras and Negapatam where the Port Officer and the Health Officer undertake the duties and they are paid Rs. 75 or Rs. 100. Something like that can be done; "where there is a will, there is a way", if you really want to help these poor Muhammadans who are already suffering in this important matter you can. I really cannot understand the attitude of Government. One day, you accept a Resolution, the next day you put some embargo on it and ask a third person to spend the money necessary for giving effect to it. It is said the Madras Government does not want to accept it. On what point? On the point of finance. You all know that the Madras Government is the milch cow of the Government of India, and, in addition to that, you ask them to meet some further expenditure. You cannot expect them to do that. So, Sir, it is essential and proper that the Government of India should undertake this business and put it through, with a view to meet the requirements of the Moslem subjects of His Majesty.

I do not want to keep the House any longer, as the Honourable Sir Manekji Dadabhai has told me that he wants to move his Resolution

and he wanted me to finish soon. A debate took place on this question in the Legislative Assembly on the 4th of July, and I suppose all Honourable Members have got a copy of it. I do not think they would have gone through it; there were so many questions asked and the Government themselves admitted that it was true and if I go on to take up the question.....

The HONOURABLE THE PRESIDENT: The Honourable Member must confine his reply to a reply.

The HONOURABLE SIR AHMEDTHAMBY MARICAIR: Very well, Sir, I will leave that subject alone. Finally, Sir, I just wish to say that I do not want to go against the wishes of the Honourable Member of the Government, provided that he gives me a further assurance that he will do his best. I know he is a Madrassi himself, that he is a great friend of the Mussalmans and that he will do his best to get the Madras port opened. If he will give me a further assurance that he will take up the question and help it on, because there are 12 more months for the next season to come, I am sure by that time the Government of India will be in a solvent position.

You say that they are not in a better position now, but by that time I hope you will be able to make up your mind and see that the port of Madras is opened, the port to which my Resolution relates. Somebody else has mentioned about Calcutta and though I am interested in Calcutta also, still my Resolution refers only to Madras and so I would be out of order if I said anything about Calcutta—I hope the Government will see that the port of Madras is opened to pilgrim traffic. And so, Sir, I want an assurance to that effect. With these few words I will not press my Resolution.

The HONOURABLE SIR NARASIMHA SARMA: Just a few words, Sir. I am glad that the Honourable Sir Ahmedthamby is going to help us considerably in the solution of this repatriation question by facilitating the requirement of a return ticket, along which lines we hope to be able to proceed before very long. And if we are in a position to solve that question in that way, I should not be surprised if our funds could be utilised in other more useful directions, one of which may be on the lines that my Honourable friend suggests. But I would just like to correct one or two misapprehensions into which he has fallen as to what the Madras Government's statement was based upon—I am only mentioning that for the purpose of correcting him and not with regard to the final attitude the Government of India may take up on this subject; I only want to make the position clear. The Madras Government stated:

"The District of Malabar contributed the largest number of pilgrims who are natives of Malabar and of other Districts situated near Bombay would naturally prefer to embark from there, and even pilgrims from the other parts of the Presidency are not likely to embark from Madras for the reasons:

- (i) that the steamer journey from Madras would take longer,
- (ii) that it would be costlier, and
- (iii) that Bombay is the natural sea port for going to Jeddah."

They give a number of other reasons and conclude:

"In view of the circumstances set forth above the Governor in Council sees no reason to depart from the view stated in Mr. Cardew's letter No. 1515, dated the 11th

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December 1912, and reiterated in Mr. Dutt's letter No. 927, dated the 26th July 1921, viz., that there is no need to open the port of Madras for pilgrim traffic."

So Honourable Members will see that there is a difference of opinion on the question whether there is need, specially having regard to the financial stringency, to open the port of Madras. But I have said already and I hope that will be the general view, which was voiced by my Honourable friend, Sir Purshotamdas Thakurdas, that the Government will be supported in any endeavour that it may make to facilitate to improve the condition of the journeys of devoutly minded pilgrims, whether Hindus or Mussulmans. Only I must warn the House that the Government of India may not be able to see eye to eye with Honourable Members as to any very large extension of liabilities based upon this principle which we may all accept, provided the resulting consequences are not very embarrassing that the Government would not be asked to provide for the wants of the numerous Hindu pilgrims going to Benares and other places of pilgrimage which will make it a very difficult proposition indeed. So we must be cautious in putting into practice the general principle.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Do not be too cautious ; do not be over-cautious.

The HONOURABLE SIR NARASIMHA SARMA : No Government can be over-cautious in matters of this description, although as a matter of fact they should do and will do all that lies in their power consistent with their other liabilities to promote the interests of the people, and they realise that they cannot do better to secure the contentment of the people than by complying with all the legitimate requests of the people, specially those based upon religious grounds. The Local Government are doing their level best to meet the needs of all the pilgrims, spending large sums of money both for Hindus and Muhammadans, and the Government of India, in so far as the Government of India Act will permit them to do so, will always be willing to help.

The only other remark I will make is this. My Honourable friend was a little too harsh on the Bombay Government. His accusation that the Bombay Government did not do enough was later on corrected by himself when he read an extract from Mr. Barodawalla's letter which showed conclusively that the Bombay officials did their level best to secure satisfaction for the numerous pilgrims who were in Bombay.

The HONOURABLE SIR AHMEDTHAMBY MARICAIR : I did not accuse the Bombay Government.

The HONOURABLE SIR NARASIMHA SARMA : It looked to me as if he did, but I am glad to hear he is satisfied with all that the Bombay Government and the Bombay officials have done there. Well, I can assure him that as soon as financial conditions permit, we will try and comply with his request. The only thing that stands between us and him is the question of finance, and we will try to secure financial equilibrium at the earliest possible moment.

The HONOURABLE THE PRESIDENT : Does the Honourable Member wish to ask for leave to withdraw his Resolution ?

The HONOURABLE SIR AHMEDTHAMBY MARICAIR : Yes, Sir, with the permission of the House I wish to withdraw my Resolution.

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

RESOLUTION RE WITHDRAWAL OF RESTRICTIONS ON PASSENGERS TO CEYLON AT MANDAPAM QUARANTINE CAMP.

The HONOURABLE SIR AHMEDTHAMBY MARICAIR (Madras : Muhammadan) : Sir, I beg to move the following Resolution which runs as :

" This Council recommends to the Governor General in Council that necessary steps be taken with the Ceylon Government to withdraw the quarantine restrictions enforced by them at Mandapam Quarantine Camp on Indian passengers proceeding to Ceylon."

This is a question that has been pending before this Council for a long time. It was not moved at the last Simla Session on account of the Honourable Member in charge of the portfolio having said that the Government of Madras were in correspondence with the Government of Ceylon, and that the Ceylon Government had said that certain Members of the Ceylon and Madras Legislative Councils should meet in the near future in order to arrive at a solution of the question and asked me not to move this Resolution. Accordingly the subject was not brought before the Council for discussion and I awaited the reply from the Government of India. When I asked them whether they had received any reply from the Government of Ceylon, they said that the Ceylon Government wished to postpone the meeting about the Mandapam Quarantine regulations until the International Conference on these matters had been held in Batavia in October. Then I asked the Madras Government whether any deputation was coming and, if so, when ? They have not given any definite reply to my letter. The Government of India have also not said anything finally in the matter. So I am obliged to move this Resolution to-day.

This question was also brought to the notice of the Madras Government during my tenure of office as a Member of that Council on various occasions, and as a result of the representation made by the Madras Government to the Government of Ceylon they agreed to allow passengers to go direct to Ceylon without undergoing quarantine at Mandapam, provided the passengers produced certificates of good health and freedom from infection from the District Medical and Sanitary Officers. Such certificates were however not recognised by the Ceylon authorities and the passengers were put under quarantine at Mandapam. I have also received a telegram, dated 17th January 1917, from one of the passengers from Ramnad stating :

" Mandapam Quarantine Doctor rejects Ramnad District Surgeon's certificates. Required Government Order 349, dated 22nd November last. Hundred passengers detained. Pray help."

[Sir Ahmedthamby Maricair.]

Here is the certificate of the District Medical and Sanitary Officer :

" This is to certify that Mr. C. R. N. Muhammad Hajiar of Adhirampatam, son of Sithu Vakir, aged 56 years, is proceeding to Ceylon. The whole district has been free from epidemics for over a year, and he is healthy and free from infection."

This certificate was rejected by the Ceylon authorities at Mandapam.

I ascertained from the Superintendent of Mandapam Quarantine Camp whether it was a fact that such refusal was made, for which he replied that " the matter should be referred to the Honourable the Chairman of the Plague Committee, Colombo."

Then I wrote to the Chairman of the Plague Committee and he replied that I should address the Madras Government through whom circumstances will be explained. Thereupon I addressed the Madras Government on the subject for which I received the following reply from the Secretary, Home Department, sending me a copy of the G. O. No. 150, dated 16th February 1917 :

" With reference to your demi-official letter of the 26th February 1917, addressed to the Honourable Sir A. G. Cardew. I am directed to state that the refusal of the Quarantine Medical Officer at Mandapam to accept certain certificates of health produced by passengers to Ceylon was due to the ill-considered and indiscriminate issue of certificates by certain District Medical and Sanitary Officers. I am to forward for your information a copy of G. O. No. 150 Home (Miscellaneous), dated 16th February 1917, in which instructions have been issued for the guidance of District Medical and Sanitary Officers in granting certificates of health. The Governor in Council hopes that the arrangement will work satisfactorily in future."

That G. O. lays down certain general instructions to the District Medical and Sanitary Officers in the matter of granting certificates and the conditions imposed on the District Medical and Sanitary Officers are so very strict that it will not be possible for the said Officers to issue any certificates in conformity with such restrictions. The conditions are :

" I certify that the above-named passenger has been residing for the last seven days in.....a place free from infection and in circumstances which render it unlikely that he has been exposed to infection ; and that he is free from disease. He undertakes to report himself to the Port Surgeon, Colombo, or to the Government Medical Officer of the District immediately on arrival and for five days thereafter."

Well, Sir, no Medical Officer would give such certificates that the applicant has been actually residing during the previous week in the place mentioned by him. In the absence of such certificates, passengers were insisted by the Ceylon Government to undergo quarantine at Mandapam for 7 days. In this connection, I may mention that the Ceylon Government are issuing permits to their favourites in Ceylon to allow certain amount of people from India to pass through without undergoing quarantine at Mandapam and make such passengers to appear before the Medical Officers at Ceylon for 5 days. This clearly shows that their quarantine rules are not perfect. I therefore request the Government of India to communicate with the Ceylon Government and to put a stop to the quarantine restrictions at Mandapam for ordinary passengers. If necessary such passengers may, as the Ceylon Government do in some cases, be asked to undergo medical observation in Ceylon after their arrival there. This will avoid unnecessary detention to passengers at Mandapam. Of course it may be argued that the Ceylon Government have spent large sums of

money in building Quarantine stations at Mandapam with a view to prevent the spreading of epidemics in their country. After all, their country is not free from epidemics ; a few years ago plague broke out ; there was a case brought into Dhanushkodi and I moved the Madras Government that there should be restrictions imposed upon passengers coming into India from Ceylon ; but on consideration I found that after all it was only Indian passengers who were coming in and it would have been a double hardship to them and so I withdrew my Resolution on that ground. We have at least as much cause as the Ceylon Government. Ceylon also has all sorts of epidemic diseases, plague, Cholera ; though the people there consider that Ceylon is heaven itself, it is not at all perfect. Their main object in building quarantine stations at Mandapam is for the use of emigrants. By all means let them keep the emigrants under quarantine about which no question whatever was raised. It is cruel that the Ceylon Government should treat other passengers also like emigrants.

I therefore request that the Government of India will take such steps as they think proper with the Ceylon Government and put a stop to the ill-treatment that the Indian passengers are undergoing at present at the Mandapam Quarantine Camp.

It may be argued that this is an old case. From the time when the Honourable the Revenue Member was a member of the Madras Council we have been discussing the same question, but there has been no remedy so far. The ill-treatment is still going on, and as a matter of fact this subject has been before the Government of India for the last one and a half years. Circumstances were such that I could not move this matter immediately, and I therefore bring it to the notice of the House now with the request that the Government will accept my Resolution and take such steps as they think proper with the Ceylon Government and see that the ill-treatment which the Indian passengers are undergoing is mitigated.

With these few words I commend my Resolution for the acceptance of the House.

The HONOURABLE SIR S. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : Sir, this question has come off and on before the Legislatures. But the evil continues to exist and no solution of the trouble has been arrived at yet. Whatever justification there might have been in the early days of the establishment of the quarantine camp there can be no manner of justification for its continued existence. The very presence of a quarantine camp at Mandapam presupposes a very highly insanitary India, whose touch will contaminate the island. All sorts of restrictions are imposed upon Indian passengers. The poorer classes are the people most hard hit by these restrictions. It may perhaps be said that some improvements have been made in their treatment for some time past. Whether conditions have improved or not, the restriction itself is humiliating and revolting to an Indian. The upper and middle class passengers also are not free from these restrictions. Why the Ceylon Government should impose all these restrictions is not clear. To talk glibly of the uncleanly habits of the Indians is beside the point. The Government of

[Sir S. M. Annamalai Chettiyar.]

India, on the other hand, allow free ingress and egress to Ceylonese without any restriction whatever. Where, then, is the necessity for the Ceylon Government to impose these irritating restrictions? The one is as careful as the other about the spread of any infectious disease and about the health of the people. Therefore, Sir, the Government of India will, I sincerely trust, take early steps and will make the Ceylon Government realise the intensity of public feeling here in this matter and see to the early abolition of these humiliating restrictions. With these few words, I strongly support the Resolution of my Honourable friend Sir Ahmedthamby Maricair.

The HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member) : Sir, I hope that the statement I shall make of the existing state of things would satisfy my Honourable friend, the Mover of the Resolution. I know this is an old friend of mine; I was acquainted with the problem when I was in the Madras Council, and I watched with interest the debates in the Madras Council with regard to it. There is a keen feeling in Southern India that the restrictions which the Ceylon Government impose on passengers going from India to Ceylon are unnecessary and sometimes work harshly, and that therefore the Government of India should induce the Ceylon Government to withdraw them. The Madras Government has, I know, been doing what it could to induce the Ceylon Government to work the machinery with as little hardship as possible, if they cannot altogether remove the restrictions. The Government of India have asked the Madras Government to put themselves in communication with the Ceylon Government on this question; a conference was proposed, to which reference was made by my Honourable friend, and the position stands thus. Nobody can deny that the Ceylon Government has got a right to take such precautionary measure as they consider necessary for the purpose of preventing the spread or introduction of infectious diseases into their country. That is a right which they have and which has been recognised internationally, and the League of Nations Health Commission has also been trying to make regulations so as to secure an International agreement for the purpose of preventing the spread of infectious diseases. Consequently, we cannot say that the Ceylon Government are not acting within their rights in placing such restrictions as they consider necessary for the purpose of preventing the introduction into their country of infectious diseases, such as plague, cholera, and small-pox. Now at very great expense a quarantine camp has been built at Mandapam, and it has been working, at any rate in the latter part of its existence, very satisfactorily. But the question has been taken up with Ceylon as to whether the regulations could not be modified if they cannot altogether be abolished. A conference was provisionally arranged with the Ceylon Government, who however said that they would take up the question as soon as the Batavia conference which was originally suggested had made its report, but that conference did not come about. Then there was a Medical Mission to the East which was sent out by the League of Nations Health Commission. Pending a Report of that Commission, it was thought that there was no use in proceeding further, because the question would largely depend on the advice of the Medical Advisers of the Mission, and therefore the Madras Government agreed to the postponement of this conference which was originally intended between

the officers of the Madras Government and the Ceylon Government. Meanwhile, we received a report along with this request for a postponement showing that the quarantine regulations had been so modified as to be practically free from all possible danger of their being worked harshly. My Honourable friend wrote some time back saying—even now he laid stress on that fact,—that there will be no objection whatsoever to passengers undertaking to submit themselves to a medical examination in Ceylon after their arrival and to their giving an undertaking to that effect; only they should not be stopped on their way to Ceylon, for about 5 days at the Mandapam Camp, and the Ceylon Government have agreed to modify these regulations accordingly, and the permit system has been introduced in accordance with the wishes of my Honourable friend. This is what they say.

Since July last the practical operation of the rules with regard to quarantine to which passengers from India have been subject, have been considerably modified, and now practically persons who are themselves healthy and whose belongings are clean are not detained, provided they are in a position to satisfy the Medical Officer in charge that they are proceeding to a definite address in Ceylon.

There is thus no question now of passengers bringing any medical certificates from any officer or anything of the kind. All that they have got to do is to satisfy the Medical Officer that they are healthy and have got a definite address in Ceylon, and if he is satisfied to that effect, they will be permitted to proceed, and the surveillance, call it what you like, would be in Ceylon itself and not in Mandapam. As a matter of fact, we have a Report which says that only 20 per cent. of the passengers have been detained because they were not healthy and clean or were not able to give a definite address in Ceylon satisfactory to the authorities during the months of January and February. My Honourable friend will therefore see that there are no longer any restrictions such as those enforced at one time, in the case of third class passengers or even first or second class passengers, and any person who is healthy and clean is allowed to proceed without any detention to Ceylon subject to the condition to which my Honourable friend himself has agreed or suggested. Of course, this does not apply to the labourers who go from Southern India to Ceylon. They are detained there in order that they may be watched carefully, and it is helpful to the Government also in the administration of the Emigration Act. At any rate, there is no suggestion that the labourers who are proceeding from Southern India to the plantations in Ceylon should not be subjected to the quarantine regulations, because that is the look-out of the Ceylon Government themselves. The only suggestion made by my Honourable friend was with regard to the ordinary passengers, and I have read from the Report of the Ceylon Government that the requests of the Madras Government and of the general public have been substantially fulfilled. If any infringement of the rules is brought to the notice of the Government of India or of the Madras Government, I am sure the Government of India or the Madras Government will put themselves in communication with the Ceylon authorities to see that such inconveniences and hardships are removed at the earliest practicable date. I may also inform the Honourable Member that we have now appointed for the purpose of watching emigration an Indian Civil Service Officer, and he would naturally be for sometime in the Mandapam Camp. I do not think, therefore, there is any reason to fear that these regulations would in general

[Sir Narasimha Sarma.]

practice work harshly. I have also already given an assurance that the Government of India would put themselves in communication with the Ceylon Government and the Madras Government would do the same if any case of hardship is brought to their notice. Then with regard to the question as to whether the restrictions should be entirely removed, it is one which would be dependent largely on the recommendations of the Medical Commission to the East which is going to report to the Health Commission of the League of Nations, when some International Regulations may be framed in modification or in confirmation of the regulations which were framed at the Paris convention.

I need not weary the House by reading out at length many extracts from the remarks made by high officers who visited the Mandapam Camp, to show that the arrangements at the Mandapam Camp are extremely satisfactory. But I will read a part of this. Two Judges of the Madras High Court, I mean Mr. Justice Venkat Subba Rao and an ex-Judge Mr. Sadashiva Iyer and the Honourable Mr. Todhunter, Member of Council, Madras, who visited the camp lately, have written in very favourable terms about the working of the Mandapam Camp. Mr. Justice Venkat Subba Rao says :

"I was deeply struck with the look of happy contentedness on the face of the passenger and coolly alike—despite his compulsory sojourn—a result which reflects the greatest credit on the administration, and of which it may justly be very proud."

Mr. Sadashiva Iyer says :

"I was a visitor to the Mandapam Camp and went round the place, and observed carefully the nature of the accommodation, the feeding arrangements made for the immigrants and passengers, the sanitary, lighting and other conveniences provided. I confess that I was very much struck with the perfect administration of the Camp."

This was in August 1922, but some time before that the regulations were modified, I take it.

Then the Honourable Mr. Todhunter, Member of Council, who visited the Camp says :

"I have always heard that everything connected with the camp at Mandapam was admirable, and, having been shown over every part of it, can only say that it far exceeded my expectations."

Mrs. Sarojini Naidu, who seems to have been there in October 1922, also spoke in very favourable terms about the arrangements made at the camp for the coolies.

As I have said, Sir, the hardships to which my Honourable friend referred here and to which passengers were put in the early days when he and I were colleagues in the Madras Council are, I think, no longer existent now, and therefore he will do well to withdraw his Resolution.

The HONOURABLE KHAN BAHADUR SIR AHMEDTHAMBY MARICAIR : I quite agree with the Honourable Member who spoke on behalf of the Government that the restriction is not so hard as it was in olden days, but it has not been completely removed. That is my request. I said already in my speech.

The HONOURABLE THE PRESIDENT : I understand the Honourable Member is going to ask for leave to withdraw his Resolution. If so, he

had better do so briefly. It is not reasonable to have long speeches on the withdrawal of Resolutions, when Honourable Members are substantially satisfied with the explanation of Government.

The HONOURABLE KHAN BAHADUR SIR AHMEDTHAMBY MARICAIR : I thought, Sir.....

The HONOURABLE THE PRESIDENT : I asked the Honourable Member if he proposes to withdraw his Resolution. If he proposes to do so, he may make a few short comments, but he ought not to make a controversial speech.

The HONOURABLE KHAN BAHADUR SIR AHMEDTHAMBY MARICAIR : Yes, Sir, I shall only make a few short comments. Only a week or ten days ago a first class Chetty passenger who went to Ceylon was detained at Mandapam. What I say is that I am quite willing if the system is introduced once for all that all ordinary passengers are allowed to go to Ceylon. There they will undergo medical inspection for five days. If this arrangement is carried out, I have no objection to withdraw this Resolution.

Again, with regard to the International Conference, we do not know when it will come ; are we to wait for such a long time ? There was a suggestion that the Ceylon Government should send members of their Legislative Council to hold a conference with the Members of the Madras Legislative Council and come to a conclusion. I should like that Conference really to take place. I have no objection to withdraw this Resolution, provided that the Honourable Member says that he will take up the question with the Ceylon Government and wipe away even that 20 per cent. restriction they are now imposing, which bring serious complaint all over. It is an old, old, question.

With these few words, I beg, with the permission of the House, to withdraw my Resolution.

The HONOURABLE SIR NARASIMHA SARMA (Member : Education, Health and Lands) : With regard to the question of the first class passenger referred to by the Honourable Member, the Government of India have no information, but, if further particulars are given and the Government thinks it is a fit case, they will pursue the inquiry.

With regard to the second question, there is no restriction on first class, second class or third class passengers, so long as they are healthy and cleanly and provided they can give a definite address in Ceylon. We cannot say that is an unreasonable restriction.

With regard to the third point, the Ceylon Government have a right to protect their country from the introduction of infectious diseases, and we cannot force them to do anything. What their future procedure will be is dependent on the Health Commission's Report, and you may be sure the Health Commission will not allow this matter to rest idle very long.

The HONOURABLE KHAN BAHADUR SIR AHMEDTHAMBY MARICAIR : May I say one word, Sir ?

The HONOURABLE THE PRESIDENT : The Honourable Member cannot speak again. Does the Honourable Member ask for leave to withdraw?

The HONOURABLE KHAN BAHADUR SIR AHMEDTHAMBY MARICAIR : I have said already that I withdraw.

The HONOURABLE MR. LALUBHAI SAMALDAS : I object to the withdrawal of the Resolution.

The HONOURABLE THE PRESIDENT : I must put it in the formal way. Is it your pleasure that the Honourable Member have leave to withdraw his Resolution?

The HONOURABLE MR. LALUBHAI SAMALDAS : I object, Sir. I want it put to the vote.

The HONOURABLE THE PRESIDENT : The question is that the following Resolution be adopted, namely :

"This Council recommends to the Governor General in Council that necessary steps be taken with the Ceylon Government to withdraw the quarantine restrictions enforced by them at Mandapam Quarantine Camp on Indian passengers proceeding to Ceylon."

The Council divided :

AYES—9.

Chettiyar, Sir S. M. Annamalai.
Dadabhoi, Sir Maneckji.
Jogendra Singh, Mr.
Lal Chand, Lieut.

Lalubhai Samaldas, Mr.
Maricair, Sir Ahmedthamby.
Purshotamdas Thakurdas, Sir.
Ram Saran Das, Mr.

Vedamurti, Mr. S.

NOES—14.

Amin-ul-Islam, Mr.
Bahram Khan, Nawab Sir.
Barron, Mr. C. A.
Berthoud, Mr. E. H.
Chadwick, Mr. D. T.
Ley, Mr. A. H.
MacWatt, Major-General R. C.

McWatters, Mr. A. C.
Ogilvie, Major G. D.
Sarma, Sir Narasimha.
Shafi, Dr. Mian Sir Muhammad.
Shepherd, Mr. W. C.
Tek Chand, Mr.
Zahir-ud-din, Mr.

The motion was negatived.

RESOLUTION RE AN AGRICULTURAL POLICY RELATING TO LAND REVENUE AND ALLIED MATTERS.

The HONOURABLE SARDAR JOGENDRA SINGH (Punjab : Sikh) : Sir, I move :

"This Council recommends to the Governor General in Council that a Committee be appointed to consider the question of rural reconstruction with a view to the organisation of agriculture and to formulate an agricultural policy regarding land-revenue, village education, co-operative credit and other allied matters."

I am sure this House will recognise the importance of agriculture. Agriculture is our primary industry. Nine-tenths of our population live on agriculture and have no other profession, and yet so far as I am aware the Government of India have never taken any steps to ascertain the progress which agriculture has made within the last twenty years. We

have often pressed the Government of India by asking questions to determine the agricultural wage, but no inquiry on the point has been held. The official reports are silent about it. I am now asking the Government to appoint a committee to visit the villages and ascertain how things are there. I should like Honourable Members of this Council to go back with me 40 years and see the conditions of the villagers which obtained in those times and the changes that have now taken place. Some of those sitting on the official benches here have perhaps been district officers and have travelled through the villages. I think they will be able to vouch for what I am going to say as to village conditions in the early days. Even now, if you go to some remote corners which have not been penetrated by railways and other influences, you can see the village life as it used to be—a life of contentment, a life of happiness. You will see the villagers taking their simple pleasures and enjoying the games. And the village was, in those days an entirely self-sufficing unit. They produced their own food, they manufactured their own cloth. They pressed their own oil, and they manufactured their own sugar. There were few things which they had to get from outside the village. The village produced everything it needed. Now go to the village, and you will find that almost everything has to be imported, and the village industries are practically dead. A certain amount of revival has taken place, thanks to the movement started by Mahatma Gandhi. The weaving of khaddar in some districts is now in progress. In the Punjab of course we had always khaddar manufactured and people used to wear it. But in other parts also khaddar is being manufactured. But—and there is a great "but"—the handloom cannot compete with the powerlooms. The village weaver, the village oil presser, the village manufacturer of sugar has to compete with the modern organised methods of manufacture. But that is another question. I am really going to talk to you now of the agricultural condition in general. The increase of population, the splitting up of the holdings, and drain of outside trade have all combined to undermine the economic wellbeing of the villages. I am sorry I have mislaid my notes otherwise I could have shown you the cultivated area per head of population. I can safely say that in some places, the pressure on the land is so great that there is not half an acre to a family, and you cannot expect half an acre to support a family of five. The question of the consolidation of holdings is therefore of the greatest importance to the country. I invite this committee to look into the question of the consolidation of holdings, the creation of agricultural credit, the introduction of modern methods of agriculture, the provision of seed, manure and things of that kind. The yields per acre at present are—barley 1,350 lbs., rice 1,425 lbs., wheat 1,365 lbs. If you allow 8 mounds of food per head of population per year, you will find that the margin is extremely narrow. As I said, the first step in reconstruction must be consolidation of holdings, the organisation of well irrigation and the supply of good seed. Canal irrigation is the finest thing so far achieved. Irrigation is the first necessity of crops; there are a great many wells in the United Provinces and the Punjab, but so far no attempt has been made to organise well irrigation and introduce organised power lift irrigation. The profits to be made by employing power for lifting water have been fairly well demonstrated by the experiments made by Sir Ganga Ram

[Sardar Jogendra Singh.]

in the Punjab, and the possibilities of extending well irrigation are immense. Where there is no irrigation either from wells or canals, agriculture becomes a gamble in rain. You can see the villagers watching the clouds, and when the rains fail and the crops wither, the villagers return to their homes in utter despair. Why should we not organise irrigation and provide a secure growing of crops. We, in this Council have been greatly concerned with the making of laws. Now I invite the Council to do something substantial. The question of the greatest possible importance is, the question of improving the condition of agriculturists and the condition of the agriculturists leaves much to be desired. I can point out from various Government publications how things at present stand. Mr. Moreland, who used to be Director of Agriculture in the United Provinces, has compared present day agricultural conditions with the conditions that obtained at the time of Akbar, and I can assure you that the contrast is not very favourable. The restoration of the village to be again an independent unit can only come if brains and capital are brought to bear on agriculture. Without brains and capital, agriculture can never advance and unless the village is modernised, and by modernisation I mean the bringing of power to the doors of the agriculturists, we cannot advance. We have heard a great deal about the introduction of agricultural machinery, but I can say, that the ordinary tractor, and I have some experience of the use of tractors, is not really suited to our conditions, this does not apply to steamploughing. But what is there to prevent us creating power houses in every District and Pargana and, bringing electricity to the homes of the villagers, for pumping water, working power-looms, helping to press oil, and for the manufacture of sugar? The village might be linked in its turn to central refineries, where the crude produce of the village could be refined and marketed. Here again we must look to the Government and to our merchant princes to supply what we need: capital and brains. We agriculturists cannot do these things; the pioneer work must be done by Government. I ask the Revenue Member to tell me if ever any attempt has been made to build a single model village worked with modern machinery, set amidst beautiful surroundings, with a pure water supply, with proper trade facilities for marketing the produce. Government aid is absolutely essential so far as agriculture is concerned; and in France and Denmark Governments have been consistently promoting agriculture. Leaving the general question I will come to specific problems. Take Land Revenue.

A great deal of misapprehension exists, whether land-revenue is a tax or a rent; but we have the great authority of Mr. Baden-Powell, that land-revenue is nothing else but "a tax on agricultural incomes," and that definition if finally accepted would place land-revenue on a fairly fair footing. When we come to the standard up to which it could be raised, the rule that it can go up to 50 per cent. of Landlords' assets still holds good. Now, even in war times, when the super-tax was raised the people grumbled. Agriculture for long years has been highly taxed. The time has come when the standard should be revised. I am not speaking without authority. Sir Harcourt Butler

in a recent memorandum, when he was leaving the United Provinces, laid great stress on the revision of the standard and on increasing the periods of settlements.

Other remedies have been proposed and they deserve consideration. I do not see why we should stick to ideas which are time-worn. Sir Ganga Ram has given a great deal of attention to agriculture and has put forth two proposals, both of which deserve very serious consideration. One is that agriculturists should be allowed to redeem Land Revenue by payment of a fixed sum yielding the same amount of revenue in interest, making payments by instalments and thus converting land into a freehold. His other remedy was the abolition of land-revenue altogether and the imposition of an export duty on grain. Both these proposals are original; both have a great deal in their favour, and both deserve very careful consideration by a Committee of Experts. If you abolish land-revenue, you take away all the trouble and worry of collecting a direct tax, of making assessments of land-revenue, and at the same time doing away with the inequality of the tax—a thing which I think the Honourable the Revenue Member will admit. Land-revenue is enormously unequal in all parts of India. It varies from district to district; in one district you will find it at 40 per cent., in another place at 50 per cent. and in another place as high as 70 per cent. There is absolutely no uniformity of land tax in India, and I think uniformity of land tax should be obtained.

Then again, you know that we are greatly concerned about village education. We have primary schools and these schools give a certain kind of education; but I am not prepared to say whether the education which the villager received under the village tree was not of the best. It kept him contented and happy; he received the vocational education from his forefathers and he stuck to his profession. Now, you come with your primary education; you keep him up to a certain standard and do not give him the vocational education he requires, he becomes one of that large class for whom employment has to be sought. Village education ought to be given according to the needs of the villagers and according to the traditions which have made village life full of happiness and contentment.

The third question which I should like to draw the attention of the House to is the creation of agricultural banks. Land is real property; but so far as credit is concerned the landlord cannot obtain it; he does not own the security which could be easily handled, and the result is that he goes to the bania and borrows money at an enormous rate of interest. I do not blame the bania at all, because if he were able to collect the interest appearing in his paper he would be immensely rich; and I have never known him grow richer beyond a certain limit. He takes risks and he realises perhaps not half of what he originally expected to collect. His wealth is in his books only. What you need is organised agricultural credit for the whole country; the co-operative banks have done certainly good work; but the demand is so great that their capital is altogether inadequate. The Government of India, so far, has made no attempt to create an agricultural credit, as has been done in Denmark and other countries. There is no reason why our

[Sardar Jogendra Singh.]

Government should not also create credit, which would facilitate the modernisation of agriculture and add to the prosperity of the country. The system, which was mooted in England and has to a certain extent given satisfaction in other countries is the Government starting a land bank. We have got the Imperial Bank. Why should not the Imperial Bank with its branches in the districts turn these branches into land banks, the Government giving the necessary guarantee and providing the necessary capital by issuing land bonds? The double guarantee given by the Government and the Bank would attract capital and provide the credit which agriculture needs.

As I pointed out before, we have made no attempt to reconstruct or organise agriculture, though we have talked about improvements that might be made. Similarly, we have made no effort to create agricultural credit, without which no progress is possible. I am talking now of the Sugar Committee's Report. The cultivation of sugar could have been made the beginning of intensive agriculture all over the country. It could have provided model farms yielding large profits and at the same time bringing capital into the villages. But Government so far has completely slept over the report, as far as I am aware. What I plead for is, that the Government of India should appoint a Committee to thoroughly overhaul its agricultural and revenue policy, after a careful inquiry in selected villages. The Committee will not fail to see the drudgery to which agriculturists are subject to realise their poverty, and also to appraise the resources of the country with the object of organising them. That is the way to help agricultural prosperity in India. It is needless to repeat the question, without a positive agricultural policy, how can any improvement be made? Where is the help to come from? The trading classes and our merchant princes are too busy with their own affairs. They have no time to give any attention to agricultural matters. The Government officials too are too busy with politics; the District official is now out of account. Under these circumstances, who is going to look to agricultural improvements? The Honourable the Member in charge might perhaps say that Agriculture is now a Provincial subject, and we have nothing to do with it. I hold that the Government of India for many years must be the centre of every good movement, the wide influence of which is felt throughout the Provinces. If you go to the villages, where there is no irrigation, and as this year's monsoon is failing, you will realise the despair that exists there. I am sure the Members of the Council will not be satisfied with the conditions as they exist in the villages to-day. I certainly think it would be very interesting for all who can afford to do so, to spend at least a week in the year in a village to see how things there are, because the foundation of everything in India is the village, and for long years to come the prosperity of India will depend on the prosperity of the villages. I hope that the Members in charge will not be content with an expression of sympathy which we have so often heard, for every Resolution that comes before this Council, but will actively associate with this House and point out the outlines of a positive policy by accepting this Resolution and defining the policy which is going to adopt. Such an assurance will not only help

the Government, but it will give a new hope to the country side, because the Members who are going to seek election will be able to tell their electorates the great interest the Government of India was taking in their welfare. I will not detain the House any longer. I am sure the sympathy of the House will be with me. It may be taken for granted that as Russell pointed out, "there can be no health in the cities, without corresponding health in the villages, and our princes and captains of industry might all disappear without a man disappearing, but cut away man from the fields and the fruits of the earth and in six months there will be silence in the streets."

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan). Sir, I rise with a certain amount of diffidence to speak on this Resolution. One of the reasons for my diffidence is, as the Honourable Sardar Jogendra Singh himself has said, the subject is a Provincial one. The other ground of my diffidence is that I do not know whether a Committee appointed by the Government of India, as suggested by him, can go round all the villages and make inquiries into all subjects mentioned in the Resolution and speech of the Honourable Mover. Although I feel somewhat diffident on these grounds, I still do feel that a great deal of useful work can be done by a committee whose functions will partly affect the provinces and partly by the Central Government.

Another difficulty which I feel on speaking on the Resolution is, that my Honourable friend has covered such a wide field that it is very difficult for me within the compass of 15 minutes that are allotted to me to dilate in any great detail on all the subjects to which he so ably alluded. I will, therefore, take up only a few items which, I believe, are of general interest. His desire to have a village as a self-contained unit is, as every one will admit, a very laudable one. It is, however, not quite feasible. We all desire it, but for the time being the village will have to depend not only on the neighbouring villages but also on the towns. His desire is that Government should adopt a scheme of consolidation of holdings. That subject is receiving the attention of many Provincial Governments. His own Government, I believe, is taking up that subject, because Mr. Calvert's scheme is well known to all throughout India, and it is being adopted in other provinces also. In my presidency this question has been very carefully considered, and at the last Co-operative Conference a Resolution was passed wherein it was decided that the co-operative movement should be utilised for the purpose of trying as an experimental measure the scheme propounded by Mr. Calvert, modified to suit local conditions.

Then my Honourable friend wants the Government of India to find money for large agricultural improvements. I do not know whether it is an Imperial subject, but speaking for my own province, I may say that great credit is due to the Minister there, the Honourable Mr. Chunilal Mehta, who is now Member of the Executive Council for having induced his Government to sanction 5 lakhs of rupees annually to be advanced to the agriculturists for purposes of agricultural improvements all over the presidency. He is using the Co-operative movement for this work. The whole fund is placed at the disposal of the Provincial Bank, and that Bank in consultation with the Registrar grants loans

[Mr. Lalubhai Samaldas.]

which are recommended not by the Co-operative societies but by experts of the Public Works Department or of the Industries Department.

My Honourable friend further wants large modern agricultural implements to be introduced into the villages. Before this is done very careful inquiries ought to be made regarding the suitability of such implements. In my Presidency the Minister has laid down that all recommendations for agricultural implement loans should be certified by an expert of the Industries Department if a loan is to be used for purchasing implements, while loans have to be certified by the Public Works Department if large irrigation or drainage works are to be carried out. My province has set an example, and great credit is due to the Honourable the Minister in Bombay for taking the initiative in this matter. Therefore, as the Honourable Mover will see almost all the work that he wants the Government of India to do is being done in my province, namely, the consolidation of holdings, the utilisation of the Co-operative Societies not for agricultural credit and provision of funds for agricultural improvements.....

THE HONOURABLE SARDAR JOGENDRA SINGH : Have they determined the agricultural wage ?

THE HONOURABLE MR. LALUBHAI SAMALDAS : Well, I will refer to it later on. But what I wanted to say was that in my province this work of consolidation of holdings, using the co-operative movement, granting Takavi loans for providing agricultural credit and agricultural improvements generally has already been done.

Then, Sir, reference was made to cottage industries. That also is being handled to a certain extent in my province by the co-operative societies. I do not mean to say that all that could be done has been done.

The Khaddar Movement, to which my Honourable friend Sardar Jogendra Singh gave credit, and right credit too, has been able to do something. But with the permission of the Council I would like to refer to certain defects in that movement. The Khaddar movement insisted that the handlooms should only be utilised for hand spun yarn. The handloom weavers object to it, as it pays them much better to use mill yarn, and that is why the insistence of the Khaddar movement to use hand spun yarn only has not done all the good that it could have done. I think I have already made it clear that we are all anxious to have cottage industries fostered on common sense grounds and not on sentimental grounds. The only question which in my opinion comes into the category of Imperial subjects is the question of Land Banks. My Honourable friend Sardar Jogendra Singh suggested that the Imperial Bank should be asked to utilise all their branches as Land Banks. I do not know how far this is possible. My Honourable friend the Finance Secretary can tell us whether he can command the Imperial Bank to do so ; it is for him to say whether he can do so or not. The Imperial Bank has been ordered to do something else, but I shall not refer to it here. Whether the Government of India can order the Imperial Bank to utilise their branches as Land Banks or not is a matter really for the Honourable the Finance Minister to say. But that question is an Imperial question and ought to be handled by the

Government of India ; the Provincial funds will not suffice for the purpose. The Honourable the Finance Member said in his budget speech that he wanted each and every pie that he could lay his hands on by the issue of Post Office Cash Certificates. I then said that a part of that money should be ear-marked for the co-operative movement, and I hope that the Honourable the Finance Member and the Honourable the Finance Secretary will bear that in mind. The starting of land banks would be the first constructive measure to help agriculture on these lines.

Sir, I am not going to enter into the question whether land-revenue is rent or tax ; that is a question which we can very well leave to economists. Nor do we want to discuss the question as to whether 50 per cent. suffices for the landlord or whether we should make a larger present to the taluqdars. In my province, where we have the *ryatwari* system, we do not want anything of the kind.

I believe the Honourable Sardar Jogendra Singh wants an examination of the economic condition of the agriculturist and not of the agricultural labourer. I am not quite sure what he wanted. (The Honourable Sardar Jogendra Singh : "Both the agriculturist and the agricultural labourer.") Speaking for myself, I am entirely in agreement as to making inquiries into the economic condition of the agriculturist as such in my province. As regards the agricultural labourer, we do not want to make detailed inquiries because we know what wages he gets. He gets much more than he used to get in pre-war times, and he gets sufficient to maintain himself and his family. As regards the condition of the real agriculturist, the man who actually works in the field, it would be interesting to know his economic condition. You cannot improve his condition by letting him off the land-revenue altogether, as my Honourable friend Sardar Jogendra Singh suggested, not in his own name but in the name of a higher authority. The land-revenue will have to be levied. Whether the incidence of the land-revenue is high or low is a provincial question and is being discussed in the Provincial Councils. (The Honourable Sardar Jogendra Singh : "It is not entirely a Provincial question, because it comes to the Government of India for sanction.") I know that in some provinces the Legislative Councils have decided, and in some cases have been able to adopt a Resolution, that any increase in land assessment should be submitted to the Legislative Council before its adoption by Government. That question has been raised in the Provincial Councils and the Provincial Councils have discussed it. I know of two instances in which it has been done. It is more or less a provincial question. The only questions which I think can be very well considered by this Committee are about the land banks and the making of an inquiry into the economic condition of the agriculturist as such, and, if my Honourable friend is prepared to cut off all subjects which are purely provincial and ask the Committee to inquire into only Imperial questions, I am prepared to support him.

THE HONOURABLE LIEUTENANT RAO BAHADUR CHAUDHURI LAL CHAND (Punjab : Nominated Non-Official) : The Honourable the Mover has very rightly drawn attention to the importance of the subject. In the first place, the subject touches a vast population consisting of no less than 90 per cent. of the whole population of India, and, secondly, any improvement in agriculture will add so much to the wealth of the country

[Lieut. Chaudhuri Lal Chand.]

and to the income of the State. Therefore, the subject is one which ought to be welcomed not only by my non-official colleagues but by the Government also. I quite admit that, during the last 20 years, something has been done in the Departments of Agriculture and Co-operation and also Education to ameliorate the condition of the villager, but we are not keeping pace with the times. In the Department of Agriculture the agricultural officers have not made themselves heard up to this time by the man who actually cultivates the soil. The man who wields the plough in the village does not know enough of the activities of the Agricultural Department to effect an improvement in his own methods. Similarly, the Co-operative Department has not even touched perhaps one per cent. of the population. Indeed, I was surprised to read in the Annual Reports of the Co-operative Department of my province that, when there was an increase in the number of individuals, their the Department expressed satisfaction that the circle of its activities was widening. Next year, there was a decrease and they equally expressed satisfaction at the fact saying that the undesirable persons had been weeded out and that the Department was free of persons who would have given trouble. All this is due not to want of sympathy on the part of Government, but chiefly to a want of knowledge of the difficulties and the actual needs of the villager. I cannot hide one more fact which has stood in the way of these improvements. It is the want of a proper response on the part of the villager himself. What is it due to? It is due to the administrative machinery being defective. If my Honourable friends will excuse me, I will give them an account of how officers of these various departments approach the villagers and the work that they do there. First of all, the Co-operative Inspector of Societies goes into the village. He deals with Credit Societies only and he collects together the village people, asks them to combine and consolidate their credit and to form themselves into a Society, and that is all. He mentions instances of villages which have profited by having opened Co-operative Societies, and in 50 cases out of 100 he succeeds in opening a new Society. But all this takes him only one hour. He has performed a journey of 20 miles. He goes back to his headquarters, has spent about six hours in the village and has been occupied for only one hour. Next day comes a Cattle Insurance Inspector. He says it is not only credit that is necessary but also Cattle Insurance Societies to the villager. He says "the value of bullocks is increasing, you cannot afford to pay the value of a pair of bullocks if one dies," and he preaches the benefits of Cattle Insurance Societies. In one case out of 100 he succeeds in opening a Society. Then comes the Veterinary Inspector. He says:

"Well, you cannot succeed, you cannot become rich unless you have good bullocks, good cows and good buffaloes. You should get bullocks from Hissar. We have got a departmental farm there which charges only Rs. 200 for a bullock and you can get one from there."

And that keeps him for only half an hour but he spends the whole day there. Then comes the Agricultural Assistant. He says:

"Come to my farm and you will see improved seed growing there, improved implements of agriculture; they are too unwieldy to be brought to the village; I have not brought them but you may come to my farm and you must use improved seed."

That takes him about half an hour but he spends the whole day there. Then comes the Sanitary Inspector. The Sanitary Inspector gathers together the elderly people, walks about the village and says:

"It is not proper for you to keep manure heaps so near your house; take them away, say to a distance of a hundred yards from the village."

You might say that there is difficulty in securing land. He replies:

"What I don't know about. I have only to tell you that this is injurious to your health. It is not my business to find a place where you could place your manure heaps; go to your Deputy Commissioner or to your District Board."

That takes him half an hour but he spends the whole day there. I ask Honourable Members both on the Government Benches and non-officials, could not all this work be done by one man? Does it require technical skill to preach all this to the villagers? Could not a Service be devised for the villagers which would teach them all these rudiments in every useful department? No attempt has been made to do so, and although the Government has all the time been sympathetic the failure is due to the want of knowledge of the condition and difficulties of the villagers. I am to point out here one example. The Rohtak District Board wanted to have a Sanitary District Board appointed. I moved for it. Non-officials were opposed to it. I had to ask for an adjournment. Of course I had approached the Non-official Members to accept it, and one of the Members told me—"Are there not enough mouths to feed? Are you going to add to the number of mouths that we have to feed?" That was the reply, and that is why I submit that it is due to the want of real knowledge of village conditions that villages have not improved and that it can be remedied if enough men from rural areas are taken into service. That I was told the other day the Government of India is not prepared to do. My Honourable friend the Mover has very ably drawn attention to the land-revenue system. He is a big landlord and I think he has done injustice to the small landholders, the peasant proprietors, by not touching their case. At present as the system is, every inch of land, agricultural land, I mean, is assessed to land-revenue. A man possessing one bigha or even half a bigha of land has to pay land-revenue and has to pay at the rate at which the big landlords are paying. The time has come when big landlords themselves should come forward and suggest to the Government, to let the land-revenue remain as it is, let the sum total of land-revenue not decrease but let the burden of the small landholders, the small peasant proprietors, be fixed upon us. There is a class in India whose profession it is to own lands. Their chief occupation is shikar. They should bear the burden of the land-revenue. If precedent was wanted, income-tax provides one. The capitalists and the richer classes bear the burden of their poorer brethren by making those whose income is less than Rs. 2,000 a year free. There is no reason why big landlords like the Honourable Mover himself should not come forward and say to the Government "Well, we are prepared to accept this burden and we ask Government to have a graded system of assessment." I hope my Honourable friend the Mover in his reply will make this clear. I take it was only an oversight and I think he is sympathetic towards the small landed proprietors to which unfortunate class I belong. With these few words, Sir, I support the Resolution, but request Government that if a Committee is to be appointed—which I hope it will—they will appoint

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really good men who are in the know of village conditions, men who know the actual difficulties and conditions of village life.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan) : Sir, I rise to support this Resolution although I do not agree with a number of the sentiments which the Honourable Mover has expressed, but as the principle that he himself laid down is noble I give my support to it. Trade and industry, and agriculture must go hand in hand, and without their co-operation there can be no real prosperity in any of them.

As regards the question of land-revenue which the Honourable Sardar has referred to, I must say that in the Punjab Zamindars are now feeling the pinch of high land-revenue. It is a fact that the land-revenue policy, although in principle it may be a uniform one, differs in different parts as a matter of practice. It usually depends upon the mercy of the Settlement Officer who settles a particular district. Certain districts are settled at a time when unfortunately during the past quinquennium the rates of produce have been high and the result is that in those districts in which the settlement is going on at that particular period, the assessment is heavier than those which have been assessed at other more favourable times. The Honourable Chaudhuri Lal Chand has requested that the big landlords should pay a differential revenue as compared with the small peasant landholders. In this connection, Sir, I beg to mention that the small peasant proprietors can secure a much bigger yield and return from their land than a big landlord can possibly do, and there should be no such difference as the Honourable Chaudhuri Lal Chand asks for in taxing the big landlords and the small landlords. In this world everybody wants to make as much money as he can, and although the Punjab Land Alienation Act was passed to save cultivators from high interest we find now that instead of the bunnias the big agriculturists Zemindars themselves as Bankers are enforcing high rates of interest.

Of course some measures will be considered to put an end to that, and in practice in the Punjab we find that the big fishes among the agricultural magnates are swallowing the small fishes. As regards the cottage industries in the Punjab, not much has been done, and we of course look to our Provincial Government for that question. But as Land Revenue is an all-India problem, and the various policies have to be co-ordinated, I think the Honourable Mover has been right in moving this Resolution in this House. With these few remarks I support the Resolution.

The Council then adjourned for lunch till 2-50 P.M.

The Council re-assembled after lunch at 2-50 P.M., the Honourable the President in the Chair.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay: Non-Muhammadan) : I think there can hardly be any Member in this

House either on this side or the other who can take exception to the laudable aim at which the Honourable Sardar Jogendra Singh's Resolution is directed. That aim appears to me to be the betterment of the agriculturist either by reconstruction or on any other lines. I understand the main object of the Honourable Mover's Resolution to be that in brief. Agriculture being the backbone of India either as an industry or as a source of production, it can hardly be said that anything that is brought before this House for the betterment of the agricultural population in India is either waste of time or energy spent in the wrong direction. Eighty per cent. of the population of India depends on agriculture for its maintenance and therefore all problems connected with agriculture concern the masses of India. The bulk of the remarks of the Honourable Mover appeared to me to be that the condition of the agriculturist is poor, that it has become worse than before, and that unless something very radical is done, it is likely to deteriorate to a very serious extent.

This same complaint I feel, Sir, was recognised as far back as 1879 when the first Director General of Statistics, Sir William Hunter, said that "the prosperity of the prosperous in India was based on the increased poverty of the poor." I therefore feel that there can be no difference of opinion with regard to the subject-matter of the Resolution, even though it may refer in some details which concern Provincial Administrations under the Reforms Scheme. The subject-matter of the Resolution is one which this House will do well to discuss very fully. But I feel, Sir, that the arguments advanced by the Honourable Sardar in moving his Resolution appear to me, if he will not mind my saying so, to suffer from some sort of confusion of thought. He lamented the gradual disappearance of the good old village life of 40 years ago; village life which he said was one of contentment and was self-contained. He next cited the days when education used to be imparted under the banyan tree. He however did not remind himself of the Brahman or the Moulvi that gave that education in small dribblets just enough to justify the accidents of one's birth. Certain books in those good old days when children had to learn under the priests were sealed books, and I really wonder for I do not know, the caste to which the Honourable Sardar belongs. But I can assure the Council that I at any rate would not be in this House, either to plead before representatives of the tax-payers or before the Government, the case for the tax-payers as it may strike me, if I had learned under the banyan tree in those good old days which the Honourable Sardar pines for. I really wonder, Sir, if he also overlooks the fact that in those circumstances there would not have been either a Council to bring the Government to their correct senses or to compel responsible Government officials like the dignified members on the opposite Benches to plead before this House that a Resolution may not be passed or that a Bill may be passed. However, I am sure the Honourable Sardar could not be overlooking those countervailing advantages or disadvantages. I feel however that his main aim must have been to bring home to Government that education as imparted to-day must be as cheaply available as possible, and I am not sure whether the Honourable Sardar himself is in favour of primary compulsory education or not. But if he is there was no conception of it in those good old days for which he sighs and repines to-day.

[Sir Purshotandas Thakurdas.]

Whilst the Honourable Sardar reminded himself of many of these good things in the past, there was one subject in connection with his Resolution for which he did not regret that the past had disappeared, and that is modern credit and finance. When he came to that he almost ran down the poor old bania of the past and he sighed for more banks, more banks of any sort, in the absence of Indian banks and Indian shroffs, even the Imperial Bank. In this domain he had nothing good in the past on which to fall back and on which to look back with a sigh. I really wonder, Sir, whether with these ideas of those good old days and with these ideas of more finance being available, not through the Indian shroff—I wish he had emphasised that part, for there I would have supported him wholeheartedly—but through banks started and run on western lines,—I really wonder, Sir, whether the Honourable Sardar himself will easily be able to reconcile the two ages, the age of the contented self-contained village life with education under a tree and the age of a bank run on western lines.

He very much regretted and reminded himself that the village industries were dead or were dying. He, as I understood him, appeared to regret that the machine-made cloth had come to displace or replace the hand-spun cloth. I really wonder if he considers it a feasible proposition to-day to try and set his hands to oust machine-made cloth and to compel the people of India to take to good lasting home-spun hand-woven cloth. But I am sure that what he must have had in his mind when he said this was a reference to cottage industries. He reminded himself that khaddar was a very useful article and that khaddar had received great encouragement owing to the activities of Mahatma Gandhi. As a pure cottage industry khaddar has stayed in spite of the mill industry having been in India for 30 or 40 years. For those who have leisure, for those who have no work for 12 months in the year, nor work for full 8 hours in the day, for the khaddar or cottage industry, hand-spun and hand-woven cloth, there will always be ample room in spite of the keenest competition by machine made cloth. But to put the same proposition on political grounds, the proposition is bound to fail, even though popular enthusiasm for it, inflamed on any grounds whatever, may temporarily show that the thing is a sound proposition.

Coming, Sir, to the subject-matter of the Honourable Member's Resolution, agriculture, I feel that the Honourable Sardar has not sufficiently emphasised before this House the barriers of agriculture which prevent its betterment. He did mention small holdings, but I wish he had done full justice to that great handicap to agriculture, a handicap which in my province, Sir, has been put down as so bad a handicap that holdings are reported to have been sub-divided and sub-divided until they have got to the size almost of a small billiard table. As the Honourable Sardar himself is a zamindar owning vast acres of land, I do not think that I ought to tell this House what a handicap these fragmentary small holdings are to agriculture or to the development of agriculture. But in my province, Sir, at any rate, the Government did make some wholehearted efforts to set the matter right. I happened then to be in the Legislative Council and what did we find come up against us? Custom, religion—oh, what

is not done in the name of religion—and above all popular sentiment. Government felt almost helpless. On this same floor yesterday from responsible quarters a warning was sounded that Government should not interfere with what is based on religion. But if small holdings are to be encouraged and if small holdings are not to be prevented in spite of the bad handicap that it is to the agriculture of India, I am sure the Honourable Sardar himself will agree with me that a Government committee or the wholehearted sympathy of or action by Government will be able to do little for the betterment of agriculture.

He referred next to canals, irrigation and wells. Canals always struck me as having been one of those few boons with which British Raj will be connected and the name of the British Raj will always be connected with and remembered in India for generations to come. I am not unaware that there were canals in the times of the Great Moghuls, but they were canals perhaps for the palaces or for a few selected areas around the palace. I speak subject to correction; they may have been on a much larger scale.

But to have canals on the scale on which we have them at present—and consider the immense scope there is for extension in this direction—well, that also wants the wholehearted sympathy of the classes which own land; and, if Government happens to move too slowly for the aspirations of the zemindar class, this House or any House for the matter of that, any Legislature, would be only too pleased to push Government on as fast as they can.

The Honourable Sardar then appealed to Government for help and the appeal to Government for help appeared to me to be restricted to this, "build a model village with up-to-date sanitary appliances or conveniences." That is about the only thing that I remember. It is quite possible that he may have referred to something else, but this is the one concrete direction in which he asked for Government help. I do not wish at all to take any exception to any suggestion which emanates from the Honourable Sardar. He knows district life and village life better than I do; but, as a merchant, may I ask if the initial expenditure of building the model village is to be found from the Government coffers, what about the recurring expenditure and the expenditure on the upkeep of this model village? And, after all, who is going to occupy it? The present villager, as he is, or the villager who is educated and who will know how to use these up-to-date sanitary appliances? It will not do to build a model village; it has not done to build model *chawls* in Bombay. What you want to build is the right thing for the right man. Build for people what they are accustomed to, what they will appreciate and what they will know how to use. It, therefore, amounts to this. Give them education, bring them up to that standard either of comfort or of cleanliness, and, then you need not build a model village; they will build model villages for themselves.

My Honourable friend next appealed to the merchant princes. He did not say what he expected them to do. I wish he had just indicated at least one direction in which the merchant princes might be able to help the agricultural classes immediately and more wholeheartedly than

[Sir Purshotamdas Thakurdas.]

they have done up till now. If the Honourable Sardar is under the impression that the merchants of India, or what he calls the merchant princes, do not realise their grave responsibility towards agriculture, if he thinks that they are oblivious to the fact that the prosperity, nay the very existence, of the merchant class depends upon the prosperity of the agriculturist, all that I can say is that the Honourable Sardar has not come in contact with the average merchant of India. Woe to the merchant who thinks that he can squeeze the agriculturist and prosper; woe to the merchant who thinks that he can afford to overlook with impunity the necessities and the requirements of the agriculturist. But we are living in a material world. Even my friend the Honourable Lieutenant Chaudhuri Lal Chand had to remind the Honourable Sardar that as between zemindars and zemindars, the big zemindar and what the Honourable Lieutenant Chaudhuri Lal Chand called the peasant land owner, there is a difference of opinion as to which of the two owes a duty to the other. I do not know much about the relations between the two, nor do I know much about the problems of either. I leave it to these two stalwarts of the Punjab to settle that difference amongst themselves. If, therefore, there can be any misunderstanding between these two species of land-owners, I would not be surprised if the Honourable Sardar cannot convince me that there was some sort of misapprehension in his mind regarding the duty that the merchant princes are convinced that they owe to the agriculturist. But, Sir,

The HONOURABLE THE PRESIDENT : I must remind the Honourable Member of Standing Order 61.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I do not think I will take more than five minutes longer, but, if it is your pleasure, I will conclude my speech.

The HONOURABLE THE PRESIDENT : I am only reminding the Honourable Member of Standing Order 61 and of the desirability of his bringing his speech to a conclusion as soon as he conveniently may. He has already exceeded the time-limit.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : There is one class, however, to whom the Honourable Sardar did not appeal, and that was his own class. He did not say that the zemindars could do more than they had done till now, nor did he say that they would do something more hereafter; but there, perhaps, it is possible that he is himself convinced that they have done all that they possibly could and more. I therefore, do not wish to labour the point.

As far as the appointment of a Committee is concerned, I feel that the only subject that is central is land-revenue and, if a case is made out that land-revenue is a subject that requires to be inquired into, I am sure this House will be the first to agree with the Honourable Sardar regarding the appointment of a Committee. I have very great pleasure, therefore, in supporting the underlying principle of this Resolution, namely, the betterment of agriculture in India.

The HONOURABLE SIR NARASIMHA SARMA (Member, Education, Health and Lands) : Sir, the Honourable Sardar Jogendra Singh has been so very keen about rural reconstruction that he has tabled a Resolution on the subject more than once and has been writing to the newspapers also about the Government of India (and I suppose the Provincial Government are included in the general term "Government of India") not having done in the past or their not doing at present all that they should do by way of encouraging and advancing the prosperity of the agricultural classes. To-day also, in his introductory remarks he has stated that as far as he is aware, he does not know what exactly the Government has done during the last 20 years towards promoting the cause which he and all of us have at heart, and he therefore thinks that a Committee should help the Government and the public in formulating a policy for the purpose of making land-revenue more uniform, for encouraging co-operative credit, for devising the methods on which village rural education ought to be imparted and in general to advise on such steps as may be needed for the promotion of the interests of the agricultural masses of India. As the Honourable Sir Purshotamdas Thakurdas has remarked, I do not think there will be any disagreement in this House with regard to the underlying principle of this Resolution, namely, that all of us should co-operate to the best of our power to improve the lot, the condition and the prosperity of the agricultural classes, with whose prosperity is bound up the prosperity of the whole of India. But, when we are told that the Government has not done as much as might be expected of them, I must enter a caveat. I think, if he had only surveyed the history of the efforts which the Government have for at least 40 or 50 years been putting forward for the purpose of improving agriculture, he would certainly have seen that they have had a policy, that they have a policy, and a very definite policy, on which there could not be much improvement. At any rate, I have listened in vain for any suggestions here on which that policy could be improved.

They have sought to survey the whole of agricultural land. They have sought to settle it.

The HONOURABLE SARDAR JOGENDRA SINGH : For assessment purposes.

The HONOURABLE SIR NARASIMHA SARMA : They have sought to secure a record of rights so that the agriculturist may know his rights and his liabilities, and they have succeeded to a very remarkable extent in securing the safe possession of the land to the agriculturist. Most of the land in British India including the zemindaris has been surveyed with some small exceptions in Bengal, Bihar and Orissa and elsewhere specially in permanently settled tracts. Land has been settled on varying terms. A record of rights has been attempted in many provinces. Tenancy laws have with considerable difficulty been passed in almost every province to protect the actual cultivator from unjust demands on the part of those who may be superior proprietors. They have completed irrigation schemes which are acknowledged on all hands to be the most beneficial, the most remarkable achievement which any Government could be proud of, and during the last 20 years owing to their exertions the land under irrigation has increased to the

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extent of about 18 million acres including the double crop area. The area under irrigation in 1902 was I take it about 34 millions, including the land cropped more than once. In the year 1920-21, a bad year, it was 52 millions. This is what they have achieved. The Government have undertaken some schemes now in progress which will bring considerable areas under irrigation. I need hardly allude to the recently sanctioned schemes—the Sarda, the Sutlej, the Sukkur, the large reservoir schemes that are nearing completion in Bombay, the large reservoir schemes which are under contemplation in the Central Provinces and elsewhere. So much for their irrigational activities. They realise to the full that the prosperity of the ryot and the improvement of cultivation are to a large extent dependent upon the supply of good seed and farms have been opened for the purpose, propaganda has been started and considerable success has been achieved in this direction.

The HONOURABLE SARDAR JOGENDRA SINGH : What is the produce of these seed farms ?

The HONOURABLE SIR NARASIMHA SARMA : I am not able to tell you exactly how much it is, but I may tell you this much, that both in the Punjab, the United Provinces, and Bihar and Orissa, almost the whole of the wheat area is being supplied with seed, the improved seed which research operations in Pusa and elsewhere have been able to find for the benefit of the cultivator. They are painfully aware that the agricultural masses are steeped in debt and therefore they have, through the encouragement of co-operative credit societies, tried to build up a system by the aid of which the masses could extricate themselves from debt, could secure money for improvement at cheap rates of interest and could build for themselves institutions relating to agricultural credit, marketing co-operation in various directions on the most advanced lines which European research has been able to place at our disposal. And remarkable indeed have been those achievements, because at present the co-operative societies comprise as many as about 2 million members with a capital of about 17 crores and a working capital of 31 crores, whereas not long ago when it was started—started, I think, about 1904—the average for the first 4 years was a small capital of some lakhs. That is indeed a remarkable achievement of which any Government, and the public which has co-operated loyally with the Government, might well be proud.

I am not for a moment suggesting to the House that what has been done is enough for the purpose. The way has been shown, the path has been laid down, the lines on which progress has to be made has been chalked out, the necessary laws have been enacted, and it rests with the public as to what use they make of the machinery which has been placed in their hands. Well, Sir, then there are the Acts for lending money for the improvement of land—land improvement loans—and for agricultural loans. I wish more could have been done in this direction, but it rests entirely with the Provinces. It rests entirely with the local Councils, with the public as to what use shall be made of that machinery. But there it is ; what has to be done has been laid down—that is, the policy of Government. With regard to marketing, I do not think any

Government could have had a clearer conception of its duties, or of the lines on which progress is to be made, as the British Government. They have perceived from the beginning that roads, railways and canals, have to be built in order to enable the agriculturist to make the best use of his produce, and this they have done in spite of much misunderstanding in spite of much opposition, and they have succeeded remarkably well in opening up the country. I do not here either suggest that there is not considerable room for improvement, that many more thousands of miles of railways cannot be built, should not be built or ought not to be built. I do not suggest that the roads we have are enough for the purpose. But here again it is a question of money, co-operation and enthusiasm.

Well, Sir, I come to education. They have started provincial colleges in almost every province, and they have appointed a committee to consider the lines on which rural education ought to be advanced. A Committee reported in 1917 as to the lines on which advancement ought to be made, and I would merely refer the Honourable the Mover to the proceedings of the Agricultural Conference of 1917 without going into details of its recommendations for want of time, to show that in this respect they have not been idle. The problem before the Government of India, the problem before the various Provincial Governments and before the Local Boards, has been as to how to adapt agricultural education to the needs of the masses, combining it with primary education, and in this, I am sorry to say that some of the lessons have not been very encouraging—I may mention the Punjab has tried the experiment more than any other Province but so far with very little success. I hope better luck will attend our efforts in future and that it will be possible for the Punjab population so to adapt their educational methods and educational curriculum as to combine a knowledge, the knowledge which is generally imparted in primary schools in urban areas with the necessary agricultural bent which is absolutely essential for the progress of agriculture in this country.

Then, there is research. Everyone in this House is aware that the Government—the Provincial Governments as well as the Government of India—have been devoting large sums of money for this purpose and for the improved seed, improved manures and so on, improved implements.....

The HONOURABLE SARDAR JOGENDRA SINGH : Have you got the exact amount of expenditure in any year on research work ?

The HONOURABLE THE PRESIDENT : If the Honourable gentleman wishes to put any questions he should observe Standing Order No. 27.

The HONOURABLE SIR NARASIMHA SARMA : I can give the information needed by the Honourable Member at any moment if he would only ask for it. He has not asked for it and I think we have been publishing blue-books which would give him the necessary information ; if they have to be supplemented, the department is always ready. He knows I think, or he ought to know, the amount of money which we have been spending on our Pusa Research Institute, and I have got figures here—I had already anticipated the question—but I do not think

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I shall deviate from my general course for the purpose of satisfying the curiosity of the Honourable Member at this moment.

I am sorry, Sir, we have not been able to find sufficient money for the purpose of starting work on several branches of research activity, entomological, mycological and others, on which I at any rate feel keenly and which should be started if there is to be a great saving in the wastage that occurs, wastage which we cannot afford, especially having regard to the meagre resources on which the population of this country has to sustain itself.

As for propaganda, we have been attempting it ; I wish more could be done ; only my Honourable friend, Mr. Lal Chand has told us that there is perhaps too much propaganda in some directions. I sympathise with him. The propaganda might be co-ordinated so that it may be less burdensome to the villages which these officers have to visit for the purpose of spreading the true doctrine. The suggestion, I dare say, will be borne in mind ; but he must remember that we are living in an age of specialised research and specialisation in all departments of life, and it is impossible so to demarcate the boundaries of one department from those of another as to achieve the object which he has in view. But I am sure that an attempt should be made to co-ordinate the activities so that as few officers as possible may be utilised for the purpose of doing the work which they have to do.

(At this stage the Honourable the President left the Chair which the Honourable Sir Maneekji Dadabhoy took.)

Sir, we think Government has never been remiss in the appointment of committees : they have had the Irrigation Committee, they have had the Cotton Committee, the Sugar Committee—a Committee with regard to village education that I was speaking of ; they have meetings of all the agricultural experts once every year, and sometimes oftener, for the purpose of devising ways as to how to improve the dissemination of agricultural knowledge, and how to co-ordinate their activities ; and I do not think the most unjust critic of the Government can charge them with any remissness or negligence in the appointment of committees for the purpose of ascertaining and informing themselves as to the correct means. There may be some justification for the charge that we have not always utilized the information given. My Honourable friend alluded to the Sugar Committee ; he must remember that he is not prepared to pay a little more to enable the Government of India and the Provincial Governments to discharge their duty. If only that can be done, I am sure the money will be forthcoming and we shall do our duty.

Well, Sir, I shall say just a few words with regard to the land-revenue question on which he seems to be very keen and on which really he has centered most of his remarks. If he were to turn to Hindu times, I am sure he will realise that it was open to the King to exact or rather to take one-sixth of the produce. I had the curiosity some time ago to work out the figures roughly to see what percentage the Government was taking on the whole. The total land-revenue comes to about

35 crores of rupees ; and in 1911, if I remember rightly, the total agricultural produce, apart from others, was estimated at about Rs. 87 crores according to my method of calculation—it should be at least 50 per cent. more according to present prices. I should, therefore, think that there is no foundation for any serious charge that unduly large sums of money are being exacted by a rapacious Government from the cultivator. Take the Punjab for instance. 29 million acres are paying only Rs. 4 millions ; the average for a fully assessed area is between 11 annas 7 pies and 15 annas 6 pies. No one could suggest that that is a formidable sum. If you take the crop area it is Re. 1-4-5 to Re. 1-15-7. Some provinces pay a little more. If you take the United Provinces it is 30 million acres and Rs. 69 millions. I shall not pursue the subject ; it is a provincial subject and it is certainly open to the Local Governments to make suggestions and it is for the Government of India to consider no doubt as to whether according to the rules now in force, which we hope to be able to relax, the Provincial Governments can embark on far-reaching changes. One provincial legislature has suggested permanent settlement ; others long-term settlements and so on ; but Honourable Members will remember that the agricultural classes are all powerful in many of the local assemblies, that labour has not yet come into its own and that the industrialists may have to say something. I would only ask them to remember that ; I am not suggesting that some of the poorer landholders do not deserve greater consideration or that in some places the land-revenue is not excessive. The whole question is one for the provinces to settle, and I shall not prejudice the case either of the Government or of the landlord by making any remarks here which would tend one way or the other ; but I have said enough to show that what the Government has done in the past cannot be justly stated to have been unjust, either to the larger landholder or the smaller landholder.

Therefore, Sir, I think no committee would serve any useful purpose. Each province will have to work out its own salvation. Co-operative credit, education, land-revenue are all provincial subjects. Agriculture is a provincial subject. When dealing with agricultural education and other subjects, the Government went fully into the question and found that it was difficult for them to make any general suggestions which would be applicable to all the provinces. The question of landbanks has been mooted as one of the subjects that we might deal with. The Government of India are not unaware of the importance of the subject. Last year, we went into that question and we noted from the information that we had that the Local Governments were fully alive to the importance of this question and were being expected to make a move when financial conditions became more favourable. The Government of India would only be too glad to assist the Local Governments in initiating a system of landbanks in which I believe myself that a good deal of progress is possible, and it is a direction really in which all our energies should be directed for the purpose of improving the credit system, especially for the benefit of the agricultural classes. The Government of India are not unaware of the necessity for making the villages as self-sufficing as possible. That is the reason why the latest Rural Board Acts enable the institution of village punchayets, and the grant of

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larger powers to them. Therefore, the direction in which the Government are moving is towards decentralisation as far as possible; and I hope, therefore, the Honourable Member will see that his suggestion for a committee which is to investigate the conditions of about 772,000 villages, spread over ten presidencies with vastly different conditions, with land-revenue varying from seven annas and six annas to two rupees and three rupees and higher, a committee of that description cannot do its work, however well-intentioned it may be, however enthusiastic it may be and whatever period may be allowed to it. The direction lies in inducing the provincial legislatures to take more interest in agriculture, and I am sure they will do that; and if the Government of India's assistance is required for any purpose, Honourable Members may rest assured that it will be forthcoming. At the present moment and under our present constitution we cannot spend except for certain definite purposes, and we merely superintend and control certain operations with regard to land-revenue administration, such as the fixation of land-revenue. With regard to others, the provinces have absolutely a free hand, and I think it would be a retrograde step for us to legislate to appoint a Committee such as the one which the Honourable Member proposes to suggest to the Local Governments as to what their duty should be in this matter.

(At this stage the Honourable the President resumed the Chair.)

I therefore deeply regret that, although all of us are at one with regard to the desirability of taking as speedy steps as possible for the purpose of improving the lot of the agricultural masses, still the remedy suggested in this Resolution is hardly the right remedy, a remedy which can appeal either to the Government, or I take it, to the vast majority of those assembled here.

THE HONOURABLE SARDAR JOGENDRA SINGH : Sir, I am greatly disappointed at the Honourable the Revenue Member's objection to the appointment of a Committee. I was merely asking the Government of India to take stock of the economic position of the country which they have consistently refused to do. I thought that with the changed conditions, the Government of India would welcome such an inquiry to find out what the exact position is. The other minor matters of course do not concern me as much as the main question of a careful inquiry into the condition of the villages.

The Honourable Sir Narasimha Sarma in his reply referred to many improvements which have been made in agricultural matters. I have never denied that Government has often talked about improving agriculture. They have often appointed committees to inquire into specific subjects, but what I ask the Honourable Member is, what action has actually been taken by the Government on the recommendations of these Committees? He says that Government is now supplying seed. I ask him to tell us to what extent seed has been supplied. If he could tell me that, then I would certainly be satisfied that the needs of the country in the matter of pure seed supply are sufficiently provided for.

The Honourable Member then referred to the great work that has been done in Canal Irrigation, I do believe, as my Honourable friend Sir

Purshotamdas pointed out, that canal irrigation is one of the finest achievements of the Irrigation Engineers; but he did not tell us the percentage or area which the canals are irrigating; I may tell him that the canal irrigated area is only a small fraction of the area under cultivation.

The Honourable Member, in charge of course, has left the question of well irrigation as well as that of unirrigated areas entirely alone.

He then talked about the survey of lands and record of rights. Well, so far as we laymen are concerned, the survey of land and record of rights only means an increase of land-revenue. These records are very carefully kept, I admit. But what does it lead to at the end of 20 or 30 years, as the case may be? These records are produced to increase land-revenue. What the people in the villages expect is sympathetic action in revising the land-revenue settlement by devising means to find out whether land-revenue could not be decreased.

Then the Honourable Member in charge referred to the question of tenancy laws. I have always admitted that the Member in charge is always profuse in expressing his sympathy. I would ask the Honourable Member to say what the Government have done in increasing production? That is what I want the Committee to inquire and find out. What have the Government so far done in increasing production? The Honourable Member in charge has been absolutely silent on that point.

Regarding Canal Irrigation again, I remember the opinion of an Inspector General of Irrigation, who said that if funds were available in five years or at the utmost in 10 years irrigation area in India could be doubled. Certainly, Government have provided funds for some works, and some works have been recently sanctioned, but the programme for future irrigation is still unsettled and it should therefore be taken in hand as soon as possible.

Then, again, the Honourable Sir Narasimha Sarma talked of the Land Improvement and Agricultural Loans. I wonder if he has ever approached the Government for Land Improvement Loans. If he has, then he would know how loans are given and collected. There is no elasticity in the loans granted by Government. The collections are most rigid and there are sudden reversals of policy. Therefore, here again, there is need for inquiry.

Now the main reason why the Honourable the Revenue Member says that an inquiry should not be held is that Agriculture is a Provincial subject. I want to submit to him that Agriculture is of Imperial importance, and being of Imperial importance, it is of vital interest to the country. It therefore lies with the Government of India in co-operation with the provinces to hold this inquiry and devise a policy and assist the provinces to actively promote agriculture.

Then the Honourable Sir Narasimha Sarma said that the appointment of a Committee such as the one I propose in my Resolution would do little good. Well, if the Government of India had recognised its duty, if it had recognised that in appointing Committees they were committing themselves to accept the recommendations of those Committees they would not refuse the appointment of a Committee such as the one I propose, as it will

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lead to increased production and consequently to contentment. But if the Government cannot act on the recommendations of the Committees whose fault is it? It is for the Government of India to justify the appointment of such Committees on which public funds have been lavishly spent. Committees on which public men have given their valuable time to make recommendations after careful inquiry, and to see that the recommendations made by those Committees are acted upon. Take a firm of business men. They do not appoint Committees only to shelve a question. If they appoint a Committee, they do so for the purpose of taking action on its recommendations. If the Government of India feel that they cannot take action on the recommendations of Committees, they are certainly justified in refusing to appoint any more Committees. But at the same time they must devise some other method of holding an inquiry. How are the Government of India going to take stock of the agricultural conditions of the country? For a series of years it has been said in the Councils and outside the Councils that the agricultural conditions are deteriorating. How is the Government going to inquire and find that out, so as to convince the country that it is not so? And if it is deteriorating, how are the Government of India going to discover remedies for such a state of things? It cannot be done by sitting in the office and reading reports which are sent up.

Then the Honourable Sir Narasimha Sarma referred to Manu. I do not see why in the twentieth century we should go back to the times of Manu. Why should we not adopt modern standards of taxation and revise our old rules. The Honourable Member said that in the time of Manu land-revenue was assessed at one-sixth of the produce. He also told us that he has made very careful inquiries about land-revenue and said that in some provinces the assessment was one rupee an acre, while in others it was eleven annas, but he left the main question entirely alone. He did not tell us what is the produce from an acre, what is the cost of production, what is the surplus available, and what proportion to that surplus the land tax bears? I suppose he will be able to enlighten us on these points. I suppose he will be able to enlighten us as to the proportion that land-revenue bears to the surplus available from the produce of land.

Then again, he has lightly passed over the question of a revision of the standard of land-revenue. He says it is a provincial subject. I should like him to convince this Council, that it is a provincial subject, and that the Provincial Governments can revise the standard of taxation below or above the 50 per cent. which has been fixed. If it is so, certainly the Provinces can do so; and if it is not so, it is for the Government of India to decide what standard of taxation is to be followed in the future. I should like the Honourable Member to tell us, if it can be done, without a careful inquiry by a Committee, without a careful determination of the produce of the land and the available surplus that can be taxed. There is income-tax for instance; it bears a certain proportion to the income of a man. Well, then, why not determine the income of an agriculturist for the purposes of land-revenue. Sir Purshotamdas Thakurdas pointed out, in some cases an agriculturist has no more land than the size of a billiard table; what tax has he to pay on this billiard table patch of land? Then, as

Chaudhuri Lal Chand says, and I am at one with him that there should be uniform taxation but the rich should pay more. Can this be done without determining available surplus? It is no use shirking this question.

Then the Honourable Member said that he fully sympathises with the idea of making the villages self-sufficing. I would ask him what the Provincial Government or the Government of India are doing or have done within the last 20 or 30 years in making the village a self-sufficing unit? I am entirely one with Sir Purshotamdas Thakurdas that we cannot go back. I never meant to. We must go forward. But it is in going forward that we need the support of the merchant princes to modernise the village and bring civilization home to the villagers. How can we do it without the assistance of the Government and our merchant princes? We want their capital to modernise agriculture; that is where we need them.

I think I have dealt with the remarks made by the Honourable the Revenue Member, but there were some very interesting remarks made by my friend Sir Purshotamdas Thakurdas on questions of wider interest than this, comparing the new age with the old, the age of freedom, the age of machines, the age of modern comforts—that is the age of dependence on God, simple living, and high thinking? For myself, I find myself in a very great difficulty to say which is the better.

THE HONOURABLE THE PRESIDENT: I think it is hardly necessary for the purposes of the Resolution under discussion that the Honourable Member should determine that question.

THE HONOURABLE SARDAR JOGENDRA SINGH: It is a question which we will not determine at this stage, and possibly we cannot appoint any Committee that could determine the points indicated by my friend, Sir Purshotamdas Thakurdas. But in the matter of education certainly I am one with him that we should have free and compulsory education. Where I differ is that we must have education not entirely removed from the old village life. We want the villagers to have contentment. In this life it is a strange thing that when God sends us on this earth we need a philosophy to live, and that philosophy we should not take away from the villagers, because it is that philosophy alone which makes the drudgery of life for them possible.

In the matter of land banks again the Revenue Member assured us that it had the sympathy of the Government of India and that the co-operative credit societies were doing enormous work. He talked in crores and millions, but he did not tell us how far these went and what the needs of the country are in the matter of capital, even to liquidate existing debts. That is again where the inquiry is needed. Unless you know and inquire into the condition of indebtedness of the country, how can you make the necessary provision. You cannot shirk the inquiry. Why not go forward and take stock of conditions. I mentioned a few subjects like, land-revenue, organization of credit, etc., but there is a wide range of inquiry in the agricultural domain and the terms of reference could be carefully considered. If I went into the question of land-revenue alone I suppose I would detain the Council for more than an hour, which I do not want to do. So I simply emphasise the necessity of inquiry. The main principle of my

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Resolution is that the Government of India should set up in co-operation with the Provinces a Committee of inquiry to take stock of the present agricultural position and then to devise means to make improvements. It is a very simple proposition which I do not see why the Government of India should not accept. And if they do not accept it, what happens? In the villages we say, the Government of India has nothing else but words, words, words; it is full of sympathy inscribed on reams of paper; but when it comes to action they simply say, "we cannot do it; we cannot make an inquiry; we are bankrupt." Well, if the Revenue Member wants it, I think the agriculturists would be quite prepared to pay a percentage to meet the cost of this inquiry, because we feel fully convinced that the time has arrived when an inquiry should be held. I can tell the Government of India, that discontent in the villages is growing, and contentment can only be brought to them by bringing prosperity to the villages. If they fail in doing so—well, I do not know, but difficulties are certain to arise. With these remarks, Sir, I commend this Resolution to this House and I hope the Revenue Member, if he is opposing the Resolution, will let the official Members vote as they wish.

The HONOURABLE SIR NARASIMHA SARMA : Sir, I think there would not be very much difficulty, though I do not know the particular course of action the Government would take, if only my Honourable friend can induce the agricultural classes to find the money for the inquiry which he proposed.

The HONOURABLE SARDAR JOGENDRA SINGH : A lakh of rupees from three hundred millions would not be very much. One pie a head.

The HONOURABLE SIR NARASIMHA SARMA : A lakh of rupees for a Committee to tour round 727,000 villages, to ascertain the indebtedness of about 200 million inhabitants of this country, to go into the question.....

The HONOURABLE SARDAR JOGENDRA SINGH : May I rise to explain, Sir, when I said that the inquiry may be held in co-operation with Local Governments I did not propose that the Committee should go out touring. There are other methods of arriving at conclusions. Each District Officer can hold an inquiry in his district and submit proposals to the Local Government. Those again can be collected by a Committee of experts, and their report forwarded to the Committee sitting at the headquarters of the Government of India, who would tour round selected tracts to test their conclusions.

The HONOURABLE SIR NARASIMHA SARMA : I am glad to be enlightened. I see further avenues of expenditure, the proportion of the salaries of these expert officers, the district and village officers that would have to be debited to this inquiry, which I am sure the Local Governments under the new Devolution Scheme would be particularly careful to debit, would not at any rate bring the expenditure within the reasonable proposition of one lakh of rupees. But seriously, Sir, the Government of India have had under consideration this question of an economic inquiry on more than one occasion. In connection with the census the question was carefully gone into as to whether the census

officers could not be authorised to go into the economic condition of the villages on some definite lines in order that more light may be thrown upon the economic condition of the people. The question was fully examined and it was found that such a cursory inquiry as was possible under those circumstances would only result in misunderstanding, in false calculations and would do more harm than good. The question was again examined whether from the point of view of industries, or from the point of view of agriculture, better statistics could not be devised and more money should not be expended. It was again found that it was impossible in the then condition of the finances of either the Local Governments or of the Government of India to undertake an inquiry of this description. It is not because the Government of India are unwilling or do not see the desirability of an inquiry of this description, provided it is conducted on scientific lines and with as much exactitude as the case may permit, but that we are met with this difficulty to which I have alluded more than once, the question of funds.

He has asked me as to what has been done in the matter of well irrigation. Of course, this is a provincial subject, but I may inform him that all the local laws exempt improvements by the sinking of wells from assessment. Care has, therefore, been taken for a very long time to see that every encouragement was given to the sinking of wells and land improvement loans were partly or mainly intended for the purpose of improving wells and sinking new wells. In Madras and some other provinces also, the Industrial Department, and sometimes, the Agricultural Department, have investigated the possibility of tapping the underground supplies of water and they have succeeded in sinking several tube wells. Therefore, this is a matter in which the people and the Government have co-operated and can co-operate and much is being done, though I do admit that much more could be done. But that is not a question for the Government of India or a question for the Committee; it is a question of the co-operation of the people and the Local Governments. But the figures would show that there has been an enormous increase in the number of wells.

Then he asked me as to what the percentage of the canals is. The total area given fluctuates between 220 or 260 million acres, it varies from year to year, and the canals are about 54; therefore, you can easily find out the proportion. Further, almost all the big rivers have been tapped or are being tapped, and, therefore there is no very great possibility of a further expansion of canals on a rapid or large scale either by Government or by private effort. There is an enormous future in the case of wells, much has been done in the case of tanks, and, therefore, I think the irrigation problem stands on a very satisfactory footing.

With regard to survey operations, my Honourable friend said : "Yes, it is to the interests of the Government to survey the land because they want to exact more money at the time of each settlement, but does not do much good to the people." Well, if the Government wishes to increase the land-revenue by a certain percentage they would do it whether the land is surveyed or unsurveyed, and, therefore, that question does not help the Government at all. On the other hand, I know, and I

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realise fully as a *ryatwari* proprietor on a small scale myself, and as a landowner, how greatly the people appreciate survey operations, which settle boundary disputes which would have otherwise have cost them very large sums of money in fees to the lawyers, which class my Honourable friend does not appreciate very much.

With regard to the question of production, there has been a rough estimate made, and I may tell the Honourable Member that in 1902 the outturn of food crops was estimated at about 65 millions, with a surplus of 6, and in 1911 it was 82. I am not pinning my faith to these figures, I am examining them again, but I give them for what they are worth, because, after a careful and elaborate inquiry, probably due no doubt to a revision of the yield of crops, this result has been arrived at, but the Honourable Member may rest assured that with the growth of the canals food production has increased. Whether it has relatively adequately increased or not is a matter on which opinions may vary, but the figures are as I have stated.

The Honourable Member has asked me what the proportion of land-revenue is to the surplus. May I tell him with regard to the Punjab (*The Honourable Sardar Jogendra Singh* : "The whole of India please.") I have stated that already. The crops in the Punjab in 1919-20 have been estimated at 62 crores of rupees and, if the land-revenue is 4 crores, putting the two together, there must have been a surplus of about 53 crores of rupees among 3.4 million holdings. He can easily find out what the proportion is for each holder of surplus. I may inform the Honourable Member that the value of each acre is 245 times the annual revenue, and, consequently, things are not quite so bad as he asks this Council to believe.

Then, he says there is no elasticity in the collection of land-revenue. That is a question for the provinces again and my Honourable friend may rest assured that the agriculturists in the provinces will see that all the improvements needed are effected. However, it is not a matter for a Committee.

Then he said that the recommendations of the Committees are not acted upon. Whatever may be the fate of Committees in general—and I am not here to justify the appointment or the results of Committees,—so far as Committees relating to my Department are concerned, I do not think they have ended in nothing. I have already told you what has been done with regard to the Irrigation Committee; what the various Tenancy Committees have done I have already told you. That the Cotton Committee has not resulted in nothing I need hardly remind Honourable Members who have just passed various laws, and those laws are being put into operation. With regard to the Sugar Committee some action has been taken, though not as much as I should wish. I may inform the Honourable Member that the action of the Government or, at any rate, the researches of the officers have been so appreciated by the Bihar planters, that they are themselves voluntarily coming forward to undertake a portion of the expenditure for the maintenance of those researches and they have suggested and are coming forward with pro-

posals to levy a cess. Therefore, that has not ended in nothing either.

Then, with regard to the co-operative societies, I have given a survey of the operations, and I think that ought to satisfy the most fastidious of critics—I think, that it has not resulted in nothing.

Then, as regards agricultural education, I may just remind the Honourable Member that during the last five years there has been an increase of 700 primary schools and 25,000 scholars, or 70,000 boys in the primary stages in all the schools in the Punjab alone, and, therefore, there has been progress in rural education also.

Then, with regard to the land-revenue, I do not know whether he would like to exchange the present percentage of the land-revenue to the total production for the income-tax basis on which land is being assessed in the United Kingdom. I think almost all land except of a certain value is being assessed to income-tax. I am not quite sure that many of us who advocate such a measure would appreciate it when they see the results thereof.

Well, in making these remarks, Sir, I was very greatly pained to take up this sort of critical attitude, but I have done so simply because I have been driven to it. I have already mentioned that there is no real disagreement between the Government and the public or the Honourable Member, who says that he is voicing the views of the public in this matter, that all of us have to co-operate for the benefit of this most important industry.

We know that the wage paid to the agricultural classes is comparatively low. Only the other day I looked into the figures for the Central Provinces where it ranges from 4-6 annas to 8 annas, and I was very unhappy about it. People in the Punjab are very much happier in that respect, but there is such an enormous variation between district and district, taluk and taluk and province and province, that absolutely no conclusions from which any inference of a general character can be drawn can emerge from this Committee's inquiries, so far as the wage question is concerned. The conditions of the Provinces and the districts vary so much that this is a matter more for the Provinces really and not for the Central Government or for a central committee. The Legislative Councils in the various Provinces have it in their power to vote the money, have it in their power to compel the Government to undertake these inquiries. The rural and agricultural classes are in a majority there, and if there is really so much feeling on the subject, I am sure the Local Governments will be alive to their duties and will start inquiries. Every co-operation that may be needed from the Central Government by way of the loan of research officers or by way of the loan of money, so far as is consistent with the constitution and so far as finances may permit, will always be afforded. But to ask this Government to undertake a duty which is not theirs, to undertake a duty which they cannot efficiently discharge, in the way of appointing a committee which would be infructuous in its results, I think, is asking for the acceptance of a proposition which no Government can possibly

[Sir Narasimha Sarma.]

accept. I therefore most reluctantly am compelled to oppose the Resolution.

The HONOURABLE THE PRESIDENT : The question is that the following Resolution be adopted, namely :

“ This Council recommends to the Governor General in Council that a Committee be appointed to consider the question of rural reconstruction with a view to the organisation of agriculture and to formulate an agricultural policy regarding land-revenue, village education, co-operative credit and other allied matters.”

The Council divided :

AYES—7.

Jogendra Singh, Mr.
Lal Chand, Lieut.
Lalubhai Samaldas, Mr.

Maricair, Sir Ahmedthamby.
Ram Saran Das, Mr.
Vedamurti, Mr. S.

Zulfiqar Ali Khan, Sir.

NOES—17.

Amin-ul-Islam, Mr.
Bahram Khan, Nawab Sir.
Barron, Mr. C. A.
Berthoud, Mr. E. H.
Chadwick, Mr. D. T.
Cresser, Mr. J.
Dadabhoy, Sir Maneckji.
Holberton, Sir Edgar.

Ley, Mr. A. H.
MacWatt, Major-General R. C.
McWatters, Mr. A. C.
Ogilvie, Major G. D.
Sarma, Sir Narasimha.
Shafi, Dr. Mian Sir Muhammad.
Shepherd, Mr. W. C.
Tek Chand, Mr.

Watson Smyth, Sir Robert Middleton.

The motion was negatived.

RESOLUTION RE REVISION OF THE SYSTEM OF TAXATION.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces : General) : Sir, I beg to ask your permission to make a slight modification in my Resolution :

“ This Council recommends to the Governor General in Council that the whole system of taxation be thoroughly revised on an equitable and scientific basis, with special regard to the taxable capacity of the people.”

The modification I propose is of a merely phraseological character. I will read with your permission the modified Resolution :

“ This Council recommends to the Governor General in Council that an inquiry be made into the whole system of taxation in India with a view to its thorough revision on an economic, equitable and scientific basis with special regard to the taxable capacity of the people.”

The HONOURABLE THE PRESIDENT : The Resolution as now proposed by the Honourable Member does differ in some material points from the Resolution on the paper but not, I think, sufficiently to surprise Members of this Councils, and therefore I propose to allow him to move it in that form if the Honourable Member in charge of the Resolution has no objection.

The HONOURABLE MR. A. C. MCWATTERS : I have no objection, Sir.

The HONOURABLE THE PRESIDENT : It seems to me to be a Resolution the debate on which will be prolonged and therefore as the hour

is getting late, I will allow the Honourable Member to move it formally and to reserve its discussion till the next non-official day.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I beg to move :

“ This Council recommends to the Governor General in Council that an inquiry be made into the whole system of taxation in India with a view to its thorough revision on an economic, equitable and scientific basis with special regard to the taxable capacity of the people.”

The HONOURABLE THE PRESIDENT : That will secure the Honourable Member's priority and the Resolution will come on first the next non-official day.

The Council then adjourned till Eleven of the Clock on Thursday, the 19th July, 1923.

COUNCIL OF STATE.

Thursday, the 19th July, 1923.

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

RESOLUTION *RE* ELECTION TO ADVISORY COMMITTEE FOR PUBLICITY WORK.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Sir, I beg to move :

“ That this Council do proceed to elect, in such manner as the President may direct, two members to the Advisory Committee to assist in the conduct of the publicity work of the Government of India.”

It is, I think, within the knowledge of the House that in 1921 a Committee was constituted by the Government of India to advise them in matters relating to publicity work, and I may add that the Government of India have been much indebted to that Committee for much valuable advice and assistance. The question of the future constitution of the Committee was referred to a sub-committee of the Advisory Committee recently, and they recommended to Government that in future the Committee should consist of nine members to be elected by the Central Legislature, two by the Council of State and seven by the Legislative Assembly ; six other members should be nominated by Government and the Chairman of the Board should also be nominated by Government. The functions of the Committee are principally to advise in regard to all publicity matters, particularly in regard to subjects suitable for publicity and the manner in which that publicity work should be undertaken. They also drew up for the consideration of Government the budget of the Central Bureau of Information. My present purpose, Sir, is limited to asking the House to proceed in such manner as you may direct to the election of two members of their number.

The motion was adopted.

The HONOURABLE MR. J. CRERAR (Home Secretary) : I think it will conduce to the convenience of the House, Sir, if I venture to submit two names of gentlemen who I am certain will commend themselves to the House and who are willing, as I have ascertained, to act in this capacity. They are the Honourable Sir Maneckji Dadabhoy and the Honourable Sir Purshotamdas Thakurdas.

The HONOURABLE THE PRESIDENT : I think opportunity must be given for any other names to be put in. Of course, if no other names are mentioned except these two, no election will be necessary. I propose therefore to give up to 12 o'clock for Members to put in at the table any names of candidates they wish to propose. They must of course, first ascertain that the candidate is willing to serve. After

[The Honourable the President.]

12 o'clock I will take a convenient opportunity to announce to the House what is the result* of that procedure.

MOORSHEDABAD (AMENDMENT) BILL.

The HONOURABLE MAJOR G. D. OGILVIE (Political Secretary) : Sir, I beg to move :

"That the Bill to modify certain provisions of the Indenture confirmed by the Moorshedabad Act, 1891, as passed by the Legislative Assembly, be taken into consideration."

The Bill is of a private character and is not a measure of public importance. In the Indenture between the Secretary of State and the Nawab Bahadur of Moorshedabad, which was validated by Act XV of 1891, there occurs a provision that the Nawab Bahadur may not dispose of any of his scheduled landed property otherwise than by lease or demise for a term not exceeding twenty-one years and under a rent without bonus or salamee. This provision was inserted to safeguard the interests of the estate and the heirs of the Nawab Bahadur for the time being. The Nawab Bahadur has certain scheduled landed property in Calcutta which he wishes to lease out for building sites, but he has failed to secure any offer because no one will take up land on lease for building purposes in Calcutta for so short a period as 21 years. The terms of the Indenture are thus operating to cause loss to the Nawab Bahadur and the estate. It is, therefore, proposed that mention of a time limit should be omitted from the Indenture, and it is also considered unnecessary that any specific reference should be retained to the restriction regarding bonus or salamee. In place of these restrictions it is proposed that the terms and conditions of all leases, etc., shall be subject to approval by the Governor of Bengal in Council who will be in a position to assure himself that no lease contains any thing in any way detrimental to the true interests of the estate and of the heirs of the Nawab Bahadur.

The HONOURABLE THE PRESIDENT : The Question is :

"That the Bill to modify certain provisions of the Indenture confirmed by the Moorshedabad Act, 1891, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The Question is :

"That clauses 1 and 2 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 MAJOR G. D. OGILVIE : I move that the Bill, as passed by the Legislative Assembly, be passed.

The HONOURABLE THE PRESIDENT : The Question is :

"That the Bill to modify certain provisions of the Indenture confirmed by the Moorshedabad Act, 1891, as passed by the Legislative Assembly, be passed."

The motion was adopted.

* For result of election, see page 1639.

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Sir, I beg to move :

"That the Bill further to amend the Code of Civil Procedure, 1908, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

This is a very limited measure and I need add little to the explanation which is contained in the Statement of Objects and Reasons. It is, I think, obvious that the arguments which justified the protection of official salaries to the extent provided by the Act on the old scale, which I may say, was formulated so long ago as 1873, would justify the same measure of protection on the new scale. I do not therefore propose to enter at any great length into the principle of the protection to a certain extent of official salaries. Protection from attachment of certain debtors' assets is, as the House is aware, already in various forms recognised by the Act. For example, tools of artisans, implements of husbandry in the case of agriculturists, and the wages of labourers and domestic servants are absolutely protected. I think that the grounds for doing so are obvious. It is clear that to deprive persons against whom decrees have been obtained of the means of exercising their economic functions in the State would be distinctly detrimental to the State and not in the long run really advantageous to the creditor. However, in the case of a public servant, I desire to point out that the main object is—though I should not at all be indisposed to claim for it if I could a philanthropic object—the main object is the protection of the public interests. It is clear that if a public servant—and that term, I may remind the House, includes not only servants of Government but servants of Municipalities and Railways—is entirely deprived of his means of subsistence, the dangers to public interests involved are very serious indeed. I need hardly specify them. In the first instance, they would be rendered entirely incapable of performing their duties and secondly, the temptations which their serious financial position would subject them to might result in consequences which the House will readily appreciate. The question then before the House is not so much the question of principle involved in the old section, but whether the new scale which we propose is a reasonable scale. With regard to that, I would remind the House that the existing scale was devised so long ago as 1873. Between that period and the passing of the present Code of Civil Procedure in 1908, there was of course an enormous increase in the cost of living, or to put it in another way, a very serious fall in the value of money since 1908—we are, I hope, now somewhat nearer stabilisation—the decrease in the value of money and the increase in the cost of living has been still more pronounced. I do not think, therefore, I need add very much more to convince the House that the increased scale—from Rs. 20 to Rs. 40 and from Rs. 40 to Rs. 80—is nothing but reasonable and proper. Sir, I move that the Bill be taken into consideration.

The HONOURABLE THE PRESIDENT : The Question is :

"That the Bill further to amend the Code of Civil Procedure, 1908, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

The HONOURABLE MR. J. CRERAR : May I at this stage, Sir, move that the Bill be passed ?

The HONOURABLE THE PRESIDENT : I think so. There are only two clauses to the Bill and I do not propose to put the Bill clause by clause unless any Honourable Member desires it.

The HONOURABLE MR. J. CRERAR : I move that the Bill, as passed by the Legislative Assembly, be passed.

The HONOURABLE THE PRESIDENT : The Question is :

“ That the Bill further to amend the Code of Civil Procedure, 1908, for certain purposes, as passed by the Legislative Assembly, be passed.”

The motion was adopted.

INDIAN INCOME-TAX (AMENDMENT) BILL.

The HONOURABLE MR. A. C. McWATTERS (Finance Secretary) : Sir, I beg to move :

“ That the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes, as passed by the Legislative Assembly, be taken into consideration.”

This Bill, Sir, falls into two parts. The first part which is represented by clause 2 is a purely drafting amendment. It is intended to give effect to what was the intention of the Act. It is probable that some words have dropped out, perhaps in printing, and we have been advised that the Act as it stands does not necessarily carry out the intention of the legislators. We desire to make it clear that the profits and gains of a business accruing or arising out of British India to a person resident in British India may be assessed when received in, or brought into, British India. This, as I have said, is the intention of the law at present and is in fact the actual practice. The amendment is simply a drafting amendment in order to provide against any possible evasion.

The second part of the Bill has as its object the provision of a mechanism for bringing under assessment the profits of occasional shipping, that is to say, tramp steamers which come to India from time to time. These steamers are obviously liable to taxation on the profits made in India. It is clearly unfair that these steamers should escape while ordinary shipping is taxed. Commercial opinion has given its unanimous support to this proposal. What the Bill does is to provide the mechanism of assessment. At present these tramp steamers have no agents or representatives in India and it has hitherto been impossible to tax them. The present Bill provides a rough and ready method of calculating the profit. We assume 5 per cent. of the receipts from outward freights and passenger fares to be the actual average profit and assess income-tax on that.

The last clause of the Bill gives the owners and masters of these steamers an opportunity of correcting that assessment if it is unfair. They have the option of having the tax readjusted on actual profits. I may say that this Bill has precedents both in South Africa and Australia. I move that the Bill be taken into consideration.

The motion was adopted.

Clause 1 was added to the Bill.

The HONOURABLE THE PRESIDENT : Clause 2.

The HONOURABLE SIR S. R. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadian) : I should like to know whether there was any instance where the Government found itself in a difficulty to levy tax on an income such as is referred to in clause 2 of the Bill. I went through the reports of the debate in the Assembly when the Bill was under discussion there, and there, too, it has not been clearly explained, and I do not think the Honourable the Finance Secretary has explained it fully here. I should like to know how the Act, as it is, places the matter under dispute and how the change proposed to be made in it places the matter beyond dispute. I think this House will very much wish to hear from the Honourable the Finance Secretary as to what it was that led to the proposed change and I trust he will explain to the House in as clear a manner as possible why the change has been rendered necessary.

The HONOURABLE MR. A. C. McWATTERS : I have great pleasure in giving an explanation. The position has not been challenged under the present Act of 1922, but a similar provision occurs in the Act of 1918 which was amended by the Act of 1922. Under the Act of 1918 this position has actually been challenged in the Punjab High Court. A case arose in which a contractor in the Punjab received large sums of money at Quetta. Baluchistan was then outside the Income-tax Act. He remitted the money to British India and invested it in the Punjab, and was accordingly assessed to income-tax. He challenged this assessment and the Punjab High Court upheld him because they said the wording of the Act was doubtful, and that is why we want the present Act to be secured against any possible doubts.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadian) : In this connection I beg to ask the Honourable Mr. McWatters whether any person who makes an income in an Indian State and comes into British India will have to pay income-tax on the income so accrued, and whether he will not be liable to pay tax in both places if any such income-tax law also exists in that particular State.

The HONOURABLE MR. A. C. McWATTERS : I may say that this amendment has nothing whatever to do with the question of double taxation. That is provided for as regards the United Kingdom in a separate section of the Act, and if it is found necessary to make any other provision regarding double taxation it will be a question of substantive legislation. This clause of the Bill does not affect the matter in any way.

Clause 2 was added to the Bill.

The HONOURABLE THE PRESIDENT : In putting clause 3 before the Council I will call each of the three substantive sections which are inserted by that clause so that Honourable Members may have an opportunity of speaking on them if they so wish.

Section 44A.

Section 44B.

Section 44C.

[The Honourable the President.]

The question is, therefore, that clause 3 stand part of the Bill.

The motion was adopted.

The Preamble was added to the Bill.

The HONOURABLE MR. A. C. McWATTERS : I beg to move that the Bill, as passed by the Legislative Assembly, be passed.

The motion was adopted.

INDIGO CESS (REPEALING) BILL.

The HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member) : Sir, I beg to move :

“ That the Bill to repeal the Acts which provide for the levy of a cess on indigo exported from British India, as passed by the Legislative Assembly, be taken into consideration.”

The Statement of Objects and Reasons appended to the Bill clearly explains the reasons why the Government have felt that it is no longer necessary to levy a cess on indigo exported from British India for the purpose of investigating the possibilities of improvement on the botanical or on the chemical side in order to help the industry. A research botanist was engaged for the purpose with the funds raised by Act III of 1918 and a research chemist also was engaged. Their investigations have been brought to a close, and our expert advisers have informed us that there is no longer any necessity for pursuing those investigations except with regard to one matter, namely, the problem of the bacteriological fermentation in the steeping vat and that the Pusa Institute is perfectly capable of discharging that duty. We therefore thought that it was unjustifiable to continue the cess, which is at present Rs. 1½ per cent. I had indicated in January 1923 that the Government were contemplating the repeal of this cess, and that they had no intention of continuing taxation by means of a cess when the revenues of the State could supply funds for the object in view.

I have great pleasure in asking the House to take this Bill into consideration.

The motion was adopted.

The HONOURABLE SIR NARASIMHA SARMA : Sir, I beg to move that the Bill, as passed by the Legislative Assembly, be passed.

The HONOURABLE THE PRESIDENT : I do not propose to put the Bill clause by clause, unless any Honourable Member so wishes.

The question is :

“ That the Bill to repeal the Acts which provide for the levy of a cess on indigo exported from British India, as passed by the Legislative Assembly, be passed.”

The motion was adopted.

INDIAN PAPER CURRENCY (AMENDMENT) BILL.

The HONOURABLE MR. A. C. McWATTERS (Finance Secretary) : Sir, I beg to move :

“ That the Bill further to amend the Indian Paper Currency Act, 1923, as passed by the Legislative Assembly, be taken into consideration.”

This Bill, Sir, is one of considerable importance. It falls into two distinct parts, and a fairly full explanation has been given in the Statement of Objects and Reasons. The first and less important part of the Bill is covered by clauses 2 and 3, and is simply a measure of economy. Its object is to reduce the working costs of the Mints by obviating unnecessary recoinage at a time when our stock of silver coin is large—I may say, almost embarrassingly large. The present position is that every year owing to the ordinary wear and tear of circulation something like one crore of rupees are returned from our treasuries to the Mints and are there melted up and recoinage. This is an ordinary routine procedure by which, like other countries, we aim at preserving the purity of our coinage, and we have to recoin in order to reimburse the treasuries, since otherwise we should lose that amount of money in our treasury balances. It is not possible for us to take credit in the Reserve for the bullion contained in these uncurrent coins because according to the wording of the Indian Paper Currency Act, as it is at present, we can only place in the Reserve bullion purchased for coinage and it is not possible to say that bullion obtained from these uncurrent coins is strictly bullion purchased for coinage, although the silver has of course been purchased at one time or another. In the second place, the bullion in the reserve has to be valued at its purchase price. It is obviously impossible for us to calculate the purchase price of the silver contained in coins which have been withdrawn from circulation. As the Act stands we have to recoin these coins quickly, so that we may send them again to the Treasuries, which is obviously an uneconomic thing to do. The House will observe that in the Bill we take credit for this bullion at the rate of one rupee for 165 grains Troy of fine silver, which is the amount of fine silver contained in a silver rupee, the rupee being a coin of 180 grains in weight, 1½ fine. That is to say, we make allowance for the loss in weight due to wear and tear and take credit only for the actual number of full weight rupees which will be obtained when the bullion is eventually recoinage. This part of the Bill is simply, as I have said, a measure of economy, to reduce the working expenses of the Mints ; it is also a measure of administrative convenience, owing to the large stock of silver coin which we hold at present.

The second part of the Bill, which is comprised in clause 4, is the more important part. This amendment will, I feel sure, be welcomed by the House. It proposes to increase from 5 crores to 12 crores the amount of emergency currency which can be issued against Bills of Exchange. The House will remember that the origin of this provision in the Paper Currency Act was a recommendation of the Babington Smith Committee. That recommendation was admittedly tentative and experimental. We have now had two years' experience of the working of that provision and it is perfectly clear that it does not go far enough. The limit of 5 crores is undoubtedly small and the conditions prescribed executively under that section, which fix 8 per cent. as the minimum rate of interest to be charged to the Imperial Bank for these loans, are too restrictive. That, I think, is admitted now by everybody. As regards the figure of 12 crores, which we now propose to adopt, it is not necessarily a final figure. We put it forward because at the present time it is probably as much as, if not more than, the Imperial Bank can obtain of the particular class of security required—namely, internal Bills of Exchange and hundis.

[Mr. A. C. McWatters.]

We hope however that gradually their business will develop in such a way that they will be able to obtain a larger quantity of hundis and Bills of Exchange which will be suitable as security for these loans. The mere increase from 5 crores to 12 crores would of course in itself be inoperative unless we altered the prescribed conditions, and therefore in the Statement of Objects and Reasons Government have shown the manner in which they propose at present to modify those conditions; the first 4 crores of the loan will be available at 6 per cent. interest, the next 4 at 7 and the next four at 8, and the Imperial Bank will be charged interest at bank rate on the amount of the loan outstanding at any time. The object of this arrangement is to enable the loan to be taken earlier and also on a larger scale than in the last two years.

The real reason for these proposals will be known to everyone in this House. Indian trade is notoriously subject to seasonal conditions. At one time there is a shortage of currency, at another time there is a superabundance. This is due to the fact that very large quantities of crops have to be moved at certain seasons of the year and in order to effect this actual cash is needed. Our object is to provide just that amount of currency which is necessary to carry on the trade of the country at any particular time. We do not want to make this currency a permanent addition to the circulating medium; it is automatically retirable and will not be likely to cause inflation and a rise in prices. With regard to the provisions which will be made executively under this section, there are naturally differences of opinion as to the best arrangement. We have had various suggestions, very useful suggestions, made by different commercial bodies, and I should like to say here that the provisions which Government have indicated in the Statement of Objects and Reasons are not as rigid as the laws of the Medes and Persians. They are liable to further alteration in the light of experience. The matter is one of real importance to Indian trade and even if we do not now attain finality and perfection, I think the House will agree that the measure is on the right lines and should do much to improve the present position.

Sir, I move that the Bill be taken into consideration.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces : General) : Sir, I feel that I cannot allow this opportunity to pass without saying a word of appreciation for this very important Bill enunciated by Government. We are exceedingly grateful to our Finance Minister Sir Basil Blackett for feeling the commercial pulse of India and bringing forward so important a Bill at the right and proper time. I only propose to say a few words in connection with the latter part of the Bill, I mean the second part which provides for the raising of emergency currency from 5 to 12 crores. I feel certain that the great commercial communities of Bombay and Calcutta will highly appreciate this great boon which this Bill seeks to confer. We are all aware of the tightness of the money market during the trade period which is generally in the cold weather. That during the busy season stringency has been considerably felt not only in Bombay but in Madras and Calcutta, and I am of opinion that this legislation has not been brought a day too soon. This measure

will relieve the seasonal trade of the country from a great dilemma and from a great disability under which it has been labouring for years past. This Bill is rather of a preventive character. The object of it is to anticipate a monetary stringency and to be prepared for it. It is much better that monetary stringency should be anticipated in time and measures provided to reduce the pressure of the tightness of the money market instead of allowing the stringency to occur and then give the relief. That is what this Bill seeks to achieve, and as such it will have the hearty support of the trading communities of India. I think this Bill will afford considerable facilities for making additional currency when there is great trade demand and to meet that trade demand, a measure of this kind is essentially necessary. I therefore have great pleasure in supporting this Bill.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I also welcome this very useful measure and offer my hearty thanks to the Government for moving in this matter. I fully endorse what my Honourable friend Sir Maneckji has said, and we traders will feel grateful to the Government as this measure will bring down the heavy rate of interest which has been ruling for the last few years and thus revive trade.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-official) : Sir, I wish to support this Bill. I do not think the Bill has been introduced a day too soon for the heavy fluctuations in the bank rates during the last few years justified the introduction of a measure like this at least a year or two back. But I cannot, at the same time, overlook the fact that the Honourable the Finance Minister has taken prompt action as soon as the necessity of this was brought to his notice last April by the Indian Merchants' Chamber when he saw them in Bombay. The very fact of the bank rate undergoing such fluctuations as going down from 8 per cent. to 4 per cent. within a short period of six weeks ought to give food for considerable thought, and grave thought at that, as to how these matters should be handled by the Government of India. Yesterday, in the course of a discussion on the Honourable Sardar Jogendra Singh's Resolution regarding helping agriculturists and agriculture, he expressed very great desire that something should be done to devise methods for making money available to agriculturists, cheap and in plenty. This measure is, I am glad to be able to say, one of those that will considerably help the marketing of crops, for, the rise in bank rates unfortunately comes in just when the cultivators' crops are being marketed and the rise goes as far as practically the high water mark of the bank rate for the year at that time. I therefore feel that the measure deserves all the support that this Council can give it.

But I would very much like to impress upon the Finance Department the very great necessity of not resting satisfied with this amendment to section 20 of the Act and the approval it receives now. I would venture to point out to them that they might proceed about this in a more scientific manner than the one that they have pursued so far. I would like to know on what basis the Finance Department have hit upon the figure of 12 crores as being a suitable figure for the conditions in India. The figure named by the Babington Smith Committee was 5 crores and, if I remember correctly, they said they only named that figure as more or less a guess, but would like that figure to be adjusted according to the needs of India

[Sir Purshotamdas Thakurdas.]

from time to time. Whilst 12 crores is a much bigger figure than 5, I certainly wonder if the Finance Department would not watch the situation and see if the conditions prevailing in India now do not necessitate the figure being raised even to 15 or 20. The Indian Merchants Chamber replying to Government on an inquiry in this connection suggested a somewhat scientific method that was put before their Committee. They suggested that a certain percentage of the total note circulation may be fixed as an emergency currency. I would like to know why that suggestion was rejected by the Finance Department. It is possible that the Finance Department wanted to introduce this measure this session and they had not enough time to examine the suggestion of the Indian Merchants Chamber. If that be so, I certainly hope that, when they have examined this suggestion of the Indian Merchants Chamber, which by the way the Chamber themselves made after going into it minutely, the Finance Department may be able to bring forward another amendment, enlarging that figure, if the inquiry justifies it.

The other point, Sir, is that the Bank rate of interest, justifying the next instalment of emergency currency, varies by one per cent. It is either 6 or 7 or 8. I think the Indian Merchants Chamber in Bombay suggested half per cent. stages. I do not know why we should stick to the one per cent. stages except because it has been the custom in India till now. But, if competition in business gets keener from day to day—and about this there is not the slightest doubt—if India is coming into closer touch with other parts of the world, producing large quantities of raw-materials, it is only right that the Finance Department should not stick to the one per cent. stages, which they have had till now. Half per cent. stages would make money available to the commercial community at a smaller cost than one, and would tend not to contract credit as much as it indeed does when the Bank rate goes up to 8 per cent.

There is one more method that strikes me in this connection. I really wonder if the Finance Department would go into it. Why not fix the maximum at a certain percentage over the rate at which the Government of India may have borrowed the previous year? This year for instance, the Government of India borrowed money in the open market at 5 per cent. free of income-tax. Why should it not be possible to devise some method like this—an elastic method—which need not be binding by legislation, that the maximum rate at which the full 12 crores, we will say, can be available next year would be say one and a half per cent. over the rate at which the Government of India borrowed in India this monsoon. For the next season, the full 12 crores will thus be available at roughly 5 per cent. plus half per cent. for income-tax plus $1\frac{1}{2}$ per cent., i.e., total of 7 per cent.

With these suggestions, I am very glad to be able to give my full approval to this measure and I wish particularly, Sir, to express my appreciation of the very prompt manner in which the Finance Department have amended section 20 of the Act by this Bill.

The HONOURABLE SIR S. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : Sir, I wish to give my hearty support to this Bill

and I beg to associate myself with all that has been said by my friend, Sir Maneckji Dadabhoy.

The HONOURABLE MR. A. C. McWATTERS (Finance Secretary) : Sir, I am glad to find that this Bill has been so warmly welcomed in this House. With reference to the remarks which have fallen from my Honourable friend, Sir Purshotamdas Thakurdas, I should like to emphasise once again, that the figure of 12 crores was partly selected because we know that at the present moment it is, if not more than, at any rate equal to the maximum which the Imperial Bank can possibly obtain of the right kind of security. But it is not necessarily a final figure and we are perfectly prepared to consider a further increase, if desirable and if further security of the right kind can be found. The same thing applies to the prescribed conditions. As I said, they are not as rigid as the laws of the Medes and Persians and we are ready and willing to consider any suggestions that may be made in the light of further experience.

One suggestion which was made by the Honourable Member is of very considerable interest, that we should fix the maximum rate of interest at one and a half per cent. above the Government's borrowing rate for the year. It is a new suggestion which I should like to examine.

I don't think I need say any more, Sir. I am glad to find the Bill so warmly welcomed.

The HONOURABLE THE PRESIDENT : The question is :

“That the Bill further to amend the Indian Paper Currency Act, 1923, as passed by the Legislative Assembly, be taken into consideration.”

The motion was adopted.

Clauses 1, 2, 3, 4 and the Preamble were added to the Bill.

The HONOURABLE MR. A. C. McWATTERS : Sir, I beg to move that the Bill, as passed by the Legislative Assembly, be passed.

The motion was adopted.

EXCLUSION FROM INHERITANCE BILL.

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

“That the Bill to amend the Hindu Law relating to exclusion from inheritance of certain classes of heirs, and to remove certain doubts, as passed by the Legislative Assembly, be taken into consideration.”

Sir, it may perhaps seem somewhat anomalous that I, a Parsee, should sponsor this Bill in Council. I responded to the request of the author of this Bill to see it through in this Council because I felt that this Bill proceeds thoroughly on humanitarian principles,—principles which will be acceptable to all in the present age of progressive and civilised state of Hindu society. I do not propose to make any long speech, but will briefly explain the real object of this Bill. This Bill is a measure of a very simple character to remove certain disqualifications set forth in the text of Manu the great Hindu Law-Giver, which excluded succession to property in cases of congenital deformities, in cases where a man is born a eunuch, in

[Sir Maneckji Dadabhoy.]

cases of impotency, and also in cases where a person born in Hindu religion abdicates his religion and becomes a convert to any other religion. It will help one to understand this Bill if I draw the attention of the Council to the original text of Manu. The text says :—" An impotent person and an outcaste are excluded from a share of the heritage and so are the deaf and dumb and blind ". This original text of the great law-giver Manu has been amplified by other commentators such as Yajnavalka and certain incurable diseases were included in the text. Some doubt also was raised whether the provisions regarding exclusion applied to all classes of deformities or only referred to congenital ones. I may also tell Honourable Members that there has been a series of High Court decisions from time to time making serious inroads on the original text of the great law-giver. In fact, I may also remind the Council that the British Government as far back as 1850 thought it necessary to take a very definite step in the matter, and deviated from the doctrine preached by Manu in the matter of religious conversion. Honourable Members will remember that what is known as the Caste Disabilities Removal Act (XXI of 1850) has laid down that no man will lose his right of succession to property by the mere reason of his conversion to any other religion. This Bill, therefore, seeks only to make a further alteration in the law or a further deviation, I may say, from the text of Manu, and it legalises, or rather it codifies the case-law which has grown up in this connection and which has caused considerable doubt among Hindu lawyers as well as among Judges who are called upon to administer the Hindu law. The immediate cause of this Bill may be traced to the recent decisions of the Madras High Court. In a decision reported in I. L. R. 43, Madras, one of the reformed Judges, Justice Sadasiva Aiyar, said that any rule which excluded from inheritance these unfortunate persons had become obsolete by time by reason of the disappearance of that rule in the present age. This doctrine was challenged and doubted in a subsequent ruling reported in I. L. R. 44 Madras, and the Chief Justice of Madras and another Judge later on in a Full Bench case (I. L. R. 45 Mad) over-ruled the decision of Justice Sadasiva Aiyar, and said:

" A Law does not cease to be operative because it is out of keeping with the times. A Law does not become obsolete because it is an anachronism, or because it is antiquated, or because the reason why it became originally the law would be no reason for its introduction of such a law at the present time. To hold the contrary would be an entire misunderstanding of the meaning of the legal maxim *cessat ratio cessat lex* (that is, where the reason ceases, the law ceases) which is relied upon in support of the contrary opinion."

It was this decision apparently which made the author of the Bill, Mr. Seshagiri Ayyar, introduce his Bill in the lower House.

I shall now briefly explain to the Council the provisions of this Bill. I feel it necessary to bring to the notice of Honourable Members that this Bill as it has emerged out of the Select Committee is considerably different from the original Bill. It has been substantially modified by the Select Committee. In the original Bill the author wanted cases of congenital deformity—that is, where a man is a born idiot or lunatic—also to be brought within the operation of this Bill. He said they should not be excluded from succession to the property. But the Select Committee have

excluded from inheritance some congenital cases, that is, where a man is a born idiot or lunatic. The present Bill says that :

" No person governed by Hindu Law, other than a person who is and has been from birth a lunatic or idiot, shall be excluded from inheritance or from any right or share in joint-family property by reason only of any disease, deformity or physical or mental defect."

This provision will enable even men born deaf, dumb or blind to succeed to property to which heretofore they were precluded from succeeding. Honourable Members of Council will see, therefore, that this Bill is founded on natural justice and equity, and on principles of humanity. It is not possible for any Englishman, or even for any other class or race to contemplate that his issue who is born blind, dumb or deaf should be altogether excluded from succession to property by reason of such disabilities which were really not due to his fault. The Hindu Law proceeded unfortunately upon a fiction that succession to property depended upon what the Hindus called efficacy to give oblations ; or in other words, under the Hindu Law only a man who can make the five sacrifices ordained by his religion could succeed to property. That was really the foundation of the rule. Now, Honourable Members.....

The HONOURABLE THE PRESIDENT : The Honourable Member should address the Chair.

The HONOURABLE SIR MANECKJI DADABHOY : Now, Sir, this provision will set at rest this difficulty in the matter.

12 Noon.

I may assure the Council that this provision which the law now seeks to enact does not offend Hindu religion in any way. It is not opposed to the sacramental law of the Hindus as I understand it. This law, as I have pointed out to you, Sir, is based on natural justice and equity, and it is only right and proper that these unfortunate people, born blind, born deaf and dumb, born with incurable disease, should be protected and not thrown to the mercy of other people. If any class of people needs protection under the present civilised state of affairs it is this unfortunate class who need the strong arm of law to safeguard and preserve their interests. The law of Manu, it is true, in ancient times, made this rule, but I will give you a reason and explanation for that rule. In those times, in the times of Manu, apparently, there were not so many safeguards for the protection of the property of these disqualified persons. We have now on our Statute-book the Law of Trusts. We have got now the Court of Wards Act, and we have got other provisions, salutary and effective provisions of law. The original idea was that when a person is born blind, deaf or dumb he would not be in a position to look after his property. Therefore he should be disinherited and excluded and his son or his other heirs should succeed him. That was apparently the reason. Now, that reason altogether disappears. The machinery of our Courts is sufficient to give effective protection to these unfortunates. It is also said that if this legislation is passed the property may fall into the hands of scheming and designing coparceners who would defraud disqualified persons of their possessions and take hold of them. But I submit there is very little cause for apprehension on that score. As I have pointed out, the existing machinery is quite sufficient to protect

[Sir Maneckji Dadabhoy.]

these disqualified men. I will not detain the Council any longer. I have only one word to say why sub-clause (3) of clause 1 has been inserted. It provides "It should not apply to any person governed by the Dayabhaga School of Hindu Law." The explanation why the Dayabhaga School of Hindu Law has been excluded from this Act is because that School of Law is more liberal in the interpretation of the original texts and more generous in the disposition of property than other Schools of Hindu Law. There is nothing like the strict coparcenary rule which prevails in the Mitakshara School of law. It gives full and liberal powers of disposition; dispositions *inter vivos* as well as testamentary are extensively resorted to. That is why the Dayabhaga School of Hindu Law has been excepted from the provisions of this Bill.

The HONOURABLE SIR S. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : The other day the House passed the Special Marriage Bill in a mood of joy. That was a piece of social legislation and the Bill itself was permissive in character, and it was no wonder that it was passed, and passed with acclamation. I wish I could say the same of the Bill now before the House, but unfortunately, I could not. The author of the Bill is an *ex*-Judge of the High Court of Madras and I have a great respect for him. That, however, should not blind me to what I consider to be the shortcomings of the Bill. Sir, it is highly doubtful if the remedy which the author of the Bill has proposed would secure the end he has in view. I am yet to come across a family where our less favoured brethren are treated with want of kindness. On the other hand, I know of many instances where because they are helpless affection and attention are lavished on them which no amount of money can ever secure them. I am really afraid of the possibility there is under the Bill of a grave abuse of the benefits which the Bill tries to secure, by designing persons. Again, Sir, legal opinion in the country is sharply divided on the question. Mr. Rangachariar, I am sure Honourable Members here know him very well, is as good a lawyer as the author of the Bill himself, and the House will permit me to read.....

The HONOURABLE THE PRESIDENT : I hope the Honourable Member will not read the speech.

The HONOURABLE SIR S. M. ANNAMALAI CHETTIYAR : Sir, a glance at the reports of the debates in the Assembly on this question will show how vehemently Mr. Rangachariar and other Members there have opposed the Bill. Mr. Seshagiri Ayyar says it is beneficial. Mr. Rangachariar says it is not only not beneficial but also very injurious. Sir, men of eminence and position have not been consulted on this very important question. They have not been asked to express their opinion in the matter. Men of position who can speak with authority in matters of this kind, at least in the districts of Madras, have not been consulted. Mr. Justice Kumaraswami Sastri, one of the eminent Judges in the Madras High Court, when the Bill was referred for his opinion, said :

"My own view has always been that in matters affecting the religious sentiment of the people it is impolitic for a few to impose their ideas on the vast majority of the public. The circumstances under which the present Legislative Councils were elected hardly makes it as representative as one would wish. Several eminent men did not stand owing to ideas about non-co-operation, and it is likely that before long better

and saner views will prevail. I would suggest that consideration of the Bills be postponed. Better conditions are likely to prevail at the next elections and there will be also more time to elicit the views of the vast majority of the people. In the present disturbed state of the country it is not politic to give room for the cry that religion is in danger owing to the new reform scheme."

This is the opinion of the Madras Vakils' Association :

"Resolved that in the opinion of the Association Mr. Seshagiri Ayyar's Bill, styled the Exclusion from Inheritance Bill, is in its present form unnecessary but this Association suggests that it may be referred to the General Committee to suggest the revision of the Hindu Law."

The Bombay Government says :

"In the opinion of this Government such measures which affect the intimate personal and sectional interests of particular communities can be more fairly and effectually debated in the Provincial Councils. These Councils are more closely in contact with the phases of public opinion which are most entitled to be consulted and the communities concerned are more fully and perhaps effectually represented in them. It is therefore expedient that these measures should be left to the Provincial Councils and they should be opposed by Government in the Legislative Assembly without prejudice to their intrinsic merits."

Well, Sir, while there is such a divergence of opinion in the country it would have been better if the line of least resistance had been followed and more support got for the measure. This is not a crying evil that calls for immediate relief. One is, again, at a loss to understand why the author should have excluded Bengal from the operation of this Act. In the Statement of Objects and Reasons he says he was afraid of the opposition from that province. What is good to the Hindus of Madras and the United Provinces must be equally good to their brethren in Bengal. If the author had been quite sure of the support of the other provinces, he could well have defied Bengal, however strong its resistance may be. Either he ought to have included Bengal and made the measure an all-India one, or he should have left it to the Provincial Councils which with their knowledge of local customs could, if and when necessary, bring in Bills more acceptable to the people. I think, Sir, that the Bill is neither opportune nor of immediate necessity, nor is it such as to be acceptable to all sections of the people of all the provinces. With these words I oppose the Bill.

The HONOURABLE MR. J. CRERAR (Home Secretary) : My purpose in intervening in this debate is solely to state in the briefest words the attitude of Government towards this measure. It is, I think, fair to say from the nature of the measure and it is indeed apparent from the course of the debate in this House that it is a highly contentious one. It affects in a very particular degree the interests of a very great community and one of the most important questions which this House will have to decide is whether the principle embodied in this Bill does commend itself to the great and most important body of opinion in the community directly concerned. That question the Government propose to leave entirely to the discretion of the Legislature to decide. Official Members in this Council will therefore take no part in the debate.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : I rise strongly to oppose this Bill which I think forms one of a series of Bills intended to wreck the old Hindu religious laws. It seems to me that the author of this Bill could not get any Hindu Member of this Council to introduce this Bill here. My friend the Honour-

[Rai Bahadur Lala Ram Saran Das.]

able Sir Maneckji has I am very sorry to observe said in his introductory speech that he wants to set right the errors of Manu law.

The HONOURABLE SIR MANECKJI DADABHOY : I never said anything of that sort.

The HONOURABLE LALA RAM SARAN DAS : I am glad that he has removed this misunderstanding. Another reason he gave when he introduced the Bill was that it does not suit the present civilised and advanced state of Hindu society. Is that right ?

The HONOURABLE SIR MANECKJI DADABHOY : Perfectly ?

The HONOURABLE LALA RAM SARAN DAS : To judge our sacred laws by the criterion whether it suits the present so-called reformed members of our society or not is an anomaly. In case we allow such like things to be done there will be no end to it. There are a number of things in religions which, from our own standpoint, we consider not suitable and in case we go on like this, slowly but surely all our religious laws will be broken one by one and disintegrated altogether. With due deference to the Honourable Mover I must say that he has no right whatsoever to criticise the Hindu laws. He has cited from a judgment of the Madras High Court where he says that this section of Manu has been antiquated and is obsolete. I cannot really understand how an antiquated law can become obsolete. Should we then remove all the old laws and bring new laws to suit the present day reformed society ? This is a very objectionable state of affairs, and I must say that Government ought to see that such like measures ought not to be allowed to be introduced in the Councils, which aim at the breaking of the Hindu Law. Sir Annamalai Chettiar has said that the Marriage Bill introduced yesterday was a social Bill. I even then threw out a note of warning that it was not a social Bill but a religious Bill, and the thin end of the wedge which was meant to wreck our religious Ordinances. In case, Sir, we amend all the Hindu laws to suit the present state of affairs of society, it is better for the mover to introduce a Bill here to repeal all these laws or some of these so-called Reformed Councillors might introduce Bills which might suit their up-to-date requirements.

With these remarks, Sir, I very strongly oppose the consideration of the Bill.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-official) : Sir, I rise to speak on this occasion not because the Bill as it is submitted to this House in the slightest degree affects either me or my community or my part of India ; but if there is any substantial difference of opinion in this House regarding the desirability of any Bill trying to modify existing Hindu law or existing Hindu customs based on Hindu law, I cannot help feeling that such modification should be thoroughly gone into before a measure of this nature can meet with the approval of this House. From what I have been able to gather from my Honourable friend, Sir Annamalai Chettiar, whose community is most affected by this Bill, I cannot give my support to this Bill, and the mildest action that can be taken, if the Honourable Mover of the Bill sees his way

to agree, would be to adjourn further consideration of this Bill. If he must press for this reading, I am afraid that I, as one who is not interested either way, would have to vote neither way.

The HONOURABLE THE PRESIDENT : Does the Honourable Member move that as an amendment ?

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I throw it out, Sir, for the consideration of the Honourable Mover of the Bill.

The HONOURABLE THE PRESIDENT : The Honourable Member cannot throw it out for consideration for the mover cannot give effect to it in that form. He must place it before the House.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : In that case I would move :

“ That further consideration of this Bill be adjourned till the next session.”

The HONOURABLE THE PRESIDENT : To the motion under consideration an amendment moved :

“ That further consideration of this Bill be adjourned till the next session.”

That motion is now open to discussion.

The HONOURABLE SIR ANNAMALAI CHETTIYAR : Sir, I oppose the amendment.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Sir, I too oppose the amendment, because I don't think that it will serve any useful purpose. The Bill, as it is proposed, is a direct violation of the religious law and should be discussed and disposed of.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I am not personally interested in this measure.

The HONOURABLE THE PRESIDENT : The Honourable Member has brought it before the House.

The HONOURABLE SIR MANECKJI DADABHOY : I am interested in it as I have pointed out in the course of my speech, from the humanitarian point of view. If it is the general wish of this Council that the consideration of the question be postponed I shall certainly not come in the way of the Council. I think that the Honourable Members of this Council have a perfect right to demand the full discussion and the full investigation which they desire, and I would be the last person to come in their way in a matter of this kind. If the sense of the Council is to that effect, I am quite prepared to accept the proposal for postponement.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, I rise to support the amendment. The Bill, as my Honourable friend, Sir Maneckji Dadabhoy said, was passed after a great deal of discussion and heated discussion in the other place. There was strong opposition to it and it was passed on the last day at the fag end of the session. It is necessary, therefore, Sir, that this Bill, which is of an important character, the principle of which I may say I entirely approve of, it is necessary that a Bill of this character, which introduces a

[Mr. Lalubhai Samaldas.]

change in Hindu law, should be very carefully considered by the Members of this House. If the amendment for adjournment is carried necessary amendments could be moved as there will be ample time to do so. Therefore, I strongly support the amendment moved.

The HONOURABLE MR. J. CRERAR (Home Secretary) : I should like to say, on behalf of the Government, that the Government would have no objection whatever, subject always to their attitude of perfect neutrality, to the course proposed by the Honourable Mover of the amendment.

The HONOURABLE THE PRESIDENT : The question is :

“ That further consideration of this Bill be postponed till the next session.”

The motion was adopted.

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, I beg to move :

“ That the Bill further to amend the Code of Civil Procedure, 1908, as passed by the Legislative Assembly, be taken into consideration.”

Sir, the Bill that I am now submitting for the consideration of this House is not of a contentious nature, so far as I understand. It is a small, harmless, innocuous Bill and I hope it will meet with the unanimous support of the whole House. The Bill was introduced in the Legislative Assembly in the September session. It was referred to a Select Committee by a large majority. Then the Select Committee considered it very carefully. The Committee consisted of the Honourable the Home Member, the Mover of the Bill, Mr. Samarth, an eminent Hindu lawyer, Sir Campbell Rhodes, representing the English community, and Mr. K. Ahmed, representing the Muhammadan community. The Bill was thoroughly gone into and certain amendments were made in view of the objections raised to the Bill either in the Assembly or in the opinions received from the various provinces. The Bill, as it is now before the Council, is a simple one and asks that sentence to jail for not carrying out the order of a Court for the restitution of conjugal rights should be abolished. It is a human measure, Sir, and a humane measure also. That system does not exist in England, where it was done away with so far back as 1884, and we are merely following the civilised countries in doing away with this custom in India. I hope, Sir, the measure will be unanimously carried.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I rise to oppose this Bill. This is a Bill, Sir, which will add to immorality and will encourage immorality. We are exceedingly sorry to observe, Sir, that, during the last 20 years, our morality, and particularly the morality of women, has very considerably gone down and any measure which tends to give encouragement to women in this connection will be rather a risky measure. Hindu marriage is not a contract and is unbreakable.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces General) : Sir, I warmly support this Bill. I think this is a necessary and an essential change. I can hardly realise that in the present age one would advocate the policy of sending a woman to jail merely because she

refuses to live with her husband. She may have very grave reasons for not allowing conjugal rights to her husband and to direct her into jail, I submit, is an inhuman procedure. I submit that the existing provision of law is a blot on the Civil Procedure Code. Even in England in similar cases by the Matrimonial Causes Bill, the punishment of imprisonment for a woman who refuses to submit to the restitution of conjugal rights has been abolished, and I do not see why in this country it should at all be maintained and enforced.

My Honourable friend says if this Bill is passed it will lead to immorality. I am surprised at this statement. How will that lead to immorality ? A Hindu has permission by his Scriptures to marry more than one wife. That does not lead to immorality. But the argument is that to prevent a woman from being sent to jail, to grant her an exemption from being sent to jail, would lead to immorality. It is a somewhat novel and most curious argument and I am sure this Council will not endorse it for a moment. Just imagine what would be the fate of the woman ? Women in this country should no longer be treated as personal chattels and goods. Think of the intolerable position in which she would be placed, the cruelty that she would suffer from a husband who has resorted to this provision of the law and brought her against her will to his home. I say it is a humanitarian measure and every Member of this Council should warmly support it.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Mr. President, I rise again to explain very briefly the attitude of Government in regard to this Bill. Government have very carefully considered the course of the debate in the other place, and have come to this conclusion, namely, one of neutrality on the part of Members of the Governor General's Council. Other Official Members will be free to speak and vote as they like.

*The HONOURABLE NAWAB SIR BAHRAM KHAN (Punjab : Nominated Non-official) : Sir, I oppose this Bill on the ground that it concerns religion and, if passed, will operate over the whole of India. I can speak from experience that in some of the provinces, e.g., Punjab, Sind, Baluchistan and, probably, the North-West Frontier Province, there are certain customs in vogue in the matter of inheritance among the Hindu and Muslim communities which are against Muhammadan Law and *Dharam Shastras*, and which being a matter of custom alone are taking the colour of religion. I am afraid that, if this Bill is passed into law, it will spread discontent in some provinces. In the circumstances, I oppose this motion.

The HONOURABLE SIR BINODE MITTER (West Bengal : Non-Muhammadan) : Sir, I did not intend to take any part in this debate at first, but I have changed my mind, and I cannot give my silent vote to this important measure. I accord to this measure my heartiest support. I think, Sir, the days when a woman used to be handed over in execution of a decree for restitution of conjugal rights are long past. Then the courts passed decrees for restitution of conjugal rights and in default of compliance with the decree the wife was liable to imprisonment. Imprisonment for disobeying a decree for restitution of conjugal rights, I venture to say, is totally unsuitable to the modern conditions of social

[Sir Binode Mitter.]

life and is but a relic of mediæval barbarism. I for my part would hail with joy the passing of this measure, because it marks a step forward to the realisation of the dignity of womanhood.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, I am very grateful to my two eminent lawyer friends, the Honourable Sir Maneckji Dadabhoy and the Honourable Sir Binode Mitter, for the very cordial support which they have extended to this Bill. My friend the Honourable Rai Bahadur Lala Ram Saran Das has not this time raised the question of religion in danger but has opposed the measure on the ground that it will lead to immorality. Is morality really in danger on account of it, or is it otherwise ? I will give an instance, Sir, to show what hardships the existing section is likely to work. It is an incident which happened in the early eighties, when I was studying in the Elphinstone College. A young lady called Rukhmabai was sent to jail under the existing Act. That case created a great sensation in my Presidency. The Principal of the College, Principal Wordsworth, led the agitation for the repeal of the section, and the agitation led to her release by a compromise of the case with the husband. That lady went to America, studied for medicine, and is now a Doctor of Medicine, and has been doing splendid service in Surat and thereafter, I believe, in Rajkote. Her life would have been shattered if she had been kept in jail for six months. Are we going to send young girls who are sometimes married very early, to jail ? Some of them are married at the age of 8 or 10 to old men of sixty. Are we going to stand all this at the present time. My Honourable friend Sir Bahram Khan said—if I understood him aright—that this might lead to bloodshed. I don't think it would be so bad as that even in his province. But, speaking of the whole of India, we will be doing a very great injustice to the women of this country if this Bill is not passed in the form in which it has been introduced, and I hope that the Bill will receive the unanimous support of this House.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : May I say one word, Sir ?

The HONOURABLE THE PRESIDENT : If it is an explanation.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Yes, Sir. What I said was that the Hindu marriage is not a contract and so it came under religious laws.

The HONOURABLE THE PRESIDENT : The question is :

“ That the Bill further to amend the Code of Civil Procedure, 1908, as passed by the Legislative Assembly, be taken into consideration.”

The Council then divided :

AYES—16.

Acharyya Chaudhuri, Maharaja S. K.
Berthoud, Mr. E. H.
Dadabhoy, Sir Maneckji.
Harnam Singh, Raja Sir.
Lal Chand, Lieut.
Lalubhai Samaldas, Mr.
Ley, Mr. A. H.
MacWatt, Major-General R. C.

McWatters, Mr. A. C.
Mitter, Sir Binode.
Muhammad Hussain, Mr. Ali Baksh.
Ogilvie, Major G. D.
Purshotamdas Thakurdas, Sir.
Shepherd, Mr. W. C.
Tek Chand, Mr.
Vedamurti, Mr. S.

NOES—6.

Amin-ul-Islam, Mr.
Bahram Khan, Nawab Sir.
Barron, Mr. C. A.

Ram Saran Das, Mr.
Zahir-ud-din, Mr.
Zulfiqar Ali Khan, Sir.

The motion was adopted.

The HONOURABLE THE PRESIDENT : The Council will now proceed to the detailed consideration of the Bill.

The question is :

“ That clauses 1 and 2 and the Preamble stand part of the Bill.”

The motion was adopted.

The HONOURABLE MR. LALUBHAI SAMALDAS : I move :

“ That the Bill, as passed by the Legislative Assembly, be passed.”

I have only one word to say. Great credit is due to Dr. Gour for having successfully piloted this Bill also in the Assembly, which will be of great benefit to the whole of India. I hope that the motion will be carried by a large majority.

The motion was adopted.

HINDU LAW OF INHERITANCE (AMENDMENT) BILL.

The HONOURABLE SIR MANECKJI DADABHOY : I beg to move :

“ That the Bill to alter the order in which certain heirs of a deceased Hindu dying intestate are entitled to succeed to his estate, as passed by the Legislative Assembly, be taken into consideration.”

Sir, I have agreed to sponsor this Bill in this Council for an entirely different reason to the first because I believe, and firmly believe, that proximity to the intestate and not religious efficacy should be the order of succession. This Bill is a simple one and it enables certain female members to inherit before agnates of the seventh degree. I will try and explain this Bill very briefly so that laymen may be able to follow. This Bill wants a son's daughter, daughter's daughter, a sister, and a sister's son to get precedence in succession over other reversioners. The Hindu law of inheritance in the case of *bandhus* laid down two important principles. One is that the order of succession should be regulated in such a way that firstly *atma bandhus*, that is, the man's own lineal descendants should succeed. Then come *pitri bandhus*, that is, father's descendants in the absence of the *atma bandhus*, and thirdly, come *matri bandhus*, that is, mother's descendants, in the absence of the first two classes. Now, you will see the propriety of this ancient rule of Hindu law. It is natural that one's own descendants should have priority over his father's descendants and the mother's descendants should be postponed to the father's descendants. The other principle in connection with *bandhus* succession is that the class of *bandhus* should not go beyond the third degree. Now, the lawyers in this Council will know that even under the Mitakshara law succession of *bandhus* is very obscure. The Mitakshara law does give and prescribe a clear order of succession, and our High Court Judges and Hindu lawyers are agreed that the text writers on this subject and even the precedents do not help us in the interpretation of the subject. They have held that the order in which *bandhus* are enumerated is only illustrative and not exhaustive and that the grounds of

[Sir Maneckji Dadabhoy.]

preference which the Mitakshara law dictates is proximity and not religious efficacy. This small Bill seeks only to give a man's son's daughter, his daughter's daughter, his sister and his sister's son preference over distant reversioners, and after that it seeks not to make any new alteration. It seeks to follow the Bombay practice. In Bombay, a son's daughter, a daughter's daughter, a sister and a sister's son obtain priority and come in order of succession before other reversioners, and this Bill seeks to put the law in Madras and the United Provinces in conformity with the Bombay school of law. I do not for a moment disguise the fact that this law makes a very radical change in the Hindu system of succession so far as the United Provinces and Madras are concerned. I have only explained the reasons for this change. It is for Honourable Members to decide for themselves, particularly for the Hindu Members, whether they will agree to this radical change or not. I have explained the situation. From my personal point of view I may say it appeals to me, that relations who are more proximately connected, who bear closer consanguinity to the owner, ought to succeed in preference to distant and remoter relations. That is the ordinary law which will appeal to Englishmen and Parsees. Whether or not it will commend itself to my Hindu friends, it is for them to decide.

I therefore beg to move that the Bill, as passed by the Legislative Assembly, be taken into consideration.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member) : Sir, the Bill now before the House proposes to introduce a change in the Hindu law of inheritance, and in consequence, very naturally, the position of Government with regard to it is one of strict neutrality—Official Members will observe that strict neutrality both in the discussion and in the voting. It is, however, necessary for me to point out that my Honourable and learned friend, Sir Maneckji Dadabhoy, was not quite right in his description of the Hindu law of inheritance as it obtains at present. The order of succession as it obtains at present is lineal descendants first, *sapindas* or agnates next and *bandhus* or persons related through females last of all. My Honourable friend's description of the law is somewhat incorrect.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : I rise to oppose this measure on the same ground on which I opposed the previous one introduced by the Honourable Mover. In this measure also a Hindu Member of this House has not been obtained by the author to introduce this measure. This is another step in the series of Hindu law-breaking campaigns and I cannot see any reason why such measures are encouraged here. This is a measure which very greatly affects all the Hindu communities, and particularly those who have some status in life because a westernised idea is being introduced in this new Bill that instead of the *Bandhus* succeeding, the daughter's son or sister's son who according to Hindu law and society belong to different families must come in and inherit in precedence to one's own closest male line relatives. I would very strongly request this House to throw out the motion for the consideration of this Bill.

The HONOURABLE SIR S. R. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : I also oppose this Bill : What I said in regard to the other Bill applies with even greater force to this Bill. That Bill proposed the conferment of a right, now non-existing, on certain persons but this Bill proposes taking away from certain persons certain rights to which they are entitled at present and giving them to other persons. Therefore it is a much more serious matter than the previous one. This Bill applies to the Presidency of Madras and to the United Provinces alone. Competent opinions from these two provinces are decidedly against the introduction of this Bill, and I hope the House will very kindly permit me to read some of the opinions from these two provinces which the Bill affects and which must have the greatest weight in helping the House to come to a conclusion. I have already read the opinion of the Madras Bar Association and Mr. Justice Kumaraswami Sastri. This is the opinion of the United Provinces Government.

"It will be seen on the first Bill opinions are to some extent divided, while the opinion of the High Court and Judicial Commissioner's Court is unanimously opposed to the second Bill. There is a feeling that in both cases it might be unwise to interfere with existing Hindu law and that in these provinces Hindu public feeling would be opposed to the change proposed in the second Bill."

This is the opinion of Pandit Kanhaiya Lal, M.A., LL.B., Judicial Commissioner of Oudh :

"Even in regard to daughters and daughter's sons the custom recorded in most instances is in favour of exclusion and any alteration of the line of descent by giving preference to the sister's son or to the female line over collaterals or paternal kinsman would be unwelcome and disturbing to the idea of the people."

I do not want to detain the House any more. I would urge the House to consider whether we are justified in passing this Bill against the clearly expressed opinions from these two provinces which the Bill affects.

The HONOURABLE SIR BINODE MITTER (West Bengal : Non-Muhammadan) : Whilst this Bill meets with my personal sympathy, it involves questions of great consequence and moment to the Hindu society. I notice this Bill excludes all provinces except United Provinces and Madras. I do not know why that is so. Probably the Honourable Mover will be able to explain. I do think that in a matter of such vast importance, in a matter which involves the rights of so many people it would have been better if we had more time to consider the provisions of this Bill more carefully. The Assembly had considerable time at their disposal. They had a Select Committee. They had the advantage of reading the opinions of the various Local Governments, the High Courts, the Bar Associations and other bodies, and I believe I am right in saying that the Assembly was once adjourned for that purpose.

Whilst, on the other hand, this Bill, so far as I know, was circulated amongst us only on Monday night. Speaking for myself, no doubt that is my own fault. I saw it for the first time only on Wednesday morning. If this Bill is taken into consideration I shall have to ask the indulgence of the Honourable the President to permit me to have certain amendments because I think that the drafting of this Bill apart from the principle involved in it requires careful consideration.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-Official) : Sir, I again rise to

1 P.M.

move that further consideration of this Bill may be adjourned. I move that amendment for specific reasons. We have heard from my Honourable friends, Sir Annamalai Chettiyar, and Rai Bahadur Lala Ram Saran Das, their opposition to the Bill. An eminent lawyer of the standing of my Honourable friend, Sir Binode Mitter, has pointed out as far as I have followed him how the Bill is defective. I fully appreciate the annoyance which Honourable Members like my friends, Sir Annamalai Chettiyar and Lala Ram Saran Das, must feel at any further procrastination in the direction of rejection of the Bill. I know that they would like to throw out these Bills and show the Members who hold other opinions in the other House or here that they will not have anything to do with such measures. But I feel, Sir, that, as a Revising Chamber, which this House is, it is our duty to treat Bills and other subjects that may be passed by the other House with more deference and with more consideration to that House. I would not differ from my Honourable friends here, for whose opinion I have the highest respect, if, when the Bills come up for consideration next session, they still stick to their views, and I may vote with them then ; but I urge and I submit to them that they need not be upset by any suggestion to postpone the consideration of this Bill in order that they may think over the subject and in order further that the Honourable Member who may be responsible for these Bills in the other House may have time to see them and to convince them, if they are open to conviction, or if the case on the other side is good. I, therefore, Sir, again urge them not to be impatient, for after all there is no intention on the part of any body, least of all on my part, to force on the Hindu community anything about which there may be substantial difference of opinion. With these words, Sir, and backed as I am with what the Honourable Sir Binode Mitter has said, I think this House would do well to postpone further consideration of this Bill until the next session.

The HONOURABLE THE PRESIDENT : To the motion under consideration an amendment moved :

“ That the further consideration of this Bill be postponed till the next Session.”

That is now under discussion.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces : General) : Sir, I fully appreciate the contentions of my distinguished friend, Sir Binode Mitter, and also Sir Purshotamdas Thakurdas, that in the matter of a Bill like this which makes momentous changes, they should have every possible opportunity of considering the matter most carefully. In fact, in my speech I made it absolutely clear that I did not wish to disguise the fact that the Bill made very radical changes, and I said it was left to the Hindu Members to decide for themselves what attitude they should take up. As it seems to me to be the general desire of the House to postpone the further consideration of this Bill, I cordially agree to the proposal.

The HONOURABLE THE PRESIDENT : The question is :

“ That the further consideration of this Bill be postponed till the next Session.”

The motion was adopted.

ELECTION TO PUBLICITY COMMITTEE.

The HONOURABLE THE PRESIDENT : With reference to the election to the Publicity Committee, I have received the name of another gentleman, the Honourable Lieutenant Lal Chand. In the circumstances, it will be necessary for the election to take place. I propose to leave the Chair and I would ask the Honourable the Leader of the House to preside over the election which will be held in my absence. I propose that the election should be on the ordinary lines of direct voting.

The HONOURABLE THE PRESIDENT : I left the Chair for the purpose of enabling the House to go on with the election which is of course not part of the Council proceedings proper and therefore I invited my Honourable friend to preside. I have to thank you, Sir, (to the Honourable Dr. Mian Sir Muhammad Shafi) for presiding. I adjourn the Council till 11 O'Clock on Monday, the 23rd July.

The Council then adjourned till Eleven of the Clock on Monday, the 23rd July 1923.

(The Honourable Dr. Mian Sir Muhammad Shafi then took the Chair and the election proceeded.)

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : The result of the election is as follows :

The Honourable Sir Purshotamdas Thakurdas 17

The Honourable Sir Maneckji Dadabhoy 17

The Honourable Lieutenant Rao Bahadur Chaudhuri Lal Chand 14

The Honourable Sir Purshotamdas Thakurdas and the Honourable Sir Maneckji Dadabhoy are declared as elected.

COUNCIL OF STATE.

Monday, 23rd July, 1923.

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

QUESTIONS AND ANSWERS.

RAILWAY PROJECTS, DACCA DIVISION.

62. The HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI : (a) What are the present intentions of Government in regard to different projects of railway extension in the Dacca Division in Bengal ?

(b) What progress has been made in the construction of a railway line connecting Jharia-Jhanjail with the Garo Hills, and when is it likely to be completed ?

The HONOURABLE MR. D. T. CHADWICK : (a) The financial prospects of the projected railways in the Dacca Division are at present under examination by the Railway Board.

(b) The line referred to in the second part of the question has not yet been sanctioned for construction.

REMOVAL OF IMPERIAL RECORDS.

63. The HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI : (a) Have any orders been passed regarding the removal of the Imperial records from Calcutta to Delhi ?

(b) Are Government aware of the objection that has been raised in the press to the removal of the historical section of the records which may be resorted to for research purposes ?

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : The answer to part (a) of the question is in the negative and to part (b) in the affirmative.

ACCOMMODATION IN IMPERIAL LIBRARY.

64. The HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI : What proposals, if any, are under the consideration of Government for increasing the accommodation of the Imperial Library ?

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Orders were recently issued for the transfer of the Imperial Library from Metcalfe Hall to a portion of the old Foreign and Military Secretariat Building, where there is more accommodation.

REDUCTION OF EXPENDITURE OF COMMERCIAL INTELLIGENCE DEPARTMENT.

65. The HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI : What action has been taken in carrying out the recommendation of the Incheape Committee for the reduction of expenditure of the Commercial Intelligence Department by Rs. 2,80,000 and in what directions will the usefulness of the Department be affected thereby ?

The HONOURABLE MR. D. T. CHADWICK : The expenditure during the current year has been reduced by Rs. 2,27,000 and the possibility of further reduction is under consideration, particularly in the matter of publications. The reductions effected will reduce the usefulness of the Department especially in its abilities to answer inquiries by small manufacturers and traders in India about openings in foreign markets.

RECOMMENDATIONS OF INCHEAPE COMMITTEE.

66. The HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI : Will Government be pleased to make a statement showing the particular recommendations of the Incheape Committee in the different departments which they have finally decided not to give effect to, giving brief reasons for such decision in each case ?

The HONOURABLE MR. A. C. McWATTERS : The Honourable Member is referred to the statements laid on the table of this House on the 16th instant in reply to a question on the same subject by the Honourable Mr. P. C. Sethna.

RECOMMENDATIONS OF JAILS COMMITTEE.

67. The HONOURABLE MAHARAJA SHOSHI KANTA ACHARYYA CHAUDHURI : What recommendations of the Indian Jails Committee have so far been given effect to ?

The HONOURABLE MR. J. CRERAR : The carrying out in detail of most of the recommendations of the Indian Jails Committee rests with Local Governments and the Government of India cannot give complete information of the extent to which effect has been given to them. The Honourable Member will find some information on this point in the provincial jail administration reports published by Local Governments.

The Government of India addressed Local Governments and these letters have been published at pages 253-280 of the debates of the Legislative Assembly held on the 15th September 1921. Since then there has been further correspondence in regard to some of the recommendations, and if the Honourable Member desires I shall see whether this correspondence also may be published.

As regards the penal settlement in the Andamans, the Government have already announced their intention of abandoning it ; but the process of the evacuation of convicts now undergoing sentences must necessarily be slow and dependent on the ability of the Provinces to receive them : as the Honourable Member is no doubt aware, provinces are handicapped at present by serious financial stringency.

MEETINGS OF COUNCIL AND PROROGATION.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-Official) : Sir, I wish to know whether we may have some announcement regarding the approximate date when the Session may be expected to close. In view of what the Honourable the Leader of the House said, it appears to me that there may be no Government business after the 26th at the latest, and I wonder if you are in a position to inform us ?

The HONOURABLE THE PRESIDENT : There will certainly be a meeting on Friday. I have some reason to believe that His Excellency has under contemplation addressing both Houses before proroguing, but whether he has decided on that definitely I am not in a position to say ; but I will take care that your request for information in which the Council is generally interested, is conveyed to the proper quarter.

RESOLUTION RE REVISION OF THE SYSTEM OF TAXATION—
(continued).

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces : General) : Sir, with your permission I will take the liberty of reading my speech on this occasion, as it is a very important *Resolution, and I hope I shall have the indulgence of the House.

The HONOURABLE THE PRESIDENT : I note that with regret. The Honourable Member is perfectly able to address the House and it is rather regrettable that he should return to manuscript.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I maintain that our present system of taxation is not strictly scientific, and is more or less a haphazard growth, regulated more by the needs of the State than by economic or fiscal principles. There are defects also in the Indian system due in a large measure to too close an adherence to the British scheme of taxation and to India's political subordination to Great Britain. That the main fiscal policy of the Government of India is dictated by Great Britain admits of no doubt. The absence of our fiscal freedom has been our standing grievance since the establishment of British rule in India. Even with the introduction of political reforms with the express object of making India self-governing within a reasonable distance of time, we have not obtained liberty of action in fiscal matters. The accustomed strictness of control has undoubtedly been relaxed, but the determining voice is still that of the British Government. Fiscal freedom has been guaranteed to India, not by direct statutory provision, but by a recommendation in the Report of the Joint Parliamentary Committee presided over by Lord Selborne.

The Secretary of State's interference has resulted in the past in the subordination of India's economic interests to those of Great Britain. In one breath Parliament talks of conceding fiscal autonomy to India,

*The following Resolution was moved on the 18th July and discussion postponed :
This Council recommends to the Governor General in Council that an inquiry be made into the whole system of taxation in India with a view to its thorough revision on an economic, equitable and scientific basis with special regard to the taxable capacity of the people.

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COUNCIL OF STATE.

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that is to say to allow the country to regulate its own fiscal policy in the interests of the country and no other. And in the other breath tells us that the administration is subject to Parliamentary control. Under the cover of that control you do not allow India the fiscal autonomy, to regulate its own internal fiscal policy in the interests of the country and no other. It is obvious that the concession is minimised by declaring that the Indian Administration is subject to Parliamentary control just as it suits British interests! The control of protecting and safeguarding British interests when they are in conflict with Indian fiscal interests—so that what is really happening is that this policy of undefined control which unfortunately tries to subordinate Indian interests to those of the British and disturbs the principle of equitable taxation. The principle is there but it is the policy which tends to destroy or greatly qualify the economic principle of public finance, and leads to all sorts of intolerable expenditure in the shape of heavy indefensible taxation. There is no reasonable prospect that the result will be different in the immediate future.

The principles underlying the four fundamental maxims of taxation laid down by Adam Smith and accepted, not only by John Stuart Mill and British economists generally, but by economists all the world over, are that, while it is just and proper that every member of the community must bear a proportionate share of the expense of the Government under the protection of which it lives, it is of the first importance that all taxation which has a restrictive influence upon the productive capacity of the people subject to it and the accumulation and investment of capital within the country must be severely condemned and abandoned. Where therefore in a conflict of economic interests between a ruling country and a dependency taxation within the latter country is controlled by the former, the effect can only be the advancement of the economic interests of the country which has the power and the control at the expense of the dependent country. The foreign imports are developed at the sacrifice of local manufactures. That in India taxation in some respects has had this unfortunate result, admits of little doubt. It is not possible to undertake here a detailed examination of the economic effects of the various taxes imposed by this Government to prove that they have not so far been regulated by the vital consideration that they must on no account cripple the resources of the country. It is enough to mention a few taxes by way of illustration. And I may just refer to two taxes regarding which complaint has been made even in official reports. Industrial alcohol is the basis of numerous special industries which should be developed in India. Development of industries generally, it is superfluous to point out, is necessary if only for the purpose of increasing the taxable capacity of the people. The development of the special industries for which a plentiful supply of industrial alcohol is required is no exception to the general rule. One would therefore expect that in a sound and scientific system of taxation special facilities should be provided for the production of industrial alcohol. But the complaint among manufacturers has always been that, far from the Excise Department providing special facilities in the desired line, the duty on spirits has a decided restrictive effect.

The excise duty on cotton goods made in India is another, and perhaps a more glaring, instance of taxation designed originally, not in the interest of either revenue or local manufacture, but in the interest of the foreign manufacturer. And not only that: It was pointed out more than once that, in its character as a countervailing duty, the excise duty proved a serious handicap to the Indian export trade. The increase in later years in the customs duty on foreign imports of cotton manufactures has perhaps mitigated the evil to some extent, undoubtedly as a slight concession to the crying injustice of the duty, but the objections to the excise duty on the ground of its being unscientific still remain. The Indian export trade with the Far East has been materially affected—not surely by reason of the excise duty alone; and in the home market also, in competition with foreign manufacturers, Indian manufacturers are at a more or less serious disadvantage. However, I am prepared to concede that besides the excise duty there have been other extraneous factors which have contributed to the greatly diminished exports of yarn to China principally.

The land tax, as it obtains in temporarily-settled areas, is even more unscientific than all those three taxes mentioned above, even though it purports to be assessed upon the basis of "a scientific classification of soils". It is not necessary to enter here into the academic disquisition about the nature of the revenue derived by Government from land. It is useless to discuss whether it is rent or tax. Strong arguments can be advanced in support of both views. For all practical purposes, however, it may be treated as a tax. It has all the characteristics of a tax, and the difference in its classification does not affect in the smallest degree either its incidence or its economic effect. Now the land tax is, as a matter of fact, increased at every fresh settlement. The extent of the increase is, according to all experience, out of all proportion to the unearned increment which only Government can legitimately claim. There are cases in which the tenants' rent has been increased 600 per cent. Such increases are by no means rare. It would be absurd to suggest that they are justified by the convenient theory of unearned increment. In official reports too significant admissions can be found of large increases. It is said by some economists that the assessment to this tax is unscientific on two grounds,—first, it proves a tax on industry and discourages employment of capital, and secondly, it violates one of the four canons of sound taxation referred to above, viz.—in the words of John Stuart Mill, "every tax ought to be so contrived as both to take out and keep out of the pockets of the people as little as possible over and above what it brings into the public treasury of the State." If the rule be that at every periodical settlement land revenue must be increased, consciously or unconsciously, settlement authorities are likely to strain a point in favour of the theory of unearned increment, and it becomes very difficult for the tenant or the landlord to disprove that there has been improvement in the productive capacity of the soil and to prove that the improvement suggested by the authorities has been due to the industry of, and the employment of capital by, the holder.

There is another matter incidental to this subject which is rather of a delicate nature but which ought not to be overlooked. The existing policy of Government to exempt agricultural incomes from income-

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tax is assailable from many points of view under the present altered conditions. Not only they are exempted from the payment of income tax and super-tax, but in ascertaining their general assessable income the authorities under the present law are not allowed to take into consideration the income derived from agriculture. The same process of elimination has been in practice adopted in the determination of their assessment for super-tax. There may be some justification for plot proprietors and tenants and peasantry being exempted from the payment of income-tax and ordinarily their cases will be covered under the statutory exemption limit of Rs. 2,000; but there seems to be very little warrant or justification for exempting a large class of people who derive fabulous incomes from the possession of thousands of acres of rich and valuable land. There have been several heated debates in the late Imperial Legislative Council on this subject but the time has now arrived when the question ought to be seriously taken up, impartially reviewed, and fully and dispassionately threshed out whether or not the absentee landlords and arm-chair agricultural magnates deriving large incomes ought not in common with the general majority of people share these burdens. If one community in India derives substantial benefit and advantage by a stable form of government, it is the landed classes and the landed aristocracy of the country.

Similarly, the exemption of Hindus and Muhammadans from inheritance duty is the weakest spot in the British Indian system of taxation and most inequitable. The incontestable underlying principle of economic and equitable taxation is that a tax should be levied according to the ability of the taxpayer. Why then should our Hindu and Muhammadan brethren object to a duty on inheritance in cases where inherited property is able to bear a moderate duty for revenue purposes? It is notorious that all rich persons of the Hindu and Muhammadan community dying escape death duty which is paid by all other classes of the community. This in itself is most inequitable and infringes the very principle laid down by Adam Smith. Probate and Letters of Administration duties are uniformly levied in all civilized countries. Such a principle of inequality would not be tolerated for a moment in any other country and economists of all shades of opinion would have revolted against such inequality had it been the case in Great Britain that one class fully able to bear the impost has escaped a just tax, while another not able to pay it was subjected to penalty for evasion. I am aware, Sir, that the immunity enjoyed by our Hindu and Muhammadan fellow subjects to pay this equitable tax is based on a fiction originating in their personal laws. In one case it is levied because when the succession opens out a man succeeds to an inheritance, while in the case of a Hindu joint family where a father dies his heirs can get hold of his huge fortune without the payment of the State's share on the plea that they succeeded to the heritage not by the law of inheritance but by the law of survivorship.

The domain of death duties undoubtedly offer attractive possibilities at the present juncture far greater than additions to the existing overburdened direct taxation, and I venture to submit that a system

could easily be devised whereby in case of a joint family the fiscal statute may be made uniformly operative without the destruction of the right of survivorship or any prejudice to the maintenance of the coparcenary status. I feel equally certain that our Hindu and Muhammadan brethren will not be unpatriotic to evade their just and legitimate responsibility. It is needless to assert here whether the amounts realised by way of death duties belong to the Central or the Provincial Governments. If a tax on the income of a man during his lifetime is a Central revenue it logically follows that the accumulations of his income on his demise which are taxable ought to belong to the Central Government.

It has been also said that Court-fees and all other charges connected with redress in a Court of law, grouped under the general head of law taxes, are objectionable. All economists have condemned such taxes as the worst conceivable. It might of course be urged in reply that this is absolutely correct as a piece of dialectics, and only as such, as a small fixed fee charged for petitions and complaints, and a moderate, *ad valorem* fee for plaints do not cause serious disadvantage, and do not check the course of justice. And since Government has to get revenue enough for its needs the law taxes cannot be abandoned altogether even though they may not have a place in a scientific scheme of taxation. Besides, law taxes are common in all civilized countries. They have therefore the sanction of common usage and common practice. I am quite prepared to accept the position and not to stand out for an indiscriminating loyalty to scientific ideals in matters of taxation. But the whole point about the Indian law taxes is that they are not uniformly moderate, that they contravene the practicable rule of taking out and keeping out of the pockets of the people as little as possible over and above what it brings into the public treasury of the State, and that, along with the other heavy expenses which every suitor has to incur, they do in numerous cases prevent enforcement of rights by aggrieved parties and induce them to quietly submit to wrongs rather than to face ruin by resort to courts of justice.

Two other taxes may be mentioned by way of illustration of my position that the Indian system of taxation is more or less unsound and urgently requires revision. Of direct and assessed taxes the Income-tax and Super-tax, in so far as they are heavy on profits and are assessed on a wrong principle, are objectionable. John Stuart Mill points out :

"The mere fact that profits have to bear their share of a heavy general taxation, tends, in the same manner as a peculiar tax, to drive capital abroad, to stimulate imprudent speculations by diminishing safe gains, to discourage further accumulation, and to accelerate the attainment of the stationary State."

That is only the general objection, and this objection prevails when the tax is heavy. That the Indian tax is heavy will be admitted by all. And since it is so it is open to the general objection. If the full economic effect of such a heavy tax is not patent, it is because just at the present moment the British income-tax is heavier still, and there is little inducement to capitalists in India to transfer their capital to Great Britain. But apart from the general objections, the Indian Income-tax is assessed on an altogether wrong principle. Two defects cannot escape notice of even the casual observer. In the first place, it is wholly wrong to assess to the tax and super-tax "invest-

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ments". In calculating the net profits of business-men no allowance is made for the part of the income invested remuneratively. Income so invested becomes capital, and should not be subject to any tax, light or heavy. A capital levy, however small, is objectionable, being opposed to sound economic principles. In the next place, the assessment of income to the income-tax is likewise open to another criticism. The principle of graduation has, it is true, been adopted by Government; but it is worked on an unscientific method. Exemption allowed up to Rs. 2,000 is all right, but in that a person with an income of Rs. 2,010 has to pay full tax upon the whole income, the tax is certainly not fair to him. He is at a disadvantage compared with a person having the smaller income. Up till recently the rule was that when the income exceeded the maximum of the exempted income or of the lower grade of incomes even by Re. 1, it was subject in the one case to full assessment or in the other case at a higher rate. This was wholly wrong and unjust. The rule has been modified a little, but not to the extent demanded by justice and sound economics. In England, however, there is one good provision. Every income is given a rebate of £150 because it has long been recognised that people must live. Therefore the average was fairly fixed at £150. Here in India no such admirable provision exists though in my opinion, it ought to be enacted. Incomes here are very poor and even those who have to pay a tax on income ranging from 2,000 to 6,000 rupees find the present rate really burdensome, specially with the increased cost of living. Therefore exemption to the lower middle classes whose income is only 6,000 a year ought to get a rebate of at least 1,200 or 1,500 rupees. That is to say from an income of 6,000, 1,500 should be deducted and only the balance made assessable. Similarly with the lowest income of 2,000 the assessee should be assessed only 500.

I have already referred to one injurious economic effect of the Super-tax. Another and a more serious and general effect is that it discourages industry and enterprise. When one knows full well that the moment a certain limit of income is exceeded one has got to pay a tax upon it at a higher and heavier rate the natural effect is that one feels discouraged to increase one's gains. This is certainly not conducive to the best interests of the community. Super-tax by itself is recognised all over the wealthy countries in the civilized world as in no way an "unscientific" tax. It is correct in principle and if levied with discretion and judgment at a moderate percentage must be deemed equitable. In other words a moderate super-tax can in no way be burdensome or tending to cripple industrial or commercial capital. It is the method in details of levying the super-tax which is rightly found fault with and acts prejudicially. It is the inordinate or extortionate percentage levied, whether in peace-time or war-time, against which the commercial and industrial classes justly inveigh. It would be a false system of public finance which would by way of tax on income of those sweep away the bulk of profits so as really to cripple capital whereby the normal development of commerce and industry is alike arrested. The Excess Duty of 80 per cent. in England was of that nature. So, too, it was here and also the super-tax. But in England commerce and industry had vastly benefited by supplying materials

and stores to Government at fabulous prices. The Government was therefore not wrong in levying a high percentage. It was in a way to get back a portion of those big profits made during the war that Government levied an excessive Super-tax and a high excess duty. State of affairs however are very different in this country. It cannot however be overlooked that an excessive Super-tax is likewise objectionable from another standpoint in that it has all the ugly features of a heavy capital levy.

Indian taxation in certain respects ignores the first fundamental principle recognised by the whole civilised world since the days of Adam Smith. It is open to the charge of being unequal. Inequality of taxation admits of no justification. This inequality in Indian taxation is due to a two-fold reason. In the first place, in imposing taxes little thought is given to the taxable capacity of the people. The only scientific basis of taxation is a just and careful estimate of the taxable capacity of the people, but no attempt has up to now been made to gauge this capacity. Various estimates have from time to time been made of the average annual gross income of the inhabitant of India, on what materials, does not appear. The estimates can certainly not be accepted as scientific. But it is of the supreme importance that a correct estimate should be made on a scientific method, and that periodically, as much in the interests of taxation—Central, Provincial and Local—as for other weighty reasons. In the absence of such an estimate it is extremely difficult for Government to disprove the charge that Indian taxation is far too heavy for individual income and out of all proportion to the taxable capacity of the people. Taxation, to be scientific, ought to be upon the sure and sound foundation of a proper estimate of the taxable capacity of the people, the necessary preliminary of which is a scientific estimate of the average annual individual net income. It must be remembered that the limit of taxable capacity is not a stable factor and fluctuates in response to the manner in which taxation is raised. Again, when a particular tax is fixed at a certain level which causes hardship, it is expedient and also advantageous to the State not to augment it from time to time but to resort to other new forms of taxation. Progressive taxation not only creates ill-feeling and hardship, but often tends to destroy ability, ambition and productive capacity of the people. As has been rightly remarked, it is only "by judicious mixture of methods one can get a larger sum out of the community with a given amount of pain than by following any one special line". In the conception of a judicious scheme of taxation these considerations ought not to escape the attention of our Government.

The essential preliminaries to any solution or consideration of taxable capacity are the ascertainment of the amount of the national capital, the national and individual incomes and the proportion in which they are distributed.

There is no evidence forthcoming that the Finance Department of the Government of India has applied its mind to the ascertainment of the relevant information. As far as I am aware, the Government has not yet devised on a method of computation of the national income per annum which may be deemed fairly free from colossal errors. Perhaps,

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you can never get a perfect method, but you can conceive a system or a method which a whole band of distinguished statisticians and economists may resolve or agree to as fairly reliable. In India the Government has never made known to the public the method it may have adopted in secret, or the method or the premises that have influenced its taxation policy. Once only Lord Curzon entered into details unknown and unpublished to the public. He only declared the result so far as individual income was concerned by stating that the result was Rs. 30 per annum against the figure of Rs. 20 given by the late Mr. Dadabhai Nowroji and 27 of the India Office, but much water has flowed under the bridges since, and we are still groping in darkness. Such an inquiry as the basis of future equitable taxation therefore becomes indispensable, when it is further realised that taxable capacity is measured by the difference between two factors, the aggregate production and the aggregate consumption. Unhappily, there has not been any scientific and elaborate inquiry which would have given the necessary information regarding the national psychology of the people taxed, as to the methods that could be legitimately adopted and the precise rate which would be fair and generally equitable. Some practical means must be found for the removal of the disparities and the re-adjustment of the taxes on a scientific basis. And on this point my suggestion is that, in the first place, an inquiry should be held on two points. The taxable capacity of the average Indian as also of particular classes should be determined with care. In many civilised countries the average annual income of the individual is well-known. Only in India so far no serious effort has been made in that direction. The defect should be remedied. But the ascertainment of average annual income is only a step forward. The taxable capacity of the people is not commensurate with the income. Due allowance must be made for necessary expenses. It is only after balance is struck that the nett income, which alone ought to be subject to taxation, is determined. The difficulty, however, is that the necessary expenses include expenses upon articles which are taxed, and it may not be easy in all cases to eliminate the tax from the price. However, the great point is to fix a reasonable and moderate ratio between income and the total tax. The other point regarding which preliminary inquiry is necessary is, what the burden of particular taxes is upon the poor, people with moderate incomes, and the rich? The incidence is the great point in scientific taxation, and too much care cannot be taken to equalise it as far as practicable.

In the next place, taxes imposed upon even articles which are either necessities of life or of such widespread use as to be unavoidable even to the poor, must be unequal in their incidence upon the different classes. A few instances should be convincing. It is a travesty of scientific taxation to tax a necessary of life like salt. It is a still greater travesty to handicap local manufacture by the imposition of an excise duty. It is not necessary here to discuss the merits of the recent enhancement of the Salt tax. It is sufficient for our present purpose to observe that even a light tax upon salt would not be tolerated in a scientific system of taxation. A tax out of all proportion to the prime cost of manufacture is even more

intolerable. Then again the quantity of salt required for consumption by a villager with a normal family of 4 or 5 members and a paltry income of a few rupees a month is certainly not less than the quantity required by the comparatively richer townsman with an equal family burden. As a matter of fact, the villager requires more of this article than the townsman, as allowance must be made for the cattle. Upon these premises the only legitimate inference is that the poor—exactly the people who are least able to bear the burden—pay more in salt tax than the richer classes. The incidence of the tax is thus heavier upon the poor than upon the rich. This is opposed to the elementary rule of scientific taxation that :

“The subjects of every State ought to contribute to the support of the Government as nearly as possible in proportion to their respective abilities; that is, in proportion to the revenue which they respectively enjoy under the protection of the State.”

Under the general head of “Customs”, over and above the salt tax, there are several taxes which weigh more heavily upon the poor than upon the rich. Kerosene oil, which is now extensively used by the common people, steel and iron utensils required more by the villager in the field or in the household, spices, tin goods, cotton sewing thread, matches and drugs are all subject to more or less heavy taxation, and a good deal in these taxes is paid by the poor. The common people also use largely Indian mill made cloth. The excise duty upon such cloth falls heavily upon them. Sugar (refined) is not ordinarily used by the poor, but there are ceremonial occasions when it is unavoidable. It may also be noticed that it often happens that the duty on a finished article imported into the country is smaller than the duty on the component parts of that article when that article is manufactured in India. If account is taken of all payments made by the poor in different taxes the total becomes disproportionately heavy in all conscience. Add to these the Forest duties which the villager alone, or more largely than the townsman, pays, and the Excise duties which also are paid largely by the poor, and the total becomes too heavy to be viewed without alarm.

Some of the taxes are thus specially burdensome to the poor and some (like Forest duties, Excise duties, and Canal charges) are practically only paid by the poor. In these circumstances the contention is legitimate that Indian taxation is unequal in incidence: that is, a larger proportion of the poor man's income is taken in taxes than that taken from the rich man's income. The percentage of tax to income, I submit, is the true test of incidence, and examined by this test, Indian taxation upon necessities of life and articles in common use is unequal in incidence and therefore unscientific. It should be remembered that a number of articles of food are taxed in India. The results of the recent survey of the Bombay Town Working man's economic condition show that the percentage of expenditure on food to income for “all incomes” is 57 per cent. Mr. Findlay Shirras, the learned compiler of statistics, points out that in the United States of America the percentage is lower, but that is irrelevant to the present discussion. The outstanding fact is that, deducting 36.2 per cent. of income spent on cereals and pulses, we get at a total expenditure of 20.8 on “other articles of food”. Now some of these latter articles are more or less heavily taxed. The working man's other expenses consist

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of expenditure on "fuel and lighting (7.5 per cent.)", "clothing (9 per cent.)", "House-rent (8.9 per cent.)" and "miscellaneous" head (17.6 per cent.). Now excluding the item house-rent, a certain proportion of the expenses on each of the other heads represents payment of Central taxation. What this amount is it is difficult to estimate, but that it is heavy admits of little doubt. It will be noticed that there is no saving in the case of the working man. And yet his monthly wages vary from below Rs. 30 to Rs. 90 and over,—a scale of wages higher than that earned by even the average educated Indian elsewhere in India. The average wage for the ordinary town labourer throughout India is only a fraction of this income. The village labourer is worse off. Mr. Findlay Shirras' conclusion is :

"It would appear that the generalisation, known as Engel's Law, that the greater the earnings a group of labourers earn, the smaller will be the percentage of those earnings spent on food, is on the whole correct."

It may be added that the larger the expense on food (which of course includes articles like salt and spices) the larger is the payment in taxes. In this view the only possible conclusion is that the poor pay more in taxes in proportion to income than men with larger incomes. This is certainly wrong, as the incidence of taxation becomes more onerous in the case of the poor than in that of the rich.

It is needless to examine in detail the incidence of taxation upon the middle classes. Their responsibilities are much greater and ordinary expenses are much larger than those of the working man. And they consume, and that in fairly large quantities, more taxable commodities than the labourer. Some of the luxuries in their case are necessities. A large number of them pay, moreover, in addition to the indirect taxes, the Income-tax. Those of this class who do not pay Income-tax have, on an average, hardly the income of the more prosperous working man of the Bombay City. But their expenses are the same as regards items, though not in amount. The taxation in the case of the middle classes generally is therefore even more burdensome than in the case either of the rich or of the labourer. The incidence is certainly disproportionately heavy in their case, and in so far as it is, the taxation cannot be anything but unscientific.

In inviting the pointed attention of Honourable Members to the unscientific nature of Indian ("Central") taxation and the urgent need for its revision on more scientific lines, I do not contend that any scheme which does not conform to the unscientific ideal in every detail must be abandoned. I am fully aware that in practical working a scientific ideal is difficult of attainment, and allowance must be made for the limitations of human ingenuity. That which is practicable and that which is not must also enter into our calculations. That even with the most careful revision of the whole system of taxation some defects of the nature of those indicated above will remain, may at once be conceded. But while I concede so much I do maintain that with careful revision it is not only possible but practicable to remove some of the grosser defects from the system, to make taxation more equal in incidence and more suited to Indian

conditions, and, far from allowing it to be a clog to the economic progress of the people, to make it a lever for the industrial and economical uplift of India. And a serious effort should be made in the direction indicated, and that without delay. There may be and there are difficulties, but it would be want of apathy or indifference to sit idle in view of the magnitude of the difficulties. What administrative reform is free from difficulties? Why should we then hesitate to tackle this problem? In the interests of sound economics, in the interests of good government, in the interests of the suffering poor, a serious attempt should be made.

I say with great respect that the system adopted in India from time to time by successive Finance Ministers has been more or less undefined, sporadic and haphazard one, devoid of any economic or scientific calculation and only sufficient to tide over the momentary embarrassments of Government and requirements of any particular year. In this connection I may draw the Government's attention to Sir Josiah Stamp's interesting statement that "taxation is not merely a stationary or static problem, the cutting up of an existing cake—it is a moving and dynamic problem. We have to ask not only how little we can leave him with, but also, how much reduction will he stand before he slackens in work and abstinence? How long will he come up smiling to be taxed in this way?" In so far as Indian taxation lacks this basis it must be more or less unequal in its incidence and therefore unscientific in its nature.

THE HONOURABLE THE PRESIDENT : I would draw the Honourable Member's attention to the fact that he has exceeded the time-limit. I would observe that when a Member reads his speech I am not inclined to allow him any extra time. I would therefore request the Honourable Member to draw his remarks to a close as soon as may be.

THE HONOURABLE SIR MANECKJI DADABHOY : Then comes the question of the agency to be employed for readjustment of the taxes on a scientific basis. In my humble opinion, departmental inquiry is not only inadequate but undesirable for the elicitation of the facts with regard to all the points mentioned above. A Committee of experts of the Finance Department with the aid of non-officials of proved financial merit and knowledge could alone take up this onerous and difficult task. After a proper scheme has been prepared, of course the sense of the country through the accredited representatives of the people on the Legislative Assembly and the Council of State must be taken. Any action for rectification must be taken with the consent of the Legislature. With these few words, I will close my remarks.

THE HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-Official) : Sir, although I would like to very much, I am afraid I hesitate to support the Resolution moved by the Honourable Sir Maneckji. I must admit that the Resolution, as worded, is one of a most fascinating nature. But I cannot help feeling that if this same Resolution, fascinating as it looks, were moved by my friend opposite (The Honourable Mr. A. C. McWatters), not only this Council, but the public outside would at once say, Government are looking out for fresh sources of taxation, and this is the thin end of the wedge. Moved as this Resolution is by my Honourable friend Sir Maneckji Dadabhoy, I must say that

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that suspicion disappears. But I think at this juncture any responsible Member of this House, either on the official side or the opposite, will have to make out an extraordinarily strong case before the public in order to get their sympathy in the direction of taxation, whether as to revision or fresh fields for it.

Superficially, Sir, the Resolution looks innocent and unobjectionable. It seeks a revision of the basis of taxation on an economic, equitable and scientific basis. It is hardly possible to object to a Resolution that is so directed. But I wish the Honourable Sir Maneckji had told this House what country in this world had a taxation system, based on such good qualifications as an economic, equitable and scientific basis. It would appear to me, Sir, that the ideal method of taxation would be that which takes from the citizen the surplus which he could afford to give without putting him to any straits; but I have sought in vain many a book on economy in order to hit upon some country, some economist who has satisfied his country that the system of taxation there was either scientific or equitable or based on a basis which met with the approval of all. Supposing my Honourable friend opposite agreed to an inquiry into such an equitable basis of taxation taking from every man and every class that he and they could justly and equitably spare for the State, I venture to ask my Honourable friend what he would regard as an average, fair and equitable standard of living to be laid down in India, bearing in mind all the while the standard of living of the 33 crores of people, of whom we are a part and whom the Legislature claims to represent. I wonder if my Honourable friend would agree to an addition to his Resolution on these lines. Would he agree to an addition that the inquiry should be based on the lines of finding out what would be the fair average standard of living to be allowed to each man before taxation is imposed, and if he does, I really wonder whether some of us, in fact every one of us in this House, would not pay much more, immensely more than what we do pay to-day.

But the Honourable mover of the proposition has indicated a few additional sources of taxation, a few sources about which he was quite unequivocal, a few sources which till now have remained untapped, such as agricultural incomes. I do not know whether he referred to permanent settlement or not. I was not able to follow him there. Permanent settlement, land tenure, death duties for Muhammadans and Hindus, these were the lines he indicated. I do not think there is much difference of opinion that these do go untapped at present, but if the basis on which these incomes have been untapped till now is fiction, as indeed my Honourable friend was bold enough to say in the case of one at any rate of the three heads; if the basis on which these three heads of income are exempt from taxation is fiction, I submit for serious consideration, though he is a lawyer and would know better than I do, whether that fiction has not something of fact, of reason and of justification behind it. Necessity is the mother of invention and to that extent I would not object to the Honourable mover putting before Government and this House any new head of taxation, but to call considerations which have been good enough both for him and for Government till now "fiction" is to

my mind shooting beyond the mark. I would have liked to dwell a little more at length on this point of the fiction part of the exemption of Muhammadan and Hindu joint families from death duties. I may say at once that in this I am not personally affected, for I do not belong to a Hindu joint family, and when I inherited my father's estate, the duty which the Honourable mover's community are liable to pay to the State was paid fully. But being a Hindu, it may be said that I am trying to enlarge on the one topic which affects my community. I will therefore leave it to some other Honourable Member of this House to give an adequate reply, if he will, to what the Honourable the mover of the Resolution called fiction. But there is one more and one rather important source of taxation to which the Honourable mover did not refer. I think we have come to a stage where, if we have to tax further, the one thing that we might tax without great opposition from inside the House or outside the House, would be leisure! I wish the Honourable the mover of the Resolution could have conceived of some method of taxation of the people who work less than eight hours a day, or who work less than 11 months in the year; who work more on the hills and less in the plains, who work in comparative comfort, in fact in comfort which is far above the reach, even the vision of the thirty three crores in whose name and in whose interest the Honourable mover has moved his Resolution.

Sir, I feel that the Resolution has in it certain considerations which are of a very grave and far-reaching importance, and I wish that the Honourable Mover of the Resolution had brought up each one of the different items that he put before the House in his speech by means of Resolutions, so that the House could have discussed these suggested heads of taxation before committing itself to an inquiry. I was rather surprised not to hear from my Honourable friend any word pointing out why the usual reason which the Members from the Benches opposite have advanced in the course of this session against any inquiry should not apply in this case also. It was only last week that the Honourable Sir Narasimha Sarma said in all seriousness to my friend the Honourable Sardar Jogendra Singh and also to my friend the Honourable Sir Ahmedthamby Maricair that Government were not disposed, owing to financial stringency, to undertake any further expenditure in the case of the former for inquiry and in the case of the latter for absolute necessity and for the minimum comfort of Muhammadans proceeding on pilgrimage. What about the expenditure that may be thrown on the Government Treasury for this inquiry, an inquiry which, I am sure, will need all sorts of roving trips by the Commission all over the country; but perhaps that is a point to which the Honourable Mover may reply later on or to which the Honourable Member opposite may reply when he gets up to reply. I do hope that in this case, at any rate, it will not be said, as it has been said in the case of other official demands, that the expenditure would be comparatively small and Government can meet it with ease, for that would be in peculiar comparison with the rejection of the offer made by the Honourable Sardar Jogendra Singh that he would get up to one lakh of rupees, if the Honourable Sir Narasimha Sarma were prepared to hold the inquiry for which he pleaded.

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I feel, Sir, that the day is still distant when this Council can give any support under any guise to the most fascinating proposition, to anything that will lead to or even smell of new taxation. We want retrenchment; we want a balancing of the budget with the present taxation, not any increase in it; and, until that is achieved, until there are surpluses, until, indeed, there is more contentment amongst those who are taxed, I do not think that this House can seriously consider any suggestion made with the best of motives in connection with taxation. For the apprehension may be this that there may be new avenues of taxation found and suggested, recommended and perhaps accepted by the Government, be it against the strongest opposition of these two Houses. What the Honourable Mover seeks is a readjustment of the whole thing; but there may be thin years and there may be fat years. In the case of a thin year, what may happen is that the new avenues of taxation may come and the readjustment may be put off for a better day and in the case of Government Treasuries all over the world, with all deference to the Benches opposite, the readjustment, when it is a question of giving on the part of Government, is long in coming.

I therefore think that this Council would be very well advised in rejecting this Resolution.

THE HONOURABLE MR. S. VEDAMURTI (Burma : General) : Sir, I have been waiting for an opportunity to speak on a question which directly or indirectly concerned the province of Burma, the province which I have the honour to represent in this Council. Such an opportunity has been given to me to-day. I must premise my remarks by saying that I most heartily support the Resolution that has been so ably moved by the Honourable Sir Maneckji Dadabhoy. I really feel surprised that the Honourable Sir Purshotamdas Thakurdas should accept the fundamental canons of taxation, should agree that each individual should be held to help the State in proportion to the ability to help itself, and should admit the canon to be that taxation should be justly distributed and should be in proportion to the income. Admitting these to be the fundamental principles of taxation, I really wonder why the Honourable Sir Purshotamdas Thakurdas should object to the inheritance tax, as proposed by the Honourable Sir Maneckji. Well, the inheritance tax or succession duties, or, as they are popularly known, the death duties, are essentially a product of modern democracy. We, the Members of this Council, want democratic institutions, we want representative institutions,—and it will be admitted that representative institutions are a transplanted growth from the West. We want manhood suffrage, we want democracy and all that it stands for; and yet we shudder to accept one of the products of democracy. I certainly believe that a suggestion like the one that has been mooted by the Honourable Sir Maneckji will not be accepted by this Council, composed, as it is, of the monied and richest classes. Certainly, I may be accused of introducing principles of Socialism and of suggesting revolutionary methods of taxation, if I am not accused of being a Bolshevik. (Laughter).

The Honourable Sir Purshotamdas wanted to know whether there is any fiction or fact in the matter of succession duties why the Government

have not tapped these sources. The fact seems to me to lie only in the opposition,—and in the stout opposition—that will be aroused from quarters which are represented by the Honourable Sir Purshotamdas. It has been pointed out by the great economists of the day that the only means of securing equality in taxation and of realising the principle of ability to pay lies in the introduction of inheritance taxes. There is a tendency in modern days for rich parents to tie up their property for fear of their prodigal sons by endowing a portion of their income to some charitable or religious institution. That thing the rich parents have no right at all to do. This inheritance tax is found in almost every country; the more democratic the country is, the more developed is that tax. It is found in Canada, it is found in England, it is found in the United States, it is found in the Australian Colonies, which were the first to introduce this tax. Well, whether you will it or not, the time will come when the Finance Member will have to tap this new source. When such a time comes, whether the other Members of this Council support it or not, I, for one, will certainly vote for it.

Sir, there is a great element of truth in Sir Maneckji's allegation that the taxes are unscientific in their nature.

In my part of the country, in Burma, there is a certain class of taxes which is still primitive, as they are analogous to the poll tax; they are known as 'Thathameda' in Upper Burma and as a capitation tax in Lower Burma. These taxes no doubt belong to the times of the Burmese kings. The 'Thathameda' tax is a tax calculated at a prescribed rate per household; it is a lump demand made on a village or local area, and the individual assessments are made by selected elders who are in Burmese called 'Thamdis.' These taxes are for single men Rs. 2-8 and for married men Rs. 5. I do not complain, Sir, that these taxes cause a hardship to the community. I do not complain that the Government of Burma.....

THE HONOURABLE THE PRESIDENT : I should like to ask the Honourable the Mover one question. Does he include provincial taxation as well as Imperial taxation?

THE HONOURABLE SIR MANECKJI DADABHOY : Sir, my Resolution applies to all taxation, but incidentally I mention the land tax, which is a provincial matter, and death duties, a provincial taxation which I want to make central.

THE HONOURABLE MR. S. VEDAMURTI : I do not complain, Sir, that the Government of Burma are not justified in levying these taxes. Of course, there are exemptions made in the case of Government servants and pensioners, and of priests and schoolmasters, village headmen, newly-married couples and on grounds of poverty. Again, persons who had paid income-tax are exempted from payment of the capitation tax or from the land-tax in lieu of capitation tax in respect of land occupied by them. What I am driving at is to show that these are analogous to the poll tax, and that in any scientific scheme of taxation where the rich should shoulder a larger burden, I wonder whether these taxes will remain. For long, these taxes were sources of provincial revenue, but of late they have been

[Mr. S. Vedamurti.]

handed over to local bodies. However, these taxes are in the nature of poll taxes which were only levied, according to my knowledge, in ancient Rome, in mediæval England and in some mediæval German towns. The poll tax is regarded by economists as the first stage of rude equality, when before it there was no idea of justice in the levying of taxation but force. Professor Bastable, who is no mean authority on 'Public Finance' says in reference to the poll tax :

"When the greater part of a community possessed little accumulated wealth, the method of taxing each adult for a fixed sum was natural. What is very suitable in a rude state of society is altogether unfitted for a progressive and civilised one. No modern State could employ a capitation tax as a substantial source of revenue."

Well, what I want to impress upon this Council is that when the time comes for a revision of the question of taxation on scientific principles, this poll tax in Burma will altogether go. I am supporting heartily the remedies suggested by the Honourable Sir Maneckji Dadabhoy.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, the House is grateful to you for having asked the Honourable the Mover whether his Resolution applied to the central items of taxation, under the Central Legislature, or it applied also to provincial taxation, and we are glad to have a definite assurance from the Honourable Sir Maneckji Dadabhoy that he referred, that he wanted at least to refer, to taxation imposed by the Central Legislature.

The HONOURABLE SIR MANECKJI DADABHOY : I said something more, Sir. I said wanted to make.....

The HONOURABLE THE PRESIDENT : The Honourable Member has not given way.

The HONOURABLE MR. LALUBHAI SAMALDAS : Sir, the way in which the Honourable Sir Maneckji Dadabhoy's thesis confused provincial and central taxation shows that he did not quite realize what he was asking. He had not made up his mind : he did not, when he read out that admirable thesis, make it clear whether he wanted the inquiry to be extended to provincial subjects also. Possibly he learned later that it would be much better to confine himself to subjects under central legislation,—to the central taxation of the Central Government. Sir, the Honourable Sir Maneckji Dadabhoy has learnt two things for which I beg to congratulate him on my behalf. Two years back, he thought we had obtained fiscal autonomy. I am glad to say he now finds that we have not got it. (*The Honourable Sir Maneckji Dadabhoy* : "I beg your pardon") ; he has evidently learnt wisdom, during this period. Six months back he did not think that the increase of the salt tax was bad enough, and he did not vote against it ; now he seems to think any tax on salt which is an article of necessity.....

The HONOURABLE SIR MANECKJI DADABHOY : I beg your pardon.

The HONOURABLE THE PRESIDENT : The rule about interruption is clear. If an Honourable Member wishes to interrupt a speech, he can only do so if the Member in possession of the House gives way. On the other hand, I may point out that it is not an unusual courtesy, when

a Member protests that he is being misrepresented for the Honourable Member in possession of the House to give way. (Hear, hear.)

The HONOURABLE MR. LALUBHAI SAMALDAS : As the Honourable Member has a right of reply I thought, Sir, that he could easily take down notes, and need not have interrupted me. Sir Maneckji Dadabhoy could not have done better to antagonize the House than by going over too wide a field ; he has antagonized our Muhammadan friends by criticising the laws under which they inherit property as members of the joint family, in respect of certain other items, he has antagonised the landlords, and in respect of certain other items I daresay he has antagonized the Government by the criticism levelled against the way in which taxation has been recently raised. If he really wanted his Resolution carried, he ought not to have antagonized almost everyone. Coming now to the specific recommendation that he has made, I would refer only to a few items. I am not going to deal with land-revenue because he himself has acknowledged that it is a provincial subject. I am not going to deal with death duties or succession duties because my Honourable friend, Sir Benode Mitter, who is an eminent Hindu lawyer, will be able to speak with greater authority on that subject. Moreover little need be said on it as he himself acknowledged that it is a provincial subject, although he added that he wanted it to be made a central subject. I do not know how he is going to get the income from the provinces under that head transferred to the Central Government. I will therefore only refer to the item of customs—where he says that these duties are not levied on scientific principles. Well, Sir, the Government of India is having the whole question examined by a Tariff Board. If there is any definite proposal that my Honourable friend Sir Maneckji Dadabhoy has to make, why cannot he go to the Tariff Board and raise the question ; perhaps, whether a particular material is a raw material or whether it is a finished product, the Tariff Board is the proper authority to examine such questions ; why have a Committee to do the same work on parallel lines ? When my Honourable friend brought forward his Resolution and when I read the Resolution, I thought there was absolutely no necessity to give such a cheque to the Government of India who have full powers to make such inquiries and fix taxes on the result of such an inquiry. What I cannot understand is why my Honourable friend, Sir Maneckji Dadabhoy, is so generous as to give a cheque, a blank cheque at that, to the Government of India. In his speech, he said that the inquiry should be made not only by the experts in the Government of India, but that the experts should be assisted by a Committee, if I understood him rightly—assisted by a committee composed of the elected Members representing both Houses. That means that the cheque is not a blank cheque. I do not know that the Government of India wants that cheque. Leaving aside that question, Sir, I think the most important point for consideration is about ascertaining the taxable capacity of the people. I do not know what the Honourable Sir Maneckji Dadabhoy wants. He has talked about national capital, national and individual average income, and the taxes to be fixed on these. I wonder, Sir, if Sir Maneckji Dadabhoy realizes what this means. If a real inquiry had to be conducted and was taken

[Mr. Lalubhai Samaldas.]

up in right earnest, in the same spirit in which he asks it to be done, it would take years.

I believe a similar inquiry was made in one or two districts. If my information is correct, one was in Bengal by the district officer; a few thousand pages were written and a few volumes were made. If the whole inquiry is to be made all over India by a roving commission, commission composed of economists, financiers, capitalists, land owners, etc., going from village to village, taluk town to taluk town, from district town to district town, taking evidence and getting all sorts of statistics, it will be another 20 years before it can complete the inquiry. By that time none of us will be here. Does Sir Maneckji want that such an inquiry should be undertaken or an inquiry of a haphazard kind? Sir, so far as the theory is concerned, I think my Honourable friend was quite right, but it was only when he came to the application of it to India that his arguments were not correct. It is all very well to talk of progressive taxation and new lines of taxation being found out. As we cannot take up questions of provincial taxation, the only important items to be considered by a Committee are income-tax and customs. If I remember aright, my Honourable friend Sir Maneckji was a Member of the Select Committee on the Income-tax Bill, and when the question of taxing income received from land was considered under the advice of the then Finance Member, it was thought advisable not to refer to it in the Bill which was before the House. The Finance Member said "if you really want to tax income from land, then have a frontal attack and do not resort to side attack." If my Honourable friend Sir Maneckji Dadabhoy wants really that income-tax should be levied on land-revenue, it is open to him to bring in an amendment to the Income-tax Act before the House, and if this House and the other House approve of it, we could have more income. But till then, I do not think an inquiry of the kind suggested by him is advisable or practicable. I therefore oppose the Resolution.

The HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I hope I may be allowed to congratulate my friend the Honourable Sir Maneckji Dadabhoy on the very interesting and informative speech in which he has moved this Resolution. I am sorry that the Honourable the Finance Member has not been able, as he had intended, to be present at this discussion. Unfortunately, he has been detained by urgent business in another place. I must, however, say that I was extremely surprised only a few minutes ago to learn from the Honourable Mover that his Resolution was intended to refer only to central taxation. The wording of the Resolution refers to the "whole system of taxation in India" and in the course of his speech he referred at considerable length to land-revenue, which is a provincial subject. He dealt also with the subject of inheritance duties which, I would point out to him, under the Scheduled Taxes Rules, is also provincial. Another possible subject for taxation was introduced by the Honourable Sir Purshotamdas Thakurdas, a very fascinating one, of a tax on leisure, which is certainly not central. At any rate, Sir, I think I should be able to claim exemption.

The HONOURABLE SIR MANECKJI DADABHOY: May I offer a personal explanation at this stage?

The HONOURABLE THE PRESIDENT: If the Honourable Member wishes to deal with the question whether his Resolution relates to provincial or imperial taxation, it is better that he should do so when he replies.

The HONOURABLE MR. A. C. McWATTERS: What I desired to emphasise was that in my opinion it is quite impossible in an inquiry of the kind proposed to isolate subjects which are central from those which are provincial.

I admit that I have been surprised to-day to find the amount of opposition which this apparently harmless Resolution has excited. I must take that as a compliment to the present Government system of taxation. It seems to me that the Honourable Mover made out quite a good *prima facie* case, and certainly it is in the logical order that an inquiry into revenue should follow an inquiry into expenditure. We have had our inquiry into expenditure, and on this point I should like to be allowed to say that Government intend to relax no effort to carry out the recommendations of the Incheape Committee, and more than that, to explore for themselves all possible further avenues of economy.

In moving his Resolution, I think the Honourable Sir Maneckji Dadabhoy greatly over-emphasised the importance in this connection of the dependence of India upon England. If there is any case for inquiry it must be based on much wider grounds than that. And the position of India is not singular. Every country in the world at the present time has got its war legacy of increased expenditure, higher prices and mal-adjustment of the existing sources of taxation. If the position in India is more difficult than elsewhere, it arises partly from the nature of the country itself, from its size, from the dependence of so large a proportion of the population on one means of livelihood, agriculture, and on the immature stage at present reached, with a few notable exceptions by the country's industries. But there is more than that. We have in the last few years had circumstances connected with the political development of India which greatly affect the question of taxation. Every province has to face increased expenditure on national services, under the control of popularly elected Ministers, on such subjects as Education, Health and Local Self-Government. We have a demand for a greater control of the liquor traffic, which must in the long run affect the provincial returns from excise. We have at the same time a demand for a new fiscal policy, and any action that may be taken on the recommendations of the Fiscal Commission and of the Tariff Board which is now sitting must affect not only the total return from Customs, but the relative incidence of the different heads of the Customs tariff.

Before the war the problems were relatively simple. At that time, land-revenue supplied 25 per cent. roughly of the total yield from taxation, Central and Provincial Combined. I do not propose to follow the Honourable Mover in his remarks about land-revenue, some of which I consider to be very questionable. He suggested, in fact, that land-revenue officers were inclined to take at each assessment too large a share

[Mr. A. C. McWatters.]

of the unearned increment. We had a discussion on land-revenue last week, and I do not think the House wishes to be troubled with it at length again. But in those prewar days, we had land-revenue supplying 25 per cent. of the total revenue. We had Customs and Excise, each supplying about one-third of the amount that land-revenue gave; and, then, in addition we had returns from Railways, Forests and other commercial services and a number of supplementary minor heads such as Salt, Opium and Stamps. But the point is that in those days there was no such great increase of expenditure at any one moment as to disturb the system of taxation. The present position is quite different. We have now an estimated return from Customs Duties of 45 crores, which is many crores in excess of the total return from land-revenue all over the country. We have Income-tax, estimated to yield 18½ crores as compared with less than 3 crores before the war. We have every Provincial Government increasing its duties on stamps, and in this connection I was very much alarmed to hear the Honourable the Mover suggest that stamp duties ought to be decreased, because they are at present a very valuable source of provincial taxation. The position then, is, I think, clearly that the incidence of taxation has now been disturbed, both the incidence as between different classes and sections of the population, and as between direct and indirect sources of taxation.

And this is only one part of the problem. I have mentioned already the necessity that Local Governments are put to to find increased revenue to meet special national services. I have mentioned the new orientation in our tariff policy; I have mentioned the threat to the excise revenue. Surely all these things point to the necessity not only for readjusting existing taxation, but for broadening its basis and finding new sources. I shall not follow the Honourable Mover into his discussion of inheritance duties and taxation of agricultural income. It is quite evident from the discussion which these subjects have aroused in the House that they are very thorny subjects indeed, but what I would emphasize is that the mere fact that these subjects are so contentious makes it necessary that your inquirers, or your Committee, shall be not only experts in taxation, but also men with local knowledge of the social, administrative and political conditions of India itself. And further, it points to the all-important consideration, which I referred to at the beginning of my speech, that Provincial Governments must be associated in this inquiry. It is not only that we want to get the benefit of their expert knowledge, but it is because they must directly and indirectly be affected in their finances by any proposals which come to maturity. I do not wish to raise this difficult question here, but no one will contend that we have arrived at a complete solution of federal finance for India.

I have now, Sir, an announcement to make to the House, which is that Government have already had this subject under consideration. We have already addressed Local Governments and have invited their co-operation in a comprehensive and scientific inquiry into the whole question of Indian taxation. We have asked their advice as to the scope of the inquiry and the proper method of conducting it, and when

we receive those replies, which I hope will be at an early date, we shall be able to consider the desirability, the scope and the method of this inquiry. The Honourable the Mover suggested the appointment of a committee, and of course that is one of the obvious possibilities. He also hoped that the Legislature would have the opportunity of expressing its views. That necessarily follows because some at any rate of the proposals, if they are to come to maturity, would require legislation. Then he dealt at great length with the question of ascertaining the average income per head of the country, and there I think the Honourable Mr. Lalubhai Samaldas made a good point, that if you are going to make a statistical inquiry of that kind, it will take a great deal of time and cost a great deal of money. I hope that those who may be entrusted with this inquiry will not spend too much time on abstract statistical calculations, but rather on the important point of the incidence of taxation on particular sections and classes of the people. The main problem is the adjustment of taxation to meet national needs, and on a basis suited to the taxable capacity of the people and each section of it. The inquiry should be as wide as possible. As for the very pertinent remark that in these days we cannot afford to spend money on committees of inquiry, the only answer to that is that it is hoped, at any rate that this inquiry, if made, will be a remunerative one. I am therefore prepared, Sir, to accept the Resolution on behalf of Government inasmuch as it leaves the scope and the method of the proposed inquiry entirely open to be considered after we have received the replies from Local Governments.

The HONOURABLE SIR BINODE MITTER (West Bengal : Non-Muhammadan) : Sir, I would like to know, if it is possible to inquire, whether this Resolution includes an inquiry as to whether, for instance, any portion of the income-tax or the customs should go to the Provinces. Probably the Honourable the Mover may be able to tell us what his intentions are. The words are very wide :

“That an inquiry be made into the whole system of taxation in India with a view to its thorough revision on an economic, equitable and scientific basis with special regard to the taxable capacity of the people.”

I presume, however, that the Resolution does not comprehend an inquiry into the question I have indicated because if it did, I should have been the first man to support it, coming as I do from Bengal, and I believe, Sir, that some of my friends from Bombay would have welcomed it; but I am speaking on the assumption that the Resolution really does not comprise an inquiry of that character. The words, Sir, are very wide.

The HONOURABLE THE PRESIDENT : I would suggest to the Honourable Member that if the Resolution, in its present form, appears to him too wide, it is open to him to move an amendment.

The HONOURABLE SIR BINODE MITTER : Instead of moving an amendment, I welcome the Resolution which really comprises a discussion of the whole question, and if the matter does go into an inquiry I should submit that the inquiry should also comprise an inquiry as to how far these different sources of revenue have been equitably allocated to the different Provinces. Having said so much, Sir, I venture to

[Sir Binode Mitter.]

submit that, having regard to what has fallen from Mr. McWatters, it is just that the discussion of this matter should be adjourned and that it may be resumed after the opinions from the Local Governments have been obtained. Now with regard to the various Provinces, many subjects are transferred subjects and the Local Government may have to consult the Ministers; the Ministers may have something to say with regard to them; they may not want an inquiry into the matter. They are persons who would be vitally affected on questions with regard to sanitation, education and other cognate subjects. Why should not this matter therefore stand over for further consideration? When the opinions of the Local Governments have been obtained, if those opinions are in favour of a further inquiry into this matter, surely it will be in the fitness of things for the Government itself to bring a Resolution of that character. Therefore if you will permit me I will move an amendment that the further consideration of this matter be adjourned till the opinions of the Local Governments are obtained and circulated amongst the Members.

The HONOURABLE THE PRESIDENT : To the Resolution under discussion, amendment moved :

"That the further consideration of this Resolution be postponed till the replies to the inquiries stated to have been made from the Local Governments have been received and are circulated to the Members of this Council."

The question of the postponement of the discussion is now the sole matter under consideration.

The HONOURABLE MR. A. C. McWATTERS : I am afraid I must oppose the amendment in the form in which it has been put because it is quite impossible for Government to give a guarantee that they will circulate the opinions. We do not know what will be in those opinions. It is the last few words of the amendment that I object to.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, I oppose this amendment. It is difficult at times to have any conception of the mental psychology of this Council. After the announcement which the Honourable Mr. McWatters, the Finance Secretary, made, I thought any motion for adjournment would be out of place. I have always understood that the policy and the definite opinion of the country was that in these matters of taxation the inquiry should not be made by Government officials alone, that we should not depend upon the decision of the Government officials and of the Local Governments for that purpose, but that a widespread, full and complete inquiry should be made with the assistance of the representatives of the people. I therefore say that I cannot understand the position taken up by my Honourable friends in this Council. What am I asking for at this stage? I am not asking this Council to commit itself to a definite line of policy. In the course of my speech I have expressed my personal views only of the directions in which the readjustment of the whole system of taxation could be made. I have not cut out any definite programme. I have only asked that Government officials, experts in the Finance Department, should be associated with the commercial experts in this

country, both Europeans and Indians, and that they should sit together and make a full, thorough and searching inquiry into this most difficult of all problems, the question of taxation. If my Honourable friends had followed the debates which have taken place for the last three years in the Legislative Assembly they would have noticed that there has been a strong feeling in that Assembly on this question. Member after Member has spoken and attacked the taxation policy of Government. I have asked for a readjustment of that policy on more scientific and equitable lines. I have asked for nothing new to be done in this Council. I have asked it to take a step which is essentially necessary in the interests of the whole country; I have asked that the poor and unfortunate people who have been overtaxed should get some relief.....

The HONOURABLE THE PRESIDENT : Order, order. The Honourable Member cannot use his opportunity of speaking on the question of the postponement of the Resolution, to make a reply on the Resolution. He must confine his remarks to the question of whether a postponement is or is not desirable.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, a postponement of this discussion will be detrimental to the best interests of the country. Honourable Members are not realising what they are asking for. The new Budget will be upon us in a short time and there is no guarantee that you are going to have a surplus budget. If you, therefore, take all these considerations into account, you will find that it will be detrimental and disastrous to the best interests of this country to postpone the inquiry which I am asking for.

The HONOURABLE MR. LALUBHAI SAMALDAS : If you will allow me, Sir, I should like to move an amendment to the amendment, namely, that the last part of the amendment may be dropped. I will give my reasons.

The HONOURABLE THE PRESIDENT : Will the Honourable Member read the last paragraph of the amendment. I think the last paragraph runs : "and are circulated to the Members of this House."

The HONOURABLE MR. LALUBHAI SAMALDAS : May I speak on the amendment, Sir. We heard the Honourable Finance Secretary say that there might be difficulties in the way of circulating these opinions of the Local Governments to the Members of this Council. I think we all realise the difficulty, and, in order to meet that difficulty I am prepared to drop the last words, namely, "and are circulated to the Members of this House." I hope that the opposite Benches will approve of this. If the amended amendment is accepted, we will have sufficient time to consider the whole subject.

I move my amendment to the amendment.

The HONOURABLE THE PRESIDENT : To the amendment under consideration, further amendment moved, namely, that the following words be omitted "and are circulated to the Members of this House."

The question of the omission of these words is the sole matter for consideration at present.

The HONOURABLE SIR BINODE MITTER : I am willing to withdraw my amendment in favour of that of the Honourable Mr. Lalubhai Samaldas. I am willing to accept his amendment.

The HONOURABLE MR. A. C. McWATTERS : I am prepared, on behalf of Government, to accept the Honourable Mr. Lalubhai Samaldas' amendment to the amendment.

The HONOURABLE THE PRESIDENT : The easiest way now, I think, will be to put the amendment to the amendment. The question is :

"That to the amendment the following amendment be made, namely, that the following words be omitted, namely : 'and are circulated to the Members of this House'."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The modified amendment is now open for further consideration.

The HONOURABLE SARDAR JOGENDRA SINGH (Punjab : Sikh) : Sir, after what the Honourable Mr. McWatters has said, I think the main question on which this House should invite the attention of the Government is the terms of reference.

The HONOURABLE THE PRESIDENT : The only point at present for the consideration of the House is whether the further discussion of the Resolution should be postponed or not, and that is the only matter on which the Honourable Member may speak.

The HONOURABLE SARDAR JOGENDRA SINGH : I support the amendment.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Sir, I rise to support the amendment. I very much sympathise with the Honourable Sir Maneckji Dadabhoy on the heat with which he tried to address this Council on account of the opposition that has been raised to his Resolution, but I feel that, as the Central Government have addressed the Provincial Governments, and as most of the increased sources of revenue may affect the Provincial Governments, it would be well for this House to discuss the Resolution further when the opinions of the Provincial Governments are in possession of the Central Government and it is known at any rate to the Government of India whether the Provincial Governments themselves and the Ministers that they have to advise them are in favour of any such inquiry.

I therefore think that the best solution of this Resolution at this stage would be to postpone further discussion of it.

The HONOURABLE LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I also beg to support the amendment for the reasons which have been given by the Honourable Sir Purshotamdas Thakurdas.

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

"That the further consideration of this Resolution be postponed till the replies to the inquiries stated to have been made of Local Governments have been received."

The motion was adopted.

The HONOURABLE THE PRESIDENT : Further consideration of the Resolution is therefore postponed.

RESOLUTION RE COMPOSITION AND PERSONNEL OF ROYAL COMMISSION ON PUBLIC SERVICES IN INDIA.

The HONOURABLE SAIYAD RAZA ALI (United Provinces East : Muhammadan) : Sir, I beg 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, this Council's sense of disappointment at the composition and personnel of the Royal Commission on the Public Services in India and its considered opinion that, in order to allay the apprehensions produced in India, it is absolutely necessary to add to the Commission two non-official representatives of Indian public life."

Sir, since I sent in notice of this Resolution I have discovered that there are certain misapprehensions which are entertained about the scope of my Resolution. I shall briefly endeavour to dispose of these misapprehensions. The very first of them which attracted, it appears, the attention of those whose views are entitled to the highest weight and respect is that by carrying, assuming that it is carried, a Resolution of this character in this Council, the Council will be making itself a party to the original proposal for the appointment of a Royal Commission. Sir, I must at once confess that I am not in a position to follow or appreciate the force of this argument. So far as the original idea of a Royal Commission is concerned, neither this Council nor the other House have made any secret of the views they have entertained on the subject. It will be within the recollection of Honourable Members of this Council that when the Royal Commission was announced in this Council by the Honourable Sir Malcolm Hailey on the 25th January this year, it was followed by a Resolution that was moved by the Honourable Mr. Kale and so far in any case as the views of the non-official Members were concerned, there was no possible room for doubt left that non-official opinion of this Council was strongly opposed to the appointment of a Royal Commission. A day later Honourable Members are aware the matter came up before another House on a motion for adjournment, and a more emphatic protest was entered by the other House. That being the record of the non-official Members at any rate of this Council and of the majority of the Members of the other House, I do not think it can be said that by carrying a Resolution of this character this House will be undertaking the responsibility for the appointment of the Commission. It appears to me, Sir, that in the teeth of non-official opposition, though this Royal Commission was appointed, and strongly opposed though the majority of Members of the Central Legislature to such appointment were, there is no reason why we should not endeavour to make the best of a bad job. Our protest is there and will remain there for years to come, and whenever necessary we can point to the views we have expressed in this House. But I think, Sir, it is a very short-sighted policy indeed not to endeavour to improve the composition and personnel of this Royal Commission—not to make an earnest endeavour in that direction. The second objection that I have heard being taken to my Resolution is that the consideration of a question of this character necessarily involves a consideration of the respective merits of the Members who compose the Commission itself. To this, Sir, my brief reply is that in moving this Resolution, I propose to deal with principles rather than with personalities, with measures

[Saiyad Raza Ali.]

rather than with men. No doubt the fact of the composition of the Royal Commission as a whole will have to be passed under review, but Honourable Members of this Council no more than I are compelled to express their opinion about individual Members of the Commission, be they English or be they Indian.

I may further point out that I am quite prepared to state that every one of the Members of the Commission has made his mark in his own sphere of activity. I take it for granted, without subjecting it to argument, that the Members of the Commission are excellent men in their own way, but the question, as I have already pointed out to be considered by this Council, is whether we cannot improve upon the personnel of the Commission.

Now, Sir, coming to the matter of the composition, this Council will at once have noted the very significant departure that has been made in its composition from the settled policy of the Government of India which has been uniformly adhered to since the introduction of the Government of India Act, 1919. Honourable Members are aware that a large number of Committees were appointed by Government during the last three years, some of them being charged with the consideration of questions which directly affect our policy. To mention only a few out of the large number of Committees appointed, I would refer to the Press Laws Committee, the Repressive Laws Committee, the Racial Distinctions Committee, the North West Frontier Committee, and last, though by no means the least, the Fiscal Commission.

THE HONOURABLE THE PRESIDENT : Were they Royal Commissions ?

THE HONOURABLE SAIYAD RAZA ALI : No. I am dealing, Sir, with the Committees appointed by the Government of India ; and it is a matter upon which the Government of India are entitled to be congratulated that in everyone of these Committees Government put the Indian element in the majority. And, Sir, let me ask what were the consequences ? It cannot be said that because the Indian Members were in a majority on these Committees, they displayed any lack of a sense of responsibility, or that they unduly pressed the Indian view-point on the authorities, or that they did not realize and appreciate the existing conditions of the country, or in any way behaved in a manner which was not worthy of a citizen of the British commonwealth. The answer, Sir, I am sure to all these questions would be in the negative.

If that is so, are we not entitled to know as to what is the reason that a departure, and for the matter of that a violent departure, has been made in the composition of the Royal Commission ? The only reply, Sir, that could be given perhaps, if I may be allowed to guess, is that this Commission is a Royal Commission appointed by His Majesty and not a Committee or a Commission which derives its authority from the Government of India. Now, so far as the powers and privileges of the two sets of Commissions are concerned, the distinction between the two is obvious and well recognised. But so far as the

question of its composition, so far as the question of the policy underlying it goes, I entirely fail to see how a Royal Commission stands on a different footing from a Committee or a Commission that owes its existence to the Government of India. Thus, the position stares us in the face that for certain reasons which have not been stated before the country it has been thought advisable to place non-Indians in a majority on this Commission. I hope the Honourable Member in charge on behalf of Government will let us have an inkling into what is really passing in the mind of Government.

Now, Sir, coming to the question of personnel, I must at once say, as I have already pointed out, that I admit the capacity of the members selected. But, again, what is remarkable here is that the Government have not deemed it fit to follow the principle that has commended itself to them in the appointment of non-Indian Members of the Commission in the case of the Indian Members. Honourable Members are aware that out of 5 non-Indian Members, 3 are non-official Englishmen. What do we find, Sir, when we come back to India ? We find that not a single non-official member was selected by Government to serve on this Commission. The interests of the British section of the Indian Civil Service are represented on this Commission by an experienced and able administrator, namely, Sir Reginald Craddock. But who is there to espouse the cause of the Indian section of the Indian Civil Service ? Again, Sir, so far as the other Imperial Services are concerned, an able man, Mr. Petrie, has been selected by Government to serve on the Commission. But there is no Indian occupying a corresponding position to look after the interests of Indians on these Superior Services. As I have already hinted, the most astounding fact about this Commission, if I may be allowed to say so, is a thorough distrust exhibited of public men in India. On scanning carefully through the names, one would find as if special care had been taken to exclude every man who has been identified with the public life of the country. Not only that, Sir, but though we know that the appointment of the Commission entails a heavy expenditure on the finances of India and that in all likelihood in consequence of the recommendations made by the Commission, if those recommendations are accepted by Government, a still heavier burden will be imposed on Indian revenues, Government in their wisdom have deemed it fit not to select a single member of the Central Legislature, which, after all, deals with Indian finances. Another point that would readily suggest itself to Honourable Members in this connection is that the Ministers who are directly charged with administering transferred departments and who have got valuable experience of the administration of the country for the past 2½ years have been totally ignored in connection with the appointment of one of their number. I am not so blind, Sir, as not to see that after all the members of the Central Legislature and of the Provincial Legislatures taken together do not make up the whole of India. I know that there are very able men who are neither in the Central Legislature nor in any of the Local Councils. Let us see how the Government has treated these men who do not belong to any of the Councils. The same distrust, to which I referred, is exhibited in their case. Sir, it is very important and it is very necessary, if it is desired that the report that will be finally submitted by this Commission

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should command something like, I would not say the confidence, something like the regard of the country, something like consideration by the country, it is of imperative importance that at least two non-official members, representatives of public life in this country, should be added to the Commission. There are, Sir, precedents, for Government rectifying its omission some time after the appointment of a Committee or Commission. There have been cases in which Government acting on the impulse of the moment have not given a thoroughly representative character to the Committees appointed.

If my memory does not fail me, Sir, I think that happened in the case of at least one Member of the Decentralization Commission of 1908, and I am sure that the omission was supplied in the case of the Universities Commission of 1902, which was appointed by Lord Curzon, by adding to it Sir Gurudās Banerjee, an eminent educationist, a few weeks after the announcement of the Commission's personnel. Sir, I am not one of those who take the view that if two non-official Members are appointed to this Commission, its findings would inspire confidence from end to end of the country. After all if you make a bad beginning, it is very difficult indeed to get out of it; but this much I can say, that its report would be entitled to greater regard from the country than would otherwise be the case. As I have submitted, there are many people who take the view that, after all the Government have acted in a most irresponsible fashion, and the best thing we can do under the circumstances is to have nothing to do with this Commission. As I have pointed out, I do not take that view. I think it is up to us to try to improve, if we can, upon the composition and personnel of this Commission, and it is for that reason that I have made this attempt to induce Government to see their way, if they can, to remedy the mistake that they have committed in excluding altogether men from Indian public life.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Mr. President, my first impulse in rising to oppose this Resolution is to tender to my Honourable and learned friend a tribute of my respectful, but qualified condolence. I think it is probable that, in the Honourable gentleman's very wide experience as a legal practitioner, it has been his fate or fortune to have to deal with what is in common parlance called a bad case. I am sure that in such circumstances my learned friend has applied his eminent abilities to overcome the difficulties of the case, to bring them to a successful issue, and in doing so has displayed the spectacle, said to be so pleasant to the Gods, of a good man striving with adversity. On the present occasion he has a case which must, I think, be one of the worst he has ever had to deal with in the course of his experience, but I must point out that most of its defects are entirely of the Honourable and learned gentleman's own construction. To that extent, though I appreciate the ingenuity with which he has eliminated, in the presentation of his case, the more awkward and embarrassing elements which are really inherent in it, I must, while tendering to the Honourable and learned gentleman my sympathy, qualify it very seriously.

I have a preliminary objection to take to the Resolution on constitutional grounds. It is perfectly well known to the House that the appointment of the personnel of a Royal Commission is a matter which lies peculiarly within the prerogative of the Crown. In the course of English political history Royal Commissions have been appointed from time immemorial, but I venture to say that the constitution, the personnel of a Royal Commission has never been moved and agitated in either of the Houses of Parliament in the manner in which the Honourable and learned gentleman invites this Council to move and agitate it to-day. It is perfectly clear that it is not within the statutory competence of the Government of India, either directly or indirectly, to communicate to His Majesty any advice on the matter. It would therefore be impossible for Government to take any practical action upon this Resolution, and I do not think it would be conducive to the dignity and the authority of this House that, on the invitation of the Honourable Saiyad Raza Ali, they should embark upon a course which would necessarily be sterile. If I may venture to say so, the weight and authority which have always attached to the decisions of this House have been so attached largely because, of its own motion under your direction, Sir, it has always shown the most careful solicitude for the canons of constitutional propriety, and I trust that on this occasion the House will not be seduced by the eloquence of the Honourable the Mover to abandon that sound and salutary course.

I make that as a preliminary point and I may have occasion to revert to it; but I make it not because I am not prepared to meet the Honourable the Mover on the merits, or as I consider them, and as I hope to make plain to the House, the demerits of his Resolution. The Honourable Member with his usual skill and address stated at the outset of his remarks that he intended to exclude personalities from consideration. Well, Sir, I am glad that my Honourable friend adhered to that decision, but it is necessary for me to point out that, unless he is prepared to embark upon personalities, his case really falls to the ground. For what is the actual fact? The necessity for the representation of Indian public opinion on the Commission has never been contested. The only question which can therefore arise is whether, in point of fact, it is adequately represented, and that question can only be answered by considering the personal qualifications of the Indian members of the Commission. Now, Sir, I entirely agree with my Honourable friend that the proper function of this House is to deal with principles, with policies and not with personalities. It is because Honourable Members cannot commit themselves to the sense of this Resolution without committing themselves to a judgment on personalities, that I would most strongly exhort them to refrain from giving their countenance to the Resolution. The real question in issue could only be adequately replied to by an assessment of the personal qualifications of the gentlemen concerned. To me that would be an easy and congenial task. With one of those gentlemen in particular, I have had the privilege and advantage of long and intimate official association, and I should have no difficulty whatever in replying to disparagements of the character which are inherent in the Honourable gentleman's Resolution. I will not do so partly because it would be a departure from the tradition of the House, alluded to by my Honourable friend, of abstaining from personalities and dealing with

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principles and policies. And there is another reason why I should refrain from that course and it is this. The part taken in public life by these gentlemen is a matter of public record. It is well known both in this House and outside, and I should esteem it a superfluous impertinence on my part to enter upon any exposition of their qualifications, superfluous and impertinent almost to the same degree as the contrary course which is implied in my Honourable friend's Resolution, is inopportune, ill-advised and unwarranted.

I think, Sir, it must be apparent to the House that for a successful conclusion to this inquiry an intimate knowledge and experience of the problems that arise, especially in their Indian aspect, are absolutely indispensable and, though my Honourable friend was naturally reluctant to admit it, it appears to me that it is essential to his argument to show that, because Indian public men have participated in the responsibilities of executive government, they are in some mysterious way and on that ground disqualified from being Members of a Commission of this kind. It would appear Sir, though I do not wish to urge the point too far, that the logic of my Honourable friend's position requires this. His objection really is not that these gentlemen do not know enough but that for the particular objects which he has in view they know too much. I am compelled to infer that what my Honourable friend is seeking for is an advocate, not a judge. As I conceive of the operations of the Commission, it will be the duty of the Members to form their judgments on the evidence and to frame their policy on judgments so formed. My Honourable friend appears to contemplate, as in the interests of this inquiry and as in the interests of India, that Members should be appointed to it with a certain fixed and definite preconceptions or prejudices. What would be my Honourable friend's attitude as a lawyer to a prejudiced jury or, still worse, to a prejudiced bench? And yet, Sir, the objection which I take to the real implication of the Resolution is precisely of that nature.

The matter however really goes deeper than this. It is essential to the validity of my Honourable friend's case to propound, and, indeed, to establish, a very singular proposition. We know, Sir, that there are Members of this Commission, who have taken an important and leading part in Indian public life, and there is no one here who will contend—the Honourable gentleman himself does not venture to contend,—that they are not admirable representatives of Indian public opinion. What is his real objection? Is it this, that the effect on Indian public men of power and responsibility in some strange way unhinges their minds or distorts their judgment or enfeebles their conscience? Let us consider what happens in English public life. Men of the calibre of Lord Grey or Lord Balfour, to mention only two names which occur to me on the spur of the moment, would be regarded by English public opinion as admirable Members of any Commission appointed to deal with important public questions. Their having been Members of the Government, so far from being considered a disqualification, would be regarded as an additional qualification. Are we to apply a different criterion to Indian public men? Does the Honourable gentleman really appear now as the advocate of a principle of racial discrimination in a particularly invidious form? Is

it really the case that power and responsibility have these detrimental effects on Indian public men? If that is indeed so, I am astonished at the temerity of the Honourable and learned gentleman in continuing to advocate a further advance on that road to power and responsibility, if it is beset with such possibilities of danger and disaster. I need only point out the necessary implication of my Honourable friend's position to make clear—I hardly like to use the word, but I fear it is the only word I can use and I use it in a logical sense—it's absurdity.

Now, Sir, I referred at the outset of my remarks to the constitutional position. I pointed out that, whatever the attitude of the Government of India towards this Resolution might be, it is quite impossible for them to take the course which it recommends, and I think the House will not, not only because of its reasonable sympathy with the position of Government, but, what is of still more importance from a proper regard for its own dignity and authority, permit itself to be committed to this course. Indeed, Sir, it appears to me that the Resolution reveals a complete misapprehension of the purpose of this Royal Commission. It is not a political demonstration, but, in the words of Bacon, "a laborious and sober inquiry of truth," in order to carry out a momentous task, one of the greatest that now lies to our hands, the task of construction and reconstruction on the best and surest foundations. I am confident, Sir, that this House will not withhold its support from the execution of these high designs, and that it will give a clear and certain indication of the spirit of reason, goodwill and statesmanship which have always animated its Counsels by rejecting the Resolution.

The HONOURABLE SIR MANEUKJI DADABHOY : I now move that the question be put.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, I have handed in notice of an amendment, but before moving the amendment may I speak on the general question?

The HONOURABLE THE PRESIDENT : The Honourable Member is entitled to make a speech on the Resolution and, at the conclusion of his speech, he can make any motion which is in order.

The HONOURABLE MR. LALUBHAI SAMALDAS : I wanted to refer only to one remark made by the Honourable the Home Secretary in his speech. He said, in reference to the request of my Honourable friend Sir J. B. P. All that two Members of this House might be added to the Commission, that it would be a prejudiced jury. I think it is a term which need not have been used as regards the Members of this House. When any one of us is appointed to a Commission of this kind, we will not be prejudiced one way or another. If a Member of this House or a Member of the other House is appointed to the Royal Commission, he would not look at matters from a prejudiced point of view. That is a term which, we hope, will never be used in this House at least.

With these remarks, Sir, I would move the amendment. Part of my work is made very easy by the speech of the Honourable Mover. When I read the words "the composition and personnel of the Commission,"

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I thought that my Honourable friend might refer to personalities and to the qualifications of each Member.

I do not think he has done so ; not only that, but he has clearly said that he does not want to refer to personalities. On the Committee are appointed public workers whom we all know and who were officials at the time of the appointment. I would like to say that I entirely agree with what the Honourable the Home Secretary has said about the Member whom he has in view ; I can say the same of another Member from Bengal who has done splendid public service ; who has been on public platforms, and has been actively associated with the congress for more years than perhaps anybody else in this House and who has taken an active part in public life. To say that these men because they have held offices do not command the confidence of the public of India is quite untrue. I do not think my Honourable friend, Saiyad Raza Ali, could have ever meant that ; yet the way in which he put that argument forward, viz., that there is not a single member who was not in service—would suggest that. But fortunately one Member is now not in service, so that at least ought to please my friend, Saiyad Raza Ali, that one member at least is not a public servant now. If he wanted that there should be a non-official who is able to carry public opinion with him in this country, well he has got such a man as a Member of the Commission. There is only one other point which I want to refer to. The Honourable Mover of the Resolution said that there are representatives of the English services ; and that there should be somebody to represent the Indian services. I think there also he is mistaken. There is an eminent Provincial Service man from the Punjab who has recently risen to the rank of a Commissioner, an Indian, who will be able to look after the interests of the provincial service men.

The HONOURABLE SAIYAD RAZA ALI : I was speaking of the Indian Civil Service, not of the Provincial Civil Service.

The HONOURABLE MR. LALUBHAI SAMALDAS : I am glad to hear the information given by my Honourable friend. However, as he has made it clear that he does not want to refer to the personnel, I hope he himself will not see any objection to having the words ' and personnel ' dropped. I therefore, Sir, move the amendment that—the words ' and personnel ' in the third line of the Resolution be deleted.

The HONOURABLE THE PRESIDENT : I fail to apprehend the purpose of this amendment. It seems to me that the words ' the composition ' and ' personnel ' are practically the same. I do not think his amendment affects the Resolution.

The HONOURABLE MR. LALUBHAI SAMALDAS : May I give an explanation ?

The HONOURABLE THE PRESIDENT : Certainly.

The HONOURABLE MR. LALUBHAI SAMALDAS : ' Composition ' might mean that there ought to be more Indians, or that there ought to be more Englishmen, or more Englishmen who are non-officials, or more Englishmen who are officials ; personally, I thought it would be better to

delete the word ' personnel ' ; I thought that was my understanding ; if that is not so, then I do not insist.....

The HONOURABLE THE PRESIDENT : I do not think the Honourable Member's amendment in any way alters the sense of the Resolution. An amendment must have some definite effect on the main motion. His amendment has none ; therefore I do not put it to the House.

The HONOURABLE SAIYAD RAZA ALI : Sir, as regards the preliminary objection with which I am not unfamiliar, I would say that we, members of the Bar, generally avail ourselves of the preliminary objection when we in our heart of hearts realise that we have got a bad case and that the only way of saving our client is not to allow the matter to be discussed on the merits. I hope my Honourable friend, Mr. Crerar, follows my meaning. However, I would not be so uncharitable as to say that the Government have got no case at all. But as appears from the preliminary objection there is not the least doubt, and every impartial observer will realize for himself, that the Government have got a hopelessly bad case ; that is my reply to the preliminary objection. Now coming to the merits of the case, my Honourable friend, who no doubt was very courteous to me in his constant references, has used certain words in connection with my speech which I will at once examine before this House. My Honourable friend, to whom I am very grateful for the terms in which he referred to me, was pleased to say that my Resolution was inopportune, ill-advised, and unwarranted. Now in one minute I shall show to the House that just the reverse is the case. My Resolution is opportune because the Commission has not yet entered on its onerous duties, and if any addition is to be made, it is just the time when His Majesty's Government should announce the addition of two or, if necessary more, Indian Members, so that my Resolution comes at a highly opportune time. Is it, Sir, ill-advised ? What, after all, is the duty that we owe to the Sovereign and the country ? Our duty is, Sir, this ; if Government, not knowing the conditions of this country—because, after all, the machinery through which this Government is conducted is not a machinery that is planted in the soil itself, but is for obvious reasons introduced from a country at a distance of six thousand miles if, at times, Government are prone to take action which does not serve either the best interests of the country or of the Government themselves, what is the duty of Honourable Members of this Council ? I for one am convinced that my duty is that, if I see Government taking a wrong step, a step which is likely to lead to dissatisfaction, to discontentment, I must say that my plainest duty is to stand up and say ' you are wrong ; either drop this measure or modify it to such extent that it will totally disarm hostility '. It is far from being ill-advised, it is a Resolution which is in the best interests of the country and the Government and highly advisable. No is it unwarranted ? I do not think I need say much on that. The line that was taken by my Honourable friend itself would go to show that there is the best of warrants for my bringing forward a Resolution of this character. I will mention one of the many warrants that I have for moving this proposition. That warrant which was totally ignored, if I may say so, by my Honourable friend, Mr. Crerar is this : Here is a Commission appointed contrary to all the precedents that have obtained in this country for the past 2½ years ;

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you have placed non-Indians in the majority here. That, among others, is the best and the greatest warrant, Sir, that I have for moving this Resolution. Coming to the selection of the Indian Members, my Honourable friend very ably tried to drag me into a trap that he very skilfully laid out for me. The trap was that he wanted me to discuss the merits of the individual Members of the Commission. From the very beginning, Sir, I have set my face against it. I say that I refuse to discuss the merits either of individual Englishmen or of individual Indians. All I say is that if you accept the line of action that I recommend, you will have a much more qualified, a much better, a much stronger Commission to tackle the questions committed to its charge. Sir, my Honourable friend in particular referred to one of the Indian Members whom he knew.

I on my part can say that I am fortunate to know all the four Indian Members who have been appointed. I have already pointed out that I do not belittle their great qualifications, their eminent achievements; they are my countrymen, my distinguished countrymen, and I have no reason whatsoever to be ashamed either of them or of their work. But that is not the question before the House; the real question is whether, having regard to certain principles guiding the conduct of Government, Government have not set those principles altogether at naught, and it is in this view that I have tried to make a certain specific recommendation to Government.

My Honourable friend in his own peculiarly felicitous manner pointed out that perhaps I was afraid of the Indian Members selected because they knew too much of the country. Sir, I wish it were open to my Honourable friend Mr. Crerar to say the same of those non-Indian non-official members who are going to be imported from six thousand miles away. I wish it were open to him to say that perhaps I have some suspicion in my mind, though in fact I have none, that the objection to these three men was taken because they knew a little too much of India. Sir, I would not go into the merits or the qualifications of these gentlemen. We know that their main qualification is a total absence of their knowledge about India or affairs Indian. Sir, my Honourable friend then took up the analogy of the Commissions appointed in England and he went on to say that nobody would think of taking objection to the appointment of men like Lord Grey or Lord Balfour on the ground that they had been officials at some time or other of their lives. Sir, to begin with, is my Honourable friend quite fair to me and to this country and to this House when he draws false analogies from British public life? Sir, in England there is the sovereignty of the people. It is Parliament, as representing the people, that holds sovereign powers in its hands. Can my Honourable friend say that the Council of State and the Legislative Assembly hold the sovereign power in this land? In England it is the people who decide which Government they will have; in India it is the Government who decide which individual men will get official advancement. Am I not justified in asking Government to desist from making this Commission something like a packed jury which will return a verdict in Government's favour?

The merits of the question, I am afraid, have not really been dealt with by my Honourable friend in charge of the Resolution on behalf of Government. As to the legal objection, I would simply say that if he will turn to the terms of my Resolution, he will find that I make a recommendation to His Majesty's Government. I entirely fail to see how the proposed action can be considered undignified on the part of the elder Statesmen of this Council, or how it can infringe the canons of constitutional propriety. We put on record this desire of ours and we say that unless His Majesty's Government take this action, it is almost certain that no attention, or very little attention, will be paid to the findings of this Commission. Therefore, it is in the fitness of things that the personnel of the Commission should be strengthened from the ranks of Indian public life. It is for this Council to decide whether I am right in making the very reasonable request that I have made in this Resolution.

The HONOURABLE MR. J. CRERAR: Sir, the Honourable Mover in his opening remarks in reply gave us some insight into the practice of gentlemen of the legal profession. He told us, as I understood him to say, that the frequent practice in bad cases was to intrude at the outset some frivolous preliminary objection.

The HONOURABLE SAIYAD RAZA ALI: I did not say 'frivolous.'

The HONOURABLE MR. J. CRERAR: I understood from the general purport of the Honourable Member's contention that the objection was in the nature of a red herring. The Honourable Member referred on this analogy to the preliminary objection I raised. It differs, however, in this respect, it is a substantial one and I invite the particular attention of the House to the fact that the Honourable and learned gentleman made no endeavour to reply to it. Indeed, Sir, I think I can claim that the Honourable Mover's reply in its general character substantially supports my opposition to the Resolution. There is only one point which I desire to make and it may perhaps be of service in removing a possible misapprehension. It has been suggested—I do not think deliberately suggested—but it has been rather left to be inferred—that the appointment of this Commission was made without any form of consultation with opinion in this country. But I invite the attention of the House to the reply made by the Honourable the Home Member in another place to a question bearing upon this. He announced that the Government of India were not formally consulted about the appointment of the Members. The Secretary of State referred to His Excellency the Governor General. His Excellency recommended the names of such gentlemen as were in his opinion, by their administrative experience, specially qualified to assist these inquiries. I think, Sir, that if we now at this stage eschew all personalities and all reference to personalities, and examine the constitution of the Commission on entirely impersonal grounds, I think that the House will agree that it is in fact a well balanced Commission. It is quite impossible on a body of this kind that there should be direct representation of all the sections and all the interests which might be affected by so large and so extensive an inquiry, and I think that really is the substantial reply to many of the contentions raised by my Honourable friend. It is quite impossible to allow a Royal Commission, a Commission which is expected

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to discharge its duties with expedition and dispatch it is impossible to allow it to grow to the enormous dimensions which would be entailed by direct representation of all possible interests. That really is the substance of my reply to that part of the Honourable gentleman's contention. I maintain, nevertheless, though I should be glad not to be under the necessity of referring to them again, that the personal questions to which I was compelled to advert in my first speech in reply to the Honourable gentleman are matters which are implicit in his Resolution and it is quite impossible for this House to give its assent to that Resolution without at the same time giving its assent to propositions of a character which both the Honourable Member and myself admit and agree—and I hope the House will agree too—are highly undesirable.

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

"This Council recommends to the Governor General in Council to convey to His Majesty's Government, through the Secretary of State for India, this Council's sense of disappointment at the composition and personnel of the Royal Commission on the Public Services in India and its considered opinion that, in order to allay the apprehensions produced in India, it is absolutely necessary to add to the Commission two non-official representatives of Indian public life."

The motion was negatived.

STATEMENT OF BUSINESS.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member): Sir, the agenda for to-morrow's meeting of this Council has already been circulated to Honourable Members. Wednesday being a gazetted holiday, there will be no meeting on that day and the meeting provisionally fixed for the 26th has, with your permission, been postponed to Friday the 27th. On that day a motion will be made for leave to introduce a Bill to consolidate the law applicable to intestate and testamentary succession in British India. And in the event of any Bills being passed in another place to-day, motions will be made in this Chamber that they be taken into consideration and passed. Government have agreed to the Mussalman Waqf Bill and the Charitable Endowments and Religious Trusts Endowment Bill being taken into consideration after the disposal of Government business on the 27th.

The HONOURABLE THE PRESIDENT: That concludes the business on the paper, and the Council now stands adjourned till to-morrow at 11 o'clock.

The Council then adjourned till Eleven of the Clock on Tuesday, the 24th July, 1923.

The HONOURABLE MR. S. VEDAMURTI : Will the Honourable Member inform this House if such allowances are given to other Departments under Imperial control ?

The HONOURABLE MR. D. T. CHADWICK : Burma allowances are given to officers of the Imperial Services serving in Burma.

The HONOURABLE MR. S. VEDAMURTI : Does the Honourable Member include the Post and Telegraph services under Imperial services ?

The HONOURABLE MR. D. T. CHADWICK : I am not in charge of the Post and Telegraph services, Sir.

ALLOWANCES TO MISSIONARIES.

69. The HONOURABLE MR. S. VEDAMURTI : (a) Why are allowances from the public treasury given to ten missionaries of the Additional Clergy Society in Burma, and what is the amount of the allowance in each case ?

(b) Are there any reasons why the allowances granted to missionaries are not shown in the Burma Civil List ?

The HONOURABLE MR. D. T. CHADWICK : (a) Allowances are given in Burma to 10 clergymen of the Additional Clergy Society for religious ministrations either at stations where, owing to temporary exigencies, a clergyman not in the service of Government is appointed to officiate for a chaplain on the regular establishment, or at stations where the services of Government chaplains are required, but are not available. This arrangement, which is in force in other provinces, obviates the necessity for the appointment of the more expensive agency of Government chaplains. The amount of the allowances which may be given ranges up to Rs. 200 a month. The Government of India have no detailed information as to the exact amounts paid in the ten cases in Burma, nor yet as to whether the ten clergymen referred to are or are not missionaries. No allowance is given for missionary work.

(b) The Burma Civil list is prepared under the orders of the Burma Government and the Government of India have no information in the matter.

CULTIVATION AND GINNING OF COTTON AND RAILWAY EXTENSIONS IN BURMA.

70. The HONOURABLE MR. S. VEDAMURTI : (a) Are the Government aware that the cultivation and ginning of cotton in Thayetmyo district are greatly hampered by the absence of any railway communications in the district ?

(b) Has the final objection of the Pyinmana Taungdwingy Railway been settled, and will the line be soon continued up to Magwe or Yenangyaung ?

(c) Has the Government of India had any communication with the Irrawaddy Flotilla Company on the subject of the Pyinmana-Magwe Railway and, if so, will the Government be pleased to publish the correspondence ?

The HONOURABLE MR. D. T. CHADWICK : (a) Government have no information.

(b) The final objective of the Pyinmana Taungdwingy Railway has not yet been settled and Government are unable to say whether and, if so, when the line will be extended to Magwe or Yenangyaung.

(c) Government have had no such communication.

COMPENSATORY ALLOWANCE TO POST AND TELEGRAPH STAFFS IN RANGOON.

71. The HONOURABLE MR. S. VEDAMURTI : Will the Government be pleased to state whether they have received any representations from the Post and Telegraph staffs in Rangoon regarding the grant of Rangoon compensatory allowance and, if so, how many such representations have been received, and since how long ?

The HONOURABLE MR. A. H. LEY : Twelve memorials from gazetted officers of the Post and Telegraph Department stationed in Rangoon and 51 memorials from time-scale clerks in the Office of the Post Master-General, Burma, were received by Government through the Director-General of Posts and Telegraphs in May 1923. Since then some telegrams have been received from the Postal Associations in Rangoon.

The HONOURABLE MR. S. VEDAMURTI : Will the Honourable Member be pleased to say how many such representations were made in 1921 ?

The HONOURABLE MR. A. H. LEY : I should like to have notice of that question, Sir ; it goes back to rather ancient history.

COMPENSATORY LOCAL ALLOWANCE SCHEME.

72. The HONOURABLE MR. S. VEDAMURTI : (a) Are the Government aware that a compensatory local allowance scheme has been extended by the Government of India to Imperial establishment, such as Ecclesiastical, Marine, Income-tax and Customs Departments in Rangoon, with effect from the 1st of March 1922 on the same scale as sanctioned by the Burma Government ?

(b) Whether the Government are aware that the Post and Telegraph establishment only stationed in Rangoon are not granted this allowance ?

(c) Whether the Government realise that the pay of these men is on All-India and Burma basis and has not been fixed with any reference to the local conditions in Rangoon, such as the abnormally high cost of living and exorbitant rates of house rent ?

The HONOURABLE MR. A. H. LEY : (a) and (b). Only the gazetted officers of Imperial Departments other than the Post and Telegraph Department stationed in Rangoon have been granted the compensatory allowance sanctioned by the Local Government for its own officials, the date of effect being either the 1st January 1922 or the 1st March 1922.

(c) The statement is not correct.

The pay of several cadres of clerks who are on time-scales in Rangoon has, as a matter of fact, been fixed with reference to the conditions prevailing in Rangoon.

The HONOURABLE MR. S. VEDAMURTI : Is it a fact that the actual increase on pre-war pay....

The HONOURABLE THE PRESIDENT : Is the Honourable Member asking a supplementary question ?

The HONOURABLE MR. S. VEDAMURTI : Will the Honourable Member inform this House if such allowances are given to other Departments under Imperial control ?

The HONOURABLE MR. D. T. CHADWICK : Burma allowances are given to officers of the Imperial Services serving in Burma.

The HONOURABLE MR. S. VEDAMURTI : Does the Honourable Member include the Post and Telegraph services under Imperial services ?

The HONOURABLE MR. D. T. CHADWICK : I am not in charge of the Post and Telegraph services, Sir.

ALLOWANCES TO MISSIONARIES.

69. The HONOURABLE MR. S. VEDAMURTI : (a) Why are allowances from the public treasury given to ten missionaries of the Additional Clergy Society in Burma, and what is the amount of the allowance in each case ?

(b) Are there any reasons why the allowances granted to missionaries are not shown in the Burma Civil List ?

The HONOURABLE MR. D. T. CHADWICK : (a) Allowances are given in Burma to 10 clergymen of the Additional Clergy Society for religious ministration either at stations where, owing to temporary exigencies, a clergyman not in the service of Government is appointed to officiate for a chaplain on the regular establishment, or at stations where the services of Government chaplains are required, but are not available. This arrangement, which is in force in other provinces, obviates the necessity for the appointment of the more expensive agency of Government chaplains. The amount of the allowances which may be given ranges up to Rs. 200 a month. The Government of India have no detailed information as to the exact amounts paid in the ten cases in Burma, nor yet as to whether the ten clergymen referred to are or are not missionaries. No allowance is given for missionary work.

(b) The Burma Civil list is prepared under the orders of the Burma Government and the Government of India have no information in the matter.

CULTIVATION AND GINNING OF COTTON AND RAILWAY EXTENSIONS IN BURMA.

70. The HONOURABLE MR. S. VEDAMURTI : (a) Are the Government aware that the cultivation and ginning of cotton in Thayetmyo district are greatly hampered by the absence of any railway communications in the district ?

(b) Has the final objection of the Pyinmana Taungdwingy Railway been settled, and will the line be soon continued up to Magwe or Yenangyaung ?

(c) Has the Government of India had any communication with the Irrawaddy Flotilla Company on the subject of the Pyinmana-Magwe Railway and, if so, will the Government be pleased to publish the correspondence ?

The HONOURABLE MR. D. T. CHADWICK : (a) Government have no information.

(b) The final objective of the Pyinmana Taungdwingy Railway has not yet been settled and Government are unable to say whether and, if so, when the line will be extended to Magwe or Yenangyaung.

(c) Government have had no such communication.

COMPENSATORY ALLOWANCE TO POST AND TELEGRAPH STAFFS IN RANGOON.

71. The HONOURABLE MR. S. VEDAMURTI : Will the Government be pleased to state whether they have received any representations from the Post and Telegraph staffs in Rangoon regarding the grant of Rangoon compensatory allowance and, if so, how many such representations have been received, and since how long ?

The HONOURABLE MR. A. H. LEY : Twelve memorials from gazetted officers of the Post and Telegraph Department stationed in Rangoon and 51 memorials from time-scale clerks in the Office of the Post Master-General, Burma, were received by Government through the Director-General of Posts and Telegraphs in May 1923. Since then some telegrams have been received from the Postal Associations in Rangoon.

The HONOURABLE MR. S. VEDAMURTI : Will the Honourable Member be pleased to say how many such representations were made in 1921 ?

The HONOURABLE MR. A. H. LEY : I should like to have notice of that question, Sir ; it goes back to rather ancient history.

COMPENSATORY LOCAL ALLOWANCE SCHEME.

72. The HONOURABLE MR. S. VEDAMURTI : (a) Are the Government aware that a compensatory local allowance scheme has been extended by the Government of India to Imperial establishment, such as Ecclesiastical, Marine, Income-tax and Customs Departments in Rangoon, with effect from the 1st of March 1922 on the same scale as sanctioned by the Burma Government ?

(b) Whether the Government are aware that the Post and Telegraph establishment only stationed in Rangoon are not granted this allowance ?

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The HONOURABLE MR. A. H. LEY : (a) and (b). Only the gazetted officers of Imperial Departments other than the Post and Telegraph Department stationed in Rangoon have been granted the compensatory allowance sanctioned by the Local Government for its own officials, the date of effect being either the 1st January 1922 or the 1st March 1922.

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The pay of several cadres of clerks who are on time-scales in Rangoon has, as a matter of fact, been fixed with reference to the conditions prevailing in Rangoon.

The HONOURABLE MR. S. VEDAMURTI : Is it a fact that the actual increase on pre-war pay....

The HONOURABLE THE PRESIDENT : Is the Honourable Member asking a supplementary question ?

The HONOURABLE MR. S. VEDAMURTI : Yes, Sir. Is it a fact that the actual increase on pre-war pay including selection grade appointments in the Rangoon Postal Department works out to only 38 per cent. as pointed out by the Postmaster-General and not 100 per cent. as pointed out by the Postal Committee ?

The HONOURABLE MR. A. H. LEY : I should like to have notice of that question, Sir. I have not worked it out mathematically myself.

EXTENSION OF RANGOON COMPENSATORY ALLOWANCE SCHEME TO POSTS AND TELEGRAPHS.

73. The HONOURABLE MR. S. VEDAMURTI : Will the Government be pleased to state whether a strong recommendation for the extension of the Rangoon compensatory allowance scheme to the Post and Telegraph establishment stationed at Rangoon has been made by Mr. Sams, the officiating Director General, Posts and Telegraphs, and, if so, will the Government be pleased to place a copy of such recommendation on the table ?

The HONOURABLE MR. A. H. LEY : A proposal regarding the application of the Rangoon Compensatory Allowance to the Post and Telegraph staff was made by Mr. Sams and the matter is now under the consideration of Government.

Government do not propose to lay a copy of Mr. Sams' proposal on the table.

LOANS FROM POSTAL CO-OPERATIVE CREDIT SOCIETY.

74. The HONOURABLE MR. S. VEDAMURTI : Will the Government be pleased to state how many men belonging to the Post and Telegraph offices in Rangoon have, in consequence of the high cost of living, taken loans from the Postal Co-operative Credit Society ?

The HONOURABLE MR. A. H. LEY : Co-operative Credit Societies are in operation among postal officials in different parts of India, but it is impossible for Government to ascertain the exact causes which prompt each application for a loan.

RETRENCHMENT IN POST AND TELEGRAPH DEPARTMENT.

75. The HONOURABLE MR. S. VEDAMURTI : Will the Government be pleased to state the amount of retrenchment recommended by the Incheape Committee under expenditure in the Post and Telegraph Department ?

The HONOURABLE MR. A. H. LEY : The amount of retrenchment recommended by the Incheape Committee as compared with the Budget Grant for 1922-1923, was Rs. 1,87,97,000 including Rs. 50,70,000 under "Capital outlay not charged to Revenue."

RANGOON COMPENSATORY ALLOWANCE.

76. The HONOURABLE MR. S. VEDAMURTI : Will the Government be pleased to state what the amount of the Rangoon compensatory allowance to the Post and Telegraph establishments in Rangoon will come up to per annum if the same is granted ?

The HONOURABLE MR. A. H. LEY : Rs. 2,71,608.

BILLS LAID ON THE TABLE.

SECRETARY OF THE COUNCIL : Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table the following Bills which were passed by the Legislative Assembly at its meeting held on the 23rd July 1923 :—

A Bill further to amend the Indian Ports Act, 1908.

A Bill further to amend the Indian Electricity Act, 1910.

A Bill further to amend the Land Acquisition Act, 1894, for certain purposes.

INDIAN SUCCESSION BILL.

The HONOURABLE THE PRESIDENT : I should like to take this opportunity of informing the Council that, if copies are received in time, to allow of their distribution to Members, I propose to ask the leave of the Council on Friday to introduce a Bill to consolidate the law relating to succession.

INDIAN STAMP (AMENDMENT) BILL.

The HONOURABLE MR. A. C. McWATERS (Finance Secretary) : Sir, I beg to move :

"That the Bill further to amend the Indian Stamp Act, 1899, as passed by the Legislative Assembly, be taken into consideration."

Sir, this Bill is purely supplementary to much larger measures which have been passed by various Local Governments increasing various stamp duties. The reason why this Bill comes before the Central Legislature is because certain documents were considered to be such that there should be a uniform duty throughout India. The documents to which this Bill refers are certificates of allotment of shares, letters of allotment of shares, letters of credit and proxies. In all of these it is proposed to raise the duty from one anna to two annas. In the case of promissory notes payable on demand, in place of the existing duty of one anna it is proposed to substitute the sliding scale which the House will find in clause 2 (iii). The Bill also improves the wording of the Schedule relating to insurance policies. I do not think I need trouble the House with reference to any of these items, except the stamp duty on promissory notes payable on demand. The Bill has been twice referred to Local Governments and commercial bodies and no controversial point has arisen so far except in connection with the increased stamp duty on promissory notes payable on demand. When the Bill was considered by the Select Committee in the other House, it was proposed to raise the stamp duty on promissory notes payable on demand from one anna to two annas for promissory notes of low value, and for that reason the Select Committee inserted a clause allowing for a period of validation of these documents. The other House arrived at what I may call a compromise ; it reintroduced the one anna stamp duty for promissory notes of low value and it cut out the validating clause. That is the previous history of the measure. The revenue derived from the increase

[Mr. A. C. McWatters.]

will be entirely provincial, and to that extent this House is in the position of a trustee of provincial revenues. I am not able to tell the House the exact amount because no exact record has hitherto been kept of each of these items separately; but it is generally accepted, I think, by all commercial bodies that the increases proposed are not unduly onerous. The only real difficulty arises in giving the users of these notes sufficient warning, so that they may not get into legal difficulties later. That is the Bill which I beg to move be taken into consideration.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces : General) : Sir, this Bill seeks to increase the fiscal revenue and we are told that that will help the provinces materially. In view of that fact I am prepared to support this Bill. The legislation is of a simple character and yet it marks a radical change in the practice which has been prevailing for a large number of years in this country. I shall only confine my remarks at present to the question of increased duty required in respect of promissory notes. It is well known to Members of this Council that promissory notes play a very important part in the commercial world, and this practice has not only been confined to the capital towns but has now permeated to many districts and to the interior of the districts. The promissory notes have one great advantage over bonds, inasmuch as they save the preparation of long and abstruse documents, and also it is a very simple method of raising money for a borrower. He only signs a small note agreeing to pay on demand the amount. In fact many Members must have noticed that this practice is very quickly and rapidly superseding the practice of execution of bonds, and that for a very simple and obvious reason. In the case of a bond the plaintiff has not only to prove the execution of the bond but also the payment of consideration, but in the case of a promissory note the plaintiff is only called upon to prove the execution of the bond and where the consideration is denied the onus of proof is on the executant that he did not receive the consideration. The present Bill enhances existing duties to a considerable extent in many directions. The Bill also seeks to introduce the principle of graduation in the matter of duties, and I do not think anybody could reasonably object to it. I think the old duty of one anna was an inadequate duty. When serious attempts have been made to increase the revenue in various other directions, I think this is also an important and suitable direction in which a small increase contemplated by the Bill can be justified and which can be made with safety and without causing much hardship and oppression. My Honourable friend, Mr. McWatters said yesterday in connection with my taxation Resolution that I was against an enhancement of the stamp duty. I am afraid my contention was not understood. I am never opposed to any legitimate enhancement of any duty, and my Honourable friend was evidently under a misapprehension when he made that remark. What I stated was that I wanted a re-adjustment of the stamp duty, and this is a typical Bill which supports my principle and seeks a re-adjustment of the stamp duty. I think this graduated principle making a maximum of 4 annas for one thousand rupees is quite reasonable. I do not think anybody would grudge to pay four annas to Government when he borrows one thousand rupees, and those who

know the history of money lending business will understand that the money lender as a rule takes away much more than the money he actually pays and the promissory note testifies. There is however one defect in the Bill, and that is, as the Bill stands now, it will come into operation immediately, it receives the assent of the Governor General in Council. My Honourable friend, Mr. Lalubhai, has given notice of an amendment, and when the proper time comes I shall speak on it. I want merely to mention at present that this is a defect which ought not to be allowed to remain in this Bill. With these words, I support the Bill.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I rise to oppose the increase of stamp duty on demand promissory notes. This will greatly affect the trading public, and it will be some years before the people in the rural areas, in particular, will come to know that the stamp duty on demand notes has been increased.

The HONOURABLE THE PRESIDENT : If the Honourable Member is going to confine his remarks to the increase in the stamp duty on promissory notes, perhaps he will reserve his speech till we come to that clause in the detailed consideration of the Bill.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, before I refer to the general principles of the Bill, may I thank the Honourable the Finance Secretary for the courtesy he has shown and which, I believe, was shown to this House for the first time, in supplying us with the opinions of the Local Governments concerned. I hope that a similar procedure will be followed in future and similar courtesy will be extended to us in future, because in the absence of the opinions of the Local Governments and other bodies who are consulted on any Bill, we cannot come to any definite conclusions on any matter on which there is a difference of opinion.

Now, Sir, coming to the Bill itself, I think, as my Honourable friend Sir Maneckji Dadabhoy said, the small increase in the stamp duty is not of such a character that the Bill need be opposed. But I want to ask a question if the Honourable the Finance Secretary will give me information on that point. I want also an assurance on another point. At present, adhesive stamps are allowed up to one anna. If this Bill becomes an Act, stamps of more than one anna will not be allowed. I believe the Finance Department has a right to make rules under this Act. If so, will he give us an assurance—I believe it was given in another place by the Honourable the Finance Member,—that adhesive stamps will be allowed up to 2 or 4 annas.

The other point is with regard to the basis on which the income will be divided between the Central Government and the Provincial Governments. The Honourable the Finance Secretary said that it will be divided on a right and just basis. Can he give us any information as to how much amount is now given to Provincial Governments out of the income from stamp duty, and what is the likely increase to the Provincial Governments by this increase in the stamp duty? I shall be thankful if he can give me that information.

The HONOURABLE MR. A. C. McWATTERS : Sir, with reference to the two questions, or rather one question and the other an assurance

[Mr. A. C. McWatters.]

that has been asked for by the Honourable Mr. Lalubhai Samaldas, I may say that under the stamp rules, it is proposed to make it quite clear that adhesive stamps can be used. This can be done under Rule 13 of the Stamp Rules. It has already been done, I understand, at least in one province by executive instructions, I mean in the United Provinces, and there should be no difficulty with regard to this.

With regard to the second point, this is more difficult. The present arrangement is that where unified postage and revenue stamps are used for revenue purposes, the provinces receive under the Meston settlement a fixed assignment, of which the total amount is, I think, about 19 lakhs a year. This figure was based on the average return from such stamps calculated on the actual revenue for 2 periods of five years with an allowance for normal increase. We have however definitely promised all provinces that we will now work out what the approximate increase in revenue will be from the increase in stamp duty proposed in this Bill and will allocate such increase to the provinces. It will require detailed calculations, and is by far the most difficult point arising out of this Bill.

The motion that the Bill be taken into consideration was adopted.

The HONOURABLE THE PRESIDENT : Before we proceed to the detailed consideration of the Bill, I would refer to a remark which fell from the Honourable Mr. Lalubhai Samaldas. It caused me great surprise. I am not quite sure if I understood him aright but I thought he said that when a Bill is circulated by the orders of the Legislature the opinions received on the Bill are not circulated to this House.

The HONOURABLE MR. LALUBHAI SAMALDAS : That is my experience. If a Bill is introduced in another place, the opinions received thereon have not been circulated to us.

The HONOURABLE THE PRESIDENT : I am certainly quite unaware of this fact. There are two forms of circulation, one by the Government and the other by the orders of the Legislature. If it is a fact that in the case of Bills circulated by orders of the Legislature the opinions received thereon have not been made available to Members of this House, then certainly it is a matter I will look into. I was quite unaware of this.

The HONOURABLE MR. A. C. McWATTERS : May I make a statement, Sir ? The Honourable Mr. Lalubhai Samaldas attributed to me the credit of having circulated the Bill with the opinions received thereon. May I say that it was not I who did this, but the Legislative Department.

The HONOURABLE THE PRESIDENT : At any rate, I will certainly look into the matter.

The Council will now proceed to the detailed consideration of the Bill.

Clause 1.

The HONOURABLE SIR MANECKJI DADABHOY : Sir, as I have already mentioned, there is a serious defect in this Bill. As the Bill stands now, it will come into force immediately His Excellency

the Governor General gives his assent to it. I am of opinion that in all fiscal matters or whenever a fiscal Bill, making a very important or radical change is introduced, there should be some time given for the matter to be known fully all over the country. As the Bill stands, if it comes into operation immediately, it will cause a great deal of trade dislocation. There is an unfortunate part about these promissory notes which probably those who are not lawyers will not easily understand. In case of a promissory note, if it is inadequately stamped, the defect cannot be remedied by making it admissible by payment of an enhanced stamp duty or penalty. The whole document becomes nugatory and the lender loses all his money. If the lender has advanced Rs. 5,000 on a promissory note which ought to bear a four-anna stamp duty according to this law, if it bears a one-anna stamp duty, it becomes null and void and his suit will be dismissed by the Court. It cannot be validated by the payment of a penalty in the shape of an enhanced duty. That is what I understand the law to be. I therefore want the measure to be qualified in such a way that it will cause the minimum of dislocation in trade and commerce in the country and in business transactions, and I am of opinion that sufficient time should be allowed to the people to understand the change in law. I therefore move a simple amendment to the following effect :

“ That clause 1 of the Bill be renumbered clause 1 (i) and that, to the sub-clause as so re-numbered, the following sub-clause be added, namely :

‘ 1 (ii). It shall come into force on the 1st day of January 1924 ’.”

I am quite alive, Sir, to the fact that Government will lose a little bit of revenue by postponing the operation of this measure. There is no doubt about it. Fiscal considerations are at present of a very paramount nature. But, at the same time, the other side of the question ought not to be lost sight of by Government. In introducing a fiscal measure, they should see that no oppression and no unnecessary hardship is caused to the commercial community and to men making these transactions. I therefore hope that the necessity for an amendment to this effect will be easily seen by this Council. I am only postponing the operation of this Bill for another five months, which after all is not a very long time, considering the great importance of this measure.

I beg to move my amendment.

The HONOURABLE THE PRESIDENT : To the clause under consideration amendment moved :

“ That clause 1 be renumbered clause 1 (i) and that, to the sub-clause as so re-numbered, the following sub-clause be added, namely :

‘ 1 (ii). It shall come into force on the 1st day of January 1924 ’.”

That amendment is now open to discussion in the Council.

The HONOURABLE SAIYAD RAZA ALI (United Provinces, East : Muhammadan) : Sir, I trust this Council realises the importance of the question that has been raised by the Honourable Sir Maneckji Dadabhoi. The Bill as it stands no doubt will have the force of law as soon as it receives the assent of the Governor General. It is also true that it will be very difficult for all those people who have occasion either to get promissory notes executed or to execute promissory notes to know that a change in the law has been made and to avail themselves of this change

[Saiyad Raza Ali.]

immediately. At the same time, Sir, I do not see any justification why the State should lose a large sum of money simply because those whose duty it is—and it is everybody's duty—to know the law would not care to know it. I do not minimise the inconvenience to which a certain section of the people may be put by this Bill becoming law at once. But I think a better plan would be for this House, instead of agreeing to the amendment moved by the Honourable Sir Maneckji Dadabhoy, to carefully consider and pass the amendment of which notice has been given by the Honourable Mr. Lalubhai Samaldas. In fact, they both relate to the same point and are intended to remove the same inconvenience which has been pointed out by the Honourable Mover of this amendment. I think it would be much better if, without losing a large sum of money in these days of acute financial stringency, we make a provision for the admissibility of those promissory notes which are not properly stamped and enable the Courts to receive them in evidence on payment of the deficiency. That at once would meet the point that has been raised by the Honourable Mover of this amendment. It will, further, have the additional advantage—a very great advantage indeed in these days—of not depriving the State of a large sum of money to which it is legitimately entitled. In view of the forthcoming amendment, notice of which has already been given, I think, Sir, we should not proceed with the amendment of my Honourable friend, or, if he persists in it, in that case I think it will be the duty of this Council to oppose it.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I rise to support the amendment which has been moved by Sir Maneckji Dadabhoy. My reason for the support has already been explained by Sir Maneckji and the only thing which I can add is that in the present state of stringency in the money market it is not advisable to dislocate the present arrangements of the borrowers. Therefore it will be quite proper that this Act should come into force at the time which has been proposed by the Honourable Member.

The HONOURABLE SIR S. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : Sir, may I ask if this is an amendment to the amendments which have been proposed by the Honourable Mr. Lalubhai Samaldas and myself ?

The HONOURABLE THE PRESIDENT : No. Your amendment will come up in due course.

The HONOURABLE MR. A. C. MCWATTERS (Finance Secretary) : Sir, I find some difficulty with regard to the amendment moved by the Honourable Sir Maneckji Dadabhoy. I am not quite certain whether he realises what the effect would be. If we introduce an amendment at this stage the Bill will have to be referred back to the other House, and I fear it may not be passed at all this session.

The HONOURABLE SIR MANECKJI DADABHOY : That is not our fault.

The HONOURABLE MR. A. C. MCWATTERS : No, it is not the fault of this House at all. But it is a practical difficulty the result of which may

be not merely to postpone the operation of the Bill to the 1st of January, which is the specific motion before the House, but to postpone it a good deal later than that. I sympathise a good deal with the object which the Honourable Member has in view, and I think it is quite fair that the users of promissory notes exceeding Rs. 250 in value who are affected by the proposed increase should have some notice of the change in duty though the date suggested, 1st January 1924, is, I think, too late. The House will observe that it does not affect the people who use low value notes whom we particularly want to safeguard. People who use higher value notes will understand the change in duty better. But all the same, I do think that it is fair to them that there should be some notice and therefore, while for the reason given, I do not feel able to accept the Honourable Member's amendment, I am prepared to give the House an assurance that, as the Bill does not come into force until it receives the assent of the Governor General, arrangements will be made that the Bill should not come into active force until the 1st of October.

The HONOURABLE THE PRESIDENT : I should be interested to know how the Honourable Member proposes to secure that.

The HONOURABLE MR. A. C. MCWATTERS : I shall use my best effort—that is the most I can promise—with the Governor General in asking for his assent to be delayed for a reasonable period.

The HONOURABLE THE PRESIDENT : That is what I wished to elicit.

The HONOURABLE SIR BINODE MITTER (West Bengal : Non-Muhammadan) : Sir, if I were sure that the amendment which stands in the name of the Honourable Mr. Samaldas would be passed, probably I would not have said anything just now, but one is never sure as to what is going to happen to an amendment which probably so far as I can gather from what has fallen just now will be opposed by the Government. That being so, I support the amendment of the Honourable Sir Maneckji Dadabhoy. Now the Honourable Saiyad Raza Ali said that it is the duty of everybody to know the law of the country. It is perfectly true that there is the old maxim that everybody must know the law of the land at his peril, but there never was a bigger fiction than that. Lawyers of great eminence very often themselves find suddenly that the law has been changed,—for instance, in England in the words of Mr. Augustine Birrell, the law is changed “in the silent hours of the midnight.” It takes some little time before people become familiar with the changes in the Statute-book. Now with regard to this promissory note, one added terror is that there is a graduated scale. Supposing a man were to lend, say, Rs. 50,000 and honestly believing that the old Statute law remains in force, he fixes a one anna stamp. He then suddenly finds that the law has been changed sometime before. Well he loses the whole of the amount because the law is, that if the loan is created by the note itself, he cannot fall back upon any original consideration for the simple reason that there was none. Therefore the question of penalty is a question of great importance. Mr. McWatters has not informed us, nor is he in a position to inform us, as to what the probable loss to the revenues of the Local Governments will be if the operation of the Bill is postponed till the 1st January. That being so, we cannot assume necessarily that the amount will be much. On the other hand, it is a question of great moment that some time should be given to

[Sir Binode Mitter.]

the country to get itself familiarised with the change that is introduced by this amendment of the Stamp Act. Supposing the Act comes into force on the 1st October, is it to be assumed necessarily that all *bona fide* lenders will come to know of it on the 2nd? Yet large numbers of notes bearing date the 2nd will become inoperative as the mistake will not be relieved by the infliction of any penalty. That being so, I support this amendment.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-Official) : Sir, I wish to support the amendment. I think the necessity for an amendment of this nature has been made out from the remarks made by the Honourable the Finance Secretary himself. He admits that there is a good deal in the point raised by the Honourable Sir Maneckji Dadabhoy, and he gives an assurance to the House that he will use his best influence to the end that His Excellency the Viceroy may not give his assent to this Bill till some time early in October. But in case, Sir, the Provincial Governments who would know of this House passing this Bill press the Government of India and ask for His Excellency's immediate consent or approval of it, I really wonder if the Finance Department would be able to carry out the undertaking they give in this House. I therefore think that bearing in mind the not over-affluent condition of some of the Provincial Governments, this House cannot take, and should not take, any risk of such an obvious nature. If unfortunately the Bill has had to be brought to this House quite at the fag end of the session of these two Houses, surely the responsibility for it should not lie with the non-officials of this House, and I think this House would be quite justified in passing what they think is a very necessary protection to the people who would be affected by the change in the Act. I therefore, Sir, have much pleasure in supporting the Honourable Sir Maneckji's amendment.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member) : Sir, it is unnecessary for me to recapitulate the arguments which have already been given by my Honourable friend, Saiyad Raza Ali, as well as by the Honourable Mr. McWatters in opposing the amendment now before the House. What I wish to point out is this that in so far as my experience goes, and I believe that it must be the experience of most of the Members of this Honourable House, promissory notes are in vogue mostly in commercial circles, and I am sure my Honourable friend opposite will admit that commercial circles are very vigilant in the protection of their own interests, as well as in the acquisition of knowledge of what the law of the country is. In so far as these circles are concerned, I feel sure that the assurance given by the Honourable Mr. McWatters will adequately safeguard their interests and that a period of two months would be quite ample for them to come to know that the duty in the case of promissory notes above Rs. 250 has been raised in the manner provided in this Bill. That being so, I respectfully submit to the House that the argument placed before us by the Honourable Saiyad Raza Ali really derives considerable strength, considerable force, and if that Act were to go beyond the 1st October, the result will be that Provincial Governments will lose a great deal of the enhanced revenue which this enactment proposes to give them.

The HONOURABLE SIR MANECKJI DADABHOY : May I ask why the Bill was not introduced earlier in the Legislative Assembly and sufficient time given to us for its consideration?

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : If I may venture to say so, I am personally not concerned with the question which has been put by the Honourable Sir Maneckji. What I wish to emphasise is this—we hear complaints in all Provinces, not only from the Provincial Legislative Councils but also from the public, that the transferred half of the Provincial revenues does not obtain sufficient funds with which to undertake the expansion of educational, sanitary and other measures. Well, here the Government of India propose to introduce into this House a measure calculated to give to the Provincial Governments increased funds, and those Honourable Members who are interested in business of one kind or another and are affected or possibly will be affected by this change in the law, come forward to oppose the measure or at any rate to postpone it for some time, and thus seek to deprive the Provincial Governments of the funds which they are in such need of in order to undertake educational, sanitary and other developments.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : Sir, the Leader of the House said that commercial circles easily get themselves acquainted with changes in the law. I do not know what he really meant by commercial circles. There are commercial circles and commercial circles. There is the village money lender, there is the taluk money lender who advances Rs. 500 or Rs. 1,000, and there are rich agriculturists who are money lenders themselves. But the commercial circles to which I believe the Honourable the Leader of the House referred are those who are sitting here and taking part in this debate. We of course do not want this exemption. We know very well what the law is. But we want to protect the other classes of people, and that is why we ask for the acceptance of the amendment moved by my Honourable friend Sir Maneckji Dadabhoy.

The other reason for my support is the same as was given expression to by the Honourable Sir Binode Mitter. If the Government are really anxious to have this increased income why cannot they give us an assurance that they will accept the amendment which I have given notice of moving? Unless they give an assurance of that kind it will be seen that the people whom my Honourable friend, Sir Maneckji wants to protect will not get the protection that they need. The only way in which they can get protection is by accepting the amendment which I am moving and to which I shall refer later on; but unless this assurance is given the same argument is likely to be brought forward that was brought forward in the other place. I think it is much better that the House should accept this amendment of Sir Maneckji Dadabhoy's and carry it against the Government.

The HONOURABLE LIEUT. RAO BAHADUR CHAUDHRI LAL CHAND (Punjab : Nominated Non-Official) : Sir, to me it seems that the amendment is merely sentimental. It has been argued that there will be many people who on the second day of October, having executed promissory notes, will find that there has been a change in the law, and

[Lieut. Chaudhri Lal Chand.]

consequently many transactions will be void. May I ask those Honourable friends whether there is any guarantee that on the second of January 1924 there will not be such cases? Even on the second of January 1925 there will be people who will not know of the change in the law. As the villager has been introduced, I may point out to them that it will be some time after the change has been in force that they will come to know of it, whenever you may begin. Government has promised to give us two months' time. I think that is sufficient and therefore I oppose the amendment.

The HONOURABLE THE PRESIDENT: Before I put this amendment to the House, I really must draw the attention of the Council, and more particularly the Honourable the Leader of the House and the Honourable Member in charge of the Bill, to Standing Order 51 which I will read to the Council. That Standing Order runs as follows:

"When a Bill has been passed by both Chambers a copy thereof shall in all cases be submitted to the Governor General by the Secretary."

Secretary here means the Secretary to this Council. It is not therefore in the power of the Executive Government to delay the submission of a Bill. The Secretary in these matters acts under my orders, and if he were to keep with him a Bill which has been passed by both Chambers for months, he would have to answer to me very directly.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: May I with your permission, Sir, make one observation in connection with the remark which has just fallen from the Chair? It is quite true that it is the duty of the Secretary under your orders to submit a Bill, after it has passed through the two Houses, to His Excellency the Governor General. It rests with His Excellency the Governor-General to give his assent at any date he may think fit.

The HONOURABLE THE PRESIDENT: That of course is obvious. What I said was that the submission of a Bill could not be delayed. I was not dealing with the time at which His Excellency the Governor General gives his assent.

The amendment* was put and the Council divided:

AYES—13.

Acharyya Chaudhuri, Maharaja S. K.	Lalubhai Samaldas, Mr.
Ayyangar, Mr. K. V. R.	Maricar, Sir Ahmedthamby.
Bahram Khan, Nawab Sir.	Mitter, Sir Benode.
Chettivar, Sir S. M. Annamalai.	Naidu, Mr. V. R.
Dadabhoy, Sir Maneekji.	Purshotamdas Thakurdas, Sir.
Harnam Singh, Raja Sir.	Ram Saran Das, Mr.
	Vedamurti, Mr. S.

* That clause 1 of the Bill be re-numbered clause 1 (i) and that to that sub-clause as so re-numbered the following sub-clause be added, namely:

"1 (ii). It shall come into force on the 1st day of January 1924."

NOES—19.

Amin-ul-Islam, Mr.
Barron, Mr. C. A.
Berthoud, Mr. E. H.
Chadwick, Mr. D. T.
Crerar, Mr. J.
Lal Chand, Lieut.
Ley, Mr. A. H.
MacWatt, Major-General R. C.
McWatters, Mr. A. C.

Muhammad Hussain, Mr. Ali Baksh.
Ogilvie, Major G. D.
Rawlinson, H. E. Lord.
Raza Ali, Mr.
Sarma, Sir Narasimha.
Shafi, Dr. Mian Sir Muhammad.
Shepherd, Mr. W. C.
Tek Chand, Mr.
Zahir-ud-din, Mr.

Zulfiqar Ali Khan, Sir.

The Amendment was negatived.

Clause 1 was added to the Bill.

The HONOURABLE MR. LALUBHAI SAMALDAS: Sir, I beg to move that after clause 1 of the Bill the following new clause be added, namely:

"2. In Chapter VIII, and before section 73 of the Indian Stamp Act, 1899, (hereinafter referred to as the said Act), the following section shall be inserted, namely:

"72A. Where any promissory note...."

May I make a slight verbal alteration, Sir?

The HONOURABLE THE PRESIDENT: Yes, certainly.

The HONOURABLE MR. LALUBHAI SAMALDAS:

"72A. Where any promissory note for an amount exceeding Rs. 250 which is payable on demand is executed in British India after the thirty-first day of July, 1923, and before the first day of August, 1924, and is stamped with a stamp of the value, or with stamps of a total value, of one anna only, but is otherwise duly stamped:

- (i) the provisions of section 32 of proviso (a) to section 35 and of sections 40 and 41 shall be applicable in respect of such promissory note, notwithstanding anything to the contrary contained in any of the said sections; and
- (ii) no person shall be liable to any penalty under section 62 in respect of such promissory note by reason only of the fact that it bears a stamp of the value, or stamps of a total value, of one anna only."

Sir, in moving this amendment, I would ask the indulgence of the House, to quote from the unanimous opinion of the Select Committee on this Bill. The Committee in their Report say:

"We are impressed by the volume of opinion to the effect that such an enhancement might not only be unpopular, but might also involve hardship for certain illiterate sections of the population who deal largely in promissory notes and are accustomed to them to a large extent as currency. These opinions are based on the fact that under proviso (a) to section 35 of the Indian Stamp Act, 1899, a promissory note which is not duly stamped cannot be received in evidence for any purpose or in any circumstances. Whilst, therefore, we are by a majority of opinion that the enhancement of the stamp duty on promissory notes is justifiable, we are at the same time of opinion that the rigour of the above quoted opinion should be relaxed, at least temporarily. We do not recommend a permanent relaxation, because it appears that the exception which is made in the case of promissory notes to the rule that documents not duly stamped may be received in evidence on payment of a penalty is a provision of very long standing both in the English and the Indian law, and that to do away permanently with this provision would lead to evasion of payment of duty on a large scale. We have, therefore, amended the Bill so as to provide that promissory notes payable on demand which have been executed in British India during the year following the date on which the Bill may be expected to become law, and on which a duty of one anna only has been paid, shall be exempted from this liability. A similar concession appears to us logically necessary in regard to the provisions of sections 32, 40 and 41. We have for similar reasons provided that no penalty shall be incurred under section 62 of the Act for the execution of such a promissory note as is described above."

The HONOURABLE SIR MANECKJI DADABHOY : Whose opinion are you reading, Sir.

The HONOURABLE MR. LALUBHAI SAMALDAS : Sir, it is the opinion of the Select Committee, and the Report is signed by the Honourable Sir Basil Blackett, the Honourable Mr. Innes, Sir Henry Stanyon, Baba Ujagar Singh Bedi and Rao Bahadur Subramanayam. They were the Members of the Select Committee, and the Report is unanimous except for a Minute of Dissent, but that minute does not affect the opinion that I have quoted. The Bill as amended by the Select Committee contained a similar provision under clause 2. That provision was omitted in the Assembly. I was told by some Members of the Assembly that they were so pleased with the concession made by the Honourable the Finance Member by inserting a graduated scale of fees keeping one anna for Rs. 250, two annas up to Rs. 1,000 and four annas above that sum, that they did not quite realise what they were doing and how they were voting when this clause was put before them. That is the opinion expressed to me by friends in the other House. I know what the Government view is. Government think that having made a concession that promissory notes for Rs. 250 will still be under one anna stamp they thought that it was unnecessary to retain this clause. Sir, there is a large number of transactions going on amongst people, who although they belong to the commercial circles, are not quite literate or are half literate and they will go on using this one anna stamp for some time to come, and as my friend Lieutenant Chaudhury Lalehand said, it will be some time before people in the villages will come to know that there has been an alteration in the stamp duty. It is to give them relief if a promissory note is not properly stamped that I have moved this amendment. I hope therefore the amendment will receive the support of the House.

The HONOURABLE SIR S. M. ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : Sir, I have also given notice of an amendment almost identical to the one moved by my Honourable friend Mr. Lalubhai Samaldas. The Honourable Mr. Lalubhai Samaldas has explained to the House the hardships which will be caused to the people by the proposed enhancement of the duty on Promissory Notes. I do not think, Sir, that I shall be justified in taking up the time of the House by reiterating the reasons for this amendment. I therefore give my hearty support to it of course with one reservation, that the period of protection should be extended to two years instead of one year.

The HONOURABLE THE PRESIDENT : I do not think I need read this amendment to the House again as it is identical to the one moved by the Honourable Mr. Lalubhai Samaldas, except that the Honourable Sir Annamalai Chettiyar substitutes the year 1925 for the year 1924. The motion before the House is that after clause 1 of the Bill, the following new clause be added :

"2. In Chapter VIII. and before section 78 of the Indian Stamp Act, 1899, (hereinafter referred to as the said Act), the following section shall be inserted, namely :

"72A. Where any promissory note for an amount exceeding Rs. 250 which is payable on demand is executed in British India after the thirty-first day of July, 1923, and before the first day of August 1924, and is stamped with a stamp of the

value, or with stamps of a total value, of one anna only, but is otherwise duly stamped :

- (i) the provisions of section 32 of proviso (a) to section 35 and of sections 40 and 41 shall be applicable in respect of such promissory note, notwithstanding anything to the contrary contained in any of the said sections ; and
- (ii) no person shall be liable to any penalty under section 62 in respect of such promissory note by reason only of the fact that it bears a stamp of the value, or stamps of a total value, of one anna only."

That is the proposal of the Honourable Mr. Lalubhai Samaldas. That is also the proposal of the Honourable Sir Annamalai Chettiyar, except that the Honourable Sir Annamalai Chettiyar substitutes the year 1925 for the year 1924.

The HONOURABLE MR. A. C. McWATTERS (Finance Secretary) : I think that the Honourable Mr. Lalubhai Samaldas has really himself given the answer to his own amendment by giving the history of what happened in the other House, at any rate a version of what happened in the other House. Honourable Members who have read the opinions of the Local Governments will see that in several cases this particular point was taken with reference to the use of stamps in connection with small value promissory notes. People in villages will be unlikely to hear of the possible change in the law, and it is with reference particularly to them that the Select Committee put in this clause.

When the debate took place in the other House, the users of small value promissory notes were safeguarded by the provision that the rate of two annas should be replaced by one anna. Therefore, it was thought unnecessary to retain the validating clause. That is the actual history of what occurred.

My objection to the proposal is partly one of legal principle. Clause 35 of the Stamp Act is based on the principle in law which has obtained not only here but in England for a hundred years, if we trace it back. That is to say, promissory notes, both those payable on demand and other promissory notes, are not given the advantage of this subsequent validation. There is no exception to that principle in the English law or any other law, so far as I know. This amendment introduces an entirely new legal principle. It is also objectionable, I think, because it might cause a considerable loss of revenue. It invites people during this period not to stamp their promissory notes. And this new provision of law will not merely operate during one year or two years, but any note executed during that period, if produced in court at any time afterwards, will be subject to this different legal principle. I think that the amendment is a clumsy one and the object of it is really met by the proposal which we hope to be able to give effect to, to have the operation of the Act delayed till the 1st of October.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member) : Sir, my Honourable friend, Mr. McWatters, has explained to the House the position of Government in so far as the merits of this question are concerned. I propose to invite the attention of Honourable Members to three points with reference to the amendment as proposed by the Honourable Mr. Lalubhai Samaldas. It seems to me, Sir, that the amendment,

[Sir Muhammad Shafi.]

or rather the incorporation of the new section as proposed by him, would in the first place be entirely out of place. In the second place, from the draftsman's point of view, the proposed section is very badly drafted, and, in the third place, its incorporation in the Act as proposed is opposed to canons of sound legislation.

Now, Honourable Members are aware that the duties imposed by the Indian Stamp Act are given in the various Schedules annexed to the Act. Chapter 7 of the Act deals with criminal offences and procedure, while Chapter 8, in which my Honourable friend seeks to incorporate the new section, deals only with supplemental provisions, makes provision for miscellaneous contingencies. Now, I venture to submit that this proposed sub-section would be entirely out of place in Chapter 8. If my Honourable friend wanted to make a change in either the duty or in connection with matters which arise out of the non-payment of that duty, Chapter 8 is not the Chapter where the proposed sub-section can properly be introduced. It would be entirely out of place in that Chapter.

Then, Sir, coming to the actual drafting of the proposed new section, this is how my Honourable friend's proposal runs :

"Where any promissory note....."

(I understand he has now introduced the words "exceeding Rs. 250 in value.")

"payable on demand is executed in British India after the thirty-first day of July, 1923, and before the first day of August, 1924, and is stamped with a stamp of the value, or with stamps of a total value, of one anna only, but is otherwise duly stamped."

Now, I have tried to understand what is the meaning of those words, "*but is otherwise duly stamped.*" I confess I fail to understand them. My Honourable friend has not, in his speech, explained those words and I do not know what the Honourable gentleman who framed the new section had in view. It seems to me that, if a Promissory Note exceeding Rs. 250 in value is stamped with a one anna stamp, then it is not duly stamped in accordance with the provisions of the new Act, and "*is otherwise duly stamped*" would then be entirely meaningless.

Then, what my Honourable friend has ignored is this, that section 35 of the Act runs as follows :

"No instrument chargeable with a duty shall be admitted in evidence for any purpose by any person having by law, or consent of parties, authority to receive evidence, or shall be entered by the Registrar or authenticated by any such person or by any public officer, unless such instrument is duly stamped."

"Provided that....."

[and this clause (a) in the proviso is the main clause with which we are concerned] :

"any such instrument, not being an instrument chargeable with a duty of one anna or half an anna only, or a Bill of Exchange or promissory note, shall, subject to all just exceptions, be admitted in evidence on payment of the duty with which the same is charged or, in the case of an instrument insufficiently stamped, of the amount required to make up such duty....., and so on."

What this clause (a) in the proviso clearly lays down is this, that a Bill of Exchange or promissory note cannot be brought within the purview of clause (a) and cannot be admitted in evidence upon the deficiency being paid as provided for. That is to say, they are entirely inadmissible in evidence unless properly stamped. My Honourable friend's new section, on the other hand, says that :

"Where a promissory note, exceeding Rs. 250 in value, payable on demand is executed within certain dates, and is stamped with a stamp of the value, or with stamps of a total value of one anna only, but is otherwise duly stamped, then the provisions of section 35, among other sections named, shall be applicable in respect of such promissory note, notwithstanding anything to the contrary contained in any of the said sections....."

Now, if you compare the two sections, you will see that the incorporation of this new section in the Act will result in this, that there will be two absolutely inconsistent provisions of law in one and the same Statute. My Honourable friend might have asked for an amendment of section 35 so as to omit the words "promissory note" from that section. He might have asked for an amendment of section 35 so as to obtain the object he has in view, but to retain a section in a Statute which makes these Promissory Notes absolutely inadmissible and then at the same time to seek to incorporate in the same Statute a provision absolutely inconsistent with the said provision is opposed to canons of sound legislation.

I submit that the remedy as actually proposed by my Honourable friend will lay the Statute open to the objection of inconsistency and is not the right remedy to be adopted.

The HONOURABLE MR. LALUBHAI SAMALDAS : Sir, may I rise to give a personal explanation ?

The HONOURABLE THE PRESIDENT : There is no right of reply on an amendment.

The HONOURABLE MR. LALUBHAI SAMALDAS : No, Sir, just a personal explanation. I am sorry to have evoked such a censure from my Honourable friend.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : No, no. I assure my Honourable friend there was nothing in the nature of a censure.

The HONOURABLE THE PRESIDENT : Perhaps the Honourable Member will allow Mr. Samaldas to make his explanation.

The HONOURABLE MR. LALUBHAI SAMALDAS : The censure, if any, should fall on his own Secretary, because I have taken the amendment verbatim from the Bill as presented to the Assembly by the Select Committee on which there were many eminent lawyers, and drafted by the draftsman of the Government of India. If there is any fault the fault is not mine.

The HONOURABLE SAIYAD RAZA ALI (United Provinces, East: Muhammadan) : Sir, the Honourable Mr. Lalubhai Samaldas does not require to be defended by anybody. I am sure he feels strong enough to defend himself and he has thoroughly vindicated the language of his amendment. Now, shortly stated, Sir, the position of the Government

[Saiyad Raza Ali.]

about which we had some considerable doubt when the Honourable Sir Maneckji Dadabhoy's amendment was under discussion seems to be this. In the first place, they take their stand on the fact that if at this late hour in the day any amendments are incorporated into the Bill by the Council of State it must naturally go back to the other House for consideration, and for certain reasons of which I am not exactly aware Government it seems are not prepared to face that angry Chamber. Now, Sir, if it is a question of convenience, then it stands on a different footing; but if the Government benches take their stand on the law by which both this Council and the other Chamber are governed, then I submit that the position of Government is untenable. If my Honourable friend on behalf of Government will refer to paragraph 90 which corresponds to rule 33 of the Manual of Business of this Council he will find: "When a Bill which has been amended in the other Chamber is returned to the originating Chamber copies of the Bill shall be laid on the table at the next following meeting of that Chamber." The succeeding paragraph says:—"After an amended Bill has been laid on the table any Member acting on behalf of Government in the case of a Government Bill, or, in any other case, any Member after giving three days' notice or with the consent of the President without notice, may move that the amendments be taken into consideration."

The practical effect of these rules is that if any amendments are made in this Bill by this Council they can be laid before the other House not to-morrow, because to-morrow is not a working day, but the day following, and it will be open to any Government Member or to any Member within three days to move for the consideration of the amendments made by this Council. In this Council we know, Sir, that on important occasions you, in the exercise of your powers as President, are indulgent towards us. I have no reason to doubt that the same indulgence will be shown to the Members of Government and other Members by the President of the other House, so that it is open to the other House to go into the whole question on the 27th at the latest. That being so, I entirely fail to see why, in season and out of season, this plea should be trotted across the floor of this Council and advantage should be sought to be taken of this plea and the bogey of the other House brought forward before us. I for one entirely refuse to be frightened by that bogey. We strictly stand on our rights. There is absolutely no reason why if there is any amendment which is consonant with reason, which is required by commonsense, which is also in the public interests,—I entirely fail to see why we should set our face against it merely because it will have to go back to the other House. With great respect to the Honourable Member who advanced this plea, I submit that as the Government unfortunately are too prone to take advantage of this plea it is high time that we should decide this question once for all.

Now, coming, Sir, to the next point I am entirely conscious of the force of certain contentions put forward by the Honourable the Law Member. It is true enough that the Honourable Mr. Lalubhai is not responsible for the draft which is before this Council. I must admit that though I have had no considerable experience of drafting, yet belonging to the legal profession I can see that the amendment is not very happily

worded. I am afraid I cannot agree with the Honourable the Law Member when he says that it is a hopelessly bad draft. If the Honourable the Law Member will look at certain drafts, notice of which is given by the Government of India, he will find that the measure of which the Honourable Mr. Lalubhai is in charge by no means compares unfavourably with those drafts. But I must admit that it is capable of improvement. One of the points made by the Honourable the Law Member related to the effect of section 35 of the Stamp Act. His point, so far as I could gather, was that section 35 does not make promissory notes which are not properly stamped admissible, though provision is made by that section for certain documents of certain descriptions being admitted even though they are insufficiently stamped. Now, his point was that if the provisions of section 35 are made applicable under Mr. Lalubhai Samaldas's amendment, in that case it will not be open to the Court, having regard to the provisions of that section, to admit these documents on payment of the deficiency. I must confess, Sir, that is an argument which cannot be lightly disposed of.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI: If my Honourable friend will permit me, may I, Sir, make the position a little clear? That is no doubt what I said, but what I at the same time pointed out was that there will be in the same Statute two sections absolutely inconsistent with each other. According to section 35 action mentioned therein can be taken in cases of certain instruments but not in the case of promissory notes, while the proposed section lays down that the action specified in section 35 may be taken in respect of promissory notes in order to make them admissible, so that the two sections will be absolutely inconsistent with each other and they will be in one and the same Statute.

The HONOURABLE SAIYAD RAZA ALI: Sir, as I was just pointing out, I admit the force of the contention of the Honourable Member. If it is the sense of this Council that Mr. Lalubhai's amendment raises a point that is worthy of consideration and that in view of the fact that the Honourable Sir Maneckji Dadabhoy's amendment has already been defeated, it is time that this should go on our Statute-book, then I believe a way out of the difficulty can easily be found by taking up this clause after lunch. The only difficulty, Sir, is about section 35 which finds a mention in this amendment. So far as sections 32, 40, 41 and 62 of the Stamp Act are concerned, I consider that there is no difficulty and this reference is necessary as it is impossible to give the benefit of this amendment to the people whom it affects unless you specifically mention these sections. No objection can be taken to these sections being mentioned and I believe no objection is taken by the Honourable Member. His objection is that the amendment comes at a place where it has no business to come in; he thinks that section 35 relates to the admissibility of evidence and here though this amendment is intended to serve the same purpose yet it comes just after the sections which relate to penalties. Well, I for one am prepared to disregard that small point; a better place would have been perhaps section 35 or just after section 35. However, that is not a very serious point. But the other point, I believe, we have got to meet and for this reason I would suggest that if the Government benches want to take advantage of this technical difficulty, it is open to them to do so and to press this to a division. On the other hand, if they realise the force of the contentions that

[Saiyad Raza Ali.]

have been raised on this side, then I think the best thing would be, with your permission, Sir, to consider clause 2, after taking clause 3 and the preamble of the Bill into consideration. I believe that would meet the points of view of this side and of the Government Benches.

The HONOURABLE SIR BINODE MITTER (West Bengal : Non-Muhammadan) : Sir, I support this amendment and in doing so I do not wish to occupy the time of the House at any great length. I have already explained my reasons for supporting Sir Maneckji's amendment. I still hold to the view that it does take time for the people who will be chiefly affected by this amendment to realise the exact changes that have been introduced by this new Bill. The Honourable the Law Member said that it affects generally or rather principally the commercial community. With great respect to so high an authority I must say that I do not agree with him. I have some experience of the commercial law in Calcutta, and I can tell him that the ordinary methods followed by the commercial community in borrowing money are two-fold : the Marwaris who do a large and brisk trade generally use Hundis ; these Hundis are generally payable at a certain distant date. Then again you have got the Bills of Exchange ; they are also used to a large extent, particularly in regard to foreign goods. Promissory notes, I do not say, are not used ; I do not say that ; but it would not be quite correct to say at least in Calcutta, which is one of the principal centres of trade and commerce, that promissory notes are chiefly used by the commercial community. There are a large number of people who lend money on promissory notes ; they are neither commercial people nor traders. Then, again, as has been pointed out only a few minutes ago, there are commercial men and commercial men. There are big traders, there are small traders. So that, I feel confident that this Bill will in a large number of cases work grievous injustice. That being so, we apply our minds to the next question. It has been very forcibly pointed out that if we adopt this amendment we really go back upon one of those sound principles which are embodied in section 35. That is true to a great extent. But then when we are dealing with anomalous provisions we cannot lay too great a stress upon this principle. So far as I am aware promissory notes everywhere generally have one fixed stamp, at least up till now. It is the graduated scale of which I am more afraid ; one anna, two annas and four annas. Therefore, although we may be departing from those salutary principles which are involved in section 25, my plea for asking you to depart from the principles embodied in section 35 is that it will be for a short time. Then, it has been pointed out that it may mean serious loss of revenues because the Bills or promissory notes may come up before the courts not merely up till 1924, but for two or three years after that. As against that, we have got two considerations. We are really discussing this question without proper data. The Honourable Mr. McWatters has not informed us up till now what the probable loss of revenue may be ; he has not told us what the increase in revenue will be. Then, in the next place, you cannot get a note in simply by putting in the requisite stamp ; you have got to pay the penalty. Therefore, in cases where it does come up before courts, the Government will get the penalty. That will to a certain extent minimise the apprehensions of the loss of revenue. Then, Sir, we cannot altogether ignore the unanimous

report of the Select Committee which was signed by men of great eminence. What the exact compromise was I have not been able to follow. But the Select Committee seems to have given the weight of its authority to this amendment by subscribing to it. It was not frightened by the fact that there may be a departure from the principle involved in section 35. It was not frightened by the fact that there may be a loss of revenue. Then what is it that makes us hesitate about the amendment ? We do not quite see how the introduction of this graduated scale really affects the question. It has been pointed out, no doubt, that with regard to promissory notes for small amounts like 250 one anna stamp will suffice ; but when you deal with promissory notes it is not always 250 ; we have not been told what the percentage of them is, whether the greater portion of the promissory notes is not over 250 rupees in value ; we have had no information on that subject. In these circumstances, Sir, I venture to support the Amendment. No doubt, there are faults of drafting, but it has been pointed out that the drafting was done by a department which justly enjoys a high reputation for draftsmanship. Its traditions are great, and therefore for the moment I cannot set about criticising it, particularly having regard to the fact that we really got an opportunity of considering this amendment only this morning, and most of us have had the disadvantage of not being able to procure a copy of the Stamp Act on account of shortness of time.

The HONOURABLE THE PRESIDENT : Does the Honourable Member (The Honourable Mr. McWatters) wish to say anything ?

The HONOURABLE MR. A. C. McWATTERS (Finance Secretary) : I do not wish to say anything, Sir, except with reference to some of the remarks which fell from the Honourable Saiyad Raza Ali. I was most careful when discussing this amendment to discuss it on its merits. I did not bring up the question as to what might happen if the Bill were returned to the other House. I still maintain that the object of this amendment is really met by the fact that when the other House discussed the question it reduced the stamp duty on promissory notes of small value from 2 to one anna. I also cannot agree with my Honourable friend Sir Binode Mitter that if Government obtains a penalty for a certain number of notes which come before a Court it will in any way compensate for the possible evasion of duty by a large number of people. It is a very small percentage of promissory notes which ever comes before the law courts. Therefore, Sir, both on the ground that this amendment would, I think, involve loss of Government revenue and that it is wrong in legal principle, I oppose the amendment. I do not think therefore it is really necessary in view of the change made in the rate of the duty on the lower value of promissory notes. I hope the House will oppose the amendment.

The HONOURABLE THE PRESIDENT : I should like to draw the attention of the House to section 68 of the Government of India Act as I understood the Honourable Member again to say that he wished to defer the operation of the Act till the 1st October by delaying the date of assent.

The HONOURABLE MR. A. C. McWATTERS : I think I said " we hoped."

The HONOURABLE THE PRESIDENT : I will read to the House section 68.

"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."

In view of the terms of this section, I am not aware how the Honourable Member proposes to use his influence with the Governor General to postpone the operation of the law.

The question is that after clause 1, the following new clause be added, namely :

"2. In Chapter VIII, and before section 73 of the Indian Stamp Act, 1899, (hereinafter referred to as the said Act), the following section shall be inserted, namely :

"72A. Where any promissory note for an amount exceeding Rs. 250 which is payable on demand is executed in British India after the thirty-first day of July, 1923, and before the first day of August, 1924, and is stamped with a stamp of the value, or with stamps of a total value, of one anna only, but is otherwise duly stamped :

(i) the provisions of section 32 of proviso (a) to section 35 and of sections 40 and 41 shall be applicable in respect of such promissory note, notwithstanding anything to the contrary contained in any of the said sections ; and

(ii) no person shall be liable to any penalty under section 62 in respect of such promissory note by reason only of the fact that it bears a stamp of the value, or stamps of a total value, of one anna only."

To that clause there is an amendment by the Honourable Sir Annamalai Chettiyar that for the year "1924" the year "1925" be substituted. The House will vote first on the amendment to this clause.

The question therefore is that in the clause I have just read to the House, the year 1925 be substituted for the year 1924.

The motion was negatived.

The HONOURABLE THE PRESIDENT : Then the question is that the clause I have read be inserted.

The Council divided :

AYES—12.

Acharyya Chaudhuri, Maharaja S. K.
Ayyangar, Mr. K. V. R.
Chettiyar, Sir S. M. Annamalai.
Harnam Singh, Raja Sir.
Lalubhai Samaldas, Mr.
Mericair, Sir Ahmedthamby.

Mitter, Sir Benode.
Naidu, Mr. V. R.
Purshotamdas Thakurdas, Sir.
Ram Saran Das, Mr.
Raza Ali, Mr.
Vedamurti, Mr. S.

NOES—17.

Amin-ul-Islam, Mr.
Bahram Khan, Nawab Sir.
Barron, Mr. C. A.
Berthoud, Mr. E. H.
Chadwick, Mr. D. T.
Crerar, Mr. J.
Lal Chand, Lieut.
Bey, Mr. A. H.

MacWatt, Major-General R. C.
McWatters, Mr. A. C.
Muhammad Hussain, Mr. Ali Baksh.
Sarua, Sir Narasimha.
Shafi, Dr. Mian Sir Muhammad.
Shepherd, Mr. W. C.
Tek Chand, Mr.
Zahir-ud-din, Mr.

Zulfiqar Ali Khan, Sir.

The Amendment was negatived.

The HONOURABLE SIR ANNAMALAI CHETTIYAR (Madras : Non-Muhammadan) : Sir, the amendment that I wish to move is this, that in sub-clauses (iii) (a) (i) and (ii) of clause 2 of the Bill, for the figures "250" the figures "500" be substituted.

Sir, at the outset I may say that I am moving this amendment in the interests of the small traders and agriculturists. Generally speaking, these people have not much capital of their own, and they have to borrow for the purpose of running their trades and for their agricultural operations. It is not the money-lender alone that is lending out moneys in villages. If the agriculturist has saved something and if he is in a position to lend, then very often he helps his neighbour in need. Assistance from one trader to another is also a common occurrence in villages. Sir, all this borrowing is done on promissory notes as they are the ordinary means of such transactions. These people are now asked under the Bill to pay the enhanced duty where formerly they were paying one anna. This will cause them great inconvenience. The Government also have recognised the hardships they will be subjected to by the enhancement of the duty and they have agreed to levy a duty of one anna only on promissory notes whose value does not exceed Rs. 250. We are indeed grateful to the Government for this step. I feel at the same time they have not gone far enough. I ask them to take a step further. If they would not go up to Rs. 1,000 or Rs. 2,000 as was suggested in the Assembly, they could at least raise the limit to Rs. 500. This will be a partial solution of the hardships of these small traders and agriculturists. While such a step will not appreciably reduce the revenue, it will be of considerable help to these people. I therefore move this amendment, Sir. I do not think that many more words are necessary to commend this amendment to the acceptance of the House. This is a very modest proposal. In fact, a more modest proposal is hardly conceivable. I trust, Sir, that the Government at least on this amendment will take a more liberal attitude and accept it.

The HONOURABLE THE PRESIDENT : To the clause under consideration amendment moved :

"That in sub-clauses (iii) (a) (i) and (ii), for the figures '250', the figures '500' be substituted."

That amendment is now under discussion.

The HONOURABLE MR. A. C. MoWATERS (Finance Secretary) : Sir, I don't think the Honourable Mover of this amendment has really made out a very strong case for raising the figure of Rs. 250 to Rs. 500. The figure of Rs. 250 was not adopted by chance. It was a figure suggested, among others, by the Government of Burma, who went into the consideration of the Stamp Bill generally, if I may say so, with the greatest thoroughness. It was mentioned by one or two other authorities consulted, while several others suggested the figure one hundred. So far as I am aware, only one of the authorities consulted suggested a higher figure and they suggested a very much higher one. But, if the object of this provision is to make things easy for the many small people in the villages who use promissory notes, I think Rs. 250 goes far enough and I do not see why we should sacrifice a legitimate revenue from the drawers of bills of over Rs. 250. Incidentally, I think

[Mr. A. C. McWatters.]

that, if you introduce Rs. 500, you do not get nearly as good a scale as you get by the present scale. I think the scale which the Bill proposes is satisfactory and I hope the House will not accept this amendment.

The HONOURABLE THE PRESIDENT : The question is that the following amendment be made in clause 2 :

“ That in sub-clauses (iii) (a) (i) and (ii) for the figures ‘ 250 ’, the figures ‘ 500 ’ be substituted.

The motion was negatived.

Clause 2 and the Preamble were added to the Bill.

The HONOURABLE MR. A. C. McWATTERS : Sir, I beg to move :

“ That the Bill, as passed by the Legislative Assembly, be passed.”

The motion was adopted.

CODE OF CRIMINAL PROCEDURE (SECOND AMENDMENT) BILL.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Sir, I beg to move :

“ That the Bill further to amend the Code of Criminal Procedure, 1898, for certain purposes, as passed by the Legislative Assembly, be taken into consideration.”

This is a small amending Bill and I do not think that I need add very substantially to the explanation which has been given in the Statement of Objects and Reasons. It will be seen that the Bill falls into three parts, the first of which is of a drafting character and the remaining two are intended to give effect to certain recommendations of the Indian Jails Committee.

(At this stage the Honourable Sir Zulfiqar Ali Khan took the Chair.)

With regard to the drafting amendment, I need only point out that the difficulty arises entirely from an unanticipated result of the amendment contained in the large amending Act which was passed in the earlier part of this session. The unanticipated result of that amendment has been that, while in the case of appealable cases, triable by a Presidency Magistrate, the Presidency Magistrate is not required to record the examination of the accused in compliance with the full procedure of section 364, in cases where he is dealing with non-appealable cases, he will be required to adopt that more elaborate procedure. That was entirely an intended consequence and, as the House will, I think, agree, a very inconvenient consequence. The object of clause 2 of the Bill is, therefore, to rectify that error.

Clause 3 of the Bill is of a somewhat different character. It is not one of drafting or rectification. It will, I think, effect a substantial improvement in our judicial procedure. It relaxes to a very material degree the procedure relating to the execution of sentences of fines. It will enable the Court to require the payment of fines in instalments and at such intervals as, having regard to the circumstances of a convicted person, are reasonable and proper.

One of the most important effects of this amendment will be that it will be the means of reducing the very large number of short sentences of imprisonment which have been unfavourably commented

upon through a whole succession of Jail Administration reports and in the Report of the Jails Committee itself.

Clause 4 is also a simple one based upon the recommendations of the Jails Committee. The House is aware that it is now open to a Court, which considers that an offence is so trivial or that the circumstances are of so peculiar a nature that a formal penalty is all that justice requires, to sentence the guilty person to imprisonment until the rising of the Court. That is something in the nature of a legal fiction, and we propose to recognise formally in the Act the desirability of such a procedure which will enable the Court to refrain from passing a substantive sentence of imprisonment.

I have now given all the important considerations that arise on this Bill, and I move that it be taken into consideration.

The motion was adopted.

(The Honourable the President resumed the Chair.)

The HONOURABLE THE PRESIDENT : The House will now proceed to the detailed consideration of the Bill.

Clauses 1, 2, 3, 4, 5, 6 and the Preamble were added to the Bill.

The HONOURABLE MR. J. CRERAR : Sir, I beg to move that the Bill, as passed by the Legislative Assembly, be passed.

The motion was adopted.

INDIAN TERRITORIAL AND AUXILIARY FORCES (AMENDMENT) BILL.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Sir, in the absence of His Excellency the Commander-in-Chief who has had to leave the House on urgent official business, I beg to move :

“ That the Bill to amend the Indian Territorial Force Act, 1920, and the Auxiliary Force Act, 1920, for certain purposes, as passed by the Legislative Assembly, be taken into consideration.”

This measure is an extremely simple one and the purpose for which it is designed is so obviously necessary that I need only say a very few words in support of this motion in addition to what has been said in the Statement of Objects and Reasons of the Bill. There is only one point which perhaps requires to be explained, namely, that a member of the Auxiliary Force differs from a member of the regular Force in that he is not at all times subject to military law. A member of the Auxiliary Force is only subject to military law when he is attached to, or otherwise acting as part of, any regular forces or when called on by an order or embodied by a notification under section 18 of the Act. To put the matter plainly he is not subject to military law outside the period of training or outside the period of his embodiment. The situation as regards members of the Territorial Force is somewhat similar. Consequently, as shown in the Statement of Objects and Reasons, if a person belonging to either Force commits a serious military offence not cognizable by an ordinary criminal court towards the end of the period

[Sir Muhammad Shafi.]

during which he is subject to military law and owing to the shortness of time he cannot be tried by court-martial, he, as the law stands at present, escapes punishment. This is a defect which obviously requires to be remedied, and the remedy is contained in the Bill which is now before the Council. I beg to move, Sir.

The motion was adopted.

Clauses 1, 2 and 3 were added to the Bill.

The preamble was added to the Bill.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Sir, I beg to move :

“ That the Bill, as passed by the Legislative Assembly, be now passed.”

The motion was adopted.

INDIAN LUNACY (AMENDMENT) BILL.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Sir, I beg to move :

“ That the Bill further to amend the Indian Lunacy Act, 1912, as passed by the Legislative Assembly, be taken into consideration.”

This is a very small measure and as it is already fully explained in the paper before the House I do not propose to detain the House with any further exposition of it. I move that the Bill be taken into consideration.

The motion was adopted.

Clauses 1 and 2 were added to the Bill.

The Preamble and Title were added to the Bill.

The HONOURABLE MR. J. CRERAR : Sir, I move :

“ That the Bill, as passed by the Legislative Assembly, be passed.”

The motion was adopted.

INDIAN ARMY (AMENDMENT) BILL.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Sir, I beg to move :

“ That the Bill further to amend the Indian Army Act, 1911, and the Indian Lunacy Act, 1912, for certain purposes, as passed by the Legislative Assembly, be taken into consideration.”

The purpose of this measure is in the first instance to repair two obvious omissions in the existing law, and so far as these two matters are concerned, it is unnecessary for me to add anything to what has been said in the Statement of Objects and Reasons on the Bill. There is nothing new in the provisions which it is sought to introduce. They

follow the practice already established in the case of corresponding judicial proceedings under the Civil law.

Secondly, it is proposed to amend the Indian Army Act in order that officers, warrant officers and non-commissioned officers of the Royal Air Force may, under certain circumstances and certain circumstances only, stand in the same relation to Indian soldiers as do officers of the land forces. Officers—non-commissioned officers and warrant officers of the Royal Air Force—already possess the requisite authority in reference to British soldiers. This was provided for by an amendment of the Army Act and a similar arrangement is essentially needed here as a result of the Royal Air Force having been established as part of our armed forces. It is the duty of the Royal Air Force in India as elsewhere to co-operate with the land forces, and there are certain occasions arising out of the association of the two forces when it is necessary that an officer of the Royal Air Force should be empowered to give a lawful command to the soldier of the land force. It is unnecessary for me to detain the Council with a detailed explanation of what these occasions are. They will be prescribed separately and here also we shall follow the practice already established in the United Kingdom. The principle of the measure is essentially simple and one which, I think, the Council will have no difficulty in accepting. Sir, I beg to move that the Bill be taken into consideration.

The HONOURABLE LIEUTENANT CHAUDHRI LAL CHAND : Sir, I asked for a copy of the Indian Army Act this morning and if that had been supplied to me it was possible I may not have had to ask certain questions which I, with your permission, beg to ask the Honourable Mover. It has been sought in this Bill to make the Indian soldier subject to be put under the command of an officer belonging to the Air Force. Is there a similar provision for a soldier belonging to the Air Force to be put under the command of an officer of the Land forces? I for one think that the definition of ‘soldier’ in the Indian Army Act ought also to have been modified to include a soldier belonging to the Royal Air Force. So long as that is not done, an ordinary soldier belonging to the Air Force is not subject to be put under the command of an officer of the regular Indian Army. I hope the Honourable Mover will make this clear.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : In connection with the inquiry put to me by my Honourable friend, I am sure it is obvious to the House that in the circumstances in which I have had to ask for leave for this motion, I am not exactly in a position to answer it. But I think I may be permitted to explain that as the Statement of Objects and Reasons of the Bill discloses, what is sought to be done in this Bill is to bring the law into line with the law as it prevails in England with regard to the air force and the land force, and perhaps my Honourable friend is aware that what he calls soldiers in the air force are merely mechanics and others who work in the factories, connected with the Royal Air Force. I believe that pilots and the officers who actually fly the aeroplanes are not soldiers in the ordinary sense in which that term is used in regard to the land forces; they are, I believe, officers; and the rank and file of the air force are mechanics and others who work in

[Sir Muhammad Shafi.]

the factories connected with the Air Force. As far as my knowledge extends, that is the explanation that I can give.

The motion was adopted.

Clause 1 was added to the Bill.

The HONOURABLE LIEUTENANT RAI BAHADUR CHAUDHRI LAL CHAND : Sir, while we were considering the Bill at the last stage, I asked specifically whether a soldier belonging to the air force was liable to be put under command of an officer of the Regular Indian Army. If my Honourable friend the Mover had perused the speeches made in the other House he would have known that the Honourable Mover there pointed out that the occasions where this necessity arises are where the two forces are parts of the same expeditionary force and are stationed in one station and an officer is wanted. So, whether you call the man who is a soldier of the air force a mechanic or a mistry or anything, he is subject to the military law and at least he ought to be liable to be commanded by officers of the Regular Indian Army. He should not be exempt while the ordinary soldier of the Indian Army is subjected to these restrictions. The explanation given by the Honourable Mover is not satisfactory, and I think this House will do well to postpone discussion of this, unless either His Excellency the Commander-in-Chief or the Honourable Mover makes the point quite clear. I beg to move, Sir, that the consideration of this Bill be postponed till an explanation is given to me of the difficulty.

The HONOURABLE THE PRESIDENT : That motion is not in order ; the Honourable Member may move that the consideration of this clause be postponed. If he moves that and the Honourable Mover explains the position, then he may probably withdraw his motion.

The HONOURABLE LIEUTENANT CHAUDHRI LAL CHAND : I propose that the consideration of this clause be postponed.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Sir, this particular measure has been framed in order to enable an officer of the Royal Air Force, under circumstances which may be prescribed, to take command ; under those circumstances soldiers of the land forces will be under his command. That is the object of this measure. The proposal put forward by my Honourable friend, I submit, is not pertinent to the object of the Bill as framed. If my Honourable friend wishes to make the soldiers, if there are any, of the Royal Air Force subject, in like circumstances that may be prescribed, to the orders of commissioned officers of the land force, that would be a different question with reference to which he can either move the army authorities to introduce a Bill, or himself introduce a private Bill if the rules permit him to do that. I submit that the object which my Honourable friend has in view is not directly pertinent to the object with which this present Bill has been framed.

The HONOURABLE THE PRESIDENT : Does the Honourable Member wish me to put his motion ? The Honourable Member has not perhaps quite understood the position. If he is not satisfied with the explanation

given, he can vote against that clause which is a more effective method of expressing his disapproval.

The HONOURABLE LIEUTENANT CHAUDHRI LAL CHAND : In that case I press my motion.

The motion to postpone consideration of clause 2 was negatived.

Clause 2 was added to the Bill.

Clauses 3 to 5 were added to the Bill.

The Preamble was added to the Bill.

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

“ That the Bill, as passed by the Legislative Assembly, be now passed.”

The motion was adopted.

CUTCHI MEMONS (AMENDMENT) BILL.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Sir, I beg to move :

“ That the Bill to amend the Cutchi Memons Act, 1920, as passed by the Legislative Assembly, be taken into consideration.”

I do not propose to detain the House very long with regard to this motion which is of a very simple nature. I regret that I have not the assistance of the Honourable Khan Bahadur Ebrahim Haroon Jaffer, who as a Member of the Cutchi Memon community was particularly interested in this Bill. I hope, however, that I shall not be guilty of any impropriety if I inform the House that he discussed this Bill with the Secretary in the Legislative Department and expressed his satisfaction with the proposals which we have embodied in the Bill. The original Act, as the House is aware, was passed in 1920, and it has proved of very considerable utility and convenience to the community of Cutchi Memons of whom a considerable number have taken advantage of the provisions of the Act. In the working of the Act, however, certain difficulties of machinery were brought to light and were represented to the Government of India by the Government of Bombay who are especially concerned with its working. The particular difficulties were (i) with regard to the inadequacy of the provision made in the original Act for the true identification of the declaration, (ii) the absence of a specific power to refuse to register a declaration—grant of which raises the question of the desirability of having some provision for appeal, and (iii) the insufficient degree of elasticity of the powers of the Local Government to frame rules for the purposes of the Act. These are the defects in the Act, which it is intended to remedy them by this Bill. I therefore move, Sir, that the House do now take this Bill into consideration.

The HONOURABLE SAIYAD RAZA ALI (United Provinces : Muhammadan) : Sir, the only observation that I would like to make about this Bill is that neither in the Statement of Objects and Reasons nor in the speech just delivered by the Honourable the Home Secretary, has it

[Saiyad Raza Ali.]

been made clear as to why this Bill has been brought before the Central Legislature. The Bill relates to a particular section of the people who reside, if I am not mistaken, in the Bombay Presidency alone. If I am right in that, then I believe the Chamber which would have been much more competent to proceed with this Bill would have been the Bombay Legislative Council. Under the law as contained in the Government of India Act of 1919, Acts of the Imperial Legislature can be modified by the Provincial Legislative Councils. There are only certain cases in which an Act of this description can be brought forward before the Central Legislature. While I have nothing to say against the Bill itself inasmuch as it is more or less an enabling Bill and extends the scope of the former Bill of 1920, I would suggest that in future, if possible, measures of this description should be brought forward before the Provincial Councils which are primarily concerned and which are much more competent to deal with them, than is this Council, where we find that the only representative of the section of the people affected by this Bill is perhaps the Honourable the Home Secretary.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Sir, I do not think there will be much difficulty in resolving the doubts expressed by the Honourable Saiyad Raza Ali. His argument appears to me to proceed on the assumption that the Cutchi Memons are entirely confined to the Bombay Presidency. I did indeed say in moving that this Bill be taken into consideration that the Bombay Government was more particularly concerned in the working of this Act ; that is, in fact the case, because a greater part of this community do reside in the Bombay Presidency. That is by no means inconsistent with the fact that the members of this very enterprising trading community are found probably in every province of India, and even very far beyond the bounds of India. We are considering a measure dealing comprehensively with the question of the personal status of the members of a widely distributed community. This is evidently one of those cases in which uniformity of procedure and uniformity of law would be a matter of great value and importance to the community whose concerns are regulated by a measure of this description.

The motion that the Bill be taken into consideration was adopted.

Clauses 1, 2 and 3 were added to the Bill.

The Preamble was added to the Bill.

The HONOURABLE MR. J. CRERAR : Sir, I beg to move :

"That the Bill to amend the Cutchi Memons Act, 1920, as passed by the Legislative Assembly, be passed."

The motion was adopted.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

The HONOURABLE MAHARAJA SOSHI KANTA ACHARYA CHOUDHURI (Bengal : Nominated Non-official) : Sir, I beg to move :

"That the Bill further to amend the Code of Criminal Procedure, 1898, as passed by the Legislative Assembly, be taken into consideration."

Sir, this Bill is a very simple measure and it was unanimously passed by the Legislative Assembly. It only seeks to amend section 4 of the Act

and to remove the disabilities of licensed Mukhtars in the provinces of Bengal, Bihar, the United Provinces and Assam from practising in the courts as a matter of right. The present practice is that permission has to be obtained by them before they are allowed to practise in the courts.

The mukhtars have to pass an examination held in the High Court, and they have to obtain 60 per cent. of the marks before they pass that examination; and they are recognised by the Legal Practitioners Act. Speaking of my province, there are many mukhtars there, who, in their sphere of criminal practice, hold their own against pleaders and barristers, and to make them dependent on the permission of the Court which is usually given but may be refused is rather unjust and unfair towards them. I submit that, if we pass this Bill, it will be doing bare justice to the mukhtars who number about 8,000 in the four provinces, and it would also be doing justice to the numerous clients whom they represent.

The HONOURABLE SAIYAD RAZA ALI (United Provinces East : Muhammadan) : Sir, it affords me very great pleasure indeed to support the Bill that is before this Council. As has been pointed out by the Honourable Maharaja Sahib, the practical effect of the Bill is that a class of legal practitioners known as mukhtars, who have been defined by the Code of Criminal Procedure and who under that definition are not entitled as such to appear, plead and practise in the criminal courts, will no longer be under the disability under which they have been working hitherto.

Sir, the definition of a pleader as given in section 4 assigns mukhtars a status whereby they are not entitled without the special permission of the Court before which they are practising to conduct a case. On the other hand, they are put in a class which is known in the definition as other persons who may practise in Court with the permission of the presiding officer. In fact, more than one High Court has held that such permission is discretionary and can be refused by the presiding Magistrate. The fact is, Sir, that a mukhtar cannot show that amount of care and independence in the conduct of a case which the public is entitled to expect from its legal adviser, and is to a very large extent at the mercy of the Court. It is just in the fitness of things, Sir, that the Reformed Council should further extend the scope of the rights of various classes of people, and, not being a mukhtar, it affords me the greatest pleasure to give my support to this measure. Sir, I do not conceal from myself the fact that even among lawyers there is a section that is so jealous of its exclusive rights that it is quite prepared to deprive others of it and is not prepared to allow others to participate in that exclusive privilege. Those who know as to what are the conditions in which work is carried on on the original side of the Calcutta and Bombay High Courts will be well aware of the force of my remarks. Sir, I am glad to say that I am not one of those who, instead of levelling up, are prepared to level down and, Sir, it is in this spirit that I give my hearty support to this measure.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Sir, in the few remarks which I propose to make about this Bill, I shall restrict myself entirely to a brief statement of the attitude of Government to the Bill. At

[Mr. J. Crerar.]

some of its earlier stages Government did as a matter of fact oppose the Bill. We collected opinions from the various Local Governments and those opinions, I think I ought to state for the information of the Council, were by no means entirely in favour of the Bill. There was, I think, if I may attempt an impartial summary of the opinions, distinctly a balance of opinion against the Bill and the reasons which were alleged were that in nearly every part of India there is already a sufficient supply of legal practitioners whose qualifications are superior to those of the class of practitioners with whom this Bill is concerned. It was suggested that it was even a retrograde measure and that it would be better to encourage new aspirants to the legal profession to enter one of the higher branches of that profession.

Well, Sir, I am not urging this against the Bill. I merely wish to state for the information of the House what the general purport of the arguments for and against the Bill have been. Government, in view of the marked support which the Bill received in another place, though they were not very completely convinced either of the desirability or of the expediency of the measure, were not, at the same time prepared to take an attitude of definite opposition to it. They, therefore, decided there, and it is our intention to follow the same course here also, to leave the matter entirely to the judgment of the House. Members of the Executive Council will take no part in the debate and, as in the case of similar measures, other official Members may vote or speak in such manner as they desire.

The HONOURABLE THE PRESIDENT : The question is :

“ That the Bill further to amend the Code of Criminal Procedure, 1898, as passed by the Legislative Assembly, be taken into consideration.”

The motion was adopted.

The HONOURABLE THE PRESIDENT : The Bill only contains one clause, so I need not put it to the House separately.

The HONOURABLE MAHARAJA SOSHI KANTA ACHARYYA CHAUDHURI : Sir, I beg to move :

“ That the Bill, as passed by the Legislative Assembly, be passed.”

The motion was adopted.

The Council then adjourned till Eleven of the Clock on Friday, the 27th July, 1923.

COUNCIL OF STATE.

Friday, 27th July, 1923.

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

QUESTIONS AND ANSWERS.

GRANT OF OTHER REWARDS TO THE RESCUERS OF MISS ELLIS.

77. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government state what other rewards beyond Kaiser-i-Hind Gold Medal have been awarded to Khan Bahadur Quli Khan, Gulbaz Khan and other Indian officers, who took part in the release of Miss Ellis ? What reward was given to the son of Mullah of Karbozah ?

The HONOURABLE MAJOR G. D. OGILVIE : No reward other than the Kaiser-i-Hind Gold Medal was awarded to Khan Bahadur Kuli Khan and Khan Bahadur Moghul Baz Khan (this is the correct name, not Gulbaz Khan) in connection with the release of Miss Ellis. Other Indian officers who received rewards were Abdul Samad Khan, Assistant Political Officer, Khyber, and Attaulla Khan, Political Tahsildar, Kohat, who were both granted the title of Khan Sahib.

The information asked for in the second part is being sought from the Local Government and will be supplied to the Honourable Member in due course.

OFFICE SUPERINTENDENTS ON NORTH-WESTERN RAILWAY, OUDH AND ROHILKHAND AND EASTERN BENGAL RAILWAYS.

78. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state how many Office Superintendents there are in the North Western Railway, Oudh and Rohilkhand Railway and Eastern Bengal Railway offices, and how many of these Superintendents are Indians ? Are Railway administrations taking any steps to fill up future vacancies in the office Superintendentships from among senior Indians ?

The HONOURABLE MR. A. H. LEY : From the last Classified List of Railway Establishment it appears that on the North-Western Railway there are 6 Office Superintendents and none of them are Indians. On the Eastern Bengal Railway there are 5 Office Superintendents and one of them is an Indian. On the Oudh and Rohilkhand Railway there are 4 Office Superintendents, none of whom are Indians. The appointments are selection appointments but the Government have no doubt that full consideration will be given to the claims of Indians as to those of other classes.

INDIANS AS SUPERINTENDENTS ON STATE RAILWAYS.

79. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state how many Indians have been appointed to the post of office Superintendent in various Departments of the Indian State Railways during the last three years ?

The HONOURABLE MR. A. H. LEY : During the last three years one Indian has been appointed as Office Superintendent on the State Railways and two Indians have filled officiating appointments.

THEFT OF RIFLES IN KOHAT DISTRICT.

80. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : (a) Is it a fact that some months ago a number of rifles in Kohat District of the Frontier Province were stolen by the tribesmen and taken into the tribal territory ?

(b) Is it also a fact that, on getting information about the whereabouts of the rifles, Deputy Commissioner, Kohat, sent a party into the tribal territory, that the house of one Rajab Khan in the tribal territory was surprised by a night attack and some rifles were recovered from his house ? Is it also a fact that the surprise party is alleged to have also captured two transborder men and maltreated some transborder women ?

(c) Is it also a fact that after this incident the transborder man, Rajab, threatened the Government with reprisals ? If so, will Government kindly state what action the Deputy Commissioner, Kohat, took against this threatened reprisal ?

(d) Is it also a fact that after this incident two European officers were attacked near Kohat, but escaped from being kidnapped, and after this attack another threat was received from Rajab Khan ?

(e) Will Government kindly state how long after these incidents the Kohat tragedy took place in which Miss Ellis was kidnapped ?

(f) Is it a fact that Khan Bahadur Muhammad Quli Khan, Assistant Political Officer, Kurram, volunteered to go into the tribal territory for the release of Miss Ellis ?

(g) Is it a fact that Khan Bahadur Gulbaz Khan and Mrs. Starr also went to Mullah Mahmud Akhunzada, and the son of the Mullah of Karbozah accompanied them ?

(h) Is it a fact that rupees fifteen hundred were paid by Government to Mullah Mahmud Akhunzada, that some rifles were restored to tribesmen and that two transborder men were released ?

(i) Is it a fact that the transborder man, Rajab Khan, has now escaped into the territory of the Amir of Afghanistan ? If so, will Government kindly state what action has been taken for the arrest of this man ?

(j) Is it a fact that some months back three merchants, one Extra Assistant Commissioner, one Naib Tahsildar, and one Superintendent, Post Offices, were kidnapped by transborder tribesmen ? Will Government kindly state what officers were directly responsible in getting these people released ?

(k) Will Government kindly state whether the services of these officers, who took part in the release of these Indian officers, were appreciated ? If so, in what way ?

The HONOURABLE MAJOR G. D. OGILVIE : (a) Yes.

(b) Yes, except that the correct name is Ajab Khan and that the suggestion that any trans-border women were maltreated is without foundation.

(c) Ajab Khan did not communicate his threats to Government and the second part of the question therefore does not arise.

(d) The answer to the first part is Yes, and to the second part No.

(e) The rifle theft occurred on 14th February ; the counter-raid on the 4th March ; the attack on the British officers on the 21st March, and the Kohat tragedy on the 14th April.

(f) Yes.

(g) Yes ; the correct name is Moghal Baz Khan.

(h) Yes, except that the sum was Rs. 15,000 and no rifles were returned.

(i) The answer to the first part is Yes ; it would not be in the public interest to give the information asked for in the second part.

(j) Yes. Khan Bahadur Maulvi Ahmad Din and Khan Bahadur Kuli Khan.

(k) The formal commendation of Government was conveyed to the Chief Commissioner for transmission to them.

The HONOURABLE SAIYAD RAZA ALI : May I put a supplementary question, Sir ? With reference to the reply just given by the Honourable Member to question 80 clause (b), will the Government be pleased to state as to what actually happened when the search took place at the house of Ajab Khan ? And is it true that some women folk were searched in order to find out whether Ajab Khan and some of his relations had disguised themselves as women, which gave very considerable offence to these half-civilised men ?

The HONOURABLE MAJOR G. D. OGILVIE : I ask for notice.

SEPARATE UNITS OF INDIANS FOR ARTILLERY, AIR FORCE AND MECHANICAL TRANSPORT CORPS.

81. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state whether it is under contemplation to constitute separate units of Indians for the Artillery, Air Force and Mechanical Transport Corps ?

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (*on behalf of His Excellency the Commander-in-Chief*) : The reply is in the negative.

FREIGHT CHARGES ON INDIAN RAILWAYS.

82. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Is the Government aware that Indian business sections suffer a good deal from the fixing of freight charges on Indian Railways ?

The HONOURABLE MR. A. H. LEY : The reply is in the negative.

RAILWAY CONCESSIONS.

83. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Is it a fact that Railway concessions are granted at the time of races and polo ?

The HONOURABLE MR. A. H. LEY : The reply is in the affirmative.

RETENTION OF OFFICE OF CONTROLLER OF CONTRACTS.

84. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will the Government kindly state why it is considered desirable to retain separately the office of Controller of Contracts in the Military Department when an Indian Stores Department has now been constituted ?

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (*on behalf of His Excellency the Commander-in-Chief*) : The Controller of Contracts purchases food supplies and certain other army stores which do not come within the scope of the Indian Stores Department as so far organised.

WARNINGS ON RAILWAY STATIONS IN CASE OF EPIDEMICS.

85. The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : (a) Will Government kindly state whether Station Masters of all railway stations show by some sign or poster whether a particular station is affected by epidemic disease like cholera, plague or small-pox, etc. ?

(b) If not, does the Government intend to take steps to issue instructions for such warning to be given in the interest of public health ?

The HONOURABLE MR. A. H. LEY : (a) The reply is in the negative.

(b) As Public Health is a transferred subject the matter appears to be one for the Local Governments to deal with.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Railways being a central subject, I think it is the duty of the Central Government to reply.

The HONOURABLE THE PRESIDENT : That is a comment and not a question.

POLL-TAX ON ADULT INDIANS AT FIJI.

86. The HONOURABLE KHAN BAHADUR SIR AHMEDTHIAMBY MARICAIR : (a) Is it a fact that the Government of Fiji proposes to levy a poll-tax of £1 per head, per annum, including adult Indians at Fiji ?

(b) Are Government of India satisfied that this tax will not cause hardship to Indian residents at Fiji ?

(c) If not, what steps Government of India propose to take to prevent such taxation ?

The HONOURABLE SIR NARASIMHA SARMA : (a) The Government of India understand from a Reuter's telegram dated the 21st instant that the Fijian Legislature has adopted the Residential Tax Ordinance imposing a tax not exceeding £1 as may be determined from time to time by the Legislative Council by Resolution in that behalf on every male adult in Fiji excepting Fijians and Rotumans. The Government of India have not yet received official confirmation of this fact.

(b) and (c). Representations have been made by the Government of India to His Majesty's Secretary of State for India on the subject. The reply of the Secretary of State for India has not yet been received. The Government of India are not in a position to prevent the imposition of the tax but the Honourable Member may rest assured that the matter will not be lost sight of in the negotiations with the Colonial Government regarding the reopening of emigration to Fiji.

KENYA PROBLEMS.

The HONOURABLE THE PRESIDENT : I have received private notice of certain question from the Honourable Sir Purshotamdas Thakurdas. I understand that the Honourable Member in charge is prepared to reply to them. Will the Honourable Member read the questions ?

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : 1. With reference to statement in Reuter's telegram, dated the 25th instant that His Majesty's Government have given fullest consideration to the wishes of the Government of India in connection with the Kenya problem "at the instance of the Secretary of State for India," will Government be pleased to state whether the Secretary of State for India supported the views of the Government of India, or differed from their views, or kept neutral ?

The HONOURABLE SIR NARASIMHA SARMA : The proceedings of the Cabinet are, as the Honourable Member is aware, of a confidential character and the Government of India has no information on the subject. But I may invite the Honourable Member's attention to the statement made by Mr. Ormsby Gore on the Colonial estimates on this subject, wherein he states :

"He regretted that on certain material points it was not found possible to meet the wishes of the Government of India whose views, as a whole, Government had very fully considered at the instance of the Secretary of State for India who submitted them quite fearlessly and clearly."

The Government of India have no hesitation in saying that the Secretary of State had been extremely diligent and watchful in safeguarding and protecting Indian interests and they are grateful to him for doing so.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : 2. (a) Will the Government be pleased to state if the decision of His Majesty's Government regarding the Kenya problem is acceptable to them ?

The HONOURABLE SIR NARASIMHA SARMA : The text of the decision of His Majesty's Government already wired to India clearly shows that His Majesty's Government have not been able to agree with the Government of India on material points. The question as to what is to be done to see that Indian interests are safeguarded in translating into practice the broad general principles enunciated by His Majesty's Government is being considered.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : May I repeat my question ? Is the decision of His Majesty's Government acceptable to the Government of India ? That is my question.

The HONOURABLE SIR NARASIMHA SARMA : The Government of India are not in the habit of altering their views frequently. They have stated already clearly that they were not able to agree with His Majesty's Government's proposals with regard to material points, and they are still of the same opinion.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I take it, therefore, that His Majesty's Government's decision is not acceptable to the Government of India.

The HONOURABLE THE PRESIDENT : That again is a comment and not a question.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : (b) If the reply to the above be in the negative, will the Government of India be pleased to state what steps they expect to take to get the decision modified ?

The HONOURABLE SIR NARASIMHA SARMA : In making an answer to (b) Government do not wish to be understood that they accept any inference which may be drawn from any reply that they may have given, but I may state that the Government of India are anxious about the proposals with regard to immigration specially and have had that subject under consideration and do intend to make further representations on the subject to His Majesty's Government. They propose to watch carefully what may be suggested in this matter either by the Colonial Office or by the Government of the Colony in question.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : What steps do the Government expect to take regarding the heads on which I take it that the Government of India is not satisfied with the Cabinet's decision ?

The HONOURABLE SIR NARASIMHA SARMA : The matter will have to be considered further.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : 3. Will Government be pleased to state if they intend publishing the correspondence up to date between them and the Secretary of State in connection with the Kenya problem ?

The HONOURABLE SIR NARASIMHA SARMA : I may answer Questions 3 and 4 together. The matter is being considered.

The HONOURABLE THE PRESIDENT : (To the Honourable Sir Purshotamdas Thakurdas) : I think you had better read Question No. 4.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : 4. If the reply to the above be in the affirmative, will Government be pleased to state when they expect to publish the correspondence for the satisfaction of the Indian public ?

The HONOURABLE SIR NARASIMHA SARMA : They have already stated that the matter of publication is under consideration.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I wish to thank the Honourable Member for having accepted my private notice.

INFORMATION RE MAINTENANCE AND REPATRIATION OF RUSSIAN AND OTHER REFUGEES.

The HONOURABLE MAJOR G. D. OGILVIE (Political Secretary) : I lay on the table the information asked for in (d) of Honourable Mr. Phiroze Sethna's Question No. 1, dated the 20th March 1922, regarding the maintenance and repatriation of Russian and other refugees from continental Europe.

The total amount spent on the maintenance and repatriation of Russian and other refugees from Continental Europe since 1919 is approximately Rs. 5½ lakhs. The Government of India regret that information regarding expenditure incurred in connection with refugees during the

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period 1914 to 1919 is not readily available. The number of such refugees was insignificant, and the information could not be procured without an expenditure of time and labour that would be incommensurate with the value of the results obtained.

CANTONMENTS BILL.

SECRETARY OF THE COUNCIL : In accordance with rule 25 of the Indian Legislative Rules I lay on the table a copy of the Bill to consolidate and amend the law relating to the administration of cantonments which was passed by the Legislative Assembly at its meeting held on the 24th July, 1923.

MESSAGE FROM HIS EXCELLENCY THE VICEROY.

ATTENDANCE OF MEMBERS AT JOINT SITTING.

The HONOURABLE THE PRESIDENT : A Message from His Excellency the Governor General has been received, which is to the following effect :—

"In pursuance of sub-section (3) of section 63-A. of the Government of India Act, I, Rufus Daniel Isaacs, Earl of Reading, hereby require the attendance of the Members of the Council of State in the Legislative Assembly Chamber at 11 O'Clock a.m. on Saturday, the 28th July, 1923.

READING,

Viceroy and Governor General."

NOTICE OF MOTION FOR ADJOURNMENT OF HOUSE TO DISCUSS THE DECISION ON THE KENYA QUESTION.

The HONOURABLE THE PRESIDENT : I have received notice from the Honourable Sir Manekji Dadabhoy of a motion for leave to move the adjournment of the House for the purpose of discussing a definite matter of urgent public importance. I have given the matter my consideration and I consider that it is a matter of public importance, and further that it is an urgent matter of public importance for the reason that the Council is to be prorogued to-morrow, and therefore will have no opportunity of discussing the matter except on such a motion. Under the rules I am required to read the notice to the Council and ask whether the Honourable Member has the leave of the Council to move the adjournment. The matter in question is "the announcement of His Majesty's Government regarding the Kenya question as affecting Indians." I will ask those Honourable Members who are in favour of leave being granted to rise in their places.

The HONOURABLE SAIYAD RAZA ALI (United Provinces, East : Muhammadan) : May I just inquire whether it would be necessary for Members to rise in their places ? If there is no Member who opposes the motion, then I take it that under the rules it is not necessary for members to get up in their places.

The HONOURABLE THE PRESIDENT : I have already given a ruling on that point. We have established the precedent that the course of public business cannot be disturbed save upon the requisite number of Members giving leave for such interruption, and that has to be maintained. Those Honourable Members who are in favour of leave being granted will rise in their places. (A number of Honourable Members standing). The Honourable Member has leave.

The HONOURABLE SIR MANECKJI DADABHOY (Central Provinces : General) : May I request that under rule 21 my motion may be taken up immediately after the termination of the legislative business to-day ?

The HONOURABLE THE PRESIDENT : It is under Order 22. But I can only give a direction in that sense with the consent of the Honourable Member in charge.

The HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member) : I may state, Sir, that a very important Bill is coming on for consideration in the Assembly and I have to be there. I can therefore give my consent only on the explicit understanding that you, Sir, and the House will be pleased so to arrange business as to enable me to be here to reply, if there is any necessity for a reply on the subject. I shall be able to communicate to the Honourable the Leader of the House and to you, Sir, as to when it will be possible for me to be here.

The HONOURABLE THE PRESIDENT : I can fix a time. Whether the Honourable Member can attend at that time is a matter for him. I cannot bring him here.

The HONOURABLE SIR NARASIMHA SARMA : I may suggest, Sir, that inasmuch as I hear some Honourable Members wish to leave Simla to-day, they may express their views and the matter may be further postponed so as to enable me to be here after lunch.

The HONOURABLE THE PRESIDENT : I think it is obvious that the Honourable Member is doing his best to meet the wishes of the House to discuss this matter at a time much convenient to many Members. It is equally obvious that unless the Member in charge of the department concerned is present, the discussion cannot usefully proceed, as there must be somebody to answer for Government. What I suggest is this, and I am endeavouring to meet the wishes of both sides of the House, which is rather difficult, that when the business of the day is finished, the Honourable Member should be allowed to move his motion and then we should ascertain, through the Leader of the House, if he will be kind enough to get us the information, what is the position of the Honourable Member in the other Chamber and whether there is any possibility of his arriving. In those circumstances, we shall meet the wishes of the House as far as possible, but in the end we must have the Honourable Member here so it may be necessary to meet at 4 o'clock. Does that meet with the general wish of the House ? Will that meet you, Sir Narasimha Sarma ?

The Honourable Sir Narasimha Sarma nodded assent.

The HONOURABLE LALA RAM SARAN DAS (Punjab : Non-Muhamadan) : Cannot we take it up now, Sir ?

The HONOURABLE THE PRESIDENT : The Honourable Member has not read the Standing Order.

LAND ACQUISITION (AMENDMENT) BILL.

The HONOURABLE SIR NARASIMHA SARMA (Education, Health and Lands Member) : I beg to move :

" That the Bill further to amend the Land Acquisition Act, 1894, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

The question of amending the Land Acquisition Act was discussed both here and in the Assembly on more than one occasion, and the Government undertook to bring before the two Houses an amending Bill comprehensive in its scope if it was possible and necessary to do so. Honourable Members are aware that the Industrial Commission recommended that power should be taken to acquire land for industrial concerns. The Government of India addressed the Local Governments and received their replies. While the subject was under consideration, Mr. Ramayya Pantulu, a Member of the Legislative Assembly, introduced a Bill proposing an amendment of the Land Acquisition Act in certain respects. He suggested that an opportunity should be given to persons whose lands were proposed to be acquired to state their objections. But the machinery that he proposed provided an appeal, a resort to a Civil Court and the Government of India could not under any circumstances accept a reference to the Civil Courts. The Bill was rejected by the Legislative Assembly, but the Government of India undertook at that time to bring in a Bill enabling persons who may feel aggrieved by proposals that their land should be acquired to state their objections. Many of the Local Governments in reply to Mr. Ramayya Pantulu's Bill agreed generally to the principle underlying the legislation which is before the House, and in practice certain Local Governments did frame rules enabling the public affected to state their objections. The Government of India therefore felt no hesitation whatsoever in holding that the right of the subject to state his objections before the Government finally decided whether to publish a notification under section 6 or not should be placed on a statutory basis. The Government of India regret that they have not been able to come to any final decision as regards legislation with regard to industrial projects. The proposals and the papers have been circulated amongst the Members of the Select Committees which have been constituted under a promise made by the Government, but these committees have not had an opportunity to meet or discuss the subject and no decision could be come to by the Government. Therefore a comprehensive Bill could not be introduced, and we felt that the granting of facilities should not be indefinitely delayed or postponed pending the further proposals to which I have alluded. That, Sir, is the genesis of this Bill. It is a non-contentious measure. It has been treated as such by the Assembly. I think the Government have gone as far as they could in providing the machinery for the purpose of enabling persons whose lands are proposed to be acquired to state their objections, personally or through their pleaders. They have provided that the whole proceedings should be submitted with a report to the Local Government concerned. The Local Government would thereupon have an opportunity of knowing all that can be stated either for the acquisition or against it and would come to a definite conclusion on the subject on sufficient materials and would then publish their notification under section 6. I think that is a distinct improvement upon the existing Act, and I have not the slightest doubt that this House will be able to give whole-hearted support to the measure. I move that the Bill be taken into consideration.

The HONOURABLE SARDAR JOGENDRA SINGH (Punjab : Sikh) : Sir, I should have very much liked to support the Bill introduced by my

[Sardar Jogendra Singh.]

friend, the Honourable Sir Narasimha Sarma, but there are two points which I wish to bring to the notice of this House. Indeed the Bill does not carry out the suggestions made by the Industrial Commission as well as the Sugar Committee, regarding land acquisition for industrial purposes. As the Government is about to amend the Bill, they might as well have gone fully into the matter and made the necessary provision recommended by these two Committees. Then again, Sir, as the Honourable Sir Narasimha Sarma pointed out, it was proposed to refer the Bill to the Select Committees attached to his Department. This Committee has not been consulted and changes that they might have made have not been made. Personally I should be inclined to postpone the Bill till the matter has been finally considered by the Select Committees and the necessary provisions required by the Industrial Commission made.

The HONOURABLE THE PRESIDENT : Does the Honourable Member move that the Bill be postponed for further consideration ?

The HONOURABLE SARDAR JOGENDRA SINGH : Yes, Sir.

The HONOURABLE THE PRESIDENT : Amendment moved :

“ That the further consideration of the Bill be postponed till the next session.”

That amendment is now under discussion along with the original motion.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan) : I rise to support the motion that the Bill be taken into consideration and I oppose the amendment. As it is, it is a measure in advance of the present Act. Although I agree with the Honourable Sardar Jogendra Singh that it does not carry out the recommendations of the Industrial Commission, still it is something in that direction. It is a half-way house and as a half-way house we accept it. It is much better to have a half-way house than no house at all. But in this connection I request the Honourable the Leader of the House to consider whether when the new amendments are introduced in the other House he would not on behalf of Government consider the question of appointing a Joint Committee instead of a Committee of one House. As it happened in this case this House was not in session and this Bill was referred to a Committee of one House only. An important principle is being introduced into the old Act, and it would have been much better if representatives of both Houses had had an opportunity of discussing the Bill in detail. Of course in this particular case I understand the difficulties of Government. But I hope that hereafter whenever a new principle is introduced into an existing Act or important improvements are to be made in it, that Joint Committees may be appointed, as they have been in the case of various other Bills. I hope the Leader of the House will kindly take this matter into consideration. With these remarks I support the Bill.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member) : Sir, a perusal of clause 3 of the new Bill will make it clear to the House that this particular enactment is intended to provide for two

things, firstly, that the owner of land should have an opportunity of objecting to the proposed acquisition itself, in addition to the objections which under the existing Act he is authorised to lodge with regard to market value and other matters. The fact that the main object of the Bill is what I have stated does not, I submit, justify my Honourable friend Sardar Jogendra Singh in proposing a postponement of this Bill on the ground that acquisition for industrial purposes is not provided for in it. That is another matter altogether. To say.....

The HONOURABLE SARDAR JOGENDRA SINGH : May I rise for a personal explanation ? The Bill was brought forward because the Industrial Commission made these recommendations, to carry out the recommendations of the Industrial Commission, not to provide for the lodging of objection against acquisition. That is a secondary consideration altogether.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : I venture to point out to the House that this assumption is not justified by facts. The very fact that this Bill itself does not provide for acquisition for industrial purposes shows that it is not the result of the recommendations alluded to by my Honourable friend. This Bill is intended to remove a complaint which has been made more than once that the law relating to the acquisition of land as it stands at present does not enable the owner to take exception to the acquisition itself, and that is the main object of the Bill. And may I point out to the House that, according to the new proposed section 5-A (1),

“ Any person interested in any land which has been notified under section 4, sub-section (1), as being needed or likely to be needed for a public purpose or for a Company may, within thirty days after the issue of the notification, object to the acquisition of the land or of any land in the locality, as the case may be.”

From a perusal of this proposed section 5-A, the object of the proposed enactment is perfectly clear. The matter which has been referred to by my Honourable friend is an entirely separate matter and I have no doubt that the Government of India will at the proper time take action with reference to it.

With regard to the suggestion made by my Honourable friend Mr. Lalubhai Samaldas, he has himself explained the circumstances under which this present Bill was referred to a Select Committee of the Legislative Assembly. He may rest assured and the House may rest assured that the suggestion made by him will receive careful consideration.

The HONOURABLE THE PRESIDENT : The question is :

“ That the further consideration of the Bill further to amend the Land Acquisition Act, 1894, be postponed.”

The motion was negatived.

The HONOURABLE THE PRESIDENT : The question is :

“ That the Bill further to amend the Land Acquisition Act, 1894, for certain purposes, as passed by the Legislative Assembly, be taken into consideration.”

The motion was adopted.

The HONOURABLE THE PRESIDENT : The Council will now proceed with the detailed consideration of the Bill.

Clauses 1 and 2 were added to the Bill.

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The HONOURABLE THE PRESIDENT : Clause 3.

The HONOURABLE MR. K. V. RANGASWAMI AYYANGAR (Madras: Non-Muhammadan) : Sir, it is stated in this clause "needed for a public purpose or for a company."

The word "company" has not been clearly defined. May I know whether it may be any company or a company only for a public purpose?

The HONOURABLE MR. LALUBHAI SAMALDAS : Sir, I would have liked the clause to have been drafted in such a way that assessors could be appointed to represent the people who take an objection. I know that the majority of the Select Committee was against that proposal, but a strong minority in the Assembly wanted assessors to be appointed. It was stated that the question would be reconsidered later on, so I am not pressing for an amendment now. But the time will soon come when we must consider the whole question of assessors being attached to the Collector. That is all that I want to say on this point.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : My Honourable friend opposite has raised the objection that the word "company" in the proposed new section 5A has not been defined. I am afraid he has not consulted the original Land Acquisition Act. Had he done so he would have found that "company" is actually defined in the Act and that therefore there is no necessity whatever for repeating that definition in the new section 5A.

Clause 3 was added to the Bill.

Clauses 4 to 10 were added to the Bill.

The Preamble was added to the Bill.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Sir, I beg to move :

"That the Bill, as passed by the Legislative Assembly, be now passed."

The HONOURABLE THE PRESIDENT : The Question is :

"That the Bill further to amend the Land Acquisition Act, 1894, for certain purposes, as passed by the Legislative Assembly, be passed."

The motion was adopted.

INDIAN PORTS (AMENDMENT) BILL.

The HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour) : Sir, I move :

"That the Bill further to amend the Indian Ports Act, 1908, as passed by the Legislative Assembly, be taken into consideration."

This is a very simple piece of legislation the necessity for which, as will be clear from the Statement of Objects and Reasons, has arisen from the increasing number of oil burning ships visiting Indian ports. This, of course, is a comparatively recent development. The discharge of oil and oily water ballast from such ships is not only a nuisance but a positive danger to other shipping and to the port itself. Government have been advised that as the Indian Ports Act stands at present, it is *ultra vires* of section 21 to frame rules compelling the discharge of such ballast into special tank-barges, which, of course is the obvious way of

avoiding the nuisance, and that, Sir, is the only necessity for this legislation. I need only add that it is merely an enabling piece of legislation empowering Local Governments to make these rules, and that it has received the unanimous concurrence of all the Maritime Local Governments and commercial interests concerned. I move that the Bill be taken into consideration.

The HONOURABLE THE PRESIDENT : The Question is :

"That the Bill further to amend the Indian Ports Act, 1908, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The Council will now proceed to the detailed consideration of the Bill.

Clauses 1, 2 and 3 and the Preamble were added to the Bill.

The HONOURABLE MR. A. H. LEY : I now move :

"That the Bill, as passed by the Legislative Assembly, be passed."

The HONOURABLE THE PRESIDENT : The Question is :

"That the Bill further to amend the Indian Ports Act, 1908, as passed by the Legislative Assembly, be passed."

The motion was adopted.

INDIAN ELECTRICITY (AMENDMENT) BILL.

The HONOURABLE MR. A. H. LEY (Secretary : Department of Industries and Labour) : Sir, I move :

"That the Bill further to amend the Indian Electricity Act, 1910, as passed by the Legislative Assembly, be taken into consideration."

This again, Sir, is a very small measure, designed purely to put Railway Administrations in exactly the same position as licensees, that is to say, ordinary electric supply companies, under the Electricity Act in the matter of the removal of trees. Under section 18 of the Act as it at present stands, an Electric Supply Company has got powers to invoke the aid of a Magistrate to remove trees and jungle growing on land in such a way as to obstruct an aerial transmission line. It is obvious, I think, that exactly the same powers should be given to Railway Companies. The obvious necessity for this legislation is the increasing electrification of suburban lines, which is now beginning in India, I move that the Bill be taken into consideration.

The HONOURABLE THE PRESIDENT : The Question is :

"That the Bill further to amend the Indian Electricity Act 1910, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The Bill contains only one clause and I will therefore call upon the Honourable Mr. Ley to move his second motion.

The HONOURABLE MR. A. H. LEY : I move :

"That the Bill, as passed by the Legislative Assembly, be passed."

The HONOURABLE THE PRESIDENT : The Question is :

"That the Bill further to amend the Indian Electricity Act, 1910, as passed by the Legislative Assembly, be passed."

The motion was adopted.

INDIAN SUCCESSION BILL.

The HONOURABLE SIR ALEXANDER MUDDIMAN : I ask the leave of the House to permit me to bring in a Bill to consolidate the law applicable to intestate and testamentary succession in British India. Honourable Members will recollect that in February 1922, this Council gave me leave to bring in a Bill to consolidate the law relating to Merchant Shipping. When I asked for leave to introduce that Bill, I explained to the Council that the Bill was the first fruits of the labours of the Statute Law Revision Committee of which I have the honour to be the Chairman. The Bill in question, I am happy to say, has now become law as the Indian Merchant Shipping Act, 1923. The Bill which I now ask for leave to introduce is a measure which originated in the same way. It is a child of the Statute Law Revision Committee being a consolidating Bill dealing with the law relating to succession in so far as that subject has been dealt with by Acts of the Legislature. As Honourable Members are no doubt aware the Indian law of succession is spread over numerous Acts which are scattered over our Statute-book and which were enacted at different dates. If Honourable Members refer to the repealing Schedule of the Bill they will see them. I mention some of the most important—the Succession (Property Protection) Act, which was passed in 1841, the Indian Succession Act which was passed in 1865, the Parsee Intestate Succession Act, which was passed in 1865, the Hindu Wills Act which was passed in 1870, the Probate and Administration Act which was passed in 1881 and the Succession Certificate Act which was passed in 1889. There are other smaller Acts but I won't weary the Council by reading a list of them. I would merely say that there are a number of measures dealing with succession and that they are scattered over the Statute-book in a way which is neither convenient nor easy for people to find out what the law actually is. My Committee consulted the Government of India who were also of opinion that consolidation was desirable, and we took up the work. The Bill as prepared was considered by our Committee last February, and I think the Council will be interested to know who were on that Committee. Besides myself the Committee which then met consisted of the Honourable Sir Leslie Miller, the Honourable Mr. Khaparde, Sir Henry Moncrieff Smith, Dr. Gour and Mr. Samarth. After the Bill had passed our Committee, it was passed through the press and revised by Mr. Wright of the Legislative Department, and I desire to convey the thanks of the Committee to the great assistance he afforded us in that direction. The Bill will not only bring the existing law within the compass of one document, but will enable a considerable reduction to be effected in the actual volume of the law in this sense that provisions in similar terms occur in several of the Acts which are consolidated. The Bill deals with some 12 Acts and it now contains 392 clauses. The law thus reproduced was previously contained in some 600 sections. Honourable Members will thus see that some economy of space has also been effected. I do not propose to go at any length into the subject-matter of the Bill. No change of substance has been made intentionally. But in dealing with a subject like Succession, Honourable Members will easily understand that it is most desirable that we should not change the law inadvertently which may lead to a crop of litigation, for succession is one of those things which

affects everybody since it is the result of death. The position is that if the Council are good enough to give me leave to bring in this measure, I propose to adopt the rather unusual course in the case of a Consolidation Bill of asking that the Bill be circulated for opinion. I may say that that is not my own view only. We considered that point in Committee and the Committee were unanimously of the same opinion.

Council, therefore, will have the opportunity of considering the details of the Bill on many occasions. There are 392 clauses of them. I only hope that they will exercise their curiosity and verify the clauses by a reference to the original Acts. In order to help in doing so, they will find a very excellent table at the end of this Bill which will show exactly where the sections in the old Acts appear in the Bill. I said a great deal on the general subject of consolidation when I asked leave to introduce the Merchant Shipping Bill. I do not propose to weary the Council by repeating what I have said on that occasion, and I move for leave.

The HONOURABLE SAIYAD RAZA ALI (United Provinces East : Muhammadan) : I welcome the measure which has been placed before this Council in the form of the present Consolidation Bill. We are indebted to the Statute Law Revision Committee for having gone into the whole question carefully. Those who have had to look at the bulky volume that was sent to them, I believe, only yesterday, will realise that a measure of this character requires a considerable amount of labour and care. The important point that arises in considering a Bill of this character has been clearly placed before the House by you, Sir, and it is this, that when consolidating the law to be found scattered in a number of Acts passed by the Legislature, one cannot be too careful to see that while proposing to consolidate the law one should not inadvertently or unintentionally change the substance of any provision of the law. That, indeed, is a very important point. In this connection I am glad that it is proposed that the Bill should be circulated for public information and for public criticism. I cannot, however, but express a sense of regret that the Bill will go to the public as it stands without any criticism being offered by this Council on the scope of the Bill or as to the plan adopted by the Committee, for the simple reason that though the Statute Law Revision Committee had been laboriously at work on the Bill it was not till yesterday that the Legislative Department found time to circulate the Bill to Honourable Members of this Council. I got it, Sir, at about 11 o'clock yesterday and so I believe did most of the Members, a little before or after that time. Looking at the bulk of the Bill I do not think that it is quite fair that a Bill of such proportions as the one that is before this House should be either introduced into this Council at the fag end of the session or circulated among the Members only 24 hours before its introduction. If really it is desired that any valuable criticism should come from the Members, then I hope, Sir, in future the Legislative Department will take care—and I specially invite the attention of my Honourable Friend, the Law Member—the Department over which he is so ably presiding will take care—that Bills are sent at such a time that there should be time enough at the disposal of Honourable Members to go through them. As it is, most of the Honourable Members have been busy for the session is drawing to a close, and even if Honourable Members had time and had no other engagements, I

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submit it would not be possible to go through 392 clauses of the Bill in such a short time.

The only other suggestion that I wish to make is that if Government had really wanted the opinions of this Council on this measure, it would have been quite open to them to defer introducing this Bill till the next session, inasmuch as fortunately for this Council its life is not coming to a close. No doubt, if this measure were to be introduced in the Legislative Assembly, there might be some justification for matters being rushed through, but in the case of this Council, I am not in a position to see what justification there was. I have ventured to make these remarks in the hope that they will be of use to Government in the future.

The HONOURABLE SIR ALEXANDER MUDDIMAN : I think I had better reply to the Honourable Member at once on that point, because on this occasion the Government is not at all to blame as they have nothing to do with the introduction of this Bill. Although, as the Honourable Member knows, no one is more anxious than I am to prevent legislation being rushed through this Chamber, I am alone responsible for the Bill being brought in at the fag end of the session. I may explain to the Council why I ventured on that rather curious course. We are about to adjourn for five months or so—at least we do not know when we are going to meet again—at any rate for some months. It seemed to me that it would be a useful thing if we saved time by bringing in the Bill at once and circulating during this recess. We are not doing anything on the Bill. We are not considering its provisions in any shape or form. This Council will have ample opportunity, when the Bill comes back, to express its opinion. After opinions have been received, there must be a motion to refer the Bill to a Select Committee, and if there is any Member who wishes to discuss the principles of the Bill, he will have ample opportunities then. If he wishes to discuss the details of the Bill, he will be able to discuss them on the Report of the Select Committee when it is taken into consideration. I should like to make it clear that the Honourable Sir Mian Muhammad Shafi and his Department are perfectly blameless on this occasion.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member) : Sir, I am grateful to you for the explanation which you have been pleased to give to the House in connection with the remarks made by my Honourable friend Mr. Raza Ali. As has been rightly observed by you, Honourable Members will have ample opportunities of expressing their views upon particular provisions of this Bill and also of proposing any amendments that they may deem necessary when the Bill comes for consideration in the ordinary way. It is, after all, as pointed out by you, a Consolidation Bill, and in a Consolidation Bill, no doubt, it is necessary to pay every attention to bringing the various provisions embodied in the various enactments sought to be consolidated together in a proper form. But I venture to think that even a critic of the position and experience of my Honourable friend will find, when he comes to examine this Bill carefully, that the Statute Law Revision Committee, under your able chairmanship, has given it the most careful consideration. My sole object

in rising on this occasion is, if may venture to do so, to acknowledge on behalf of the House, the heavy debt of gratitude which the House as well as the country owe to the Statute Law Revision Committee who, under your able chairmanship and guidance have rendered a valuable service to the country. Indeed, the work already accomplished by the Statute Law Revision Committee is of the highest value, and I have no doubt that, as they go on from time to time, in dealing with the various measures which may be committed to their care, whether in the way of consolidation or in the way of revision, their work will be as valuable in the future as it has been in the past.

The HONOURABLE SIR ALEXANDER MUDDIMAN : I thank the Honourable Member for his kind remarks, which I am sure the Committee will appreciate. My only regret is that none of the members of the Statute Law Revision Committee are present.

The HONOURABLE THE PRESIDENT : The question is :

“ That leave be given to introduce a Bill to consolidate the law applicable to intestate and testamentary succession in British India.”

The motion was adopted.

The HONOURABLE SIR ALEXANDER MUDDIMAN : I introduce the Bill.

The HONOURABLE SIR ALEXANDER MUDDIMAN : I beg to move :

“ That the Bill be circulated for the purpose of eliciting opinion thereon.”

I have just one or two words to say on this motion. In asking the leave of the Council to introduce this Bill I had already foreshadowed the motion that I have just made. Of course my main reason for circulation is to submit the Bill to the criticism of public opinion with the object of securing that no inadvertent change has been made in the law. On the last occasion, when dealing with the previous Consolidation Bill, I pointed out to this Chamber the danger of mixing up amendment and consolidation and I need not pursue that point further. But there is one other point, and that is that, if you bring a considerable body of law which is scattered about into one document, there is no doubt that any defects—any lacunæ—stand out more clearly than when they are scattered over various Acts. I think that a Consolidation Bill gives the legal public, that is people who are concerned either with the administration of the law or are practising lawyers, an opportunity of taking stock as it were of the branch of the law which has been dealt with. I personally am rather hopeful that,—though amendments of substance must be excluded from the scope of the present Bill—some Members of this House or the other House may be moved to bring in amending Bills, not to this Bill but Bills remedying defects in the law of succession if any comes to light. I think we have all noticed,—I certainly have often been struck by the fact,—that under our present law, save in cases where the Hindu Wills Act applies, no formalities are necessary for the execution of a will by a Hindu. Sir Whitley Stokes, whose name will always be remembered in connection with the Indian Statute-book writing in 1865, that is 58 years ago, was inclined to doubt whether this was not a very serious defect in our law. I mentioned the matter to one very distinguished Hindu-lawyer and he said that a Bill of this kind would usefully draw

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attention to defects of that kind. Of course I merely mention this not as an argument in support of circulation of the Bill, but as an instance of the indirect benefits which may be derived from circulation. I now move that the Bill be circulated.

The HONOURABLE SAIYAD RAZA ALI : I am glad, Sir, that you have told us as to what were the various stages that were arrived at during the preparation of this Bill. It appears to me, Sir, that the Statute Law Revision Committee was anxious that the Bill should be placed before this House at any early date, and consequently I think some mistakes have crept into the draft. The mistakes seem to be of a nature which cannot be safely ascribed to the "printer's devil" if I may use that expression. If Honourable Members will refer to page 2 of the Notes on Clauses they will find on clauses 240 and 241 a note which runs thus : "The same remarks apply as in the case of clause 238." But if you turn to the reference there is no note on clause 238 at all. That clearly shows that the work has been done in a hurry, and therefore I welcome the more readily the proposal that the Bill should be circulated.

The HONOURABLE SIR ALEXANDER MUDDIMAN : I am glad the Bill has been carefully examined by the Honourable Saiyad Raza Ali. The actual error he has pointed out is not in the Bill but in the Notes on Clauses.

The HONOURABLE THE PRESIDENT : The question is :

"That the Bill to consolidate the law applicable to intestate and testamentary succession in British India be circulated for the purpose of eliciting opinion thereon."

The motion was adopted.

CHARITABLE AND RELIGIOUS TRUSTS (AMENDMENT) BILL.

The HONOURABLE MR. K. V. R. AYYANGAR (Madras : Non-Muhammadan) : Sir, I beg to move :

"That the Bill to amend the Charitable and Religious Trusts Act, 1920, as passed by the Legislative Assembly, be taken into consideration."

In the Preamble of Act XIV of 1920 it is stated :

"Whereas it is expedient to provide facilities for the obtaining of information regarding trusts created for public purposes of a charitable or religious nature and to enable the trustees of such trusts to obtain the directions of a court in certain matters and to make special provisions for the payment of the expenditure incurred in certain suits, etc., etc."

The present amendment if carried will go to improve the Act. District Courts are situated in centres while subordinate Courts are situated nearer the place of trusts, so that it may be very easy for the trustees and the public to resort to the subordinate and other Courts. Further, District Courts are crowded with sessions work and it is possible if jurisdiction is given to subordinate Courts that erring trustees can be made accountable for their actions more quickly as is the object of the Act (XIV of 1920). Sir, the subordinate Courts are manned by judges who are equally honest and capable of dispensing justice entrusted to their care, and I may say that more important cases involving very large

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interests are being tried by them and there will be no objection to their disposing of these petitions relating to charitable and religious trusts.

I beg to move that this Bill be taken into consideration.

The HONOURABLE THE PRESIDENT : The question is :

"That the Bill to amend the Charitable and Religious Trusts Act, 1920, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The Council will now proceed to the detailed consideration of the Bill.

Clause 1 was added to the Bill.

The HONOURABLE THE PRESIDENT : Clause 2.

The HONOURABLE DEWAN BAHADUR V. RAMABHADRA NAIDU (Madras : Non-Muhammadan) : Sir, I do object to clause 2 of this Bill. Suits must not be transferred to any other Court less than a subordinate Court. My contention is that either a District Court or a Sub-Judge's Court must try the cases.

The HONOURABLE MR. K. V. RANGASWAMI AYYANGAR : The Act empowers the Local Government to authorise any Court to try these cases, and so if they think that a Munsif's Court is competent for this purpose they may authorise that Court to try the cases. The Act confers the power on Local Governments to confer jurisdiction on Courts other than the District Court.

The HONOURABLE THE PRESIDENT : That is what the Honourable Member objects to.

The question is :

"That clause 2 stand part of the Bill."

The motion was adopted.

The HONOURABLE MR. K. V. RANGASWAMI AYYANGAR : Sir, I beg to move :

"That the Bill, as passed by the Legislative Assembly, be passed."

Sir, there was no controversy in the Assembly and I am glad to associate myself with a most uncontroversial measure like this which is a relief to me. I am sorry I could not be here on the first day when this motion was put down in my name ; I was stranded at Delhi as the boxes containing my warm clothing did not arrive for two days and that accounts for my absence.

The HONOURABLE THE PRESIDENT : The question is :

"That the Bill to amend the Charitable and Religious Trusts Act, 1920, as passed by the Legislative Assembly, be passed."

The motion was adopted.

MUSSALMAN WAKF BILL.

The HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab : Muhammadan) : Sir, I beg to move :

"That the Bill to make provision for the better management of wakf property and for ensuring the keeping and publication of proper accounts in respect of such properties, as passed by the Legislative Assembly, be taken into consideration."

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[Sir Zulfiqar Ali Khan.]

In doing so, Sir, I desire to make a few observations in order that the Honourable Members may get full information of the chequered career of this Bill. Sir, I need not dilate on the importance of this Bill which meets with the general wishes and needs of the Muhammadan community in India. In all independent Muhammadan countries there is a Ministry called the Ministry of Wakfs to look after these pious endowments, and in India the same arrangement existed during the Moghul period. But after the extinction of the Moghul rule in India these endowments fell into confusion and the consequence was that the funds of these pious endowments were either wasted or misappropriated by individuals for their own private benefit. Sir, the administration of these trusts unfortunately in these days has come to vest in the hands of unscrupulous and incompetent mutwallis, who have no regard for the pious wishes of the founders of these trusts. It is a pity that the generous impulses of the donors are absolutely ignored by these inefficient people. In the Assembly debates it was clearly shown that these people were wickedly throwing away the resources which ought to accrue to the Muhammadan community for the welfare of their educational and other interests. Sir, I need not expand on the needs of the Muhammadan community, but I cannot refrain from saying that the loss to the Muhammadan community has been very great owing to the almost criminal selfishness and misappropriation of these people. After the fall of the Moghul Empire the times were such that the Muhammadans perforce had to remain silent, and unfortunately could not take measures to recover the property meant for their welfare. It is the dawning consciousness of the Muhammadan community which demands that effective measures should be adopted at an early date to ensure that the funds of these endowments are appropriated for the purpose for which they were meant. It was in response to this public demand that Moulvi Abul Kasim whose courage and convictions we cannot too highly praise, took up the motion to meet the public demand. He introduced the Bill in the Assembly on the 26th of February 1921, and on the occasion of that debate Sir William Vincent explained the attitude of Government in these words :

"Now these are *prima facie* objections of some weight to the Bill. But at the same time it has been represented to us that the Muhammadan community were very anxious that the Bill should be introduced and the Government of India therefore will not oppose this motion for introduction. It must however be quite clearly understood that they reserve to themselves full liberty later to take any attitude towards this Bill which subsequent circumstances may necessitate. We shall consult Local Governments particularly, really the reformed portion of the Local Governments, as to what their wishes are and we will also have a full opportunity of ascertaining what the public opinion is."

Well, Sir, it was exactly after two years that public opinion and the opinion of Local Governments was ascertained and a whole volume has been published containing these opinions. I cannot say that the opinions so collected are unanimous in respect of this Bill. In fact, the local official opinion was mostly opposed to this Bill.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : To the original Bill as introduced.

The HONOURABLE SIR ZULFIQAR ALI KHAN : Yes, to the original Bill. I am coming to the Bill as drafted later on. But, Sir, with regard to

this attitude of Government, I beg to say that the mental attitude of the official mind was entirely due to the character of the times. In those days the movements for non-co-operation and Khilafat were zealously agitated, and it was entirely due to these circumstances that the official opinion of the provinces was opposed to this Bill. Then, Sir, after the receipt of these opinions a Select Committee was formed and this Bill was entrusted to their deliberations on the 15th February 1923 and the report of the Select Committee was presented on the 15th of March 1923 and then a big debate took place in the Assembly on the 22nd March 1923. In the course of that debate Sir Malcolm Hailey explained the attitude of Government as it then was after it had been thoroughly reformed, and during his speech he said :

"Sir, I have been asked for the opinion of Government on this question and I am quite prepared to give it. It will be remembered that when the Bill originally came before us, it involved the organisation of managing committees by Government and a very considerable amount of control to be directed by Government, and I may say at once that Government was opposed to any such proposal. That feature of the Bill has, however, now been excluded. The only new burden which the Bill now places upon Government is the receipt of accounts. For the rest it will merely be for the civil court to take action on the lines of the Act of 1920 on the motion of persons interested in these wakfs."

Sir, the changed attitude on the part of Government as explained by Sir Malcolm Hailey was due entirely to the recasting of this Bill. From 32 clauses it was reduced to 13 clauses only, and the provisions which the original Bill contained with regard to control and management of these wakfs by the Collector or Government officials were eliminated. The change of attitude on the part of Government was due entirely to these changes. Members of the Council of State will notice that the Government attitude as explained by Sir Malcolm Hailey is indeed not of opposition but one of sympathy and co-operation. Sir, the objects of the Bill as passed by the Assembly are quite simple. It seeks to secure the registration of all the endowments made by pious Muhammadans in favour of the Mussalman community. It also seeks to secure the rendering of proper accounts properly audited. These are the two main features of the Bill which are most essential. Under these circumstances, Sir, I do not think that either the Government or the non-official Members would hesitate to pass this Bill. It is, I may say, almost a homœopathic dose but I believe and I hope that this little quantity will impart health and vigour to the Muhammadan community which is suffering on account of want of resources for the improvement of its education. I do hope, Sir, that the Mutwallis themselves on their part will show a conciliatory attitude. I may say in their interests that if they show any bad temper in this matter, they may meet the same fate which the Udasis have met in the case of the Akalis. These Mutwallis ought to understand that they have for long years enjoyed undisputed the rich funds which by no law fell into their possession. They ought to be patriotic enough to see that the needs of the Muhammadan community require these funds and they must surrender them. But at present, Sir, they need not surrender these funds. It is only registration of wakf property and the rendering of accounts that is wanted. But I hope that these very people—Mutwallis—will later on see that it is to their interests conjointly with the Muhammadan interests to devote these funds for the welfare of the Muhammadans. Imagine, Sir, what would happen if

[Sir Zulfiqar Ali Khan.]

the funds endowed in favour of Cambridge and Oxford Universities were misappropriated. Is it possible that these Universities would exist? The same circumstances prevail here and the Muhammadan community suffers on account of misappropriation of these funds. I hope, Sir, that the serene wisdom of the Honourable Members of this Council will induce them to pass this Bill unopposed. I may impress on those Members who may wish to introduce certain changes in the Bill that the Muhammadan community is anxiously watching the passage of this Bill in this Council, and if they find that even this little measure of relief which is afforded them is disturbed by certain amendments—I do hope that they will realise that they will have to meet the bad temper of Muhammadans outside. With these few remarks, Sir, I beg to move that the Bill be taken into consideration.

The HONOURABLE SARDAR JOGENDRA SINGH (Punjab : Sikh) : Sir, I should like to support this motion, if for no other reason, than that it has been moved by my friend the Honourable Sir Zulfiqar Ali Khan. But there is a deeper reason. The problem is common to us all, Hindus, Muhammadans and Sikhs. To-day it is the mosques, to-morrow it will be the temples and the day after, it will be the gurdwaras. The dawn of self-consciousness to which my friend alluded, will, I hope, lead to the realisation that we have common problems demanding common action. Now, Sir, I support this Bill.

The HONOURABLE MR. J. CRERAR (Home Secretary) : Sir, the few observations which I have to make upon this measure will almost entirely be devoted to a brief explanation of the attitude taken by Government on the Bill at its various stages. The Honourable Mover has pointed out that the Bill, as originally devised, was a much larger Bill, and I may say, a much more drastic Bill, than that which is now before the House for consideration. It provided for a very large measure of immediate control, and a still larger measure of direction of control on the part of Government and on the part of Government officers. To that portion of the Bill Government was constrained to take great objection, but the grounds of objection were not, as was suggested by the Honourable the Mover, related to any temporary political considerations existing at the time the measure was first introduced. The objections were of a different nature. They referred to the deliberate policy adopted by the Government and acted upon for many years. I think the House is aware that prior to 1863 a large measure of control was exercised by Government officers in various parts of India over trusts of a charitable or religious character. The situation was not entirely satisfactory to either of the two parties concerned. In some cases it was not entirely satisfactory to the trustees or persons otherwise directly concerned with the trusts, and it was distinctly embarrassing to Government. It brought them in certain cases, as well as their officers, in various invidious ways into contact with communal and religious sentiments of a very delicate character, and at that time Government deliberately adopted the present policy. In pursuance of their wider policy of complete abstention from interference with the religious practices and sentiments of the various Indian communities, Government decided to refrain from this form of interference with communal affairs. It was in pursuance of that deliberate policy which has been in force for many years that Government were unable to view with favour

those parts of the original measure. In the process of consideration by the Select Committee all those parts to which I have referred and which the Government of India supported by the practically unanimous opinion of the Local Governments obtained when the original measure was referred to them for opinion, opposed—those obnoxious provisions, obnoxious from the point of view of the Government, were removed. Of the measure as it thus emerged, the Government in another place afforded the fullest facilities for discussion and for passage, and their attitude towards it is the same in this House. There is one feature of the Bill to which I should like to invite the attention of the House. I think it will be generally agreed that a measure of this kind should possess a very great degree of elasticity, and also that, in so far as this is possible, ample provision should be made for the ascertainment and consultation of the opinion of the various communities which will be affected by it. It is for that reason that the Bill provides for the grant of powers to Local Governments, in the first instance to extend the Act to the territories under their jurisdiction or to any part of them, and in the second instance, to exclude from the operation of the Bill any particular community. I think the House will agree that those are salutary provisions. The Local Governments, if and when the question of the application of the Act arises in a particular case, are obviously in a much better position to secure that direct consultation and ascertainment of the wishes or disposition of the communities affected. That, therefore, is an essential part of the Bill from the point of view of Government. I do not think I need add anything further except to say that the Government will watch the progress of this measure with sympathetic interest, and, if it receives the approbation of this House, will follow with close attention the results of its operation as an Act.

The HONOURABLE DIWAN BAHADUR V. RAMABHADRA NAIDU (Madras : Non-Muhammadan) : Though a non-Muhammadan, I welcome this Bill. The Honourable Sir Zulfiqar Ali Khan has already stated the necessity for this Bill. Prior to 1863 the Government was administering the religious trusts. So far as I have heard, when there was interference of the Government in religious trusts, the administration of the trusts was going on well. I do not know what to say of the wisdom of the neutrality of the Government that was maintained after 1863. In my Presidency there was a necessity recently to amend the Religious Endowments Act. The heads of mutts contended that the mutt property was the private property of the religious heads. From this Bill I see that the mutwallis also are not administering their trusts. There is a complaint everywhere that proper accounts are not rendered, that proper audit is not made, so much so that the trusts are not properly cared for. In that view I welcome the Bill, whether it will affect Muhammadans or non-Muhammadans.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member) : The attitude of Government towards this measure has been fully explained by my Honourable friend, Mr. Crerar. As a Muhammadan, however, I am directly interested in the welfare and proper maintenance of our religious and charitable endowments, and in consequence, I venture with the leave of the House to offer a few observations in connection with the Bill now before us for discussion. My Honourable friend, Sir Zulfiqar

[Sir Muhammad Shafi.]

Ali Khan, in the few observations he made when placing this motion before the House, said that when the Bill was originally circulated for opinion, Provincial Governments expressed an unwillingness to advocate legislation in this direction because of the political conditions which were at that time in existence in the country. I am afraid that that statement does not very correctly represent the opinions given by the Provincial Governments even on that occasion. If Honourable Members will look for a moment at the opinions then sent up by the Local Governments, they will find that the Madras Government, in paragraphs 3 and 4 of their letter, observed as follows :

"The Honourable Minister in charge of religious and charitable endowments has had the advantage of discussing the main principles of the Bill with the leading Muhammadan representatives in the Legislative Council and the views expressed and the observations made in the following paragraphs had their full support. Enlightened Muhammadan opinion in this Presidency is practically unanimous that a very large number of endowments made by pious Muhammadans in the past had been wasted or converted to the private benefit of individuals contrary to the wishes of the original founder that their administration in many cases has come to waste in the hands of inefficient and unscrupulous mutwallis and that effective measures should be adopted at an early date for preventing waste of management of Muhammadan public trusts and to ensure that the endowments are appropriated to the purposes for which they were founded. The need for suitable legislation is therefore obvious."

That was the opinion expressed by the Madras Government. The Bombay Government in paragraph 3 of their letter observed as follows. After making some preliminary observations in the preceding paragraph, they went on to say :

"There is, however, a very considerable body of opinion in favour of some measure for compulsory registration of wakf estates and for the maintenance and publication of accounts."

Honourable Members will notice that the Bill in the final form which it has assumed after its passage through the Legislative Assembly has provided exactly what the Bombay Government stated in this paragraph. Then, Sir, the Bengal Government in paragraph 2 of their letter observed as follows :

"In reply I am to say that there is a general consensus of opinion that something should be done in order to prevent the misappropriation of charitable and religious endowments by dishonest mutwallis and to recover charitable funds which have fallen into the hands of private parties as there can be little doubt that there are many quite valuable wakf estates throughout India including Bengal which are grievously mismanaged and misapplied by their mutwallis or trustees."

The United Provinces Government in paragraph 2 of their letter observed :

"It will be observed that the majority of those consulted are emphatically of opinion that some machinery for improving the administration of wakfs is eminently desirable since there are undoubtedly many cases of mal-administration, though possibly the case is stated somewhat too strongly in the Preamble to the Bill."

The Punjab Government were quite distinct as to the nature of the legislation which ought to be undertaken. In paragraph 3 of their letter this is what the Governor in Council observe "His Excellency in Council suggests that the Bill should confine itself to the compulsory registration of wakfs and the publication of accounts and these processes shall be carried out not by the Collector but by the Inspector General of Registration."

It will thus be seen that the Governments of all the Presidencies and the principal provinces accepted the necessity of some suitable legislation

in order to prevent maladministration of wakf property and in particular two of the Governments distinctly suggested that the Bill should be so amended as to confine itself to registration of wakfs and rendering of accounts. That is exactly what the present Bill, as it has now come up from the Assembly, seeks to enforce. It is therefore clear that Muslim public opinion as well as the opinion of the Provincial Governments was even at the very commencement in favour of legislation of the kind which is embodied in the Bill as now amended in the other House. The exception taken by the Local Governments was mainly with reference to certain provisions of the Bill under which district committees were to be appointed and Collectors associated with the work which those district committees were required to do. In so far as my humble opinion is concerned, I think that the measure is a very salutary one and I commend it to the acceptance of the House.

The HONOURABLE SAIYAD RAZA ALI (United Provinces, East : Muhammadan) : I have absolutely no desire to stand between the motion for adjournment and the Honourable Members of this House, and therefore I propose to say only a few words on this motion. One of the worst disadvantages under which a Government that is not perfectly aware of the ways, manners and customs of the people labours is that quite apart from what it may or may not do in the political field, it is extremely reluctant to take any bold step in the field of social reform. Now, if we go into the history of British rule in India, we will find that whatever British rule in the political field may or may not have achieved, it has not much to its credit in the field of social reform. Those who have been advocating a substantial measure of political reform do not lose sight of the fact that if the government of the country is largely in the hands of the people of the country, it will lead to greater happiness of the people inasmuch as those measures of social reform which Government is not prepared to undertake for obvious reasons will be handled satisfactorily by the representatives of the people. If Honourable Members will look at the history of the Central Legislature during the past two and a half years of its existence, they will find that very earnest and serious attempts have been made to pass measures of social reform, one of which is before the House this morning. Sir, I heartily support that this Bill be taken into consideration. The scope of the Bill is a very simple one. It deals in the first place with the registration of wakfs in certain cases. Then it provides for the accounts being rendered to proper authority by the mutawallis who have been up till now, there is a general feeling, acting, to put it very mildly, in a highly irresponsible manner. Then in the case of those who do not comply with the provisions of the law as laid down in this Bill, it is provided that they shall be subject to certain penalties which are none too severe. Then the Bill gives power to Local Governments to make rules on certain matters too numerous to be dealt with by the Legislature. And lastly we come to a rather startling clause which finds a very odd place at the end of the Bill. I do not propose to deal with the clause itself, but so far as the principle underlying the clause is concerned, I think that it takes away very largely from the usefulness of the measure that is before us. The Honourable Mr. Crerar as a matter of fact tried to point out to the Council that this provision added to the utility of the Bill. The clause

[Saiyad Raza Ali.]

relates to certain enabling powers that have been delegated to the Local Government. I wish that clause were not there. When we come to the clause itself Honourable Members will see that unfortunately at the eleventh hour the clause was sprung upon the other House.....

The HONOURABLE THE PRESIDENT : The Honourable Member will be able to oppose the clause when it comes up.

The HONOURABLE SAIYAD RAZA ALI : That is my intention. I would now simply say that so far as the principle of the Bill which delegates certain powers to Local Governments is concerned that is one which I am sure will not find acceptance at the hands of this Council. But generally, Sir, I support this Bill most heartily.

The HONOURABLE HAJI CHOUDHURI MUHAMMAD ISMAIL KHAN (West Bengal : Muhammadan) : Sir, although I am a mutwalli, I am not afraid to support the Bill. I have got direct knowledge that the mutwallis are spending the money for their own private purposes and there is great need for legislation in the matter. It is absolutely necessary to pass the Bill for the benefit of the Muhammadan community. Therefore I support the Bill.

The HONOURABLE THE PRESIDENT : The question is :

"That the Bill to make provision for the better management of wakf property and for ensuring the keeping and publication of proper accounts in respect of such properties, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

The HONOURABLE THE PRESIDENT : The Council will now proceed with the detailed consideration of the Bill.

Clauses 1 to 8 were added to the Bill.

The HONOURABLE KHAN BAHADUR SIR AHMEDTHAMBY MARICAIR (Madras : Muhammadan) : Sir, I have an amendment to clause 9 to the effect that after the words "any person", the words "professing the Musalman faith" be inserted. I understand there is some technical difficulty about alterations, and if the measure is to be passed in this Council, I think.....

The HONOURABLE THE PRESIDENT : Perhaps the Honourable Member will explain what the technical difficulty is.

The HONOURABLE SIR AHMEDTHAMBY MARICAIR : I heard that if any correction is made in the Bill here it will have to go back to the other House.

The HONOURABLE THE PRESIDENT : That is a technical difficulty which always arises in those circumstances.

The HONOURABLE SIR AHMEDTHAMBY MARICAIR : Well, I think to avoid any difficulty, as the Bill is an important one for the protection of Mussalman wakfs, I do not want to stand in the way of its being passed into law, and I therefore withdraw the amendment with the right of moving it in the next Session.

The HONOURABLE THE PRESIDENT : The Honourable Member has not moved his amendment and cannot therefore withdraw it nor can he reserve his right to the next Session.

The question is :

"That clause 9 stand part of the Bill."

The motion was adopted.

Clause 9 was added to the Bill.

The HONOURABLE THE PRESIDENT : Clause 10.

The HONOURABLE LIEUTENANT RAO BAHADUR CHAUDHRI LAL CHAND (Punjab : Nominated Non-Official) : In order to satisfy my own curiosity I want to ask a question and I hope the Honourable Mover will throw some light on it. It is not clear to me whether this fine will be a charge on the wakf property or will be realized from the mutwalli's private property, and what will happen if he has no private assets?

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member) : How can a fine inflicted on a mutwalli who has either misappropriated property or not rendered proper accounts be a charge on the wakf property? He will have to pay it out of his own pocket.

Clause 10 was added to the Bill.

The HONOURABLE THE PRESIDENT : The question is :

"That clauses 11, 12 and 13 stand part of the Bill."

The HONOURABLE SAIYAD RAZA ALI : Not clause 13. There is an objection to that.

The HONOURABLE THE PRESIDENT : The question is :

"That clauses 11 and 12 stand part of the Bill."

The motion was adopted.

The HONOURABLE SAIYAD RAZA ALI : I find, Sir, that Sir Ahmedthamby Maricair has put down an amendment to clause 13. Strictly speaking it is hardly an amendment, it is a motion for omission.

The HONOURABLE THE PRESIDENT : If the Honourable Member does not stand up to move his amendment when I call the clause I naturally conclude that he does not wish to move it.

The HONOURABLE SIR AHMEDTHAMBY MARICAIR : I was not called by name, Sir. As I have already said, this is an important Bill. As the Mover explained, the mutwallis have been misappropriating wakf property and clause 13 as it stands in the Bill is a dangerous one, and it is essential that this clause should be omitted in the interests of wakf property. But as I have already explained, any amendment of this nature now will interfere with the passing of this Bill in this House, and I therefore beg to withdraw my amendment with the permission of the House.

The HONOURABLE THE PRESIDENT : I have already explained to the Honourable Member that if he has not moved an amendment he can-

[The Honourable the President.]

not withdraw it. An amendment can only be withdrawn if it is moved and not otherwise. The Honourable Member has taken up the time of this Council which might otherwise have been saved. He had merely to remain in his seat peacefully and the result he desired would have been attained.

The HONOURABLE SAIYAD RAZA ALI : The clause which is the subject of consideration by this House gives power to Local Governments to exempt from the operation of this Act or of any specified portion thereof any wakf or wakfs created or administered for the benefit of any specified section of the Mussalman community. I will at once say, Sir, that this clause owes its existence to the attitude taken up by certain individuals among a certain section of Mussalmans known as the Borah community, who it appears wanted to place themselves beyond the pale of this Bill. It appears that while the measure was before the other House a certain representative of that community moved that power be given to the Local Government so that if that Government thought that the Borah community was a section of the Muhammadan people who should not, according to their wishes, be governed by this Bill, it might be in a position to exempt that community.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : May I be permitted to correct my Honourable friend ? The gentleman in question moved that the Borah community be excluded from the purview of this Act, and on that the Government proposed that instead of excluding any particular community by name from the purview of the Act, power might be given to Local Governments, should they think it necessary, to exclude any particular community.

The HONOURABLE SAIYAD RAZA ALI : I am glad at the explanation that has come from the Honourable the Law Member and I would point out that the difference between his statement and my speech is one of six on one side and half a dozen on the other. We come to the broad facts. I will accept the facts as he has put before us because he acted on behalf of Government in the other House. The position is this. In the interests of a certain community that has raised the standard of rebellion, if I may say so, against Islamic tenets, Government have seen their way to give powers to Local Governments to exempt this particular community. Now, Sir, the question is one of principle and that is exactly the reason why I am raising this question before the House.

(At this stage the Honourable the President vacated and the Honourable Sir Maneckji Dadabhoy took the Chair.)

The Muhammadan law is not based on custom. Mussalmans claim that their law is revealed law. Now, on that basis, the view taken by the highest courts in this country has been that it is not open to any class of Muhammadans unless Hindu customs have been in vogue amongst it from time immemorial, to place itself beyond the pale of that law. We find that this Bill is intended to have the force of law as regards all the people professing the Mussalman religion. Also, so far as the territorial limit is concerned, we find that there is no place that has been

exempted from the operation of the law. The territorial limits are defined in clause 1, sub-clause (2) which says that "It extends to the whole of British India, including British Baluchistan and the Sonthal Parganas." When we come to the peoples whom this law will affect and who will be bound by this law, we find that wakf is defined in the Bill as "the permanent dedication by a person professing the Mussalman faith." If you take these two provisions together, I submit, Sir, it follows that it is not open to any Mussalman to refuse to be bound by this Bill. Yet we find that having regard to the wishes of a certain community power has been given to Local Governments to exempt any particular community. That goes against the very first principles of Muhammadan law as interpreted by British courts. The matter indeed is a very serious one, and it is in this light that I propose to raise my voice of strong opposition to this clause. If clause 13 is passed to-day, it may be that claims in various forms and various shapes will proceed from various communities asking that the Muhammadan law be modified so far as they are concerned. That is a position to which the Muhammadans have never submitted. Because this clause raises a question of principle, therefore I hold that it will be highly dangerous, it will be highly injurious to the interests of the followers of Islam to accept a contention of that character. I submit, Sir, that absolutely no case has been made out for enacting this clause. The Bill is a very sound Bill. What it seeks to do is simply registration of wakfs and the filing of accounts by mutawallis. Those are the two main provisions of the Bill. I for one entirely fail to see why the Borah community should be immune from this necessity of registering their wakfs and filing the accounts. To me it seems that if the Government are influenced by this contention, then the obvious inference is that the state of wakfs in the Borah community is hopeless, and that if there is any community which requires a law to be passed for the protection of the wakfs, it is surely the Borah community. I may in this connection note that I have received a number of representations from the Borah community in which they have expressed their very strong desire to have this clause omitted.

(At this stage the Honourable the President resumed the Chair.)

They say that if this clause is passed, the result would be that the mutwallis among the Borahs, who even now are highly irresponsible people, would claim wakf properties as absolutely their own, and in that case a very great safeguard which is provided by this Bill would have been taken away. I am aware, Sir, that it is rather dangerous to propose that any amendment be made in any Bill for the best of reasons that we have to see what will happen if the Bill goes to the other House, which is not going to meet beyond to-day. Yet, since a question of principle is involved, and that too a very vital one, I deem it my duty to ask Honourable Members of this Council to vote against clause 13 being passed.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Sir, I venture to assure the House that the fears entertained by my Honourable friend Saiyad Raza Ali are in reality groundless. If my Honourable friend will kindly glance at the language of the section he will find that the

[Sir Muhammad Shafi.]

section does not exempt the Borah community from the provisions of this Bill. Indeed, it seems to me that the mere fact that a large number of telegrams have been received by him from the representatives of the Borah community ought to have led him to believe that the overwhelming body of opinion among the Borah community against their exemption from the proposed law is, in itself, proof positive that the Local Government of Bombay is not likely to exempt them under this clause. For, I for one cannot conceive that any Local Government in any province will arbitrarily, unless it is convinced that the majority of the community themselves desire exemption from the terms of the Act, exempt any particular community in spite of opposition. Just as my Honourable friend has received telegrams, I as Leader of the House have also received telegrams from representative associations and bodies of the Borah community not only in the Bombay Presidency but from other parts of India as well. In those circumstances, I do not think we need entertain any fear whatever that the Local Government will arbitrarily, without finding out the wishes of the community itself, exempt that community from the provisions of this Statute.

In so far as the question of principle enunciated by my Honourable friend is concerned, I am afraid I cannot agree with him. It will be seen that this particular clause 13 does not in any way infringe the principles of Muhammadan law. It does not in any way really go against the provisions of the Muhammadan law of wakf. All it says is this, that any Local Government may, by notification in the local Official Gazette, exempt from the operation of this Act or of any specified provision thereof, any wakf or wakfs created or administered for the benefit of any specified section of the Mussalman community. All that this Act does is to require that all mutwallis will compulsorily register the endowments of which they are in charge. I personally am not aware of any provision of Muhammadan law which requires the registration of wakfs in the manner contemplated by this Bill, and I am sure my Honourable friend, learned in the Mussalman law as he is, is perfectly aware that what this Bill affects to do is outside the purview of Muhammadan law. To that extent the provisions of this Bill have nothing to do with the Muhammadan law of wakfs, and therefore there is no fear of this particular enactment driving a coach and four through the provisions of the Mussalman law of wakfs. I hope my Honourable and learned friend will understand what I mean when I say that this particular Bill in no way affects the Mussalman law of wakfs. All that it secures is the registration of endowments by mutwallis in the Court of principal jurisdiction of the area in which the wakf property may be situated.

The HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab : Muhammadan) : It is always delightful to hear my Honourable friend, Saiyad Raza Ali, delivering his speech in Council even though he opposes the motion which I have put before the Council to-day, but, Sir, on this occasion his opposition is rather detrimental to the general interests of Muhammadans, and I am sorry to notice that he has offered to place an obstruction in the passage of this Bill. The Honourable Mian Sir Muhammad Shafi has fully explained the misapprehensions which he may entertain or any Honourable Member may entertain with regard

to this clause 13 and I need not dwell on it, not being, unfortunately, a lawyer as accomplished as the Honourable Saiyad Raza Ali himself, but knowing the opinions of the Muhammadans outside, I may say for the information of Honourable Members that the inclusion of this clause 13, although it may be regretted by some people, I think under the present circumstances is essential. (*The Honourable Saiyad Raza Ali*: "An unlucky number too.") It is for the Muhammadans to show unanimity about any measure which may be introduced in this Council, and if a section of the Muhammadan community pleads for exclusion from a general measure, Government which is neutral must show some consideration to the scruples entertained by those people. Under circumstances which indicate a difference of opinion among Muhammadans Government cannot but provide a clause of the nature which has been inserted. Sir, I hope that Honourable Members will understand the situation properly and that the explanation offered by my Honourable friend, Mian Sir Muhammad Shafi, will be found sufficient to refute the arguments advanced by the Honourable Mr. Raza Ali, and I appeal to Honourable Members that they will vote for this clause.

Clause 13 was added to the Bill.

The Preamble was added to the Bill.

The HONOURABLE SIR ZULFIQAR ALI KHAN : I move :

"That the Bill, as passed by the Legislative Assembly, be now passed."

The motion was adopted.

The HONOURABLE THE PRESIDENT : We will now proceed to the adjournment motion.

MOTION FOR ADJOURNMENT OF HOUSE TO DISCUSS THE DECISION ON THE KENYA QUESTION.

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

"That the House do adjourn for the purpose of debating the decision of the Imperial Government arrived at relating to the Kenya question."

At this late hour I do not propose to detain the Council very long. A motion for adjournment ordinarily implies a vote of censure. I assure the Council, however,

The HONOURABLE THE PRESIDENT : Only if the Government answer is not satisfactory.

The HONOURABLE SIR MANECKJI DADABHOY : Subject to that reservation, Sir. I beg your pardon. However, I assure the Council that on this occasion it is not my intention or the intention of many of the Members who propose to support the motion to go to the extreme length of moving the motion. The decision of the Imperial Government has reached us when this Council is in session. It has arrived at the far end of the session and we, the Members of the Council of State, feel that we cannot return to our homes, we cannot allow the work of this session to be concluded without expressing our views on the subject, on this very important question, particularly as this Council will not meet again for several months, and an opportunity will not be afforded to this Council of expressing its opinion. The announcement which has been made has been awaited long with much anxiety,

[Sir Maneckji Dadabhoy.]

but I must say that this important announcement will not satisfy India generally. I will summarise in a few words the decision which the Imperial Government has taken. They have agreed to grant communal representation in the first instance. They have extended to Indians and to non-official Europeans admission into the Legislative Council—in the case of non-official Indians 5 seats have been allocated and in the case of Europeans 11 seats have been allocated. They have agreed to abandon the principle of segregation, but the position of the Highlands remains unaltered and is reserved for the white settlers. An area in the low lands has been experimentally reserved for the Indians, and finally, it is said that the Indian immigration shall be controlled. Sir, this decision does not meet with the public demand in the country. Though the Imperial Government has met us to a certain extent by permitting the principle of segregation to be abandoned and an area in the low lands to be experimentally reserved for the Indians, the Indian cause has been lost on almost all important points. Sir, I have therefore deemed it essential and imperative to move for an adjournment of the House in order that the Government of India may convey to the Imperial Government our deep sorrow, our profound disappointment at the receipt of this unfavourable news. Sir, the result of the decision of the Imperial Government emphasises the policy of discrimination. Lord Hardinge himself said that there could be no discrimination in a Crown Colony. Even in his despatch the Colonial Secretary states that the British Commonwealth was based on common loyalty to the Crown and in a spirit of service transcending all narrow racial ideas. He emphasised the peril of racial discrimination and said that if there was one duty which the British Empire owed to civilisation it was the task of reconciling such dangerous forces and yet, Sir, you see this racial discrimination emphasised in the reservation of the Highlands for the white settlers, and in the controlling of emigration. Sir, we expected that the Imperial Cabinet would do full justice to India and that it will affirm the great principle laid down by the Imperial Conference only in 1921, namely, that of supporting and maintaining the great principle of equality between all parts of the Empire. This great principle which was only affirmed three years ago, on the first occasion happening for the application of that principle, has been discarded, and discarded with injustice to the cause of India. I do not propose to-day to speak on the whole Kenya question. This is not the time or the occasion to repeat the arguments that have been raised in support of the Indian cause. I shall not detain the Council with a repetition of those arguments but I cannot help mentioning that the decision arrived at to control Indian emigration is one which is not far sighted and is wholly impracticable. It is true that a Board will be appointed on which an African and perhaps an Indian will sit to decide the policy of emigration.

But this control cannot have any useful effect. This control cannot instil peace and contentment in the country. This control must in the end imperil the great reputation of the British Empire. There ought in our opinion to be free emigration to all sons of the Empire. On the question of free emigration India will not accept this as a final decision and

I express with all humility that on this occasion the Government of India will not treat this decision of the Imperial Government as a final settlement of the Kenya question. Sir, after a number of years the partition of Bengal which was considered a settled fact was re-opened. The Treaty of Sevres which was considered as final has now been set aside and a new treaty signed. I hold, Sir, the Government of India will not regard this as a final settlement of the question. I know the public feeling is very strong on the subject. Indian public opinion will not regard this as a final settlement of the subject, and will expect the Government to move in this great and important matter. Sir, we are not unmindful and unconscious of our obligations due from us to the Government of India. We are very grateful to His Excellency Lord Reading for championing our cause and having placed our case fearlessly and clearly before the Imperial Government as is pointed out in the despatch and as stated by the Honourable Sir B. N. Sarma this morning, but Sir, permit me to point out that the answer which the Honourable Member gave in reply to my friend Sir Purshotamdas Thakurdas this morning is not satisfactory and will be received in the country with some alarm. We expect the Government to carry on a crusade against the Imperial Government in this matter which we consider sacred. We acknowledge the great services rendered by the Government of the country in placing our case fearlessly, clearly and coherently before the Imperial Government, but we still expect that the Government of India will not hesitate to adopt some measure of retaliation, if necessary, which could be effectively employed if the Imperial Government still persist in adhering to this decision and not substantially revoking or revising it. We respectfully pray the Government of India to swiftly and effectively take up this matter once again and see that uncontrolled right of emigration at least has been ceded to this country. I do not propose to further detain this Council. I thank you, Sir, and the Honourable Revenue Member for giving me this opportunity of moving this Resolution at this time of the day and I beg to say that I greatly appreciate this. With these few words I move that the House do now adjourn.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS (Bombay : Nominated Non-Official): Sir, I rise to perform my duty and second the Resolution moved by the Honourable Sir Maneckji Dadabhoy. An English poet has said :

“ Breathes there a man with soul so dead
Who never to himself hath said
‘ This is my own, my native land ’.”

I really would like some poet here to convert it to a suitable form and ask if there breathes in India a single Indian who does not feel to-day a sense of dishonour, and a sense of his self-respect having been injured and rudely insulted. I go further and ask if there is anybody in India who does not think that India has been done an injustice in the decision which His Majesty's Government has just announced.

I particularly say that if there be any Indian in this land who does not feel that India's self-respect and dignity are insulted, India would like to see him. The feelings of Indians on this occasion could not be better explained than in the way that I have tried to put it before the

[Sir Purshotandas Thakurdas.]

House. It is difficult to control oneself when speaking on an occasion like this. I would like to read to the House extracts from a telegram that I received to-day from one of the Indian delegates from Kenya. He begins :

"Kenya decision both shocking and alarming completely betraying Indian's cause showing queer sense British justice. Indian honour trampled utterly."

He goes on :

"Decision lays down Indians inferiority to whites who secured desired victory vindicating their prestige. These very terms Northey proposed in 1921 rejected by Kenya Indian Congress trusting righteousness their cause and Government written pledges."

These are, Sir, in short the feelings of those who happen to be affected by the decision to discuss which this House has adjourned.

Mr. Ormsby Gore in presenting the Colonial Office estimates said that "the less he added to the carefully considered wording of the White Paper the better." I would like to say that the less I add to the carefully prepared address submitted last Saturday to His Excellency the Viceroy by 15 non-official Indians of this House the better. I certainly think that every word of apprehension which those 15 non-official Members of this House uttered before His Excellency the Viceroy turns out correct and had just cause to be uttered.

But I cannot help referring, Sir, to a few other points which have been brought out by the publication, or rather by the summary of the publication, of the White Paper that has been issued in England on this subject. It is now admitted that "on certain material points it was not found possible to meet the wishes of the Government of India." I would not like to add much to what has fallen from the Honourable Sir Maneckji in connection with those material points in which Indian wishes could not be complied with. Out of four, even the Official Benches will admit, India has lost three. I have an apprehension in the 4th also that executive action may follow to repeat the fate of the pledge or agreement arrived at in 1921 at the Premiers' Conference. You may yet find that there are some ways of quibbling out of it, or some sort of expediency may arise justifying a change from what is laid down in the White Paper.

But I would like very much, Sir, to tell this House from the very same White Paper the number of the people affected and the conditions in the Kenya Colony. The census of 1921 showed that in Kenya the totals of Europeans, Arabs, Indians, including officials, are as under :—

Europeans, 9,631

Indians, 22,812.

Arabs, 10,102.

The Europeans and Arabs put together are less than the Indians. The African population is estimated at over two and a half millions, but it is to be noted that the same White Paper expresses satisfaction that both Europeans and Indians in Kenya are agreed with regard to the importance of safeguarding the interests of African natives. This Kenya Colony where the total number of Indians number more than the total number of Europeans and Arabs, is the same Colony where the Indians can claim

and do claim that they were the first to start any sort of development, and in this same Colony the Indian is to be humiliated to-day. Sir Robert Hamilton in moving an amendment that the Colonial Office vote be reduced by £100, said, that since 1897, although immigration was open the number of Indians had increased only thrice, whereas in the same period the number of Europeans had increased 23 fold. And still the census of 1921 showed that Indians outnumbered the Europeans and Arabs together. And in spite of this the British Cabinet in their wisdom, in their sense of fairness and justice, have thought it right to put the Indians in a position which is universally regarded by everybody as humiliating.

A good deal will be found in the White Paper in the name of 'trusteeship' of the natives of Kenya. I have just read to you a paragraph admitting that both Europeans and Indians were agreed that so far as local natives were concerned, everything possible was to be done to safeguard their interests. All that is to be done, all the hardship, all the unfairness of which we complain has been inflicted in the name of carrying out the trusteeship of the Kenya native. May I ask the British Cabinet in the name of Indians what about the trusteeship of the Indians themselves? If India is a dependency, if India has not the free will and power to do what she likes to vindicate her honour and anything which she thinks derogatory to her, what about the trusteeship of the British public for the Indians? I do not want to be uncharitable, but it would appear, Sir, that some times ideas of trusteeship do shift with the ideas of political expediency. The decision, we are told, has been taken by the British Government, the all-powerful British Cabinet, against the decision of which the people of India certainly are helpless. But it would appear from the reply given by the Honourable Member in charge of this Department that even the Government of India are quivering at the moment. What is the result and what is the position in which this decision of the British Cabinet has put India and the Indians? It is to be noted that this decision is in absolute contravention of the principle laid down by the Premiers' Conference of 1921. But it goes further than that. If this were a decision taken in a Dominion or in an independent part of the British Empire, perhaps we may say to ourselves we ought to pause and consider what the British Cabinet may have done. But this is a decision which has been taken by the British Cabinet themselves in reference to a Crown Colony over which they have complete control, as much control indeed as they have over India and perhaps more, for we are told that in India we are on the way to Dominion Self-government, whereas indeed in the Crown Colonies that is not the case. The infection that may be created by this has not had to be watched very long. Indeed on the day following the publication of the White Paper, General Smuts, the Premier of South Africa, outlined at the Maritzburg Congress the position as regards Indians in that part of the British Empire. The Premier said "it is for us to see justice is done to all, including the white community who cannot protect themselves."

For the first time, Sir, we learn that the Indian can protect himself both in a Crown Colony and in a Dominion; it is the white man who cannot protect himself. I cannot really reconcile these with facts. But it is possible that I am reading from a telegram and there is some important

[Sir Purshotamdas Thakurdas.]

word omitted here or there. Till now, the Indian thought—indeed a Gujarati poet said—that in the British Raj, the tiger and the goat can drink water at the same fountain—till now the Indian thought that the poor and the helpless and those who were endowed with great physical strength could command equal protection. Now it appears that it is the white who cannot protect themselves and it is the Indian who is fully capable of protecting himself. But in that same communication from which I read there is something further. Referring to the Indian demand for equality of franchise this is what the Premier said :

“ General Smuts pointed out that Indians in British Columbia had been refused the vote and he thought that they could only take the same line in South Africa.”

Here is a precedent being quoted. Another more important one would be this case of Kenya where the British Cabinet themselves had the final say, and that will be quoted against India. They will say, “ If you could not be given equal rights in a Crown Colony, why talk of equal rights in any independent dominion ? ” That is the danger, and that is the reason for the exasperation of the Indians.

Now, in reply to a question that I put to the Honourable Member in charge this morning, I must admit—and I must say frankly to him—that I found that the Honourable Member in charge was not willing to be either as clear or as fearless as the Right Honourable the Secretary of State has been reported to be in pressing the Indian claims before the British Cabinet. In fact, Sir, I can indeed say that the Honourable Member in charge gave an answer with which this House and the Indian public would be very very sadly disappointed. This is not the time to mince words—I asked him a very plain question, a question to which I had almost anticipated a reply which must have been a most natural one, in order to lead him on to an answer to the next question, and I found that the Honourable Member in charge gave me a reply which lacked both courage and fearlessness and clarity.

In another place, Sir, I heard the Honourable Member in charge say in reply to some point raised by an Honourable Member there that he thought that the partnership of India with the British Empire was not nominal, but was real and substantial. I would refer to that remark of his and ask him if he is going to revise that remark which he made only a few days ago, and if he is prepared to revise it, if he thinks that he must be given an opportunity for doing so, I would like to know the extent to which the Honourable Member is prepared to revise it. Sir, enough has been said of the hardship and unfairness that has been heaped on India by this measure. The question now is what shall be done by Indians.

The HONOURABLE THE PRESIDENT : I should like to remind the Honourable Member that a good many Honourable Members intend to speak and the time-limit on a motion for adjournment is inelastic. It is 15 minutes for each Honourable Member.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : The question is, what India and the Indians want to be done. There is no question about it that Indians unanimously want the Government of India to vindicate what Indians look upon as their birth-right and as their self-respect. Retaliation has already been indicated both in the other House and in this House in the address to His Excellency the Viceroy, and it is for the Government of India to put up such measures of retaliation as they think would meet with the approval of the Legislatures. But a question has been asked about the sound methods of retaliation, about methods which will not injure India itself. I just want to mention what was pointed out this morning by a very esteemed friend of mine. He said that “ when it comes to a question of retaliation, talk of soundness, talk of moderation ? Nothing of the sort. By any way show to the other party that we mean to vindicate ourselves, whenever opportunity comes, for what has been sought to be taken away from us.” There is no question, Sir, that India and the Indians can ever reconcile themselves to this indignity. The question is, “ what will the Government of India do ? ” and if it is open to an humble individual like myself to indicate....

The HONOURABLE THE PRESIDENT : The debate on a motion for adjournment is limited to two hours and the time-limit for each Honourable Member is 15 minutes. That only allows room for eight speakers, if they take their full time and therefore the Honourable Member must keep himself strictly within his time limit.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : Have I exceeded my time, Sir ?

The HONOURABLE THE PRESIDENT : Yes.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : I think it is for the Government of India to reflect India's resentment of the decision and also to reflect the Indians' wishes for the future so far as the Indian public are concerned in a manner which is courageous, honest and fearless. With these words, Sir, although I am afraid I have kept back much that I would like to say, I have very great pleasure in supporting the motion.

The HONOURABLE SARDAR JOGENDRA SINGH (Punjab : Sikh) : Sir, the Kenya question is a question of very deep moment. I speak in the name of the soldiers—45,000—who went to Kenya and won it during the war. Are those who laid down their lives going to be betrayed by the Government of India and the British Empire ? We have heard of self-determination ; we have heard of a united Empire ; we have also heard of a commonwealth of nations.

When the matter is brought to a test, within that Empire distinctions are made ; within that Empire new distinctions have been created. Why ? What has happened ? The Indians to-day in East Africa are occupying the humiliating position which has been conferred on India by the British

[Sardar Jogendra Singh.]

Cabinet,—the Cabinet that is the trustee of the Empire and the trustee of the 300 million people in India. Are we in this helpless position that whenever Indian rights are to be determined, Indian rights are to be ignored by the British Empire? I may say, Sir, that it is not only a matter which is important on the physical plane. To me it is a matter of spiritual importance. When I look below the surface trying to find what binds this Empire, I cannot see that it is merely physical force. Physical force cannot bind hearts. That it has never done. To imagine that the British Empire can be held by physical force is to ignore the primary conditions on which the laws of God are administered. Are we in this modern world going to forget that it is not the laws of our making, the laws made in Councils and Parliaments, but Divine laws that govern the universe, and nations make and unmake themselves? No country, no nation, can with impunity trespass the law. To-day we are informed that a white paper has been issued completely ignoring the rights which in justice and in fairness it was the duty of our trustees, the British Cabinet, to safeguard. The protests of the Government of India have carried little weight. Why is it so? I remember not many years ago Lord Hardinge stood in the name of India, and to-day we expect our Government to follow the lead which he gave. In these circumstances what is the Government of India going to do with three Indian Executive Members in that Government? Are they going to accept this decision? The Honourable Sir Narasimha Sarma in his reply to a question asked by the Honourable Sir Purshotandas Thakurdas said that there were certain material differences between the Government of India and His Majesty's Government's decision. These material differences are to my mind of paramount importance. It is for the Government of India to vindicate the honour of India and to show that the Government of India is not going to accept any decisions made against the wishes of India lying down. It is for them to show that they mean to vindicate the honour of India in all the countries of the world. Then, Sir, looking at the question with a deeper eye, I invite the Europeans, and also the British Cabinet, to consider whether this is the way to build the Empire, or whether they are not by these actions setting free forces which would eventually disintegrate the Empire? What made the Indian soldiers go to the far-flung battlefields of the Empire but the faith in British Government, implicit faith in the trusteeship administered by the British Government? And that faith is being slowly and surely destroyed. What will His Excellency the Viceroy, when he prorogues the two Chambers to-morrow, say to them? To go and tell their electorates that the Government of India have failed to vindicate the honour of India on a most momentous occasion, which has ever presented itself to the Legislatures or to his Government? Then, again, Sir, there is the question of larger interest, the future of the British Empire. The British Empire, some of us imagined and hoped, was going to unite not only the Indians and the British, but to create a commonwealth, a centre, a meeting ground of nations where all nations would get justice, would get fair treatment, would get equality of opportunity, where the human heart would rejoice that the long expected freedom, the long expected equality, has at last arrived. What do we see

to-day? Racial distinctions within the Empire itself. I am greatly alarmed, and I think most people are, at the tendencies which ignore completely the invisible forces which bind nations and Governments. The white settlers at the present moment think only of the immediate profit, but I am quite sure that in the long run they will realise that equality of relationship with India will bring them profits of a permanent nature. The immediate benefit they think they can secure by sequestering certain lands to themselves will not last. It is the tendency which in an individual trying to appropriate everything to himself is condemned. It is an unsocial tendency and which in the long run never pays. An Indian poet has said :—

*Matae koshishe be mudda ki kiya khabar tuj ko
Teri hadde nazar ai bulhawas sudo zian tak hai.*

Our Statesmen have to recognise that there are certain things which have to be worked for unselfishly, looking not to the immediate gain but the future that lies further ahead and to gather wealth that cannot be robbed. When a crisis arose, as the one that overtook the British Empire not many years ago, it was this treasure which the British Government had gathered that stood in its hour of need, and now I would warn the Government that it is not right in dispersing this great treasure in the way in which it is being dispersed—dispersing the faith of three hundred millions of people in the equity, in the justice, and fairness of British Government. We have often wondered why the colonial empire of Germany failed and the British Empire succeeded. The reason was simply this, that the British Empire followed high ideals, the ideals of humanity, the ideals of equality, while the other countries were always centered on gain—the same thing which is now permeating the Englishman and spoiling the chances of his future greatness. A friend was telling me the other day, “How can you place an Indian labourer on an equality with the superior cultured European settler in East Africa?” The answer I gave him was:—“Has the superior European settler no duty to his weaker brother? He is superior only if he recognises this moral obligation, and he is in no way superior if he fails to admit this moral obligation which he owes to his weaker brother.” I am not sure if the white settlers are not piling up agony which the generations that follow may have to draw upon because in this world there is a God who keeps the balance. I hope therefore that Imperial policy would inspire a spirit of trust and mutual good-will, which will make our commonwealth a gathering of a happy people, liberating the world from the tyranny of castes, creeds and colour, instead of creating differences which are eternally doomed.

The HONOURABLE SAIYAD RAZA ALI : I cannot but deplore the decision of the Imperial Government that has been announced on the Kenya question. Sir, out of the four main points, as many as three which were, after all, the most important points involved, have gone against us. It is only on the question of segregation that the decision is for the time being in favour of Indians, but nobody can say when that question will be brought up again by the white settlers at an opportune moment. Sir, the news has caused considerable excitement in the country. But the very fact that there is considerable excitement at the present moment

[Saiyad Raza Ali.]

over this question makes it obligatory on us that we should go into the entire question very calmly and dispassionately and formulate our decision as to what will be the action that we are going to take. I am afraid that I do not see eye to eye with my Honourable friend Sir Purshotamdas Thakurdas, and I for one would advocate that on a serious question of this character when we find that there is absolutely no difference of opinion between the people and the Government of India, it is our duty to take the Government with us. Instead of producing the slightest cause for friction we should strengthen the hands of the Government of India and ask them not to budge an inch from the course that they have been following for so many years on this question. Sir, I entirely agree that on this question India's honour is involved, and if India acts in a half-hearted manner, if India does not formulate a settled policy for future action, then we should take it that not only has our cause been lost in Kenya, but it will be followed by similar disastrous results in all other colonies. Sir, is it a mere

2 P.M.

matter of chance that this anti-Indian movement has been launched simultaneously in so many Crown colonies and dominions? We find that not only have we got to ask for equality of rights in Kenya, but we have got to engage in warfare with that distinguished general, General Smuts, whose latest pronouncement is highly militant. Again, we find that poll-tax has been imposed on Indians in the Fiji Islands. Then again stricter action is proposed to be taken against Indians in Natal. The same might be said of almost every other Government in South Africa. Sir, how is it that all of a sudden the idea has occurred to every Crown colony and every dominion without exception that the rules against Indians must be stricter to such an extent that they should be excluded from the country. And now, Sir, I propose to ask the Government of India, what is the action they propose to take? This is a question in which not only the people but the Government which has been representing the people so ably, so strongly and so accurately have an equally deep concern. I may say, Sir, for the information of Government that opinion in the country is quite strong enough to endorse any retaliatory action that may be proposed to be taken. Now, we can embark on a policy of retaliation in several ways, but let there be no mistake about it that if we once retaliate, we must be prepared to put up with its consequences. In a matter like this, Sir, no half way house is possible. If once you hit back, you must do it conscious of the consequences that may be brought in its train. It is for this House to see how far the country will be a gainer by resorting to retaliation or how far it will be to the advantage of the country to take action in that line. Sir, to begin with, we can retaliate by stopping emigration altogether. When these Crown colonies have been treating us like this, there is no reason why we should be the suppliers of labour to these countries which were once in dire necessity for labour and which after having reaped the fullest benefit from our countrymen try to kick us out at the earliest opportunity that they feel our services are not wanted by them. That necessarily involves the question of repatriation of those countrymen of ours who are working in the colonies

concerned. We should also take into consideration the important fact that any measures of retaliation might be followed by greater persecution of our people in those countries. I for one am not prepared to say that in no case should we be prepared to put up with this persecution, but whatever we do let us do it in the full consciousness of what may be the consequences of the action that we take. Another direction in which we can move against these offending countries is that we can tax their imports. Here again we shall have to go very carefully into the question as to what is the amount of the imports, and whether by levying any taxes on their imports, we shall be hitting them sufficiently hardly. That again is a question which requires very serious consideration. Then a third way of retaliation has been suggested in the form of our refusing to participate in the British Empire Exhibition and the Imperial Conference. It would appear at first sight that that would be more a retaliation against England than a retaliation against the Dominions and Crown colonies. Yet, there is an important point which should be taken into consideration by His Majesty's Government in this connection. And it is this. In the British Empire Exhibition it is the countries comprised in the British Empire that are going to be represented. In the same manner the Imperial Conference is going to be a representative gathering of the British Commonwealth. If Indians are not going to be treated as equals not only in the self-governing dominions but even in Crown colonies, the question naturally arises whether Indians are not justified in refusing to participate in those gatherings which after all are the gatherings of equals and where inferiors, I take it, are not wanted. If England, on the other hand, is under the impression that inferiors are welcome when it suits the interests of England, I say, England is very sadly mistaken. Either she must take India and Indians as they are and must agree to give them a place of equality, or if any distinction is going to be made, then India will also see to it that she does not appear at a place where it suits England to see India represented.

The question of Kenya, though by itself important enough, becomes a thousand-fold more important when you consider its effect on the other countries. Sir, having regard to the promises that were made to Indians during the course of the war, I mean from 1915 to 1918, having regard to the manner in which Indian valour and Indian sacrifices were praised and appreciated by responsible Statesmen from the Prime Minister down to the newly recruited Under Secretary, having regard to those promises and pledges and comparing them with the change that has come over the British policy since 1921, I say, Sir, that England should take note that India's faith in British promises and in British pledges has been seriously shaken, if not entirely lost. Sir, we remember that during the Great War it was pointed out that England's misfortune is India's opportunity. We know in what manner these words were interpreted. They were interpreted to mean that if England was in misfortune it was the duty of India to help her and to prove that India did not want to serve her own interests by taking advantage of England's embarrassments. But, Sir, if this policy of England continues, then England must take the responsibility for

[Sir Narasimha Sarma.]

part of the country for settlement on certain terms. There is no legislation which debars the acquisition or transfer of land from persons of one nationality to persons of another nationality. There is a practice. They repudiate, as I have said, the assumption or the statement that it is based upon any racial inequality. What is the position? The total area is 245,060 sq. miles. The area allotted to Europeans and available for alienation—this statement was made a few years ago—was 11,859 sq. miles. 53,124 sq. miles are native reserves. The coastal belt consists of 4,420 sq. miles and the unassigned area is 172,532 sq. miles. I am reading these figures—it is possible that some of the best land is included in this 11,859 sq. miles—I am only quoting these figures for the purpose of showing that, as Lord Milner put it, having regard to the sparseness of the population, there is enough and more land for Indians, Africans and Europeans to deal with if only the necessary enterprise, the necessary capital and the necessary labour be forthcoming. Part of the land has been reserved for native interests. Part of the land has been reserved for Europeans because it is said it is only that part they can live in. The rest is unassigned area. But His Majesty's Government propose that the land probably lying between the Vel river and the Yata plains should be reserved for the Indians if the Indians wish such a reservation to be made. I cannot help thinking that if you analyse the situation, the European settlers are putting themselves, speaking from the point of view of a higher civilisation and high ethical principles, in a somewhat low and humble position, because they are asking for protection. They are asking for protection just as some of the military classes in Upper India are asking for protection against the traders who are wealthy and into whose hands the land may pass. They are asking for protection much in the same manner as the aboriginal tribes, if I may say so, who I find have been given protection in some parts of India by a benign Government in order that their land may not pass into the hands of the richer and more enterprising classes. I cannot see how this reservation can, broadly speaking, be considered as an assertion of superiority. If I were a European settler there, I should be ashamed of asking for that protection, but unfortunately, things being as they are, and they having asked for protection and an implied or express pledge being considered to have been given to them, His Majesty's Government have decided that it was desirable that the practice should be continued. But we are certain that this practice cannot be very long continued. I am not justifying that this practice is a correct one. The Government of India do not agree with His Majesty's Government's decision. I am only putting forward the reasons for saying that there is another side of the picture to be presented, that it is not that there is nothing to be said for the other side and that we can come to one conclusion only that we are in the right and that they are absolutely in the wrong. I therefore hope that this temporary solution that His Majesty's Government has come to—I hope that this solution would be only a very temporary solution and that the white settlers themselves, as some of them I believe are doing, would repudiate this sort of protection which must really be humiliating to their sense of self-respect.

The HONOURABLE SIR PURSHOTAMDAS THAKURDAS : What authority has the Honourable Member got for saying that this is a temporary

settlement? He is a responsible Member of Government, and what is his authority for saying that this is a temporary settlement?

The HONOURABLE SIR NARASIMHA SARMA : I never said it was stated to be a temporary settlement. We hope that it would prove to be only a temporary settlement and that the practice will be continued only for a short time.

Then, Sir, on the question of communal representation, I need not say much, because the Government of India, perceiving the evils thereof, had set their face against it. The reasons for the decision of His Majesty's Government are clearly and emphatically stated in the papers. They say that the question is not of very great importance in a Crown Colony. They say that having regard to the wider franchise that can be given to Indians and to what would be appropriate in the present condition of the African population, they have arrived at this solution. They express the view that the self-government which may be possible in some distant future may be left to take lines which the passing of time and growth of experience may indicate to be best suited to the conditions of the country and that they need not anticipate the future at the present moment. The Government of India were and are still of opinion that, although for the time being the differences between the Europeans and the Indians are very great and acute, still, it is only a passing phase and that a communal electorate with reservation of seats, if necessary, would make the people work together for a common future and would solidify and consolidate them, and that that is the only right solution. But having regard to what is occurring in this country, the desire expressed in some other Colonies and the statement that there is absolutely no ground whatsoever or justification for any assumption that the decision is based upon a race distinction, why should we import it although it is true that much colour is lent to it by the fact that the European settlers have refused a common electorate on the ground of race. I am not minimising that aspect of the question; the Government of India had it before them; but His Majesty's Government repudiate the suggestion that their decision is based upon any such distinction whatsoever, and state that it is wholly and completely based upon the peculiar conditions of the colony with which they were dealing. Well, Sir, having regard to the emphatic declaration of His Majesty's Government that there is no question of race how can we say that the European settlers, although in substance their wishes have been gratified, have really gained on the question of principle. (*An Honourable Member* : "What is the Honourable Member's point about the distinction between 'in substance' and 'on principle'"). On the question of immigration, Sir, His Majesty's Government have laid down the broad principle to which no exception could be taken, that His Majesty's Government cannot countenance the introduction of legislation....

The HONOURABLE MR. LALUBHAI SAMALDAS : On a point of order, Sir. Rule 42 of the Manual says, 'no speech shall exceed 15 minutes in duration.'

The HONOURABLE THE PRESIDENT : That is perfectly true. But one Honourable Member on the non-official side spoke for 20 minutes. The Mover took his full time, and there have been four speeches on the same side. I think when we consider that the Honourable Member has come

[The Honourable the President.]

here to meet the convenience of Honourable Members, foregoing the ordinary internal for refreshment this is a somewhat ungenerous objection which the House will not countenance.

The Honourable Sir Narasimha Sarma.

The HONOURABLE SIR NARASIMHA SARMA : Yes, I shall try not to transgress the rule. I have mentioned this only to show that there is no ground for alarm from the stand-point of principle, and that the Government of India cannot find fault with the broad principles, the general principles, laid down by His Majesty's Government. I have already in my answer to a question that was put to me to-day stated that in the actual application of any immigration restrictions that may be imposed, there is danger that the policy which has been followed with such regrettable consequences in other dominions may be followed here also ; and the Government of India will require the assistance of the two Chambers of Legislature to watch, to jealously safeguard, the interests both of the Indian settlers abroad as well as of the Indian public here ; to see that the restrictions are really distinctions not based on the ground of race ; it has been stated in the white paper that they are not based on the ground of race—for instance, any Indian found to be unfitted for entry into the colony would be excluded on the same grounds as any European or any other person would be— ; and it is our bounden duty to see that these restrictions really are worked in the spirit and in the manner in which the principle lays down that they should be worked. There is reason for alarm in that these restrictions may be worked otherwise, and I have therefore sounded a note of warning, but I do not see, Sir, what justification there is for the charge that has been levelled against us. I shall not go into the personal aspect, I do not mind any accusation against me, but I represent the Government of India,—that we have not been frank or outspoken or fearless ; we have been fearless and we mean to be fearless in advocating the Indian case whether success attends our efforts or not, and within the constitutional limits that are laid down for us, we will shape our course according as the demands of justice may dictate. We are fighting for a just cause, we believe we are fighting for a just cause, and nothing will deter us from taking exception to any measures that we may have reason to think are based on unjust principles, but I do not think the enunciation of principles by His Majesty's Government can be quarrelled with. As regards the actual application of the principles, I have already sounded a note of warning, and we will see that it is our business to safeguard India's interests. I hope therefore that the charge that has been directly levelled against the Government, whose representative and mouth-piece I am, will be found on examination to be not justified at all. I can only repeat the statement that we realise the depth of feeling of this House. That is the reason why we welcomed a discussion in this House to-day in order to explain the position of His Majesty's Government and of the Government of India ; we know that the settlement cannot be satisfactory to the Indian community to which I have the proud privilege to belong, but, Sir, let us be patient, let us be dispassionate, let us take up the question and discuss it calmly, and not be carried away by our feelings. We must be patriotic, the Government of India is patriotic, and within the limits of its powers it tries to do

its best. Whether it has more power or less depends as I stated elsewhere upon the solidarity of the people of India, upon their sinking their differences, upon their combining and acting together in all respects as one man, and upon the growth of literacy ; and then the partnership which is intended by all parties to be real will become more and more real in intention as well as in practice. I think, Sir, therefore there is no ground for undue pessimism for the feeling of despair that has been expressed, and I hope this explanation will satisfy Honourable Members when I say once again that the Government of India will try their level best to urge on His Majesty's Government to so shape these measures in actual practice as not to injure in the slightest degree the true interests of the Indian community and their legitimate aspirations.

The HONOURABLE MR. LALUBHAI SAMALDAS (Bombay : Non-Muhammadan Urban) : Sir, I did not want to take part in this discussion because the matter has been put very strongly and very clearly by my Honourable friends, the Mover of the Resolution, and the Honourable Sir Furshotamdas Thakurdas ; but certain remarks that have fallen from the Honourable Sir Narasimha Sarma have led me to get up and reply to them. He said, Sir, that we should not lose our patience, that we should be dispassionate, and act as calmly as we possibly can. Sir, there are occasions when we cannot do it ; we refuse to do it. Human beings as we are, we cannot stand humiliation and disgrace in the way in which we are being treated in the Empire. We are partners of the same Empire, the Honourable Member says we are, and he says that we can really exact that partnership if there is solidarity between the Government of India and the people of India. The people of India are at the back of the Government of India, but are the Government of India really with the people of India ? They could have easily taken us into their confidence ; why cannot the Government of India publish the despatches which my Honourable friend, Sir Purshotamdas Thakurdas asked for to be published ? There have been precedents. Lord Hardinge had the courage of his convictions ; he himself made a speech for which he was violently attacked in England. Why cannot Lord Reading's Government, composed as it is of at least three Indian Members, have the same courage which Lord Hardinge himself had ? Then there is another precedent. In the time of Lord Chelmsford when I believe Sir George Barnes was Commerce Member, the Government of India's despatch to the Secretary of State was published for public information, and that despatch won the confidence of the public. Why cannot the present Government of India also do so the same ?

The HONOURABLE SIR NARASIMHA SARMA : May I make a personal statement ? Government have not refused to publish the correspondence. The substance of the white paper came in only yesterday, and surely if the rules of public correspondence have to be observed and these are negotiations that have taken place between us and His Majesty's Government in a confidential manner, we shall have to pursue the usual methods and get the necessary permission and see how far we can publish them. There has never been any unwillingness on the part of the Government of India to publish the correspondence. They would welcome such publication, but they must have time to go through the usual channel that they may be able to publish the correspondence.

The HONOURABLE MR. LALUBHAI SAMALDAS : I am very thankful to the Honourable Member for the explanation that he has given. But I thought that the Government of India had the power ; if they have not the power of publishing it, I hope they will take as early an opportunity as possible to get the Secretary of State's sanction to publish it. But the idea of loyalty to the Secretary of State can be carried too far, Sir. The only remedy that seems to us on this Bench is that if the Secretary of State is going to interfere in every direction with the decision of the Government of India, and is not going to support wholeheartedly the Government of India, the Government of India ought to be made responsible to the people of India. Swaraj or full responsible self-government is the only remedy by which we can assist our countrymen in other parts of the world. Unless we get it I do not know how we can improve matters. His Excellency the Viceroy, assisted by the three Indian Members, should find out the best way of helping our countrymen not only in East Africa but in other colonies as well. In this connection may I ask why the report of the Committee that went to Fiji has not yet been published. Why should Government keep back that report? Really we are losing confidence in the Government and are led to believe that there is something behind the report which the Government are not willing that the public should see. If the Government of India really want to fight the battles of the people they must take the people into their confidence.....

The HONOURABLE SIR NARASIMHA SARMA : May I make a statement? The Government of India have refused, have set their face against allowing any emigrants to go from India to Fiji, under existing conditions, but inasmuch as there was an understanding on which the Commission went to Fiji and that understanding had to be respected and there were certain statements made in the report which required examination with reference to that understanding which was come to between the two Governments, there has been some delay and we hope to publish the report at an early date. The Government of India have not taken, and do not propose to take, any action on that report until they publish it and allow everybody to read it.

The HONOURABLE MR. LALUBHAI SAMALDAS : The people of India paid the expenses of the Commission and they want to know its results and the fact remains that the report is not yet published. Sir, I do not know what attitude the Government of India will take. The Honourable Sir Narasimha Sarma has said this morning that they are carefully considering this question, but if the attitude of the Government is, as shown by the speech of the Honourable Member in charge, that they think that the principles laid down by the Imperial Government and their decision are correct principles, I think we can never expect anything from the Government of India.....

The HONOURABLE SIR NARASIMHA SARMA : A number of general principles—I did not say all.

The HONOURABLE MR. LALUBHAI SAMALDAS : We on this side see that on every point we have lost and that is why the feeling in the country is really very bitter. Take any question. I am quoting from a

memorandum which was handed to the Secretary of State by the Indians in the Kenya Deputation. They say :

“ That the same rights of franchise be granted to Indians as are now enjoyed by the Europeans.

That the Government's power to veto transfers of land from members of one race to those of another may be abolished.”

If I understood my Honourable friend he said that there is no law prohibiting the sale of land from one race to another. I understood that there is a law under which no transfers of lands in the Highlands from Europeans to Indians are allowed.

The HONOURABLE SIR NARASIMHA SARMA : With the consent of the Governor. The Governor has got full power to grant consent.

The HONOURABLE MR. LALUBHAI SAMALDAS : As regards segregation, it is more or less a camouflage. Here they say in one part there shall be no segregation, and yet they keep apart Highlands for the Europeans, and the Lowlands, if Indians require, are kept experimentally for certain classes of people. But I want to refer to one point. The Honourable Sir Narasimha Sarma said that there are 2½ millions of African population and that the Crown Colony system of government was working well and that it would do the same hereafter. May I draw the attention of the Honourable Member to the fact that the native population in Africa in 1911 was 3 millions. Within ten years, during the continuation of that Crown Colony system, it has gone down to 2½ millions. Is that the best way of governing a Crown Colony, and is that the manner in which the majority of white settlers are now to be allowed to rule that country in the interests not only of Indians but of Africans? Then, Sir, there is another figure. I would like to quote the present total native taxation. It is £720,000 out of which only £29,000 are used for education and native medical relief. Is that a correct proportion? Then, as regards the lands, my Honourable friend, Sir Narasimha Sarma, said that 11,000 square miles were given to European settlers. Was there not practically actual confiscation, sequestration, and was it not given as a present to the white settlers? Is that a correct way of managing a Crown Colony?

The HONOURABLE SIR NARASIMHA SARMA : We are not now sitting in judgment over the Crown Colony form of government.

The HONOURABLE MR. LALUBHAI SAMALDAS : The Honourable Sir Narasimha Sarma said that the Crown Colony system of government had looked after the interests of the native population, and I wanted to show that that was not so, and now when the Government will be controlled mainly by the white settlers, the Government will be much worse than what it was before. Not only in the interests of Indians, but in the interests of those in whose name the white settler has claimed these privileges, whether it would be better to continue to protest or to send an ultimatum is for the Government of India to decide. But the last one would be the best course that I would suggest. Sir, in the end I cannot do better than quote from what Mr. Andrews said in his pamphlet :

“ Might may triumph over right for the moment ; but the triumph is sure to be short-lived and it is certain to let loose all those destructive forces in Asia and Europe, which have been watching for years past for opportunities to challenge the claims of Britain to swallow the weaker nations of the world.”

[Mr. Lalubhai Samaldas.]

I hope that British statesmanship will rise to the occasion. The Government of India should take their stand in the same way that Lord Hardinge and Lord Chelmsford's Government did. With these words I support the motion.

The HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : I rise to endorse the views which have been so forcibly expressed by my esteemed friend Sir Purshotamdas Thakurdas and the Honourable Mover. It is a matter of great regret for us to find that Government is violating the pledges and promises which it has made from time to time. This deplorable announcement which the British Cabinet has made is, as the Honourable Sir Narasimha Sarma said, mostly against the representations and the views which have been put forward by the Government of India from time to time. Sir, as far as I know, Indians were the first people who settled in Africa, and as such they have the prior claim to any other race as far as the question of settling in Africa is concerned. The Honourable Sir Narasimha Sarma's plausible explanation does not improve the case. He has said that the whites are racially superior and so they must have a better right in elections there. What do we find in India? Is it not a fact that in India the policy is that voting should be on a population basis? On the other hand, Sir, what do we find that those races or those communities who are intellectually superior are not given superior rights. Equality of status has been promised by the Government and even in the League of Nations it has been held that India should be given equality of status without distinction of race or colour. Where is that promise now? We see that might is right, and not that right is might for which our great Government fought the Great War. India has been and is a great keeper of self-respect and whenever that self-respect is injured, India cannot but show her strongest resentment. I do not want to take up the time of the Council, but I must say that there was a time when the services of Indians were needed, and at that time all sorts of promises were made and hopes held out. But now when the war is over and Indian services are no longer required, India being the recruiting centre, and the seat of man power, those promises are now forgotten. In my humble opinion in case the Government of India is sincere and in case they really mean to protest and show proper resentment against this deplorable decision of the British Government they should, as I said, some time back. I mean His Excellency the Viceroy and the Government of India, should resign in a body. The Honourable Sir B. N. Sarma said that they were fearless and if they are sincere and fearless, this is the right course I suggest.

The HONOURABLE DIWAN BAHADUR V. RAMABHADRA NAIDU (Madras : Non-Muhammadan) : As nobody has risen from my province to speak, I wish to say a few words. The wise words addressed to the Council by the Honourable Sardar Jogendra Singh appeal to me. Government would do well to take seriously his advice in this matter. It is always advisable that in a matter of this kind that the wise counsel given by some prominent member should be heard by the Government and the words of Sardar Jogendra Singh appeal to me and I request Government to give effect to them.

The HONOURABLE SIR MANECKJI DADABHOY : I wish to.....

The HONOURABLE THE PRESIDENT : The Honourable Member has no right of reply.

The HONOURABLE SIR MANECKJI DADABHOY : I do not wish to reply, but I want to make a motion. The motion that I desire to make is that I do not desire to press this motion now, as all the Members have taken part in this debate and the matter has been ventilated. I do not think it advisable to press this motion.

The HONOURABLE THE PRESIDENT : The Honourable Member apparently desires to ask the leave of the Council to withdraw.

The HONOURABLE SIR MANECKJI DADABHOY : I am coming to that. I do not think it necessary to press the motion for adjournment. I feel in doing so.....

The HONOURABLE THE PRESIDENT : The Honourable Member can only ask the leave of the Council to withdraw his motion. He cannot make a speech in doing so.

The HONOURABLE SAIYAD RAZA ALI : May I suggest whether it would not be better to talk the motion out instead of asking leave to withdraw.

The HONOURABLE THE PRESIDENT : That is entirely a matter for the discretion of the House. I am trying to ascertain from the Honourable Member if he wishes to ask leave to withdraw. At present I do not know what he wants.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : Sir, the decision arrived at by.....

The HONOURABLE THE PRESIDENT : Does the Honourable Member intend to speak on the motion raised by Sir Maneckji Dadabhoi?

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI : No.

The HONOURABLE THE PRESIDENT : What does the Honourable Member (Sir Maneckji Dadabhoi) desire to do?

The HONOURABLE SIR MANECKJI DADABHOY : If it is the desire to talk the motion out, then I do not withdraw. I thought all the Honourable Members had exhausted themselves.

The HONOURABLE THE PRESIDENT : I understood him to ask the leave of the Council to withdraw. Does he desire to make that request now.

The HONOURABLE SIR MANECKJI DADABHOY : I will not withdraw my motion if it is the desire of the House to talk it out.

The HONOURABLE DR. MIAN SIR MUHAMMAD SHAFI (Law Member) : Sir, Honourable Members are aware that the controversy relating to the rights of Indians in Kenya is not a new controversy. Correspondence has been going on between His Majesty's Government and the Government of India for a very long time and the Government of India have ever since the commencement of this controversy put the claim

[Sir Muhammad Shafi.]

of Indians with regard to the various questions at issue as strongly as is possible. The Government of India, realising the justice of the legitimate demands put forward by the Indian settlers in Kenya, supported as those claims are by Indian sentiment and Indian feelings of self respect, have never failed in the past to advocate and support the legitimate claims of the Indian settlers in Kenya. It is perfectly true as was mentioned by the Honourable Rai Bahadur Ram Saran Das in his speech that it was the Indians who first settled in Kenya and developed that colony to a very large extent before the European settlers thought of coming to that colony and the justice of the Indian claims in so far as they are legitimate and in so far as they are reasonable is undeniable. That being so, the Government of India have in the past supported the claim of Indians fearlessly and strongly as is admitted by His Majesty's Government even in the statement which they have issued. Unfortunately India has lost on some of the points in issue. That is absolutely undeniable and this House may rest assured that the matter will not stop here. The Government of India will, in so far as the legitimate and reasonable claims of Indian settlers in Kenya are concerned, continue to press the Indian view on His Majesty's Government. It seems to me, Sir, that the decision which has been come to by His Majesty's Government on this question should not be taken as final. Indeed in these political controversies there is hardly a decision which can ever be considered to be absolutely final. Times change. Constitutional developments take place. New factors come into play and with the coming into force of new factors, decisions once taken are often subsequently modified. Indeed if this were not so, there would be no such thing as constitutional development. After all, it must be remembered that change is the law of nature, and therefore we need not be despondent. We need not be pessimistic. The House may rest assured that the Government of India will make further representations in connection with the questions upon which the Government of India know that the country feels and feels strongly.

The HONOURABLE LIEUTENANT RAI BAHADUR CHAUDHRI LAL CHAND

3 P.M.

(Punjab : Nominated Non-Official) : Sir, if ever there was perfect unanimity between men of different schools of thought and between men professing different religions, I think it is to-day. If ever there was perfect unanimity between capitalists and labourers on the one hand and between the military and the trading classes on the other, I think it is to-day and on this question. Member after Member of this House has reiterated the real feelings of the country and has expressed in emphatic terms that India's heart to-day is one. I do not wish to go over the same grounds again. I take a different view. The poet has said—"Sweet are the uses of adversity." At the present moment India is divided. There are in some provinces Hindu and Muhammadan questions ; there are political differences in the Congress camp ; there are communal differences also in some municipalities and district boards. I think this is a God-sent opportunity and it will give us all an opportunity to unite. I think I will only be doing my duty by the people and by the Govern-

ment if I submitted to the Government that, although they have been doing all that was possible in their power to put the real feelings of the people of India before His Majesty's Government, they would be failing in their duty if they were not to do all that was possible to retaliate. The question may be asked what is all this difference between the Government of India and His Majesty's Government due to ? It is one of the inevitable evils of governing a country from a distance of 6,000 miles. The Government of India was here on the spot and they came to know the real feelings of the country and of different sections of the Indian communities, and they put those feelings before His Majesty's Government in very strong terms. I hope that the Government of India will do their duty in the future also. With these few words I support the motion.

The HONOURABLE SIR ZULFIQAR ALI KHAN (East Punjab : Muhammadan) : Sir, after hearing the speeches of the Honourable Members and after reading what the press is saying, I can safely say that the announcement of the decision with regard to Kenya has sent a wave of painful feeling from one end of the country to the other. India who trusted in the wise decision of the British Cabinet, at Home has been disappointed. It is a matter for great regret, Sir, that in matters in which their national honour is concerned Indians when they look to Great Britain for the protection of that honour do not get justice from the Home Government. This question of Kenya appertains to a Crown Colony ; it is between the Indians and the white settlers there ; and we all expected that in a place like Kenya which is a Crown Colony the British Government would give us impartial justice. Of course we have had experience of the treatment of Indians in the Self-Governing Dominions and we know what General Smuts and others have said. In their case when the British Cabinet said that they could not go and fight the Self-Governing Dominion we could see the justice of the remark. But in a place like Kenya where the British Government can assert itself and vindicate the rights of Indians, it is puzzling to us to find that the decision is unfavourable to us. Sir, when Indians go and settle down in the Colonies and meet with trouble or unfavourable circumstances, they naturally look to India to support their cause and to right the wrongs with which they are afflicted. And Indians, not possessing any authority, naturally appeal to the British Government for the redress of their fellow countrymen. And Honourable Members can imagine what must be the sorrowful feelings of those lonely Indians in the Colonies when neither we nor our appeals can help them. It is a regrettable matter and one which affects the good-will of Indians not only towards those settlers but also towards those Self-Governing Dominions and the Government at Home which does not show scrupulous impartiality towards all classes. I, Sir, having belonged to the first Council during the days of Lord Minto, remember vividly how the late Mr. Gokhale used to fight the cause of Indians in the matter of their treatment in the Colonies. I heard those debates and I can say with firm conviction that the late Mr. Gokhale who felt very keenly on this subject, if he had been alive now to advocate the cause of the Indians in this Council with the same fervour as he did then, I do not think that even his strong advocacy would have altered the matter. Is it not therefore disappointing to us that we in spite of our great services and

[Sir Zulfiqar Ali Khan.]

devoted services to the British Crown cannot induce the British Government at Home to show that justice which humanity demands. Sir, with these few remarks I have expressed my views on the subject.

The HONOURABLE MR. S. VEDAMURTI (Burma : General) : Sir, I have always heard an expression that this is an age of white-washing. I was sceptical about that expression, but to-day after hearing the Honourable Sir Narasimha Sarma, I feel that that expression is entirely true. The Member in charge has tried his best to white-wash the Imperial Government, and he has tried his best to put his own interpretation on the several provisions that have been arrived at by the Home Government in regard to this Kenya question. While his speech, cold as it was, was a great surprise not only to me but all the non-official Benches, the speech of the Leader of the House was couched in a different strain. Sir, whatever the official apologists may say ; whatever white-washing they may have to do with regard to these provisions, I can assure the House that the Indian community feels them very strongly, and the House will not be surprised, and the Treasury Benches will not be surprised, if there arises in this country an agitation which will be unparalleled and unprecedented in the history of this country. For my part, I can assure this House again that whatever steps may be taken, be it of retaliation or of any other kind, we Indians are not going to take them lying down. We are going to stake our all to protect the interests of Indians in Kenya. Well, Sir, the Honourable Sir Narasimha Sarma has been telling us.....

The HONOURABLE THE PRESIDENT : Order, order. The debate having now proceeded for two hours automatically terminates.

ADJOURNMENT OF COUNCIL *SINE DIE*.

The HONOURABLE THE PRESIDENT : As the Council will be prorogued to-morrow, it only remains for me to adjourn the Council *sine die* and to express the hope that Honourable Members after to-day's prolonged sitting will have a pleasant journey and find recuperation in their homes.

The Council then adjourned *sine die*.

COUNCIL OF STATE.

Saturday, 28th July, 1923.

SPEECH DELIVERED TO THE COUNCIL OF STATE AND THE LEGISLATIVE ASSEMBLY BY HIS EXCELLENCY THE VICEROY.

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 Eleven of the Clock.

HIS EXCELLENCY THE VICEROY : I am here to-day to address you on what must be generally recognised to be a most important occasion. This is the last day of this Session of the Legislature and the last day of the last Session of the first Legislative Assembly constituted under the Government of India Act of 1919. The close of this Session marks a stage in the working of those reforms. We have reached the end of a definite part or chapter in that gradual development of self-governing institutions in the Indian administration which is the declared policy of the British Parliament. We have advanced one step forward, an important step, in the progressive realisation of responsible government in British India as an integral part of the Empire. I pause to dwell on this point. I desire others to realise, as I do, what the end of this period means for India. It began by a momentous declaration of policy by His Majesty's Government who determined it to be necessary to give effect to this policy by successive stages and forthwith to take substantial steps in that direction. Since that announcement we have been travelling on that road, and we have now almost reached the halfway-house on that journey. We in India at this time will naturally desire to pause and appraise our achievement ; but this stage holds interest not only for us,—though it must have a special and intimate importance for us,—but for a wider public. Of necessity at the close of this Session the British Parliament, upon whom lies the responsibility for the welfare and advancement of the Indian people, must look back and take stock, in the words of the preamble of the Act, “ of the co-operation received from those on whom new opportunities of service have been conferred.”

There is another aspect of the question. Our constitution enacts that on the expiration of 10 years after the passing of the Act of 1919 a Statutory Commission shall be appointed to inquire into the working of the system of government, the growth of education and the development of representative institutions in British India and all matters connected therewith, and to report thereon. In effect at the time stated the progress and achievement under the reforms are to be weighed in the balance for the purpose of determining the degree and extent of the next move forward. They are to be tested in the crucible for the alchemist to decide of what metal they consist and whether they ring true. I remind you

that time is passing and that we have almost reached the moment when half that statutory period will have elapsed. The achievement of the Indian Legislature, and especially of the first Legislative Assembly in these circumstances, assumes a special importance. The work they have accomplished, the influence they have exercised, the example and experience they bequeath to their successors, all contribute to that atmosphere of success or failure which will surround the Reformed Constitution when the Mother of Parliaments sends her representatives to inquire into the working of the system of government.

To-day we are bringing to a conclusion the proceedings of the first Indian Parliament under the Reforms and we are assisting at the obsequies of our first Legislative Assembly ; it is therefore meet and proper that we should review past action as we pronounce its funeral oration ; but we are also at the stage which precedes and heralds the birth of a second Assembly ; and we may for this reason also fitly assess our experience and hand on its fruits for the benefit of our successors.

I have spoken of the special interest which our proceedings to-day have for ourselves and for the British Parliament. They are also keenly watched by a larger public. No one can have failed to note the great growth of interest in the proceedings of the Indian Legislature which has been a prominent feature of the British Press in the last two years. Time was when the notices of Indian affairs in the British Press were few and intermittent. That day has passed with the reforms. Time was at the outset of the reforms, when a section of the Indian Press professed to ignore the deliberations of the Indian Legislature except for occasional and brief outbursts of malicious depreciation. Those days are gone. You may have your detractors ; you may have your critics ; but you have now everywhere created and sustained a vivid and living interest in your actions. You have made the Indian Legislature the mirror of events in India. All matters of importance to India are reflected in your questions and Resolutions. Before I pass to your achievements in the working of the reforms, I will examine the political situation regarding the reforms. Those who are opposed to the true interests of India and are blind to her position in the British Empire and to the mutual protection and strength those ties assure, have not been slow to allege that the reforms are of a transitory nature ; that they were the outcome of the political complexion of a moment ; that they have neither substance nor permanency ; that you live in short in a fool's paradise whose palaces and gardens will vanish in the twinkling of an eye like the passing of a mirage. Nothing could be more untrue. I came to India immediately after the initiation of the Reformed Constitution, pledged to carry on that constitution and entrusted with special and new responsibilities by His Majesty as Governor General to that end. On me was the charge laid that it was His Majesty's will and pleasure that " the plans laid by our Parliament for the progressive realisation of responsible government in British India as an integral part of our Empire may come to fruition to the end that British India may attain its due place among our Dominions." A solemn declaration of policy had been made by His Majesty's Government to the same purport ; the legislation had been passed with the assent of all political parties in

England. Since then there has been no change and there will be no change in the announced policy. It is the recognised policy of the British Government however constituted. There have been changes in Prime Ministers, changes of parties in power in England, changes in the personnel of the Secretary of State for India ; but the fundamental policy as regards Indian reforms has remained unaltered ; and it is the unshaken determination of the British Government to carry out those reforms not only in letter but in spirit.

There has been criticism of the illusory nature of the reforms. Those who wish to hinder the progress of India along her settled path have charged the reforms with being an empty shell without a core. They have termed them a dress giving only the trappings of reality to a dead body which had neither life nor force.

The achievements of the Indian Legislature have been decried. Their position and privileges have been ridiculed ; their motives have been misinterpreted. Their sincerity and patriotism have been attacked. Let history be their judge. I am confident that no difficulty will be found in sweeping aside those travesties of their earnest and constructive labours ; but this is not all. The Assembly itself has been at times despondent. There have been moments in this House when voices have been uplifted crying on the Reforms as a niggardly gift and a sham. My sympathy at all times is with laudable desires for constitutional advance and longings for a wider horizon ; but when I examine the position the Legislative Assembly has attained, the use it has made of its opportunities, the effect and dignity with which it conducts its debates and the broader aspect of its powers upon the policy of the Government of India, I cannot but feel that the Assembly at times takes far too narrow and restricted a view of its potentialities and real influence ; and I must suspect that sentiment on occasion tends to obscure reason and dims the vision of those solemn promises of the British Government and of the Charter of Indian liberties of which the Government of India Act is the repository. Weigh for a moment the influence and power of the representative element of this House against that of its predecessor, the Imperial Legislative Council. Compare the realities of its responsibilities with pre-existing conditions. Reflect on the establishment on a firm basis in this House of Parliamentary traditions and on their incalculable effect on the future.

I do not desire to enter upon a catalogue of the legislative achievements of the Legislature or to enumerate in detail those Resolutions or questions or recall those debates which have produced material results on the Executive action of the Government. I prefer to recapture for a moment the atmosphere and the state of political feeling in India when I assumed my office and to ask you to judge how far this has changed and how far your influence and action have contributed to this change. When I first came to India I was at pains to get into touch with political thought, to hear grievances and study the press so that I might acquaint myself with those matters which appeared to be a subject of general complaint. My impressions of the burning questions of the day in Indian opinion as gathered from those sources was as follows. In the first place, there was a deep tide of resentment regarding curtailment of liberties. The more progressive considered the statutory restrictions on the freedom of the Press to be unnecessary, unduly restrictive and incompatible with the spirit of reforms. The same exception was taken to a number of special enactments

restrictive of certain aspects of political agitation and known as the Repressive Laws, and particularly included the Rowlatt Act. Strong views were expressed to me as regards the number of British troops employed in India, the strength of the Indian Army and the burden of military expenditure. The military position was represented as showing a total want of confidence in India and as strangling the material expansion of the country by weight of army expenditure. Though Indianisation had begun in the Civil Services, the absence of any regular scheme of Indianisation of the Army was quoted as a proof of the mistrust of Indians by the British element and as designed effectually to prevent the ultimate realisation of responsible self-government in India. A like suspicion was alleged to be at the root of the failure to associate elected representatives of the people in advisory capacities with the problems coming before the Departments of the Executive Government.

India was represented as dominated in fiscal matters by the British Government and by the economic interests of Great Britain. The stores policy of India was said to be dictated to stifle the expansion of industry in India, and accusations were levelled that its main purpose was to place the maximum amount of orders with British manufacturers. Finally, the bureaucratic Government were charged with having established for the perfection of their own ends an unduly complex and expensive administrative machine and with having expanded its activities in directions not desired by the Indian public and out of proportion to India's resources.

I need hardly recall to you how the case now stands in regard to those subjects. For I know that you count the measures, which have been adopted by my Government on the strength of your representation of public opinion in those matters, among the most priceless pages in your annals; you may perhaps feel that the policies you advocated are not yet in all cases fully accepted, but when you leave this House you may assuredly point to many grievances, which were the cause of much bitterness and suspicion, checked by you in their early growth and now lying strangled on the open road you have left behind you.

These achievements arrest immediate attention; but there are other matters to be mentioned, particularly as they relate to activities of a more constructive character which will, I trust and believe, have an important and beneficial effect upon the future interests of India. In the Indian Factories Amendment Acts, the Indian Mines Act and the Workmen's Compensation Act, the Legislature has placed on the Statute-book measures destined to protect labour and has taken a progressive view of that great responsibility which rests on its shoulders as the representative of a vast labouring population. The Indian Emigration Act deals with the difficult problem of safeguarding the interests of Indians who may emigrate to find a livelihood abroad; and a striking feature of this legislation is that the final decision of measures for their protection has been vested in the Legislature itself. No measure before you was hedged about with such special difficulties as the law to abolish racial distinctions; but no rift occurred in the delicate web of compromise and good-will; and the Statute is now with us—a permanent monument of mutual desire to work together

to a common understanding. In the Criminal Procedure Amendment Act the Legislature brought to a successful conclusion a task of great magnitude and complexity which had occupied the energies of our draftsmen for nearly a decade. It will fall to few Legislatures to have to dispose of a measure of such difficulty and importance in the domain of the criminal law.

While at times sentiment has run high and some event has found the Assembly and the Executive Government apparently at opposite poles, these differences have seldom been perpetuated, and friendly and frank discussions have frequently led in the end to better understanding.

Some differences unfortunately have remained. It was perhaps scarcely to be expected that at the present stage of the constitution every divergence of opinion between the Government and the Legislative Assembly would be composed by discussion. Often my Government has accepted the views of the Legislature notwithstanding that these did not coincide with those of the Executive. But a special responsibility has been laid by the constitution upon the Governor General in certain cases, and in my judgment special powers are essential to the discharge of the duties of the Executive in the present state of constitutional development in India. Nevertheless the occasions of the use of these special powers should be and, I am happy to observe, have been rare. The most recent and notable instance of their exercise was in connection with the necessity for balancing the budget. The reasons for the action which I felt it incumbent upon me to take at that time have been published. My action provoked criticisms; I have no intention of reopening the discussion save that I will add that in my opinion subsequent events have tended to confirm the wisdom of my original decision. The responsibility was grave and the decision rested with me alone. I trust that those in the Assembly who have felt and expressed themselves strongly on the subject will leave this House without any feeling of bitterness, holding to their opinion as their consciences may dictate and acknowledging the same liberty to others who may differ from them, among whom I count myself.

My Government have to acknowledge a continuous and solid measure of support in times of disturbance and agitation from the Legislature, and in general a steady influence exerted for the maintenance of law and order. I have said enough, I trust, to establish beyond controversy the real advance accomplished and to place beyond the power of depreciation the disciplined efforts to increase the well-being of the people of India which have characterised this, the first Indian Legislature.

Before I part from the Legislative Assembly I wish to pay a tribute to Sir Frederick Whyte who, with a knowledge and experience brought from the British Parliament and imbued with the ancient traditions of that House, has presided over your deliberations. I know that you would wish to be associated with me in offering a meed of appreciation of the technical knowledge, sympathy, patience and fairness of mind which have characterised his association with your Assembly.

For me as Governor General the first Legislative Assembly under the reforms and in my term of office must necessarily hold special ties of

interest, and I must view its dissolution with no small measure of regret. My feelings on its disappearance are however tempered by the knowledge that I still retain without change the valuable services of the Council of State; and I am sustained by the thought that I can continue to rely on the sobriety of judgment of this Chamber of Elders which with this Assembly formed part of the first Indian Legislature and on their support of the best interests of India in all matters that closely touch her well-being.

I had intended to confine myself to-day to a survey of the work of the Indian Legislature over the period of the life of the first Legislative Assembly and not to dwell on matters of recent occurrence too near to us to be judged in their proper perspective; but before I pass to another part of my subject, I feel it my duty to make some observations about Kenya which is at the moment uppermost in my thoughts and yours. The news of the decision regarding Kenya came to me and to my Government no less than to you as a great and severe disappointment; for India had made the cause of Indians in Kenya her own. As His Majesty's Government has stated, this decision conflicts on material points with the strongly expressed views of my Government as laid before the Cabinet by the Secretary of State for India. India's representations were fully placed before His Majesty's Government and received most patient and careful consideration; but we must record our deep regret that His Majesty's Government did not feel justified in giving greater effect to them. We are conscious that there were important aspects, perhaps not sufficiently understood by us, which His Majesty's Government were called upon to weigh and determine, and we fully appreciate and acknowledge their whole-hearted efforts to arrive at a fair and equitable conclusion. They have announced their decision and the Government of India must consider it and arrive at its conclusions. If submission must be made, then with all due respect to His Majesty's Government it can only be under protest.

We do not fail to realise the great difficulties in which His Majesty's Government were placed. They were faced with a conflict between two powerful interests. The deputations with great vehemence urged two completely divergent points of view. Between these two there appeared to be no ground for agreement on any point; and besides there lay on His Majesty's Government the grave responsibility for considering the unchampioned and inarticulate interests of the native population which form the great majority in the Colony. It is not easy in India with strong feeling for the Indian side of the cause to appreciate with real detachment the considerations which His Majesty's Government had to bring to bear on the difficult problem. Attention in India is naturally concentrated on the rights and claims of Indians, while His Majesty's Government have a larger field to cover and wider responsibilities to exercise; and we must remember that although the decision has disappointed us, yet on some points to which we were strongly opposed, but to which the settlers party attached great weight, the decision is against them. On three important points decisions favourable to the Indians have been pronounced. His Majesty's Government have declared against the grant of responsible government within any period of time which need now be taken into

consideration. Farther, they have refused to countenance the introduction of legislation designed to exclude from British Colony immigrants from any other part of the British Empire. In addition they have definitely rejected the principle of segregation. On the question of the future control of immigration no final conclusion has been reached. The principle stated is unexceptionable and as a declaration of policy it will be welcomed by Indians. We are, however, uncertain as to the precise method by which immigration is to be controlled, and how the control will affect Indians; but you may rest assured that I and my Government will use every effort to impress our views on this subject without delay upon His Majesty's Government.

It is unfortunate that the last days of the first Legislature should have been overclouded by events regarding the treatment of Indians overseas. Yesterday the Legislative Assembly passed a Bill enabling the Governor General in Council to frame rules, if and when he considers it desirable, to regulate the entry into and residence in British India of persons domiciled in British Dominions and Possessions other than the United Kingdom. The principle of reciprocity had already been accepted by the Imperial Conference, and therefore a Bill conferring powers on the Governor General in Council in his discretion to make rules for the purpose of enforcing reciprocity is in itself unobjectionable; but the moment selected for this legislation may in some quarters be regarded as unfortunate, especially when accompanied by speeches in favour of retaliatory measures. It is but natural that there should be a desire in your mind publicly to express your determination to befriend and support Indians overseas to the best of your ability, but I must express serious doubt whether your object will be effected by these means. Will their position be improved politically and materially by steps in the nature of retaliation? May it not have an opposite effect and make their situation more difficult? Have they been consulted? Is it their wish? Apart from other considerations will it help India? I shall not dwell upon the subject. The Bill cannot reach the other Chamber this Session, and meanwhile there will be opportunity for further information and reflection.

I have paused to-day to examine the progress of the first Legislature and the position it has attained. In the face of vehement and sometimes bitter opposition you elected to give your services to your country and became Members of the Legislature, determined to devote your powers to attaining your aims and ideals by constitutional methods. You may not have accomplished in the short period all that you had hoped. You may perhaps find the pace of progress too slow, but can you point to greater achievements for India during so brief a period of time? Would other means have accomplished as much? There are those who have set other ideals before them. Destruction not construction is their avowed aim. They would wreck the Reforms. What have they accomplished for India? What blessings have they brought to her people? Have they brought harmony? Have they brought security? Have they brought peace? What goal have they set before them? By what road are they to attain to it?

You need not meddle with uncertainties or speculate on the unknown. You know the port to which your ship is sailing. You have set your

course ; the star by which you steer shines bright before you. The first stage of your passage lies behind you in your wake. You have learnt to work your craft. Whatever storms or dangers may lie before you, you are confident in this knowledge and by the help of Providence you will bring your ship in safety to its journey's end. It is in this spirit that I ask those who have the interests of India in their hearts to use their influence in the coming elections to help India forward by the only secure road to the attainment of her cherished desires.

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[Mr. Lalubhai Samaldas.]

I thought that my Honourable friend might refer to personalities and to the qualifications of each Member.

I do not think he has done so ; not only that, but he has clearly said that he does not want to refer to personalities. On the Committee are appointed public workers whom we all know and who were officials at the time of the appointment. I would like to say that I entirely agree with what the Honourable the Home Secretary has said about the Member whom he has in view ; I can say the same of another Member from Bengal who has done splendid public service ; who has been on public platforms, and has been actively associated with the congress for more years than perhaps anybody else in this House and who has taken an active part in public life. To say that these men because they have held offices do not command the confidence of the public of India is quite untrue. I do not think my Honourable friend, Saiyad Raza Ali, could have ever meant that ; yet the way in which he put that argument forward, viz., that there is not a single member who was not in service—would suggest that. But fortunately one Member is now not in service, so that at least ought to please my friend, Saiyad Raza Ali, that one member at least is not a public servant now. If he wanted that there should be a non-official who is able to carry public opinion with him in this country, well he has got such a man as a Member of the Commission. There is only one other point which I want to refer to. The Honourable Mover of the Resolution said that there are representatives of the English services ; and that there should be somebody to represent the Indian services. I think there also he is mistaken. There is an eminent Provincial Service man from the Punjab who has recently risen to the rank of a Commissioner, an Indian, who will be able to look after the interests of the provincial service men.

The HONOURABLE SAIYAD RAZA ALI : I was speaking of the Indian Civil Service, not of the Provincial Civil Service.

The HONOURABLE MR. LALUBHAI SAMALDAS : I am glad to hear the information given by my Honourable friend. However, as he has made it clear that he does not want to refer to the personnel, I hope he himself will not see any objection to having the words 'and personnel' dropped. I therefore, Sir, move the amendment that—the words 'and personnel' in the third line of the Resolution be deleted.

The HONOURABLE THE PRESIDENT : I fail to apprehend the purpose of this amendment. It seems to me that the words 'the composition' and 'personnel' are practically the same. I do not think his amendment affects the Resolution.

The HONOURABLE MR. LALUBHAI SAMALDAS : May I give an explanation ?

The HONOURABLE THE PRESIDENT : Certainly.

The HONOURABLE MR. LALUBHAI SAMALDAS : 'Composition' might mean that there ought to be more Indians, or that there ought to be more Englishmen, or more Englishmen who are non-officials, or more Englishmen who are officials ; personally, I thought it would be better to

delete the word 'personnel' ; I thought that was my understanding ; if that is not so, then I do not insist.....

The HONOURABLE THE PRESIDENT : I do not think the Honourable Member's amendment in any way alters the sense of the Resolution. An amendment must have some definite effect on the main motion. His amendment has none ; therefore I do not put it to the House.

The HONOURABLE SAIYAD RAZA ALI : Sir, as regards the preliminary objection with which I am not unfamiliar, I would say that we, members of the Bar, generally avail ourselves of the preliminary objection when we in our heart of hearts realise that we have got a bad case and that the only way of saving our client is not to allow the matter to be discussed on the merits. I hope my Honourable friend, Mr. Crerar, follows my meaning. However, I would not be so uncharitable as to say that the Government have got no case at all. But as appears from the preliminary objection there is not the least doubt, and every impartial observer will realize for himself, that the Government have got a hopelessly bad case ; that is my reply to the preliminary objection. Now coming to the merits of the case, my Honourable friend, who no doubt was very courteous to me in his constant references, has used certain words in connection with my speech which I will at once examine before this House. My Honourable friend, to whom I am very grateful for the terms in which he referred to me, was pleased to say that my Resolution was inopportune, ill-advised, and unwarranted. Now in one minute I shall show to the House that just the reverse is the case. My Resolution is opportune because the Commission has not yet entered on its onerous duties, and if any addition is to be made, it is just the time when His Majesty's Government should announce the addition of two or, if necessary, more, Indian Members, so that my Resolution comes at a highly opportune time. Is it, Sir, ill-advised ? What, after all, is the duty that we owe to the Sovereign and the country ? Our duty is, Sir, this ; if Government, not knowing the conditions of this country—because, after all, the machinery through which this Government is conducted is not a machinery that is planted in the soil itself, but is for obvious reasons introduced from a country at a distance of six thousand miles if, at times, Government are prone to take action which does not serve either the best interests of the country or of the Government themselves, what is the duty of Honourable Members of this Council ? I for one am convinced that my duty is that, if I see Government taking a wrong step, a step which is likely to lead to dissatisfaction, to discontentment, I must say that my plainest duty is to stand up and say 'you are wrong ; either drop this measure or modify it to such extent that it will totally disarm hostility'. It is far from being ill-advised, it is a Resolution which is in the best interests of the country and the Government and highly advisable. No is it unwarranted ? I do not think I need say much on that. The line that was taken by my Honourable friend itself would go to show that there is the best of warrants for my bringing forward a Resolution of this character. I will mention one of the many warrants that I have for moving this proposition. That warrant which was totally ignored, if I may say so, by my Honourable friend, Mr. Crerar is this : Here is a Commission appointed contrary to all the precedents that have obtained in this country for the past 2½ years ;