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THE

COUNCIL OF STATE DEBATES

Volume V

(20th January to 26th March 1925)

FIFTH SESSION

OF THE

COUNCIL OF STATE, 1925

DELHI
GOVERNMENT OF INDIA PRESS
1925

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Council of State.

President:

THE HONOURABLE SIR HENRY MONCRIEFF SMITH, KT., C.I.E.

Panel of Chairmen:

THE HONOURABLE SIR MANECKJI DADABHOY, KT., C.I.E.
THE HONOURABLE SIR ZULFIQAR ALI KHAN, KT., C.S.I.
THE HONOURABLE SIR ARTHUR FROOM, KT.
THE HONOURABLE MR. LALUBHAI SAMALDAS, C.I.E.

Secretary:

MR. L. GRAHAM, C.I.E., I.C.S.

Assistants of the Secretary:

MR. R. B. MILNE, I.C.S.
MR. S. C. GUPTA, BAR.-AT-LAW.
MR. G. H. SPENCE, I.C.S.

Committee on Petitions:

THE HONOURABLE SIR LESLIE MILLER, KT., *Chairman.*
THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY, KT., C.I.E.
THE HONOURABLE SARDAR JOGENDRA SINGH.
THE HONOURABLE MR. R. P. KARANDIKAR.
THE HONOURABLE SRIJUT CHANDRADHAR BARUA.

60460

CONTENTS.

	PAGES.
TUESDAY, 20TH JANUARY 1925—	
Inauguration of the Fifth Session of the Council of State and the Second Session of the Second Legislative Assembly—H. E. the Viceroy's Speech	1—11
THURSDAY, 22ND JANUARY 1925—	
Members Sworn	13
Announcement by the Honourable Sir Henry Moncrieff Smith of his appointment as President of the Council	13
Congratulations to the new President	13—17
Welcome to the new Leader of the House	
Congratulations to Members who have been recipients of honours ...	
Message from His Excellency the Governor General—(Panel of Chairmen)	17
Committee on Petitions	17
Questions and Answers	18—30
Governor General's assent to Bills	30
Bill passed by the Legislative Assembly laid on the Table	30
Tributes to the memory of the late Mr. E. S. Montagu	30—36
Resolution *re* Admission of Indian Students to the University Officers' Training Corps—Adopted	36—40
Resolution *re* Import of Cinema Films, etc.—Negatived	40—50
Central Advisory Council for Railways—Adopted	50
Statement of Business	50
TUESDAY, 27TH JANUARY 1925—	
Member Sworn	51
Questions and Answers	51—56
Bill passed by the Legislative Assembly laid on the Table	56
Election of Members to the Central Advisory Council for Railways ...	56—57
Provident Funds Bill—Amendment considered and agreed to ...	57—72
WEDNESDAY, 28TH JANUARY 1925—	
Resolution *re* Scholarships and Prizes for Indian Art Students—Adopted as amended	73—83
Election to the Panel for the Central Advisory Council for Railways ...	84
Statement of Business	84
TUESDAY, 3RD FEBRUARY 1925—	
Questions and Answers	85—86
Bills passed by the Legislative Assembly laid on the Table	86
Indian Merchant Shipping (Amendment) Bill—Passed	86—88
Amendment of Standing Order 70—Referred to Select Committee ...	88—89
Statement of Business	89—90
THURSDAY, 5TH FEBRUARY 1925—	
Messages from the Legislative Assembly	91
Indian Paper Currrency (Amendment) Bill—Passed	92—98
Workmen's Breach of Contract (Repealing) Bill—Passed	98—105
Constitution of the Select Committee on the amendment of the Standing Orders	105

PAGES.

MONDAY, 9TH FEBRUARY 1925—

Questions and Answers ... ... 107—125
Resolution *re* Improvement of the Status and Condition of Indians Overseas—Not moved ... ... 125—126

WEDNESDAY, 11TH FEBRUARY 1925—

Questions and Answers ... ... 127—143
Message from the Legislative Assembly 143
Resolution *re* Amendment of the Natal Boroughs Ordinance—Not moved ... ... 143—144
Resolution *re* University Training Corps—Moved and Discussion Adjourned till after the 24th February, 1925 ... ... 144—155
Presentation of the Report of the Select Committee on the Amendment of the Standing Orders 155
Statement of Business ... ... 155—156

MONDAY, 16TH FEBRUARY 1925—

Questions and Answers ... ... 157—159
Bill passed by the Legislative Assembly laid on the Table ... 159
Messages from His Excellency the Governor General ... ... 159—160
Amendment of the Law relating to Interest Bill—Rejected ... ... 160—164
Resolution *re* Supply of Ganges Water at and below Narora—Adopted 164—188

TUESDAY, 17TH FEBRUARY 1925—

Statement laid on the Table 189
Indian Soldiers (Litigation) Bill—Amendments made by the Assembly agreed to ... ... 189—191
Indian Ports (Amendment) Bill—Introduced ... ... 191—192
Resolution *re* Appointment of a Member of the Council of State to the Governing Body of the Lady Hardinge Medical College, Delhi—Adopted 192
Election of the Panel for the Standing Committee on Emigration—Adopted 193
Resolution *re* Investigation into the Mineral Resources of Chota Nagpur, etc.—Adopted as amended ... ... 193—201

WEDNESDAY, 18TH FEBRUARY 1925—

Death of Sir Leslie Miller ... ... 203—207

FRIDAY, 20TH FEBRUARY 1925—

Member Sworn 209
Bill passed by the Legislative Assembly laid on the Table 209
Question and Answer ... ... 209—210
Railway Budget for 1925-26 ... ... 210—222
Election to the Panel for the Standing Committee on Emigration ... 222
Indian Income-tax (Amendment) Bill—Passed ... ... 222—223
Indian Ports (Amendment) Bill—Passed ... ... 223—224
Amendment of the Standing Orders—Passed as amended ... ... 224—225
Election of Panels for Standing Committees—Adopted ... ... 225—226

PAGES.

MONDAY, 23RD FEBRUARY 1925—

Questions and Answers ... ... 227—228
Message from the Legislative Assembly 228
Resolution *re* Mental Defectives—Withdrawn by leave of the Council 228—241
Indian Criminal Law Amendment (Repealing) Bill—Negatived ... 241—278
Elections of Panels for Standing Advisory Committees ... ... 278—279
Statement of Business 280

TUESDAY, 24TH FEBRUARY 1925—

Questions and Answers ... ... 281—284
Amendment of Standing Orders 284
General discussion on the Railway Budget ... ... 284—339

WEDNESDAY, 25TH FEBRUARY 1925—

Member Sworn 341
Questions and Answers ... ... 341—344
Bills passed by the Legislative Assembly laid on the Table 344
Resolution *re* Inclusion of a Representative of the travelling public in Railway Advisory Committees—Negatived ... ... 344—349
Resolution *re* Reduction of Intermediate and Third Class Railway Fares—Not moved 350
Resolution *re* Improvement of Waterways—Negatived ... ... 350—356
Election of a Panel for the Standing Committee on Emigration ... 357
Programme of Business during the Second Week of March ... 357—359

THURSDAY, 26TH FEBRUARY 1925—

Legislative Assembly (President's Salary) Bill—Passed ... ... 361—362
Indian Railways (Amendment) Bill—Negatived ... ... 362—389
Elections of Panels for Standing Advisory Committees ... ... 389—390
Result of the Election of the Panel for the Standing Advisory Committee on Emigration 390
Election of Panel for Home Department Standing Advisory Committee 390
Election of Panel for the Commerce Department Standing Advisory Committee 390
Election of Panel for the Standing Advisory Committee in the Department of Industries and Labour 390
Election of Panel for the Standing Advisory Committee in the Department of Education, Health and Lands 391
Statement of Business 391

SATURDAY, 28TH FEBRUARY 1925—

Elections of Panels for Standing Advisory Committees 393
The Budget for 1925-26 ... ... 394—402

MONDAY, 2ND MARCH 1925—

Questions and Answers ... ... 403—406
Business for Friday, the 13th March, 1925 406
Resolution *re* Recruitment of Muslim Candidates for Public Services—Withdrawn by leave of the Council ... ... 407—422

TUESDAY, 3RD MARCH 1925—

Member Sworn 423
Question and Answer 423
Cantonments (Amendment) Bill—Passed ... ... 423—424
Prisons (Amendment) Bill—Amendment adopted ... ... 424—425
Obscene Publications Bill—Amendments made by Assembly adopted ... 425—428

PAGES.

WEDNESDAY, 4TH MARCH 1925—

Questions and Answers ... 429—433
Resolution *re* Restriction of the use of Opium to Medicinal purposes only—Negatived ... 433—450
Succession Certificate (Amendment) Bill—Introduced and referred to Joint Committee ... 450—461
Prisons (Amendment) Bill—Passed as amended ... 461
Statement of Business ... 462—463

THURSDAY, 5TH MARCH 1925—

General discussion on the General Budget ... 465—524
Bills passed by the Legislative Assembly laid on the Table ... 494
Message from the Legislative Assembly ... 494

THURSDAY, 12TH MARCH 1925—

Members Sworn ... 525
Question and Answer ... 525
Statements laid on the Table ... 526—529
Cantonments (House-Accommodation Amendment) Bill—Passed ... 529
Indian Merchant Shipping (Second Amendment) Bill—Passed ... 529—537
Cotton Ginning and Pressing Factories Bill—Passed ... 537—549
Statement of Business ... 549—550

MONDAY, 16TH MARCH 1925—

Member Sworn ... 551
Questions and Answers ... 551—561
Resolution *re* Recommendation of the North-West Frontier Inquiry Committee—Withdrawn by leave of the Council ... 561—585
Resolution *re* Utilisation of interest on Post Office Savings Bank Deposits opened by Muhammadans—Discussion postponed to the Simla Session ... 585—596

WEDNESDAY, 18TH MARCH 1925—

Member Sworn ... 597
Resolution *re* Inalienability and Impartibility of self-acquired or absolutely owned Estates—Withdrawn ... 597
Election of a Panel from which a Member will be nominated to the Governing Body of the Lady Hardinge Medical College, Delhi—Motion adopted ... 597—598
Statement of Business ... 598—599
Message from the Legislative Assembly ... 599
Finance Bill passed by the Legislative Assembly laid on the Table ... 599
Consideration of the Indian Finance Bill in the Council of State ... 599—600
Election of a Panel from which a member will be nominated to the Governing Body of the Lady Hardinge Medical College, Delhi ... 600

FRIDAY, 20TH MARCH 1925—

Question and Answer ... 601
Message from the Legislative Assembly ... 602
Bills passed by the Legislative Assembly laid on the Table ... 602
Indian Finance Bill—Passed as amended ... 602—654
Death of the Marquess Curzon ... 654
Statement of Business ... 654—655

PAGES.

MONDAY, 23RD MARCH 1925—

Absence of Members on days on which their questions are put down ... 657
Questions and Answers ... 657—659
Bill passed by the Legislative Assembly laid on the Table ... 659
Message from the Legislative Assembly ... 659
Resolution *re* Provincial Contributions—Adopted as amended ... 660—681
Indian Tariff (Amendment) Bill—Passed ... 681—685
Indian Stamp (Amendment) Bill—Passed ... 685—686
Indian Income-tax (Second Amendment) Bill—Passed ... 686—687
Appreciation of the Aeroplane, Howitzer, Field gun and Armoured Car demonstrations arranged for Members of the Indian Legislature... 687—688

TUESDAY, 24TH MARCH 1925—

Question and Answer ... 689—690
Indian Cotton Cess (Amendment) Bill—Passed ... 690
Nomination of Members to serve on the Joint Committee on the Indian Succession Bill ... 691
Nomination of Members to serve on Joint Committee on the Succession Certificate (Amendment) Bill ... 691
Nomination of Members to serve on the Joint Committee on the Indian Succession (Amendment) Bill ... 691
Statement of Business ... 691—695

WEDNESDAY, 25TH MARCH 1925—

Questions and Answers ... 697—698
Messages from His Excellency the Governor General ... 699

THURSDAY, 26TH MARCH 1925—

Bengal Criminal Law Amendment (Supplementary) Bill—Passed as recommended by the Governor General ... 701—751
Illness of His Excellency the Commander-in-Chief ... 751—752

THE

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(Official Report)

VOLUME V

FIFTH SESSION

OF THE

COUNCIL OF STATE, 1925

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1925

THE

COUNCIL OF STATE DEBATES

(OFFICIAL REPORT OF THE FIFTH SESSION)

VOLUME V.

FIFTH SESSION, 1925.

COUNCIL OF STATE.

Tuesday, 20th January 1925.

The Council met in the Assembly Chamber at Eleven of the Clock, being the first day of the Fifth Session of this Council, pursuant to S. 63-D (2) of the Government of India Act.

INAUGURATION OF THE FIFTH SESSION OF THE COUNCIL OF STATE AND THE SECOND SESSION OF THE SECOND LEGISLATIVE ASSEMBLY.

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

H. E. THE VICEROY: Gentlemen of the Indian Legislature, it is my privilege again to extend a welcome to you who are about to enter upon the labours of the Delhi Session. Many questions of importance will come before you, and it is my earnest prayer that the results of your deliberations may prosper the best interests of India and the Empire.

I am glad to note that conditions in India and on her frontiers are at the moment favourable; our relations with our neighbours in foreign countries on our borders are most friendly; and I take this opportunity of welcoming the distinguished officers from the Kingdom of Afghanistan who are present here to witness the military manœuvres now being held in the vicinity of Delhi. Their visit is greatly appreciated in India and is a token of the friendly and neighbourly relations which exist between His Majesty's Government and the Government of His Majesty the Amir.

Happily I am able to say that our Waziristan policy appears to be justified by the greater security of our districts and the gradual pacification of the country, though not without the regrettable loss of some valuable lives. Although in South Waziristan various difficult questions still remain unsolved, yet progress is evident. In North Waziristan we have reached

[H. E. the Viceroy.]

pre-war stability. And with this improvement in the general situation it is well to observe that there has been a progressive reduction up-to-date in the cost of our forces employed in Waziristan.

It is a satisfaction also to record a marked improvement in India in economic conditions and trade prospects. In the first six months of the present financial year Indian imports and exports in sea-borne trade reached a total of 292 crores, an advance of 18 crores on the corresponding period of last year and of 39 crores on the figures for the same period in 1922. There are likewise clear signs of returning prosperity in internal trade; and the marked increase in gross railway receipts places beyond doubt the general revival and growth of internal trade activity. Despite damage in some localities owing to floods in the last monsoon agricultural prospects are generally good. The cotton crop is above average and the outlook of wheat and other spring crops is at present eminently satisfactory.

You have already been made aware of important changes in my Government. I shall in future have the assistance of Sir Bhupendranath Mitra and Sir Muhammad Habib-ul-lah as Members of my Executive Council, and I am confident that I shall derive the advantage I anticipate from their advice and co-operation. But changes are not confined to my Government; they have occurred also in the Legislature, and especially in the Council of State, for Sir Montagu Butler who was the President of that honourable Chamber has left it to assume the post of Governor of the Central Provinces. Sir Henry Moncrieff Smith, whom I have appointed to succeed him, is well known to the Members of both Chambers. He has had long connection with the Indian Legislature and has won their esteem and respect, and I am sure that he will continue to enjoy the confidence of the Members of the Council of State in the higher place among them to which he has now been translated. There have also been a few changes among the Members of the Legislature to which I need not refer in detail; but I am convinced that the Members of both Houses will join me in deploring that ill-health has necessitated the resignation of the Right Honourable Srinivasa Sastri who has been a Member of the Council of State since its inception. I trust his absence from the Legislature will only be temporary and brief, and that he will soon be restored to health and enabled once more to add the distinction of his intellectual gifts to the Legislature and to devote his great capacities to public affairs.

I desire to embrace this opportunity of expressing my high appreciation of the labours of Lord Hardinge, the Maharaja of Bikaner and Sir Muhammad Rafique who represented India as delegates at the meetings of the Assembly of the League of Nations in September and October last. The meetings were of unusual importance and interest and from them have emerged the proposals for the Protocol which are now under the consideration of His Majesty's Government and the Governments of other nations concerned.

When considering affairs outside India, attention naturally and inevitably turns to Indians overseas. When I addressed the Legislature in January last the position of Indians in Kenya was critical; and I foreshadowed the appointment of a Committee to make representations on behalf of the Government of India regarding the Immigration Ordinance in Kenya in particular and other questions relating to Indians in the Colonies. The *personnel* of the Committee was announced in March last and the Committee began their labours in London in April. They had a

number of interviews with the Secretary of State for the Colonies and the officials of the Colonial Office and made representations regarding many important matters affecting Indians in Kenya, Fiji and the mandated territories of Tanganyika.

I cannot too highly praise the thoroughness and ability with which they performed their delicate task, and I am grateful for the very patient hearing which the representatives of His Majesty's Government, Mr. Thomas and the officers of his department accorded to them.

As regards Kenya, the conclusions arrived at by Mr. Thomas were announced in the House of Commons on August, the 7th last. On the question of Franchise and the Highlands there was no change in the position; but as regards immigration, His Majesty's Secretary of State for the Colonies after hearing our representatives was not satisfied with the data submitted from Kenya and was unable to agree with the Kenya authorities that a case had been made out to justify the Ordinance. He therefore gave an assurance that the Immigration Legislation would not be placed on the Statute-book. The further restrictions then on the point of being imposed upon the immigration of Indians were accordingly removed. As regards Indian Colonisation, Mr. Thomas announced that it was proposed to reserve an area in the lowlands for agricultural emigrants from India; but that before the scheme took final shape an officer with experience of the needs of Indian settlers and agricultural knowledge would be sent to report on the areas to be offered for colonisation. Reports in regard to the areas have now been received by my Government; and we are considering the question of deputing an officer to examine these areas from the aspect of their suitability for Indian settlement. These are substantial gains and our gratitude is due to the Committee for the clarity and earnestness of their representation of the Indian point of view to His Majesty's Government. Moreover these gains are not the only advantages which accrued from their visit. A better atmosphere has been created and that wider understanding of different points of view has grown up which is the outcome of personal discussion and free and frank interchange of views.

In June last His Majesty's Government announced the appointment of an East African Committee under the Chairmanship of Lord Southborough to consider and report on certain questions regarding the administration and economic development of the British East African Dependencies. Having regard to the importance of this inquiry to Indian interests my Government made representations to secure a hearing of the Indian point of view before the Committee came to conclusions. I am glad to inform the Legislature that our representations have been accepted and the Southborough Committee will hear the opinions of Indian representatives nominated by my Government upon all matters coming within their purview.

If the pendulum has swung in the direction desired by India on these questions, the position in South Africa, on the other hand, has been less favourable. Towards the end of December news was received that the Governor General of the Union of South Africa had given his assent to the Natal Borough Ordinance. This measure, while safeguarding the rights of Indians upon the electoral roll of boroughs, will prevent further enrolment of Indians as burgesses. The serious implications of the measure on the future of Indians, who have special vocational and trading connections with the towns in South Africa, will readily be realised. From the outset the Government of India had recognised the effect this measure might have upon the position of resident Indians in Natal both as regards

[H. E. the Viceroy.]

their civic and economic status; and my Government made strong representations to the Union Government as soon as a copy of the Ordinance was received in August last. At that time there was reason to hope that since a similar but more drastic measure had been disallowed previously by the Governor General, this Ordinance would also share the same fate; to our regret however the Government of the Union advised the Governor General to give assent to the Bill; and accordingly the measure has now become law. The situation created is engaging the most earnest attention of myself and my Government; we have lost no time in making representations to His Majesty's Government and in placing before them in an emphatic manner the difficulties in which resident Indians are likely to be placed by the operation of this law. Every endeavour will be made to discover a remedy; but, in view of the powers of Dominion Governments in internal and domestic affairs, the position is one of delicacy and a solution will not be easy to find. Patience will again be necessary. I may remind you that when the position in Kenya seemed most unfavourable, temperate arguments and full and frank discussion resulted in a better understanding of the Indian point of view and in a measure of relief to the disabilities felt by Indians. I hope that as in the case of Kenya, so also in this case some remedy may be devised. I have promised to receive a deputation on this question and will discuss with them at a later date, in the light of further information which I hope to receive, the prospects of finding a solution to the present difficulties. For the present I say nothing more on the subject.

Of measures which will engage the attention of the Legislature an important section concerns Commerce, Industry and Finance. I will not dwell at length upon the Trades Union and Trades dispute legislation because I have recently explained the genesis and scope of these measures to the Associated Chambers in Calcutta. Both these measures mark a new step in the progress of labour legislation in India. I believe opinion has been expressed in some quarters that we are moving too fast along the line of labour legislation; but both these Bills only deal with essentials and are of a simple nature; and great weight must be given to the view that at a moment when labour has commenced organisation and is assuming prominence, recognition should be given by Statute to the fact and development on the right lines should be secured. I attach importance to the right preliminaries, though the future of Trades Unions in India will, I realise, largely depend not on enactments, but on the spirit shown by the employers and workers and on the attitude of the public. Let me also remind you that the views expressed by my Government in those Bills are tentative only; and when comments have been received they will be carefully considered and changes made as may appear desirable in the light of the criticisms expressed.

It is gratifying to observe the very keen interest taken by the Legislature in the working of the Tariff Board. During the past year, my Government have placed before you proposals based on two of the reports of the Board. The most important of these resulted in the passing of the Steel Industry (Protection) Act, which imposed heavy protective duties on a wide range of steel products covering most of those in ordinary consumption. The rates embodied in that Act were the result of careful investigation by the Tariff Board, but since they were brought into force, the Steel Industry has represented that further protection is required largely owing to a rapid and marked fall in the prices of Continental steel. This question was referred to the Tariff Board for inquiry, and during this Session a

Resolution based on their report will be brought forward for consideration by the Legislature. The fall in prices of Continental steel had been so heavy that an attempt to deal with the position by means of increased import duties would have resulted in practically doubling the existing duties, with the consequence that from 50 to 70 per cent. of the landed cost of imported steel would have been represented by the duties charged. Obviously my Government could not agree to duties on such a high scale on articles which are largely used in agriculture and many other important industries. They have, however, accepted the general conclusions of the Tariff Board, and the Legislature will be asked in this Session to agree to the grant of bounty on steel produced in India between October 1st, 1924, and September 30th, 1925. The total amount of bounty proposed is fifty lakhs, which is the sum that it is calculated the industry would receive under the Tariff Board's proposals, were the rates recommended by the Board to become fully effective. This is a very favourable interpretation of the recommendations of the Board, especially as it allows the industry to obtain the advantage of the protection accorded without waiting for sales. If the grant of this bounty is made, it should prove of material assistance to the steel industry of India in its difficulties.

You will have noticed that the policy advocated by the Fiscal Commission has been steadily pursued. The Tariff Board is now engaged in investigating the applications for protection from certain other industries, notably cement and paper. The principle has been maintained that it is right and proper that any industry which appeals to the State for assistance must prove its case in public before an impartial Board. It is only by this means that an opinion can be reached on the merits of the case and the implications and effects of a demand for protection envisaged.

It is evident from private Bills, Resolutions and questions that Members are taking a lively interest in the difficult questions of currency and exchange; and it may be of interest to the Legislature to hear from me an indication of the policy of my Government upon these problems. While internal prices in India have on the whole remained steady, there has been a considerable rise in the sterling value of the rupee during the past year, and an even more marked rise in its gold value owing to the simultaneous improvement in the gold value of sterling. Thus far during the present busy season there has not been a repetition of the exceptional stringency in the money-market which characterised this period a year ago, and I am hopeful that the assistance which my Government have been able and will be able to give in the matter of providing additional currency, combined with the improved conditions on which emergency currency can now be issued to the Imperial Bank, will enable all legitimate demands to be met without undue strain during the remainder of the season.

My Government proposes in the first place to amend the Indian Paper Currency Act so as to increase the permissible investment of securities in the Paper Currency Reserve from the present limit of 85 crores of rupees to 100 crores.

The object of this proposal is to give the Government of India increased powers to ensure the supply of currency upon an adequate scale to meet the requirements of trade and in particular to prevent undue monetary stringency in the busy season.

We have made announcements from time to time to Chambers of Commerce and in the Assembly that, if my Government found existing powers were likely to prove insufficient, it would not hesitate to ask for increased discretion.

[H. E. the Viceroy.]

We began the present busy season with a margin of 18½ crores of permissible investment; and we have up to date increased currency by six crores, British Securities to the amount of six million pounds having been placed in the reserve in England. There is still therefore a margin of 7½ crores; but it is considered desirable to ask the Legislature for increased powers to meet possible contingencies.

The Members of the Legislature may rest assured that these provisions for increased discretion to meet demands for currency are a healthy development and offer no indications of a morbid tendency. The need is an outcome of the improvement of trade which is now definitely recovering from post-war depressions, and it is natural that increased trade should require increased currency facilities.

It should also be noted that this increase of currency represents an addition made by Government quite independent of the amount which the Imperial Bank is entitled to ask as a loan from the Paper Currency Reserve against the security of Internal Trade Bills. The Imperial Bank is entitled to ask for sums up to 12 crores. The conditions upon which the Bank can ask for this emergency currency have recently been modified by requiring that the first four crores may be taken when the bank rate is at six per cent., and any part of the remainder may be taken when the bank rate reaches seven per cent.

There has been a considerable feeling in some quarters that the time has come for the appointment of a Currency Committee to investigate the difficult question of exchange and to make recommendations. The suggestion has been carefully examined by me in consultation with my Finance Member, and has been for some time past the subject of discussion between my Government and the Secretary of State. The chief difficulty to be considered is the fluidity of economic and exchange factors in the world. The question is not affected only by features in India and England or even in the Empire; world conditions have also to be considered and powerfully affect the issues; and there is the danger that if a Committee sits at a time when factors are still unstable, its recommendations will be based on shifting data, and whatever may be the capacity and skill of the Committee, its conclusion will inevitably be of the nature of guess work rather than of expert findings based upon the examination of stable conditions and well-established tendencies. The result of discussion with the Secretary of State is that I am now authorised to make the following announcement which explains the conclusions of His Majesty's Government and my Government upon the proposal.

The Government of India have been in communication with the Secretary of State on the subject of the rupee exchange, and the intention of Government is to appoint an authoritative Committee to consider the question as soon as world economic factors appear sufficiently stable to justify formulation of a new policy. In their judgment there is much to be gained by postponing an inquiry till those factors on which any decision must rest are less fluid and obscure. But they anticipate that if the movement towards more stable conditions, which has lately manifested itself, continues the appointment of such a Committee should be possible not later than 12 months hence.

In view of the opinion expressed in the Assembly regarding the need of an economic inquiry, my Government has decided in consultation with the Secretary of State to appoint a small Committee to report on the

material which exists for holding an inquiry into the economic conditions of the people of India, the feasibility of instituting an inquiry of this character and the manner in which it could be carried out. Meanwhile the Taxation Committee have begun their labours.

It may also become necessary for my Government to introduce to the Legislature a measure to define the powers of the High Court in relation to tribunals and proceedings under the special Bengal Criminal Legislation. You are aware that His Excellency the Governor of Bengal has exercised the powers conferred upon him under the Government of India Act and has certified and signed the Bill. I take this opportunity of stating that His Excellency's action in this respect has my full approval, and that I shall support both him and his Government to the extent of my powers in meeting what I regard as a serious emergency. Inasmuch as I have decided to reserve the Act for the signification of His Majesty's pleasure, I do not now propose to discuss its detailed provisions or the Bill which my Government may eventually seek to introduce should His Majesty in Council signify assent to the Bengal Criminal Law (Amendment) Act. Nevertheless, as this legislation had its origin in the Ordinance, which I as Governor General in the exercise of the special responsibilities laid upon me promulgated, let me refer to certain aspects affecting the issue of the Ordinance.

Very full explanations have already been given to the public.

In spite however of the full ventilation which the question has received, some important aspects of it appear to be still clouded by the mists of misapprehension in the minds of some sections of the public; and the necessity both of my action and of the course adopted by the Government of Bengal has repeatedly been challenged.

I shall not travel again over the ground covered in my Calcutta speech. As the result of the public discussions it is now admitted on all sides, even by the most convinced opponents of special measures and special legislation, that a terrorist movement exists in Bengal, and that widespread conspiracies for violent crimes have been established. The objects which these conspiracies have in view as a result of their crimes are also not disputed. It has been proved by sad experience that the ordinary law, even when reinforced by the use of Regulation III in cases to which it can be applied, is ineffective to stop the movement or even to check its growth; and that the progress of the movement involves loss of life not only among officials, but among innocent citizens unconnected with Government or with the activities of any political party.

Yet in spite of this knowledge of these facts, there has been bitter criticism of the measures adopted to check and cure the evil. I find it hard to believe that those who indulge so freely in criticism have ever seriously attempted to think out the eventual implications of the movement or earnestly endeavoured to consider the responsibilities of Government or of the Governor General in the case.

It is hardly conceivable that any thinking man can approve of the spread of activities which seek to terrorise the population by breaking down established authority through a campaign of murder of officials and do not hesitate to destroy innocent victims who cross their path or to exact reprisals in form of the lives of those who give evidence or information of contemplated outrages. It is obvious that those activities can only end, if

[H. E. the Viceroy.]

unchecked, in the paralysis of Government and of law and order and may place the lives and properties of helpless citizens at the mercy of a pitiless criminal organisation.

I cannot believe that any member of any political party in India, even if he is opposed, and vehemently opposed, to the Government as now constituted in India, would deny that it was the duty of Government to prevent the coming to pass of such a condition of affairs.

But it is urged that the Ordinance was not necessary. It is argued that these criminal activities could be adequately checked by the efforts of the police and the prosecution of the malefactors before Courts of justice. I whole-heartedly wish that I could subscribe to this argument, but I cannot accept it, because it is in complete disregard of the true facts. It is essential to remember that we were not dealing with criminals who could be arrested and tried for crimes on evidence freely given by persons with nothing to fear from their action in giving testimony. We were not dealing with the violent and open insurrection of a mob which could be fought with its own weapons. We were on the contrary dealing with widespread secret societies with many ramifications, which had taken the greatest care to conceal their insidious organisations and nefarious plans and were prepared to exact swiftly and secretly terrible reprisals upon members of their own society or members of the public giving information as to their actions.

You will doubtless remember that I addressed you on this subject at the opening of the proceedings of the Legislature in January of last year. Thereafter the Government of Bengal and my Government were for a long time in anxious consultation in regard to measures, and every effort was made to cope with the danger by the ordinary law, reinforced by such special action as lay within our power. Regulation III was used for reasons and in a manner I have previously explained to this Legislature. These measures however proved ineffective; and finally after exhausting all the weapons in their armoury, the Government of Bengal made a request to my Government. The members of that Government, Europeans and Indians, after careful consideration of the evidence and with full knowledge of the history and character of the local situation, were unanimous in applying to me to issue an Ordinance giving special powers to deal with this dangerous emergency. The investigation of the situation did not rest there; notwithstanding that it was for me to determine whether the Ordinance should issue, it is for the Executive to assist in administering its powers. Moreover, I have during my term of office learnt to value the advice of the Members of my Council, and I have always derived the greatest help from their considered opinions. I therefore consulted them. I am well aware that I am taking a wholly exceptional course in giving you this information, but I do it advisedly after careful thought. The whole question was then studied in all aspects by the members of my Government, both Europeans and Indians, who arrived at a unanimous conclusion that the Ordinance was the only remedy available. The situation was then laid before the Secretary of State including the proposals for the promulgation of the Ordinance. The whole matter was submitted to careful examination by Lord Olivier and His Majesty's Government as then constituted. They agreed with the course suggested as the only possible method of dealing with the dangers facing the peace of Bengal. You will thus observe that my action was not

only due to my personal conviction of the necessity for it, but that the view taken by me, and also by His Excellency the Governor of Bengal, has the support and approval of high and experienced authorities, both European and Indian, and was approved by the then Secretary of State.

I have already explained elsewhere why the Members of the Legislature were not consulted in September last. It has since been urged that the Legislature should have been summoned again before I took the step of promulgation. In my judgment this course was neither in the circumstances desirable, nor indeed was it possible, if the means devised were to prove effective. The responsibility was of a nature which could not be shared, and it would not be right or proper for me to try to share it with you or to place it on your shoulders. Consultation with the Legislature would have meant publicity. The aim was to prevent crime and to paralyse the activities of the conspiracies. Past experience in the Government of India and the conclusions of the Rowlatt Committee point to the fact that to check conspiracies of this nature with success two features are essential. In the first place, the organisations must not know that general action of a special nature is under contemplation against them; and, in the second place, the method of working and the sources of information must not be endangered directly or indirectly. Any rashness or carelessness on these points may make future action entirely fruitless and completely nullify the object to be secured. If discussions in this Legislature had taken place, these conditions could not have been fulfilled and the Ordinance would have proved futile as a remedy for the disease.

There is, I regret to say, a tendency among some sections of public opinion in India to confuse all administrative acts with influences having reactions on desires for political progress. The repression of violent crime has, however, no affinity with the treatment of aspirations for advance. They have no resemblance in kind or degree and they are phenomena existing on entirely different planes.

Terrorism no doubt may sometimes batten on a section of political thought. It may expand like some foul parasite-growth deriving strength from living sources outside its own entity. It may flourish for a time in this conjunction if it can cajole or frighten a political party into acquiescence or into encouragement of its activities; but no political party can continue to live with terror for a friend. The parasite will kill the host. True political progress can have no lot or part with terrorism. Whatever differences of opinion may exist between me and my Government and sections of public opinion regarding the Ordinance, I trust that the Members of the Indian Legislature will realise that my action was taken only after the most careful examination of the whole situation and with the sole object of preventing violent crime.

You will not be surprised that I refrain to-day from discussing the important constitutional questions referred to the Reforms Inquiry Committee which have formed the subject of important public discussion. You are aware that the Report of the Committee is now under the consideration of myself and the members of my Government. The weighty nature of the problems and of the investigation by the Committee demands our most careful attention and study, and I think it right to avoid observations upon any of the various questions involved until there has been adequate opportunity for thorough examination and deliberation by me and my Government. I desire however to take advantage of this opportunity to express

[H. E. the Viceroy.]

to Sir Alexander Muddiman, the Chairman, and all the members of the Committee, my deep gratitude for the valuable services they have rendered. They have had a difficult task; they have not spared themselves either in time or labour, and I cannot too highly commend the care and expedition with which they have completed their task. They have devoted themselves whole-heartedly and to the best of their well known capacities to the duties entrusted to them. Whatever opinions may be expressed hereafter upon the results of their efforts, I feel sure that you, the Members of the Indian Legislature, and the Indian public generally, will agree with me in this tribute of appreciation of their services.

I have been deeply gratified to learn that the leaders of the two communities in Kohat have reached agreement, and that there are now good prospects of the return of the Hindus and of the resumption of past friendly and neighbourly relations. I was grievously distressed by the wound which communal tension had inflicted upon Kohat. I shall not refer to the painful events at the riots or their causes, as these have already been dealt with in the Resolution of my Government, and I shall serve no useful purpose by re-discussing them; but leaving these aside, the question which caused me the most acute anxiety and thought was the problem of reconciliation and of the future relations of the two communities. From the outset I have done all in my power to try to heal the wound and to bring the parties together. At one moment reconciliation seemed imminent, but the negotiations proved abortive; nevertheless, I and those associated with me were unwilling to regard the collapse as final. I have always been ready to take any official measures which may assist to restore the harmony and unity formerly traditional between the communities in this Frontier town; but I have recognised that these efforts were of the nature of an auxiliary to settlement and not the actual foundation of settlement. Any system of peace imposed from above or from outside would have neither been real nor lasting. The peace must be the peace of Kohat; and until each party could itself testify that the heart had been cleansed from rancour, there could be no basis for permanent good-will in the future. I understand that the settlement has been well received by the two communities at large, and I trust that I may now hear that active steps are being taken towards the end which I and my Government have so much at heart—a restoration of that harmony and neighbourly relations between Hindu and Moslem which had long been in existence at Kohat. I know that I shall carry the Members of the Indian Legislature with me when I express the most earnest hope that this settlement may prove an enduring restoration of peace and good-will between the two communities at Kohat. I trust I may not be taking too optimistic a view when I express the further hope that the present high state of tension in the relations between the Hindu and Moslem communities in different parts of India may be relieved, and that more friendly relations between them may ensue. I need not assure you that I and my Government have observed with the deepest concern the lamentable series of riots and disturbances which have resulted in so much loss of life and property and, what is perhaps even more deplorable, so much exacerbation of old animosities. We are profoundly impressed by the necessity of taking all possible action to relieve this atmosphere of tension and to avert or mitigate the disorders which it unfortunately generates. I know that these views

are shared to the full by all Local Governments. Nevertheless, I deemed it proper some time ago to invite their close and earnest attention to these matters, and I have every assurance that no effort will be spared by them or by their officers not only to avert temporary or local causes of trouble or to minimise its results, but steadfastly to promote permanent mutual relations of harmony and good-will. I am equally confident that all enlightened members of the communities affected equally deplore and are equally concerned in reconciling these unhappy communal dissensions. They will recognise with me that on a solution of these difficulties depend not only the present peace and prosperity of India, but also her future progress. I readily acknowledge that strenuous efforts have already been made, and are still being made, by leaders of Indian public opinion to establish more harmonious relations between these communities. I cannot too strongly affirm that this object is constantly and sincerely sought after by all responsible public authorities in India; but no measures, legislative or executive, however ingeniously devised, can be expected to produce immediate effect on the ancient and deep-rooted cause of these troubles. They can only be removed by the growth of a spirit of toleration and enlightenment. It cannot be denied that these animosities are a serious hindrance to the promotion of unity of aim in India, and that these quarrels and disturbances must inevitably retard political progress. Whatever differences may divide us in India, we must all agree that every effort should be made to prevent the recurrence of these communal troubles. In this field we can, and should, co-operate, and I trust that all members of these two communities and others, who are moved by humanity, public spirit and patriotism, will join with me and the responsible authorities in India in earnest efforts to promote this spirit of larger tolerance and conciliation. If this object could be attained, the distance along the road to political unity in India will be considerably shortened. Moreover, I venture to cherish the hope that the diffusion of this spirit of harmony and good-will may communicate itself to other regions of acute controversy, and that in due course of time, and aided by this brighter and purer light, the road may be more quickly found to peace and prosperity in India.

The Council then adjourned till Eleven of the Clock, on Thursday, the 22nd January, 1925.

COUNCIL OF STATE.

Thursday, the 22nd January, 1925.

The Council met in the Council Chamber at Metcalfe House at Eleven of the Clock. The Honourable the President (SIR HENRY MONCRIEFF SMITH, KT., C.I.E.) took the Chair.

The Honourable the President took the Oath standing.

MEMBERS SWORN:

His Excellency General Lord Rawlinson, G.C.B., G.C.S.I., G.C.V.O., K.C.M.G. (Commander-in-Chief); the Honourable Khan Bahadur Sir Muhammad Habibullah Sahib Bahadur, K.C.I.E. (Education, Health and Lands Member); the Honourable Mr. D. T. Chadwick, C.S.I., C.I.E. (Secretary, Commerce); the Honourable Diwan Tek Chand, O.B.E. (Punjab: Nominated Official); the Honourable Lieut.-Col. S. B. A. Patterson, C.I.E. (Political Secretary); and the Honourable Sahibzada Aftab Ahmed Khan (United Provinces: Nominated Non-Official).

ANNOUNCEMENT BY THE HONOURABLE SIR HENRY MONCRIEFF SMITH OF HIS APPOINTMENT AS PRESIDENT OF THE COUNCIL.

THE HONOURABLE THE PRESIDENT: I have to announce to the Council that His Excellency the Governor General, in exercise of the power conferred upon him by sub-section (2) of section 63A of the Government of India Act, has appointed me to be President of this Council.

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(1) CONGRATULATIONS TO THE NEW PRESIDENT.

(2) WELCOME TO THE NEW LEADER OF THE HOUSE.

(3) CONGRATULATIONS TO MEMBERS WHO HAVE BEEN RECIPIENTS OF HONOURS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, it is my proud privilege as Leader of the House to perform the pleasing task of extending to you on behalf of all sections of this House, both official and non-official, a cordial and hearty welcome as President of our august Chamber. I have been acquainted somewhat closely with you, Sir, for the last six or seven years, as an old non-official Member of the pre-reform Council, as an official Member of the pre-reform Council, as well as an official Member of the reformed Council; and therefore anything that may fall

[Sir Narasimha Sarma.]

from me I think may be considered to be the result of some careful observation of what I have been able to judge of our new and worthy President. Under a somewhat perhaps severe and austere exterior I am sure you conceal a very tender heart and a very genial personality, and I am sure that all sections of this House will soon find in you a friend, a co-operator and disciplinarian, though happily, constituted as we are, there is very little room for the display of a firm hand or the activities of a stern disciplinarian. You have the inestimable advantage of having been the *de facto* author of many of the Rules and the Standing Orders under which we have to conduct our deliberations here, and although I must confess that sometimes the author will find the interpretation of his work somewhat embarrassing, yet on the whole we shall have the advantage of rulings interpreted in the right way and in the right spirit. I may assure you on behalf of all sections of our cordial co-operation and we look forward to a very pleasant period of a five year rule under which this Council, which has already established its traditions as a sound political entity, will have so firmly entrenched its position that no one will be able to shake it from the firm foundations which have been laid by your distinguished predecessors as well as yourself. I once more extend a cordial welcome to you.

THE HONOURABLE SARDAR CHARANJIT SINGH (Punjab: Nominated Non-Official): Sir, on behalf of the Punjab Members as well as on my own behalf, I offer you a hearty welcome to the Chair of this House. Your long and distinguished connection with the Government of India makes you eminently worthy of the confidence which has been reposed in you by His Excellency the Viceroy in selecting you for this high office, and I feel sure that the honour and the dignity of this Council could not be placed in safer hands than yours. I wish you a most successful term of office.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): The Leader of the House has addressed the Council on behalf as he said of official as well as non-official Members, and yet if I desire to supplement his remarks and those of the Honourable Member who followed him, it is because I desire to refer to a particular point of view in regard to the appointment to the Presidentship of the Council of State. Under the Reforms the President of the Assembly and the Presidents of the Provincial Councils are appointed by Government for only the first four years. After the first four years the election rests with those particular bodies themselves, and one such election has already taken place this week. In the case of the Council of State, however, the President is always a nominee of the Governor General. It is therefore incumbent upon Government to make the selection of one who will be universally respected and looked up to. This, Sir, we rejoice to find has again been done in the case of your appointment. In this connection, I am reminded of the five essentials prescribed by Delane, that famous editor of the *London Times* who looked upon these requisites as absolutely necessary in any one who was appointed the Speaker of the House, and your position as President is akin to that of the Speaker of the House of Commons. The five requisites are, first, an unperturbable good temper, tact and patience, secondly, a previous legal training if possible, thirdly, absence of bitter partisanship in his previous political career, fourthly, the possession of innate gentlemanly feelings which involuntarily command respect and deference, and, lastly, personal dignity in voice and manner. These attributes

we know, you possess in a marked degree and in addition many others, which we are confident will enable you to make as successful a President of this Council as undoubtedly your two predecessors have been.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, on behalf of the non-official Europeans of this Council I rise to endorse what has fallen from the lips of the previous speakers. When I read in the Government Gazette the announcement of your appointment as President of this Council, there was one feeling uppermost in my mind and I think that feeling must have equally been uppermost in the minds of all of us here, and that was that His Excellency could not have made a better choice. The Leader of the House, Sir, has referred to your austere exterior. Well, Sir, that may be so, but personally it has never frightened me very much. Whenever I have wanted advice on legislative matters it has been freely given in the most pleasant manner. I feel I am voicing the feelings of all of us here in extending to you a very very hearty welcome.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): On behalf of myself and my friends from Bengal I desire to associate myself very thoroughly with the new Leader of the House to whom by the way we extend a welcome in his changed capacity. He has discovered austerity and severity in you, and I am glad that those virtues still continue in this somewhat degenerating world. We shall be none the worse for a little austerity and severity now and again so long as the tender heart to which he has referred is there. While I congratulate the Council on acquiring you as President, I deeply sympathise with the Legislative Department which will sorely miss you. His Excellency the Viceroy the other day referred to your unique experiences in both the Houses, and I am sure behind that experience is the larger and more valuable experience of the Department which has helped in shaping out the rules under which we conduct our business. That will be of the greatest assistance to us in such work as you may be able to get for the Council of State. At the present moment we are not overburdened with work, and it is up to the President and the Leader, I believe, to get us more of that work which will enable us to give a better account of ourselves before we go out at the end of the five years fast approaching their close. His Excellency expressed the hope, which we fully share, that you will be able to win the confidence of this House and that relations which subsisted between the House and the previous Presidents will continue and grow from more to more.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): It is with the greatest pleasure that I associate myself with what has fallen from the lips of my Honourable friends in this Council in welcoming you as President. I have been associated with you for a long time and you possess all the ability and qualifications required for a President of this Council. I am more happy to have you as President because you are a member of the Civil Service of my Province, and we are all very happy and very proud to have you as President of this Council. With these few words I welcome you, Sir, and wish you all success in this Council.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): On behalf of my Province, which is a joint province of the Central Provinces and Berar, I offer my humble welcome to you as President of this Council. My friend sitting on my right compared your position with that of the Speaker of the House of Commons. I would compare it with that

[Mr. G. S. Khaparde.]

of the Lord Chancellor, that is the President of the House of Lords. We are elderly statesmen here I believe, and we correspond to the House of Lords, and it is only proper that, as the House of Lords is presided over by one of the greatest lawyers, the Chair of this House should be occupied by one who has great experience in framing laws and administering them also. Reference has been made to sternness, but I like a Magistrate who strikes terror in the minds of wrong doers. The Magistrate must be a kind man but he must strike terror all the same. We have all received the greatest assistance from you, and I trust that the Council will be the better for it. I humbly again welcome you on behalf of my Province.

THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): I join the previous speakers in cordially welcoming you as President of this House. I only add one word and that is, that His Excellency the Governor General could not have made a better selection than he has.

THE HONOURABLE THE PRESIDENT: I have been greatly touched and am deeply grateful for the warm welcome which the House, led by the Honourable Sir Narasimha Sarma, has extended to me to-day. I feel that His Excellency the Governor General has placed on my shoulders a burden of great responsibility. A new President must necessarily view his duties with misgiving and anxiety. Happily in my case there are circumstances which I think encourage me to regard those apprehensions somewhat less seriously than possibly other persons in my place might do. My anxieties are much mitigated by the fact that I am coming to a place where I may say practically every Member is an old and personal friend of my own. (Applause). I have been associated with this House since its inauguration. In fact I was appointed Secretary of this Council before His Royal Highness the Duke of Connaught formally inaugurated the reformed Indian Legislature. I was one of its original Members and, though circumstances took me to another place, I am glad to say and proud to say that I have not lost any of my old friends. I hope that with the assistance of the House, without which I can do nothing, I shall be able to maintain the traditions so ably established by my distinguished predecessors. Sir Montagu Butler informed me that he much regretted that circumstances prevented him from taking a formal farewell of this Council, and he has sent me a letter which I think I might read to the Council. It runs:

"DEAR MR. PRESIDENT,

When you meet the Council of State I shall be grateful if you will convey to the Members my deep regret that circumstances have prevented me from taking leave of them in person and thanking them for the support given me during my term of office. It will ever be a proud memory with me to have been President of the Council."

I am sure the Council shares the regret that they too were prevented from saying good-bye to Sir Montagu Butler, and I feel sure that I voice the unanimous sense of Honourable Members in this House when I say that the Council of State wishes Sir Montagu Butler all success and prosperity in the high office to which His Majesty the King has called him. (Applause).

I should like to associate myself and I think the House as a whole with the Honourable Sir Deva Prasad Sarvadhikary in the welcome that he extended to our new Leader, the Honourable Sir Narasimha Sarma. Sir Narasimha Sarma has reminded you that we have known one another for

a long time and I need not go over that ground. His long experience of this House I am sure justifies a feeling of confidence that we shall be ably led under his guidance.

Before we come to the business of the day I think there is one other matter that the House would like me to mention, namely, the honours which have been recently conferred upon Members of the Council. My Honourable friend Sir Maneckji Dadabhoy is, I regret to say, prevented by business from being in his place to-day, but the House I am sure was delighted to see that His Majesty the King had appointed him a Knight Commander of the Most Eminent Order of the Indian Empire. It is not the first time or the second time that Sir Maneckji's name has appeared in the Honours List, but I think we can feel on this occasion that the honour so recently conferred upon him was mainly, if not wholly, a recognition of the great public services which he has rendered in this place. Perhaps we cannot say exactly the same thing of the Knighthood conferred on the Honourable Sir Charles MacWatt or of the C. S. I. conferred on Mr. Chadwick, not that I am intending to belittle their services to this House; but they are officials and naturally any honour conferred upon them must be based to some extent on their public services in an official capacity.

MESSAGE FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

PANEL OF CHAIRMEN.

THE HONOURABLE THE PRESIDENT: I have a Message from His Excellency the Governor General.

(The Council received the Message standing.)

The order of the Governor-General is as follows—

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

In the first place, the Honourable Sir Maneckji Byramji Dadabhoy; in the second place, the Honourable Sir Zulfiqar Ali Khan; in the third place, the Honourable Sir Arthur Henry Froom; and, lastly, the Honourable Mr. Lalubhai Samaldas.

(Sd.) READING,
Viceroy and Governor General."

COMMITTEE ON PETITIONS.

THE HONOURABLE THE PRESIDENT: Under Order 76 of the Council of State Standing Orders I am required at the commencement of the Session to constitute a Committee on Petitions consisting of a Chairman and four Members. The following Honourable Members have at my request kindly consented to preside over and serve on the Committee. I hereby accordingly have much pleasure in nominating as Chairman of the Committee the Honourable Sir Leslie Miller, and as Members, the Honourable Sir Deva Prasad Sarvadhikary, the Honourable Sardar Jogendra Singh, the Honourable Mr. Karandikar and the Honourable Srijut Chandradhar Barua.

QUESTIONS AND ANSWERS.

Alleged Theft of two Parcels of Gold at Cawnpore Railway Station.

1. The Honourable Mr. HAROON JAFFER: Will Government be pleased to state:—

(a) the facts relating to the reported theft of two parcels of gold at the Cawnpore station of the Oudh and Rohilkhand Railway in November last?

(b) Has the stolen property been found?

The Honourable Mr. D. T. CHADWICK: (a) Government understand that the two parcels referred to arrived at Cawnpore from Victoria Terminus on 9th November, 1924 at 5·45 hours. They were placed in the strong room provided for the storage of valuable goods. At about 23 hours on the same date when the watchman on duty was being relieved, the relieving watchman noticed that the door of the room was not secured, the lock being missing. On the packages in the strong room being checked, the two parcels were found to be short. The matter was promptly reported to the police, who are investigating the case.

(b) Government understand that there is no trace so far.

Contributions made by Government towards the relief of Distress caused by Floods.

2. The Honourable Mr. HAROON JAFFER: Will Government be pleased to state how much money has been contributed by them to the various districts of India which have been ravaged by floods during the past few months?

The Honourable Sir MUHAMMAD HABIBULLAH: No contribution from Central Revenues has so far been made to any flood affected Province. The application of the Government of Madras for such a grant is under consideration. The Government of the United Provinces have intimated their intention of applying for a loan from the Government of India, if necessary, while the Government of Madras have already been granted a loan of Rs. 20 lakhs to finance their Provincial Loans Account. I may mention that grants of Rs. 1¼ lakhs, 30,000 and 45,000 have been made from the Indian Peoples' Famine Trust to relieve distress caused by floods in Madras, Bombay and the Punjab, respectively.

Discovery of a Field of Natural Cement in Sind.

3. The Honourable Mr. HAROON JAFFER: Will Government be pleased to state—

(a) whether they have seen the announcement of the discovery in Sind near Karachi of a field of natural cement, and

(b) if so, will they please state whether they intend taking any action towards assisting the discoverer to explore the possibilities,

(c) if not, why not?

The Honourable Mr. A. H. LEY: (a) No. (b) and (c) do not arise.

Oriya Inhabitants of Madras.

4. The Honourable Mr. HAROON JAFFER: (a) Will Government be pleased to give the names of the two officers nominated by the Madras Government to make a detailed inquiry under the directions of the Government of India into the attitude of the Oriya inhabitants of Madras?

(b) and also state the main points of this inquiry?

The Honourable Mr. J. CRERAR: The Honourable Member is referred to the Home Department Resolution No. F.-669-22-Public, dated the 1st October 1924, a copy of which will be forwarded to him by the Home Department.

Expenses of Sir Seymour Tritton.

5. The Honourable Mr. HAROON JAFFER: Will Government be pleased to state:—

(a) whether all the expenses of Sir Seymour Tritton, who is coming out to India at the request of the Chief Commissioner of Railways, are to be paid by Government?

(b) and whether he is receiving any honorarium for the advice he gives?

(c) if so, how much?

The Honourable Mr. D. T. CHADWICK: (a) No. The cost of Sir Seymour's visit will be divided between Government and the various railways in proportion to the time devoted to each interest.

(b) and (c). Yes. He will receive a fee of 2,000 guineas for his visit.

Refusal of a Passport to Dr. Sudhindra Bose, Lecturer in the State University of Iowa.

6. The Honourable Mr. HAROON JAFFER: Have Government refused to grant a passport to Dr. Sudhindra Bose, Lecturer in the State University of Iowa? If so, why?

The Honourable Mr. J. CRERAR: I invite the Honourable Member's attention to the replies given by the Honourable the Home Member to questions on this subject in the Legislative Assembly on the 10th January, 1922, and 15th January, 1923. Dr. Bose was, when the visâ was refused, an American citizen. His status has since been changed as a result of the decision of the Supreme Court of the United States of America in the case United States of America *versus* Bhagat Singh Thind, and His Britannic Majesty's Ambassador at Washington was informed in May of last year that Dr. Bose might be granted permission to return to India.

Payment of Royalty by the Pioneer Magnesia Works at Kharaghoda.

7. The Honourable Mr. HAROON JAFFER: Will Government be pleased to state:—

(a) whether it is a fact that the Government of India receive the royalty paid by the Pioneer Magnesia Works at Kharaghoda for bitterns used by that Company which operates solely in the Bombay Presidency?

(b) if so, will Government please state how much money they have received from these royalties during the past three years?

THE HONOURABLE MR. A. C. McWATTERS: (a) Yes.

(b) The amount of royalty recovered during the last three years is as follows:—

Year.	Rs.
1921-22	31,396
1922-23	16,375
1923-24	1,364

ESTABLISHMENT OF A MOSLEM CENTRE IN LONDON.

8. THE HONOURABLE MR. HAROON JAFFER: (1) Is it a fact that there is a movement in England to establish a Moslem centre in London and that it has been suggested that the British Government should grant a site and £50,000?

(2) Will Government be pleased to state whether they have received any communication from any source on the subject, and what reply has been given to such communication, if any?

THE HONOURABLE MR. J. CRERAR: (1) Government have no information on the subject.

(2) No communication has been received.

DEPUTATION OF OFFICIAL REPRESENTATIVES TO THE ECONOMIC CONFERENCE AT BENARES.

9. THE HONOURABLE MR. HAROON JAFFER: Will Government be pleased to state:—

(a) whether they sent any official representatives to the Indian Economic Association's annual Conference at Benares in January?

(b) and also whether they intend taking any action along the lines suggested by that Conference?

THE HONOURABLE MR. D. T. CHADWICK: (a) The Government of India did not send any official representatives to the Conference.

(b) The Government have not seen the final report of the Conference and cannot say how far the discussions coincide with their views.

AGREEMENT RELATING TO THE SUPPLY OF OPIUM TO CEYLON.

10. THE HONOURABLE MR. HAROON JAFFER: Will Government be pleased to state the terms on which they have renewed the agreement with the Government of Ceylon for the direct supply of opium at a fixed price to Ceylon for a further period of three years?

THE HONOURABLE MR. A. C. McWATTERS: The rate is Rs. 4,000 per chest. The other conditions are contained in the form of agreement, a copy of which is laid on the table.

AGREEMENT between the Government of India and the Government of ..... regarding direct supplies of opium from India.

1. The Government of ..... agrees to take the whole or substantially the whole of its requirements from India.

2. The Agreement is to come into force on the .....

3. The Agreement is to be in force for ..... years. The question of renewal will be the subject of further negotiations between the two Governments at a later period; such negotiations to be concluded by the end of ..... or, by mutual consent, at a later date.

4. The Agreement may be terminated by giving ..... years' notice if it is found to work unfairly towards either party.

5. The price of opium supplied under this Agreement shall be Rupees ..... Thousand per chest. But if the Government of India, subsequently to the introduction of these arrangements, should arrange for direct sales to another Government on the basis of a lower price than Rs ..... per chest, the same reduced price shall be applied to sales to the Government of ..... with effect from the date on which it first becomes operative in the case of the other customer.

6. The Government of ..... is under no obligation to take a minimum quantity of raw opium.

7. The requirements for any year shall be intimated by the Government of ..... before the 15th September in the preceding year.

8. Each year's notification of the number of chests required for the succeeding year will be accompanied by a certificate by the Government of ..... (in such form as may from time to time be prescribed) stating that the import of the amounts notified is approved by the Government of ..... and is required for legitimate purposes.

9. A fixed amount shall be supplied month by month, six months' notice being given of any increase or decrease.

10. The Government of ..... agrees to intimate to the Government of India the causes of any large variation in the quantity taken.

11. Details arising out of the Agreement to be settled between the Government of India and the Government of .....

INSTALLATION OF WIRELESS DIRECTION FINDING STATIONS AT THE CHIEF PORTS OF INDIA.

11. THE HONOURABLE MR. HAROON JAFFER: Will Government be pleased to state whether they have any intention of installing wireless direction finding stations at the chief ports of the country to assist ships which are in danger of being lost during thick fogs or heavy monsoon storms?

THE HONOURABLE MR. A. H. LEY: It is proposed to erect a direction finding station at Bombay to give bearings to ships and arrangements have already been made for Diamond Island to carry out trials with certain ships which are themselves fitted with direction finding apparatus. Government do not propose to erect direction finding stations at other ports, until further experience has been gained.

RECENT ARCHÆOLOGICAL DISCOVERIES IN THE PUNJAB AND SIND.

12. THE HONOURABLE MR. HAROON JAFFER: (a) Will Government please state the reasons why the Director General of Archæology did not publish an account of the recent discoveries in the Punjab and Sind in the press of India before sending it to an English paper?

(b) Is it a fact that the Archæology Department refused to provide local papers with copies of photographs which were first published in England, even though the Indian papers offered to pay for them?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: (a) By publishing the account of the recent discoveries in Sind and in the Punjab first in the *Illustrated London News*, the Director-General of Archæology desired to bring the discoveries to the notice of archæologists in England and in other countries and thus get their help in determining their age and cultural affinities.

(b) No request for copies of photographs referred to was received by the Director-General of Archæology.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is there any foundation for the suggestion that the Director-General had, as a matter of fact, laid an embargo upon the publication of any information regarding these discoveries in India before they had been published in England?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: I am not aware, Sir.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Will the Honourable Member please inquire and inform the House?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: I shall.

CONTRIBUTIONS TO ORGANIZATIONS FOR COMBATING LEPROSY.

13. THE HONOURABLE MR. HAROON JAFFER: Will Government please state:—

(a) whether any assistance, financial or otherwise, is being given to the various medical and social workers who are visiting India with a view to combating the leper evil?

(b) if so, in what way?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: It is not quite clear to which medical or social workers the Honourable Member is referring. Government have not rendered any financial assistance to any individual of this description, as none was asked for, but all the information furnished by Local Governments in regard to the prevalence of leprosy and its relief has been placed at the disposal of the permanent Secretary of the British Empire Leprosy Relief Association, who is at present on a visit to this country, by the organising Secretary of the Indian Red Cross Society.

IMPORT OF ARTIFICIAL GHEE.

14. THE HONOURABLE LALA SUKHBIR SINHA: Will Government be pleased to state:—

(a) whether it is a fact that artificial ghee is now being imported in large quantities into India from other countries?

(b) if it is so, in what quantity such ghee has been imported during the last calendar year?

(c) what firms import this ghee into India and from what countries?

(d) of what chemicals is this ghee manufactured?

(e) is it sold as pure animal ghee in the market or as manufactured ghee?

THE HONOURABLE MR. D. T. CHADWICK: (a) and (b). Government understand that certain substitutes for ghee are being imported into India. The quantities are not believed to be large, but the Government have no exact figures as imports of this article are not separately recorded.

(c) Government have not complete information as to the firms importing these articles.

(d) and (e). Government have seen analyses of one of these articles. These show that the article is a pure vegetable product unmixed with animal fat. It is manufactured by a firm in Holland and is not described or sold by the importers as ghee.

NATAL BOROUGHS ORDINANCE.

15. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what action they have taken in view of the assent given by the Governor General of South Africa to the Natal Boroughs Ordinance?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The Honourable Member is referred to the statement made on the subject by His Excellency the Viceroy on the occasion of the opening of the Indian Legislature on the 20th January.

REMOVAL OF DISABILITIES ON INDIANS IN QUEENSLAND AND WESTERN AUSTRALIA.

16. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state whether the Governments of Queensland and Western Australia have removed the disabilities to which Indians are subjected as regards franchise, eligibility to old age pensions, etc., and if not, what further action they intend to take in the matter?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The Government of India have no information on the subject but will make inquiries.

PROSECUTIONS FOR POLITICAL OFFENCES.

17. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to lay on the table a statement shewing the number of prosecutions instituted since January, 1923, in each province for offences of a political nature or committed out of political motives, the number of convictions secured and the number of acquittals?

THE HONOURABLE MR. J. CRERAR: The information asked for by the Honourable Member involves a classification of criminal offences on the basis of motive which is not recognised by the criminal law. I regret that I am unable to undertake a classification on that basis.

RECRUITMENT FOR THE INDIAN TERRITORIAL FORCE.

18. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what steps the different Provincial Governments have taken to promote recruitment to the Territorial Force?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The Government of India are not in possession of the information desired by the Honourable Member, nor would it be worth while, in their opinion, to inquire just now from Local Governments, as the question of recruitment for the Territorial Force and the part to be played by the Local Governments in connexion therewith have been dealt with by the Auxiliary and Territorial Force Committee whose report, it is hoped, will shortly be available.

LEADER OF THE INDIAN DELEGATION TO THE ASSEMBLY OF THE LEAGUE OF NATIONS IN 1925.

19. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state whether it is proposed to appoint an Indian to be the leader of the Indian Delegation to the Assembly of the League of Nations for the year 1925?

THE HONOURABLE SIR NARASIMHA SARMA: The personnel of the Indian Delegation to the Assembly of the League of Nations for the year 1925 has not yet been considered.

RECOMMENDATIONS OF THE INDIAN BAR COMMITTEE.

20. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what steps the High Courts of Bombay and Calcutta have taken to give effect to the recommendations of the Indian Bar Committee?

THE HONOURABLE MR. J. CRERAR: Certain rules framed by the Calcutta High Court were published with the Home Department Notification No. F.-442—24-Judl., dated the 5th September, 1924, and they have some further rules under consideration. The Government of India have no information as to the rules framed by the Bombay High Court to give effect to the recommendations of the Indian Bar Committee.

RECOMMENDATIONS OF THE INDIAN MERCANTILE MARINE COMMITTEE.

21. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what action they have taken so far on the recommendations of the Indian Mercantile Committee?

THE HONOURABLE MR. D. T. CHADWICK: The Report is under consideration by the Government of India, and no decision has as yet been reached on the various recommendations made by the Committee.

SHARE OF THE GOVERNMENT OF BOMBAY IN THE INCOME-TAX.

22. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what action they have taken or propose to take in response to the demand of the Bombay Government that they should be given a share of the Income-tax?

THE HONOURABLE MR. A. C. McWATTERS: The Government of India were unable to accept the proposal, and the Secretary of State who was referred to agreed with them. I would invite the Honourable Member's attention to the correspondence between the Government of India and the Secretary of State, which was published with the Government of India's Notification No. 2418-F., dated the 6th December 1922.

OFFICERS IN THE EMPLOY OF THE VARIOUS PORT TRUSTS.

23. THE HONOURABLE MR. PHIROZE C. SETHNA: With reference to the statement shewing the number of officers in the employ of the Bombay, Calcutta, Karachi, Madras and Rangoon Port Trusts, which was placed on the table on the 23rd March 1921, will Government be pleased to state if this statement was brought up to one and the same date in respect of each of these Port Trusts, and if so, what was such date? If the dates were different, will Government be pleased to give them in respect of each Port Trust?

THE HONOURABLE MR. D. T. CHADWICK: The statement in question was prepared from information supplied by the Local Governments at the end of February, 1921 and the beginning of March, 1921, and it may be assumed that the figures relate to conditions at that period.

NUMBER OF INDIAN OFFICERS IN THE EMPLOY OF THE VARIOUS PORT TRUSTS.

24. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to give in the form of a tabular statement, showing pilots separately if they are included therein:—

(1) the total number of officers at present in the employ of the Bombay, Calcutta, Karachi, Madras, Rangoon, Chittagong and Aden Port Trusts, respectively, whose maximum scheduled salaries per mensem are—

(a) from Rs. 500 to Rs. 1,000,

(b) from Rs. 1,000 to Rs. 1,500, and

(c) over Rs. 1,500,

(2) the number of Indian officers in each of the above divisions in the different Port Trusts,

(3) increase, if any, since the statement laid on the table by Government on the 23rd March, 1921, in the number of Indian officers in the different divisions mentioned in (1) above in the Bombay, Calcutta, Madras, Karachi and Rangoon Port Trusts and also increase, if any, in the Chittagong and Aden Port Trusts since the 1st January, 1921,

(4) the date or dates up to which the statement is prepared in respect of each Port Trust

THE HONOURABLE MR. D. T. CHADWICK: The information asked for is being collected and will be communicated to the Honourable Member.

NUMBER OF INDIAN TRUSTEES ON THE DIFFERENT PORT TRUSTS.

25. THE HONOURABLE MR. PHIROZE C. SETHNA: (a) Will Government be pleased to state if the different Port Trust Acts have been amended in accordance with the views of Government expressed by the Honourable Mr. H. A. F. Lindsay in his speech in the Council of State on the 20th January, 1922, to the effect that the number of Indian Trustees on the different Port Trusts be strengthened. If so, will Government be pleased to state what amendments have been passed and in which Port Trusts Acts?

(b) Will Government give the total number of Port Trustees at the different Port Trusts on the 1st January, 1925 and the number of non-official Indians amongst such Trustees on the different Boards?

(c) Will Government state if any Indian who is an official is a Trustee at any one or more of the seven Port Trusts, and if so, how many and where?

THE HONOURABLE MR. D. T. CHADWICK: (a) The Bombay, Madras and Karachi Port Trust Acts have already been amended to permit of an increase in the number of Indian Trustees. The amendments to the Calcutta and Rangoon Port Trust Acts are under consideration by the Local Governments concerned. The Government of India do not consider an amendment necessary of the Aden Port Trust Act, where conditions are peculiar and all the Trustees are nominated by Government.

(b) and (c). The information is being collected and will be communicated to the Honourable Member.

CUSTOMS DUTIES ON POSTAL ARTICLES.

26. THE HONOURABLE LALA SUKHBIR SINHA: Will Government be pleased to state:

(1) whether they have received a representation from Messrs. Kartar Narain and Brothers, 33, George Town, Allahabad, dated 14th December, 1924, on the subject of assessment of customs duty, on five insured parcels despatched by Messrs. John Bull Pen Co., London, to their address and, if so, what they have done or propose to do in the matter;

(2) what is the procedure of assessment of customs duty on articles received by post from London;

(3) is it a fact that according to London Post Office Rules the sender of a parcel is required to make for customs purposes a declaration of the nature and value of the contents generally called the customs declaration and despatch note;

(4) is any customs duty chargeable on articles of advertisement which are presented free by merchants to customers or to influential persons. If so, at what rate?

THE HONOURABLE MR. A. C. MCWATTERS: (1) Yes. Messrs. Kartar Narain and Brothers have been asked to follow the procedure laid down in sections 188 and 191 of the Sea Customs Act for the submission of appeals by persons deeming themselves aggrieved by any decision or order passed by an officer of Customs under the Act.

(2) The transmission of dutiable articles by the foreign letter post is prohibited; but letter packets suspected to contain such articles are opened and examined by the Customs appraisers for the purpose of levying duty. Postal parcels are covered by a declaration from the sender as to the nature and value of their contents, and ordinarily the duty is assessed by reference to these details. Parcels in respect of which the accuracy of the details given by the sender is open to any doubt are opened and assessed after examination of the contents. Customs duty is not assessed on the value given by the sender in the declaration form, but is levied on the "real value" as defined in section 30 of the Sea Customs Act, unless, under the tariff Schedule, the article is liable to a specific duty or assessment on a tariff valuation.

(3) Yes.

(4) Yes: at the same rates as would be applicable to similar goods otherwise imported.

THE HONOURABLE MR. PHIROZE C. SETHNA: Are Government aware that letters received by the English mail on which customs duty is leviable are hardly ever delivered on the day of their arrival, that sometimes there is a delay of two or three days and even longer, and that in consequence the commercial public are greatly inconvenienced?

THE HONOURABLE MR. A. C. MCWATTERS: I am not aware of any representations having been made. If the Honourable Member will make a representation on the subject I will have it inquired into.

THE HONOURABLE MR. PHIROZE C. SETHNA: Thank you.

DECISIONS OF THE RECENT CONFERENCE OF FINANCE MEMBERS.

27. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what decisions were arrived at at the recent Conference of the Finance Members of the Government of India and the Provincial Governments?

THE HONOURABLE MR. A. C. MCWATTERS: The discussions were private and informal and the conclusions, where any were arrived at, were provisional and subject to confirmation by the Local Governments, so that the proceedings cannot be published.

PROPOSED INSURANCE LEGISLATION.

28. THE HONOURABLE MR. PHIROZE C. SETHNA: (a) What is the latest date by which the report of the Departmental Committee appointed by the Board of Trade to suggest amendments to the English Assurance Companies Act of 1909, pending consideration of which legislation in India has been postponed, is likely to be published?

(b) Is there any prospect of the contemplated legislation being introduced at the Autumn Session of the Indian Legislature?

THE HONOURABLE MR. D. T. CHADWICK: (a) The Government of India have been informed that the report of the Departmental Committee on the English Assurance Companies Act of 1909 is expected to be completed in March 1925.

(b) Yes, Sir, that is the hope and intention of Government.

INCOME-TAX ON PROFITS PAYABLE TO POLICY HOLDERS BY LIFE INSURANCE COMPANIES.

29. THE HONOURABLE MR. PHIROZE C. SETHNA: (i) Are Government aware—

(a) that the Income-tax authorities treat profits payable to policy holders by Life Insurance Companies as taxable income;

(b) that an amendment has been made since 1923 to section 16 of the Finance Act of Great Britain whereby such profits are no longer treated as taxable income?

(ii) Do Government intend to introduce a similar amendment in the Indian Income-tax Act?

THE HONOURABLE MR. A. C. MCWATTERS: (i) (a) and (b). The answer is in the affirmative.

(ii) The Government will consider the proposal.

INCREASE IN THE NUMBER OF INDIAN JUDGES.

30. THE HONOURABLE MR. PHIROZE C. SETHNA: (1) With reference to the Honourable Mr. S. P. O'Donnell's statement in his speech on 22nd February, 1922, on the Resolution for increasing the number of

DRAFT BILL FOR THE CONSTITUTION OF THE COMMONWEALTH OF INDIA.

35. THE HONOURABLE MR. R. P. KARANDIKAR: (a) Are Government aware that the National Convention held at Bombay last December has issued the draft of a Bill for submission to the British Parliament that it may be passed into an Act to constitute the Commonwealth of India?

(b) Have the deliberations of the Reforms Committee arrived at a stage when the public may know their result?

(c) Have the Government had the Bill above referred to under their consideration or placed the same before the Reforms Committee for their consideration either?

THE HONOURABLE MR. J. CRERAR: (a) Government have not seen the Bill referred to by the Honourable Member.

(b) The Reforms Inquiry Committee concluded its work on the 3rd December 1924, and the report is at present under the consideration of Government.

(c) No.

GOVERNOR GENERAL'S ASSENT TO 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 Indian Motor Vehicles (Amendment) Act, 1924.

The Indian Post Office (Amendment) Act, 1924.

The Imperial Bank of India (Amendment) Act, 1924.

The Indian Criminal Law Amendment Act, 1924.

The Land Customs Act, 1924.

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table a copy of the Bill to repeal certain provisions of the Indian Criminal Law Amendment Act, 1908, which was passed by the Legislative Assembly at its meeting held on the 23rd September, 1924.

TRIBUTES TO THE MEMORY OF THE LATE MR. EDWIN SAMUEL MONTAGU.

THE HONOURABLE MR. PHIROZE C. SETHNA: (Bombay: Non-Muhammadan): As this is the first occasion when this Council is sitting after we have heard the sad news of the death of one of our former Secretaries of State for India, I request that permission may be given us to offer a few remarks on the death of the Right Honourable Edwin Samuel Montagu.

THE HONOURABLE THE PRESIDENT: The Honourable Member may continue.

THE HONOURABLE MR. PHIROZE C. SETHNA: The sad and premature death of Mr. Montagu is one of those tragedies which fill all thinking men with grief and bring home to them the profound mystery of life. Mr. Montagu's distinguished public and political career is known to every Member of this House. Distinguishing himself at Cambridge where he rose to be the President of the Union, he entered Parliament at the early age of 27. Within four years of his joining the House of Commons he rose to the position of Under Secretary of State for India, and in the very first year of office the first budget speech, which he made in 1910, marked him out as a man of very superior talents who would soon attain to Cabinet rank. This expectation was realised within only a few years.

Mr. Montagu had the good fortune to receive his early training under so sagacious a leader as Lord Morley. He received his experience under him in the matter of controlling and guiding the administration of this country. In 1917, when Mr. Austen Chamberlain resigned the Secretaryship of State for India, Mr. Montagu was appointed to that position. He filled that office for five years, until March, 1922, when an unfortunate development of events compelled him to resign his office. A general election followed, the election which led to the shortlived accession to office of the Labour Party. Mr. Montagu lost his seat and his political career suffered eclipse. It was hoped that it would not be long before he would re-enter the House and again take his rank amongst the foremost politicians of the day. It was however ordained otherwise and the sad news of his death cast a gloom over the country.

Indian politicians of all schools of thought have expressed their sorrow on his death and have paid their tributes of appreciation to his sterling qualities as a statesman and to the eminent services which the late Mr. Montagu rendered to the cause of India's freedom. Mr. Montagu's constitutional reforms, of which he was joint author with the former Viceroy, Lord Chelmsford, did not meet with universal approval and satisfaction. No reforms ever can. Unfortunately their smooth working was thwarted by events over which he had had no control. Nevertheless there is general recognition, at any rate in this country, of Mr. Montagu's noble spirit, his generous impulse, his wise and sound statesmanship and of his desire to help India to the best of his ability and in every direction possible. There is recognition also of the pains which he never failed to take to understand the Indian view point on all the difficult problems he had to tackle, recognition of his devotion to, and the courage with which he championed, the interests of India in the Councils of the Empire.

Since the transfer of India to the Crown, the office of Secretary of State for India has been held by no less than 25 British statesmen, some of whom have been men of conspicuous ability and have rendered devoted service to the State, but from the Indian standpoint no one amongst them understood or tried to understand the soul of modern India so well and so deeply and felt such an irresistible fascination for its many varied and complex problems as did Mr. Montagu. He believed in the conception of glory as he called it and called it rightly of the British Commonwealth of Nations. It was the ambition of his life to emulate the example of two British statesmen, Lord Durham and Sir Henry Campbell-Bannerman, and he tried to do for India what these two men succeeded in doing for Canada and for South Africa, respectively.

[Mr. Phiroze C. Sethna.]

Mr. Montagu was a wise and far seeing statesman. He built his policy on the eternal principles of justice and righteousness irrespective of any considerations of race, colour or creed. This is no conventional phraseology, nor the language of hyperbole. It is what we regard as solid and honest truth. A vast heterogenous and far flung Empire like the British could hardly be maintained and knit together except by moral forces or what is now a common expression by soul force and by the unflinching pursual of a policy of justice and rightcousness. This was Mr. Montagu's endeavour to pursue and he did so in all matters. Whether it was the Turkish question or whether it was the question of Indians abroad, he consistently and courageously championed the cause of the Indian people. In fact it was his ardent advocacy of the Indian Muhammadan point of view on the Turkish question which brought on his head the hostility of the die-hards and cost him both his position and his political career. It is but meet therefore that we should regret the passing away of so great a man the like of whom we shall never look upon again. His name will be writ large and writ imperishably in the history of the relations of England and India, and it is but right that this the senior Council of the Indian Legislature should record its sense of sorrow at the passing away of so great a friend of India.

THE HONOURABLE SARDAR CHARANJIT SINGH (Punjab: Nominated Non-Official): Sir, on behalf of my Province and on my own behalf I associate myself with the tribute which has been paid to the memory of the late Mr. Montagu. There has been all over India genuine sorrow and a profound sense of the loss at his death, which has been accompanied by such tragic circumstances of suddenness. I had the privilege of his acquaintance and of his friendship since 1911, and from my own personal knowledge I can fully endorse what has been said about the great services rendered by him. He was a man of brilliant parts, full of imagination, full of sympathy, and he has left behind him the memory of one who served, with an unstinted measure of devotion, his generation and his country. His name will go down in the annals of history as one of the greatest Secretaries of State India has ever had. By his death India has lost a true and proved friend and the Empire one of its distinguished and gifted statesmen.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, it is but right that in this House which came into existence as a result of the Reforms Scheme we should voice the sense of loss to the country at the death of so distinguished an author of that scheme. That he was able to go considerably beyond what his chief, Lord Morley, had agreed, to put the reforms on the right lines, was in itself a great achievement. If Lord Morley, when he had the chance and the opportunity, had done what Lord Chelmsford and Mr. Montagu attempted later on, the progress of Indian reforms would have been far more advanced and assured and bare experimenting in self-government would not have now commenced. Sir, this is not the time to judge of the net result of those achievements. The Act has just been subjected to careful scrutiny from certain points of view by a Committee, and we are well within view of the report of that committee. We shall therefore have to suspend judgment for the present; but it is not by the quantum of results that these achievements are judged in history. The earnestness of desire to do justice, the anxiety to do the right which was the great motive

that lay behind Mr. Montagu's exertions must have the fullest possible credit, but it has in certain quarters been grudgingly given. It has been a matter of controversy whether Mr. Montagu started or conceived the scheme that we now see in work or whether Mr. Austen Chamberlain had begun what remained for Mr. Montagu to complete. Apportionment of credit in that direction is not a matter that need detain us at the present moment, but when the opportunity came Mr. Montagu tried to do the very best that could possibly be done for India, and that is his claim to India's gratitude, which India in the fullest possible measure is prepared to accord.

12 NOON. In the expression of that gratitude the Government of this country has not been behind hand. As we know, a very generous tribute was paid by the Government of India after Mr. Montagu's death. One claim, and a great claim, of Mr. Montagu to India's gratitude will always be from the historical point of view the explosion of the fiction about the conqueror and the conquered which had long subsisted. It was given its death-blow by Mr. Montagu in Parliament. In India the British Indian connection was a case of partnership from the very beginning, and that is what he publicly voiced for the first time in Parliament and that was the honourable basis of his Reform Scheme. That will always be to my mind one of the greatest claims of Mr. Montagu to our gratitude, and we render it ungrudgingly.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-official): Sir, I wish to say a few words on this matter because, though I never expected it, it did happen that when the Government of India Act was being drafted I had a good deal, or something at any rate, to do with Mr. Montagu, and we discussed many matters together which have since become law. I always found that the late Mr. Montagu was quite in sympathy with our views, and in fact if it had been left entirely to him he would have given more than was given in the Act. The result of that Act has been referred to here, and that result illustrates an old proposition that a spring does not start up when the pressure is greatest; when the pressure is lessened a little then the spring goes off. So this Act for the first time really speaking planted the feet of India on the road to self-government. Without it the feelings which have been generated would not have found expression as they have done in the last four years. And I think that in judging Mr. Montagu historians will claim it as a triumph for him that he for the first time in the history of India planted the feet of the people on the road to responsible government. I have already on one occasion in this Council had an opportunity of speaking on the subject that I saw myself how Mr. Montagu worked night and day on his great work. In Parliament not only was he pressing our claims, but replying to his opponents who maintained that too much was being given. I believe that he worked to the limit of human endurance. In the morning he discussed with us; afterwards he debated the matter in Parliament often till midnight; and when the debate closed on the last day it was nearly 2 o'clock in the morning. Always preserving his good humour he turned over difficulties with a joke. I never saw so much tact and so much cleverness displayed in a Parliamentary debate. About the same time there was a debate on the Irish question, and it was conducted in a very different way to that in which the Government of India Act was discussed. I can bear this testimony to Mr. Montagu's greatness, to his great industry, to his real desire to do good. In the last speech he made there is one sentence I remember. He said, "I am proud of this day,

[Mr. G. S. Khaparde.]

because I have been able to lay this Act on the Statute-book". A gentleman sitting behind me exclaimed that he had written his name in the history of India for all time to come, and that has come to pass, and future historians will always represent the beginning of responsible government in India as from the time of the passing of that Act of 1919. So I really feel it something like a personal loss that Mr. Montagu has gone. With these words, Sir, I humbly associate myself with what has been proposed by my Honourable friend Mr. Sethna.

THE HONOURABLE SAHIBZADA AFTAB AHMED KHAN (United Provinces: Nominated Non-official): Sir, although I find myself in the position of the most junior Member of this House, as I had the honour of working with Mr. Montagu during the last important period of his term of office, I cannot help saying a few words with regard to the work which he achieved during his life. It is my belief that the service which Mr. Montagu rendered, not only to India, but to his own country and to the British Empire, has not been fully appreciated either here or there. I think the time will come when future generations both in India and in England will set a right value upon the work which Mr. Montagu did both for India and for his Empire. I have always thought that Mr. Montagu was born to serve India and through India to serve the Empire. It seemed to me when I used to see his anxiety, his earnestness, his thorough engrossment in his great ideal, that Mr. Montagu was not only Secretary of State for India, he was not only a friend of India, he was the lover of India; he had his heart in it. I know the difficulties he had to face in order to bring his scheme to completion and to success. I know the great art which he showed in carrying all his colleagues with him. He had, as I have said, his heart in it and he was gifted with remarkable ability, with real tact and with great patience, which enabled him to steer this most difficult scheme through both the India Office and through Parliament. I have said that in India his services have really not been fully appreciated, but the time will come when they will be appreciated. With these few words I entirely associate myself with the Honourable Mr. Sethna with regard to the service which Mr. Montagu has rendered both to India and to the Empire.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, I esteem it a very great privilege to associate myself as Leader with the appreciatory and laudatory remarks which have fallen from the non-official benches about the career of a distinguished and brilliant statesman, the late Mr. Montagu. His sudden demise at a very early age came as a very painful shock to all of us, to every Member of the Government, and His Excellency the Viceroy has given expression to the profound sense of sorrow which the whole of India, official and non-official, felt when they heard the news of the melancholy death of Mr. Montagu. It is but fitting that this House, which owes its existence, which owes its privileges, which owes its constitution largely to Mr. Montagu, should place on record its sense of the deep loss in the passing away of the author of its being, of its fortunes. My acquaintance with the late Mr. Montagu, I mean personal acquaintance, was very meagre indeed. I saw a little of him when he came to India in connection with the reforms inquiry. But as a non-official Member of the Viceroy's Legislative Council at the time when the reforms had not come into being, as one who knew what was going on, as one who approached him on behalf of the non-official community, as one who has had opportunities of going through the records of those days, I cannot help giving expression to my admiration of the

marvellous industry, perseverance, love of his task, which the late Mr. Montagu brought to bear upon his endeavour to bring the East and the West together, to place India on firm feet, so that her advance in constitutional development might proceed on sound and healthy lines, so that the different parts of the Empire might be bound and chained together more firmly, more soundly, than ever they could have been under the previously existing constitution. He had a brilliant imagination, marvellous tact, perseverance, capacity for hard work: and the combination of all these characteristics, assisted by the temper of the times, enabled him to pass through both Houses of Parliament a measure which, howsoever it might have been viewed by the different sections of the community, is bound to place the Empire on a firm and solid basis. Those who have had some opportunities of going through the records of those times must give expression, I think, to his keen appreciation of the difficulties of the task which the officials were bound to meet with when they had to face the new constitution. He tried his level best to smooth their difficulties, to improve their prospects and position, and if only all officials could see what he had attempted to do, I am sure they would appreciate in a fuller measure than perhaps some of them do what he felt the services had been doing for India, the selfless devotion, the untiring energy which the officials had been bringing to bear upon the daily task of administration. I am sorry the Right Honourable Srinivasa Sastri, whose ill-health has deprived the House of his services, is not here to give us an idea of how profoundly Mr. Montagu loved India, cherished India, and endeavoured to elevate her status in the eyes of the rest of the Empire and of the other nations of the world. I think all the Honourable gentlemen present here will agree with me when I say that the House is sorry in having lost the services of Mr. Sastri. Sir, I have only one more word to say, and that is that by his selfless, self-sacrificing life, Mr. Montagu brought India nearer to the heart of the Empire than would otherwise have been possible. As the Honourable Sahibzada Aftab Ahmed Khan has truly remarked, neither India nor the rest of the Empire appreciates fully the services he has rendered to the Empire, to India, or to humanity. The Muhammadan world is particularly beholden to him; and in espousing the cause of the East he has tried to bring the East and the West together. I know how hard he laboured to impress upon the self-governing Dominions the desirability, the necessity of appreciating the difficulties of India in order that India may be indissolubly connected with the rest of the Empire. Humanity in general, and India in particular, always appreciates the endeavours, successful or unsuccessful, of those who wish to elevate the position of weak and suffering humanity. Mr. Montagu might have temporarily lost by espousing the cause of the East and by espousing the cause of India, but we may rest assured that in trying to elevate the status, the position, of 300 millions of His Majesty's subjects, in trying to bring the East and the West together, in trying to consolidate the Empire, he had, in a crowded life, within a few years been able to achieve far more for the Empire and for humanity than many brilliant statesmen whose services are, perhaps temporarily, more keenly and widely appreciated than Mr. Montagu's. I am sure, Sir, I express the sense of the deep loss which this House and every Member of it feel in the premature death of a true lover of humanity, of a man who effaced himself for the sake of a noble cause.

THE HONOURABLE THE PRESIDENT: I think that it is the unanimous desire of the House that I should communicate to the proper quarter the

[The President.]

sentiments to which expression has just been given and I take it that I shall best give effect to that desire if I make it my business to see that a copy of to-day's proceedings with particular reference to the speeches which have just been made is communicated to His Majesty's Secretary of State for India. That will be done.

THE HONOURABLE SIR NARASIMHA SARMA: Might I suggest that a copy may also be communicated to his widow if it be proper form to do so?

THE HONOURABLE THE PRESIDENT: My intention was that it should be communicated through His Majesty's Secretary of State for India.

RESOLUTION *RE* ADMISSION OF INDIAN STUDENTS TO THE UNIVERSITY OFFICERS' TRAINING CORPS.

THE HONOURABLE MR. PHIROZE C. SETHNA: I beg to move:

"That this Council recommends to the Governor-General in Council that he be pleased to urge upon the Home Government, that effect should be given to the recommendation of the Committee on Indian students (otherwise called the Lytton Committee) that the existing bar upon the admission of Indian students to the University Officers' Training Corps should be removed."

The House will remember that in 1921 the then Secretary of State for India, Mr. Montagu, had appointed a Committee for the purpose of reporting and making representations on various subjects relating to the education and the well-being of Indian students in the United Kingdom and in foreign countries. That Committee was presided over by the then Under Secretary of State for India, Lord Lytton, now Governor of Bengal, and one of the members of that Committee was our Honourable Colleague Sir Deva Prasad Sarvadhikary.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: And there is another (pointing to the Honourable Shahibzada Aftab Ahmed Khan).

THE HONOURABLE MR. PHIROZE C. SETHNA: I stand corrected. There are two. There is also the Honourable Sahibzada Aftab Ahmed Khan. The Committee made several recommendations and amongst them was one which forms the subject-matter of my Resolution. The question which my Resolution raises was carefully gone into by this Committee, and after the pros and cons were studied, after the examination of Indian and European witnesses, the Committee came deliberately to the conclusion that the existing bar against the admission of Indian students into the University Officers' Training Corps attached to the different Universities in the United Kingdom should be removed. I might explain at the outset that this disability was imposed by none of the Universities concerned. It was the result of an Order of the Army Council, an Order passed,—strange as it may seem, such is the irony of things—immediately after the Great War. One of the Indian witnesses, Mr. Malik, stated to the Committee that he was given a British commission and that his relations with his brother officers were most cordial and no objection was taken to him, and yet when after the War he returned to his studies admission was denied him to the University Training Corps of the University to which he belonged.

From the evidence which one reads and which is attached to the Committee's report one finds that there are only two objections to the admission of Indian students to these Corps.

The first is that these Corps are intended for the training of young men who might apply for commissions in the British Army and that they could not be thrown open to those who are non-eligible for the position or unlikely ever to apply for them. The answer to this objection is that there are in the Universities in the United Kingdom students hailing from different parts of the Empire, from Canada, from Australia and from elsewhere, who have hardly any intention of holding commissions in the British Army, and yet they are all admitted to these Corps, in fact no objection is ever taken to them. It will be said that these men might in abnormal circumstances apply for commissions such as in the event of a great war. The same argument might as well be advanced in favour of Indian students. The second objection is to the effect that if Indian students were allowed to enter these Corps, perhaps it would affect adversely the recruitment of British students. This point was also considered by the Committee very fully, and the answer which they gave was what I propose to read in their own words, which is as follows:

"We believe that the apprehensions which are felt with regard to the result of admitting Indians to the University Corps are mistaken. We have made careful inquiries on the matter not only from the Indian students, but also from the Officers' Training Corps authorities and from representatives of the British students, and we believe that at some centres the officers in charge of the Corps would be glad to try the experiment of admitting a small number of specially selected Indians and that their admission would not be distasteful to British students. We are informed that there is no bar to the admission of Indians to the Cadet Corps at the Public Schools, and that even where these units have taken part in field days and shared camps with University Corps, no objection has ever been raised with regard to the Indian Cadets."

Now, Sir, the whole question resolves itself into this opposition which has been offered by the Army Council, and it is this opposition which requires to be removed, but to be more precise, it is not so much the objections as I think the apprehensions and prejudices which are felt by the Army Council, and my object therefore in bringing forward this Resolution is to see that this bar is removed and the Government of India approach the Home Government for that purpose.

While speaking on this subject, I cannot resist the temptation of a passing reference to the growing desire on the part of the Indian public to take a keener interest in the matter of the defence of India by themselves. I may remind the House of a Resolution which I brought forward here about two years ago in regard to compulsory military training and service. For obvious reasons that Resolution was not pressed to a division. But it is a consoling fact to know that since then and even before, the desire for military training in the country has become more insistent and it is asked for in several quarters. Sir, the Indian Territorial Force has proved a success. In answer to a question which I put this morning, His Excellency the Commander-in-Chief informed us that the special Committee which is sitting to consider the question of improving not only the Indian Auxiliary Force but the Indian Territorial Force is to meet again to-morrow and that its report is soon expected. I do hope that the recommendations which will be found in that report will be of a character which will not only tend to increase the present maximum number from 20,000 to more, but include the many improvements which have been suggested by so responsible a body as the Universities Conference which was held in May last.

[Mr. Phiroze C. Sethna.]

Resolutions have been introduced in the different Universities of this country recommending military service in the case of physically fit undergraduates. In most cases they have met with the same fate as did my Resolution in regard to compulsory military service in this House. But there is one University, however, which appears to be far-seeing in this matter and which has recorded its verdict in its favour. University Corps have already filled the maximum number which they are entitled to fill, with the result that applications from the new Nagpur University and from the Karachi College for having their own units have had to be refused. Notice of a Resolution has been given by my Honourable friend Raja Sir Rampal Singh to consider this question. I hope that this Resolution will be put before the House at an early date, and as a result of it there will be an improvement in these forces and also an increase in their numbers.

All these are very auspicious signs showing that the circumstances call for not only vigorous but sympathetic action on the part of the Government to give training to those who want it in the different branches of the Army. We have now reached the stage in the development of political events in this country when the problem of shifting the burden of defence to Indian shoulders themselves is as important as the problem of any further constitutional advance. In fact both are equally important and equally insistent. The issue that I have raised in my Resolution is perhaps a limited one and forms part of the greater issue. But because of that the issue which I have brought forward ought not to be under-estimated, and I do hope that the grievances under which Indian students suffer will be redressed and redressed as soon as possible. Sir, I do feel that this grievance requires to be redressed for another important reason and that is, that the existing bar is apt to produce political effects of an insiduous and far-reaching character. We cannot forget that these Indian students who are now reading in the English Universities are the very men who within the next few years will be the persons principally concerned in the relations between Great Britain and this country, and it is therefore very necessary that their attitude towards the British Raj should be of a kind that we should like it to be and which it cannot be if they return to this country with a sense of injustice rankling in their breasts,—done to them whilst studying at the English Universities. It is therefore that I appeal to Government once again to make a further representation to the Home Government and see that the War Council do their best to remove, and to remove as speedily as possible, the grievance which has caused and is causing great bitterness in the minds of Indian students reading in the United Kingdom.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I think perhaps it will save the time of the House if I rise at this early stage of the debate to say on the part of Government that we are prepared to accept the Resolution put forward by the Honourable Mr. Sethna. I may say that steps have already been taken more than once to urge the question on lines which the Honourable Member has suggested, and we are quite prepared again to approach the Secretary of State and once more to put forward much on the same lines that the Honourable Member has indicated in his speech, the case of Indian students at the Universities in England. I do not think it will be necessary for me in these circumstances to follow the Honourable Member into some of the somewhat irrelevant arguments that he has given to the House. But I should like to say this, that we recognise that we have a good case and, notwithstanding the fact that a despatch has already been sent Home upon this subject and a good deal of correspondence has taken place in connection with it, we are prepared again to approach the Secretary of State and to forward for his information a record of not only the Honourable Member's speech, but any other speeches that may be made to-day in connection with it.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): I very warmly welcome His Excellency's acceptance of the Resolution, and in doing so I desire to bear the strongest possible testimony to support the Government here and the Secretary of State, at the time, Mr. Montagu, gave to the Lytton Committee with regard to this question in England. Mr. Montagu had made a personal affair of it and had been interviewing people in the War Office or whatever the correct description of that office might be and had been telling them plainly that one of the biggest mistakes that office was making was in setting up this bar which neither the Universities nor the British students themselves wanted. Sir, one never likes to speak of one's own committee but by some dispensation of Providence Indian members of the Lytton Committee are fast gravitating up to Delhi and the recommendations of the Committee ought to begin to bear belated fruit. Here are Sahibzada Aftab Ahmad Khan and myself representing the Committee in this House and in the other House are Dr. Datta and Dewan Bahadur Ramachandra Rao. All the Indian members had the fullest possible support from their colleagues in England in this matter and also from the Secretary of State, and yet they did not succeed in getting their point of view accepted by the military authorities. I do not want to labour that point now. I welcome once again the acceptance by His Excellency of this Resolution, which I am afraid will not do so much good unless the military authorities in England are helpful. The case of Malik has been referred to. Several other Indian students, who either got commissions or served in the ranks, did good war service, and some of them gave their lives in the French trenches. I desire to say one or two words in regard to the development of the Calcutta University Corps and the other organisations which are receiving very sympathetic consideration at the hands of His Excellency the Commander-in-Chief. If well handled these bodies will partially solve the problems that the Resolution seeks to cover. And the Dehra Dun experiments ought also to be helpful. I desire to dissociate myself entirely from what some of my Liberal friends said at the recent Conference at Lucknow regarding what is being done at Dehra Dun about which they happen to know nothing. Some of us had the privilege through His Excellency's courtesy to see the great work that is being attempted there. If work along that line goes on and if this bar in England is removed against students from India, a great step will have been taken with regard to the Indianising of the Army upon which we have set our heart.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I am exceedingly thankful to His Excellency the Commander-in-Chief not only for accepting the Resolution, but for informing the House that he has anticipated us and that a despatch has already gone to the Home Government. There was however one remark which His Excellency made, namely, that he considered some portion of my speech irrelevant. I regret His Excellency did not choose to point out where the irrelevancy was. I would have welcomed his strictures and admitted the irrelevancy if he had satisfied me it was so, or would have replied to the charge. However, Sir, I will not pursue the point. In common with

[Mr. Phiroze C. Sethna.]

my friend Sir Deva Prasad Sarvadhikary, and I am sure the Members of the House, I am very grateful to the Government for the manner in which they have taken up this matter and trust they will not rest content until they have prevailed upon the Army Council to withdraw this disqualification upon Indian students.

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

"That this Council recommends to the Governor General in Council that he be pleased to urge upon the Home Government that effect should be given to the recommendation of the Committee on Indian students (otherwise called the Lytton Committee) that the existing bar upon the admission of Indian students to the University Officers' Training Corps should be removed."

The motion was adopted.

RESOLUTION *RE* IMPORT OF CINEMA FILMS, ETC.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): It is with the greatest pleasure that I rise to move the following Resolution:—

"That this Council recommends to the Governor General in Council that, in place of the various existing provincial boards, a single salaried board be appointed for the whole of India to regulate the import into India of cinema films, and to exercise a stricter control over cinemas generally."

My sole idea in moving this Resolution is to do good. I have come to the conclusion that some such action as is suggested in this Resolution should be taken in view of the altogether erroneous impression made on the Indian mind of the social life of England, America, and other Western lands by many of the cinema films permitted to be shown throughout India, an impression which is decidedly inimical to the interests of the country in general. Nor is my idea that of an isolated individual. Only a week after I had turned in this Resolution to be moved in this House, I read in the daily press a cable from England which stated that a well-known Bishop, who is intimately acquainted with India, was speaking at a large Conference at Wembley, and, in the course of his remarks on the harm being done by the cinema in India, he said:

"The majority of the films, which are chiefly from America, are of sensational and daring murders, crimes, and divorces, and, on the whole, degrade the white woman in the eyes of the Indians."

In moving this Resolution, I do not wish to make any charges against or reflections on the various provincial boards which have done good work for some time along the lines of cinema censorship. And in order that I might not be accused of commencing such a campaign, I will refrain from using figures relating to the work of any one board, but will content myself with dealing altogether with generalities and main principles based on the iron logic of experience and fact.

The main objection I have to the present method of censorship is that sufficient importance is not placed on the fundamental difference of outlook of the crowds which see the films. A picture which would be perfectly harmless in Europe, where all the circumstances would be understood and all the humour or sarcasm immediately recognised, might be of great harm in India, where these essential points would not be readily seen. To cite an illustration. At the present time there is showing in India a remarkably realistic film depicting life in Europe at about the time of the French Revolution. To those who know the historical background, the scenes in the film are not likely to create a strange impression regarding the social life of those days; but to those who have not a sufficient knowledge of the actual conditions of those days and who do not even realise that the film is depicting scenes which supposedly happened more than a century ago, that picture, with all its magnificence, would produce some surprising impressions. As it is, the film has no catch line at the beginning to indicate that the scenes which it was portraying were, in reality, acted in the days when even Europe was steeped in barbarism; whereas some such announcement, or the date of the story placed in a prominent place, would do much to prevent wrong and harmful impressions of Western life and customs being taken away by those who see the picture without the necessary knowledge of history to place it in its right setting. It would be easy for such a censorship board as suggested in this Resolution to remedy such defects as these, not by prohibiting the film altogether, but by prefacing its appearance on the screen with a short explanatory note giving the real historical setting, or detailing the main object of the picture in showing up certain vices or crimes.

As a matter of fact, it would almost appear that certain of the American producers cater especially for such countries as India and Japan, and make films which they would never dare to release in America or England. Such producers seem to have made a special study of what scenes and situations will most appeal to audiences on this side of the world and these films are shipped out to the Orient by the dozen. I believe it is also true that any films which are so suggestive as to come under the ban of the censorship board of America are silently packed up to places like India, where, up to the present, the authorities have not been so strict in these matters.

In other words pictures may be either constructive or destructive; they may teach an ideal or shatter an ideal in a bare hour. There is no need for me to give you statistics showing the effect a certain class of film has had in England and America on the juvenile mind and how it is filling the prisons and reformatories with boys and girls who learned to steal and shoot and forge "at the movies"; but I do wish to repeat that equally harmful effects and results are being seen in India as the sequel to certain films which do not allow for the different view point of the spectators. What is not considered wrong in England might be considered highly indiscreet in India, even as certain Indian manners and customs appear peculiar to many English people. It all depends upon the view point, and if that view point is not made clear at the beginning of a film, then there is every possibility that the aim of the picture might be very much misunderstood, no matter how innocent that film might have appeared to the producers and to an English audience.

It has seemed to many critics of the moving pictures that there are more destructive films than constructive ones, especially as far as India is concerned. But I do not believe that that is the case. There are better pictures being made to-day than ever, due largely to the co-operation of the producers with the public. The films of to-day are certainly finer than those of yesterday, more perfect in detail and workmanship, more splendid in their effect upon the minds and morals of those who see them. It is not fair or sensible in these days, therefore, to stand on one side and say, "All pictures are worthless, and I will keep away from them." Doing that is giving the bad picture producers a whole seer of encouragement. It is, ostrich-like, covering the eyes and ears only. Mere disapproval never remedied any defect. Reforms have never been effected in a negative way. That is

[Mr. Haroon Jaffer.]

why I have brought forward this Resolution, asking for the establishment of a permanent and competent and well-paid censorship board to regulate the flow of cinema films into this country, not to ban fifty per cent. of them, nor even five per cent. unless absolutely necessary, but rather that it might suggest introductory catch lines of explanation at the beginning of films which are likely to be misunderstood or create an impression which would be a false one if the film were seen from the correct historical or social or religious view point. This would, I know, be a new and novel kind of censorship, but I firmly believe it would be one which would be productive of very much good to India at a comparatively negligible cost. It should consist, of course, of men who have studied and who know India, who can quickly realise what effect any particular situation or scene would or might have on the Indian mind, and who would be able to insert here and there an explanatory catch line which would prevent the arising of false impressions. And their work would also consist of being adamant on the total exclusion of films which were in themselves decidedly harmful. After a little while the producers in America would willingly co-operate with the ideas put forward by this board, whilst the firm stand taken by India's Legislature on this very important matter would show very plainly that we are determined neither to have the white races misrepresented nor to permit our own race to be contaminated with any more of the vices of Western civilisation.

No one is satisfied with the amount and kind of legislation existing at the present time regarding cinemas, and an improvement would be welcome all over India. One member of the Madras Board of Cinema Censorship, indeed, has, from his experience in that work, come to hold very strong views on the need of reform, but so far has been unable to get the Local Government to move very far, except to issue orders to its officers to exercise a more rigorous control over the exhibition and importation of films ; whilst those directly concerned in this question of censorship have written to me of late stating that they will welcome any reform for the whole of India which will make the matter an Imperial and not a Provincial one.

Hence I feel convinced that not only have I the support of social leaders outside this Honourable House, but that I shall also have the support of every Member of this House so that this Resolution will be accepted by Government.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, though I must oppose the Resolution moved by the Honourable Khan Bahadur on grounds which I shall subsequently briefly indicate to the House and the validity of which I must leave to the judgment of the House, I have nevertheless listened to the remarks which have fallen from the Honourable Member with much attention and a very considerable measure of sympathy. The Honourable Member has brought to the notice of the House what is undoubtedly a matter of very great importance. The rapid development of the cinema industry, not only in India but throughout the world, has everywhere had consequences causing anxiety to all those who, like the Honourable Member himself, feel a keen responsibility for public morals and particularly for the interests of all those who are liable to be unduly impressed by cinema exhibitions. The problem is a great problem and must therefore be approached seriously ; and I am equally sensible of the fact that in India more particularly there are very grave grounds of anxiety not only to those who, like the Honourable Member himself, are interested in the

matter from the point of view of philanthropy and social reform, but also to Government. My objection is not that the Honourable Member has either overstated the problem or that he has invited the attention of the House to a matter which is not very well worthy of its attention. My objection is on entirely different grounds ; and I think before I go a little more largely into the administrative difficulties which arise, the Honourable gentleman will appreciate that I, at any rate as a European, must naturally, like all other Europeans in India, be extremely sensitive to the gross misrepresentations of Western morals, of Western culture and Western civilization which have not infrequently found their way into cinema exhibitions. I hope, then, I have made it quite clear that I appreciate the importance of this problem, and that indeed as a Government officer, and a European officer of Government, I have very special reasons for appreciating the importance of the problem. But there are some considerations, practical considerations, which I must lay before the House. The Honourable Member very frankly said that he proposed mainly to deal in generalities. He would have assisted me a great deal more, Sir, in expounding my attitude towards this case, if he had descended a little from generalities to detail—to the question whether the expedients which he has recommended to the House are really the expedients best calculated to attain the objects which we all hold in common. Censorship of every kind is always difficult to administer with promptitude and efficiency, with due regard to the susceptibilities of the public, to the objects which the censorship itself propounds, to the interests of industries which may be involved, and to an infinity of considerations of that kind. Indeed I may say that of all bodies exercising public functions there is hardly one which is more exposed and more subjected to censure than the censorship. I have had too much to do with censorship of many kinds for my own comfort and peace of mind. I have realized in a very hard school what its difficulties are.

Now, Sir, I do not intend to detain the House very long, but I would invite the attention of Honourable Members, and indeed I think I must invite the attention of my Honourable friend, first of all, to the constitutional and legal aspects of his proposition. From the legal point of view the situation is this. By the Act of 1919 this Legislature, the Indian Legislature enacted that where an " authority " was constituted consisting of a board of two or more persons, then not more than one-half of the members of the censorship should be persons in the service of Government; that is to say, the Legislature provided in the most express terms that there must be a large non-official element on these boards. Now, Sir, whether the Legislature was right or wrong on that point, the intention in doing so was, first of all to mitigate the rigours, or what might otherwise have been regarded as the rigours, of a purely official censorship; and, secondly, the intention was to attain precisely one of the objects which the Honourable Member himself has so strongly in mind. He alluded to the great difficulties, the inconveniences, which have arisen from the fact that films are exhibited in India which produce impressions upon the Indian mind totally different from the impressions which they produce on the minds of a Western audience. Sir, the object of the Legislature in providing for a non-official element on these boards was precisely to enable the Executive Government to have some authority to interpret to them the effect on the Indian minds of such importations from Western countries.

1 P.M. That is briefly the legal aspect of the question. The Honourable Member's object could not be attained without an amendment on this particular point of the existing law.

[Mr. J. Crerar.]

Secondly, there is the constitutional aspect of this matter. By the Schedule attached to the Devolution Rules the control of cinematographs, like dramatic performances, was advisedly made a provincial subject, and the Honourable Member's object, at any rate his specific proposal, could not be effected without the withdrawal from the control of Provincial Governments of this particular subject and its being constituted a central subject. Whether the Honourable Member will find a large body of opinion to support him in that measure and whether it would not be regarded as a retrograde measure, I think I must leave it to him to substantiate.

Then, Sir, I come to a point of view which we cannot disregard, the interest of the trade itself. It is an important trade in India and it is now recovering after a period of some depression. The manufacture of films may quite conceivably become an important indigenous industry. That I do not know, but quite apart from the question of the manufacture of films in India, the exhibition of films in India is undoubtedly an important industry, largely in the hands of Indian capital and of Indian promoters. Well, if I construe the Honourable Member's proposition correctly, he proposes to institute a central board of censorship which shall be wholly stipendiary and official. If I interpret him rightly, that central board will have a central headquarters, presumably the headquarters of the Government of India. That would mean that the importers of films—and films are imported into India mainly at Bombay and Calcutta and to a less extent at Rangoon—would be subjected to the very great expense, to the very great delay, and to the very great annoyance of having to submit all their productions to a central board sitting in Delhi. Perhaps the Honourable Member will reply that he had no intention that the central board should sit in Delhi. He may say that he intended to have a central authority which will operate in Bombay, Calcutta and other places where films are imported. If he has had that in mind it seems to me that the central board loses all its centrality. We have already boards there constituted for the purpose, and I really do not see what will be gained by these boards being constituted Government of India boards instead of Provincial boards, unless the real intention is to convert them from boards which are partly non-official in their constitution to boards which are wholly official in their constitution. On that point the Honourable Member has not fully explained his intentions and it is very important that he should do so. Now, I have briefly explained the reasons why these boards originally were given a very considerable non-official element. The Honourable Member has refrained from any criticism of these boards, though I am bound to say that if he had any important criticisms to make, it would have been much more convenient to me if he had delivered himself of those criticisms now. I understand that he does not criticise the boards as at present constituted but urges that they should be purely official and stipendiary. Regarding the matter solely from the point of view of promptitude and efficiency, I am disposed to agree that advantage might be gained by making those boards purely official and purely stipendiary. But there are other considerations which must be borne in mind. I have already indicated them and I have not heard anything from the Honourable Member which meets these difficulties. I will give one or two instances from practical experience to show why it was that, in the first instance, the Government of India believed that there must be decentralisation for the purpose of efficient censorship. Films have been imported into India, apart from those which produce a different impression upon a Western mind from that upon an Eastern mind, regarding which different points of view may be taken in different parts of India itself. A film was imported into Bombay dealing with the life of Buddha. It was certified by the Bombay board, it was performed in Calcutta and in several provinces of India proper, without any objection whatsoever. It was taken to Burma, and in Burma, the film, in itself inoffensive from the point of view of a Hindu or a Mussalman or a Christian, was regarded as offensive to Buddhist religious susceptibilities. Another case that came within my knowledge is this. A film was imported into India representing a Spanish bull fight. It was produced in Bombay, it was produced in Calcutta. No objection was taken. But it was produced I think, in Delhi or the United Provinces—I am not sure which—where the exhibition of cattle being subjected to what was thought improper and crued treatment produced very strong resentment. I instance these two cases to show that even within India itself there are provincial points of view with regard to films, and it was partly in order that the provincial point of view should be properly considered that the matter has been placed within the discretion of the provincial authorities.

Now, Sir, I have spoken somewhat critically of the arguments used by the Honourable Member, but my intention was by no means simply to be critical but to lay the matter fully before the House. When one is dealing with a large problem of this kind which impinges not only on the interests of the administration but also very largely upon the convenience and the natural rights of the public one must tread warily. Does the Honourable Member really intend to impress upon us that we must stiffen up the censorship of cinema films to such a degree as to allow nothing to be put forward except what might be allowed by an educational authority to appear in a children's school book? I have not the slightest desire to minimise the difficulties and the apprehensions which the Honourable Member has expressed, but I do think that we must exercise a cautious judgment and a sense of proportion in the canons of censorship which we set up by law. In this matter there are many things which impinge, as I say, on public opinion and we must leave a very great deal to public opinion.

Now, Sir, I have indicated some of the difficulties which lie in the way of accepting the Honourable Member's Resolution, and though Government are very sympathetically disposed towards the general intentions of his Resolution, we cannot possibly accept it unless he is in a position to assure us that these difficulties can be solved and until he is in a position to provide us with a solution.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): I rise to support the Resolution which has been so ably moved by my friend the Honourable Khan Bahadur Haroon Jaffer. The Honourable the Home Secretary has put forward certain objections in the way of his accepting the Resolution. As far as I have been able to follow him I think the instances which he has quoted necessitate the constitution of a Central Board rather than favour the present provincial boards. The growth of the cinema industry in India and the popularity which the cinema theatres have achieved and the attention which it has generally received from the public make it paramount upon the Government to see that the religious feelings of no community are injured by the exhibition of certain films. If a central board is appointed and principles are laid down, I think we shall have a much better success than we have at present. From what I see in the Punjab even the illiterate people who go and attend the cinemas are, I am surprised to find, quite able to follow the long plots in just the same way as a literate person will and

[Lala Ram Saran Das.]

thus the importation or manufacture of cinema films which injure the religious or popular feelings of the people deserve the consideration of the Government in the way in which the Honourable Mover of this Resolution wants. By the constitution of a central board a uniform policy can be expected. The Honourable Mr. Crerar has himself admitted that a film which was not objected to in Bombay and Calcutta was the film which gave much offence and hurt the religious feelings of Burma. When we have a central board such things will not happen. Mr. Crerar says that different provinces look at films from different aspects. We ought to lay down the principle that for a certain province such and such sort of films ought not to be allowed. Another difficulty which the Honourable Mr. Crerar referred to is as regards the location of the board. I do not think it will be at all necessary to locate the board at the headquarters of the Government of India. It may be conveniently located in Bombay or in Calcutta and, as long as the principle and the rules laid down are observed, the question of location becomes immaterial. With these few words, I support the Resolution.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): India is not so much a country as a continent, and indeed it will be very hard if there is going to be one central board which would disallow films throughout the continent which might be acceptable in many provinces and be objected to in some one or other. The Honourable Mr. Crerar has given us an instance in point. The film regarding Buddha was acceptable throughout all India except in Burma. The film showing a Spanish bull fight was acceptable everywhere except in the U. P. That is a stronger reason for not having a central board but having provincial boards. Again, the Honourable Member's Resolution casts, as it were, a reflection on the provincial boards. I do not think he has any instances to show in which a particular film has been passed by the board in a particular province, which has been objected to by the province itself. That being so there is greater reason for allowing the provincial boards to continue as they are. In addition to the many arguments advanced by the Honourable Mr. Crerar there is one more which I would like to place before the House. The Honourable Mr. Haroon Jaffer desires that there should be a central board. If there is a central board, the expense will have to be borne by the Central Government. Why should the Central Government be saddled with this cost which is at present rightly borne by the Provincial Governments? That is one additional reason?

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): I sympathise with the Mover of the Resolution and I do not think there was any intention to cast any slur upon the existing boards in the provinces. What he feels is also what we feel in these matters. Cinema representations are a part of education. It has been a matter of complaint almost all over India that the student world is drawn away from the right path by the kind of cinema representations that are open to them. It is time for us to look into the matter more closely. I am reminded of the discussion that followed the Resolution which was moved by the Honourable Mr. Crerar last Session, on the 11th March 1924, in regard to the importation of obscene literature in connection with the ratification of an International Convention. This is a Resolution similar to that and if it is objectionable to have a central board which would travel over the whole of India or parts of India that does not mean that there should

be no central board here to regulate the superintendence of this cinema representation in India. Representations made by the inhabitants of one province are often carried to others and I do really think there must be a central body. As to whether that central body should be salaried, that is a matter for the Government to consider. In view of the obstacles raised by the Honourable Mr. Crerar based on the construction of the section which refers to the constitution of the board, I think an endeavour may be made to have a proper amendment of the Act. There is the other objection undoubtedly that if the whole board is salaried, it would not carry the people with the recommendations of the board. For instance, popular views may be quite separate from the salaried view as people might put it, but the object of the present Resolution seems to be to draw closer attention to the subject, and if it is possible to find any means of accepting this Resolution in one form or another, it might be more desirable, instead of the whole motion being lost on a technical ground.

THE HONOURABLE PANDIT SHAM BIHARI MISRA (United Provinces: Nominated Official): Sir, in these days of decentralization I am rather surprised to see non-official Members advocating a policy of centralization. From the arguments advanced by both official and non-official Benches it appears to me that conclusions of a different nature have been drawn from the same arguments. The Honourable Mr. Crerar has clearly pointed out that in certain instances a film was not objected to in some provinces but was objected to in another, and therefore there need not be a centralized board but provincial boards were sufficient. From the same arguments the conclusion has been drawn that there should be a centralized board. It appears to me, Sir, quite clear that if in the case of the same film there were no objections in two or three provinces but there was an objection in another province, the clear conclusion is that there should be separate provincial boards rather than one centralized board for the whole of India. One central board cannot be expected to know the view points of the various provinces so well as the various provincial boards would know. To my mind, Sir, the provincial boards should be quite sufficient to deal with the problem, and we need not insist upon centralization in this respect. I oppose the Resolution.

THE HONOURABLE SAHIBZADA AFTAB AHMED KHAN (United Provinces: Nominated Non-official): I am sorry I was not here when the Honourable Mover proposed his Resolution, but from what I have heard since I came it seems to me that there is one aspect of the question which has been rather misunderstood. I do not think there is any question of centralization or decentralization, but it is important to devise some means of not injuring the religious feelings of people of any province. A very important object might be served by having some body on which representatives from all provinces may be present; but before they permit the exhibition of any film in any part of India, the views of the different provinces should be consulted, so that the film may not be exhibited in a province in which offence may be given. Two instances were given by the Home Secretary, in both of which objection was taken after the offence had been given to religious feeling. I suppose that is a very important aspect of the question. I do not know what may be the proper procedure, or whether there is any legal obstacle in the way or not; but it is important that before any film is permitted to be exhibited in any part of India that the representatives of the different provinces should be consulted as to whether it will give any offence to religious feeling.

[Sahibzada Aftab Ahmed Khan.]

There is another aspect. A film which was shown in Burma exhibited Buddha the founder of Buddhism. Burma being Buddhist objection was taken. Similarly films may be exhibited in other provinces and cause offence to a section of the people; *e.g.*, the Buddhist film exhibited in the United Provinces may cause offence there to Buddhists as well, in the same way as films affecting Hindus and Muhammadans in all provinces. So that it is very important to prevent the exhibition of films in any province where it is likely to give offence. To prohibit them after the offence has been given is not very helpful.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, I entirely sympathise with the reasons which induced my Honourable friend to bring forward this Resolution, but I would like to bring the House back to only one aspect of it, and that is, the aspect of interference. I do not think that we here should accept a Resolution which would in fact be one of censure on the Provincial Governments. And surely the Provincial Governments, Bengal, Bombay, Madras and the other provinces in this country, are capable of looking after their own affairs, such as the passing of cinema films. If they are not capable of looking after a matter of that kind, I really do not know of what they would be capable.

THE HONOURABLE MR. HAROON JAFFER: Sir, the chief difficulty placed in my way by the Honourable Mr. Crerar is a legal difficulty. Instead of pointing to me to remedy the defect I think it would have been better if the Government had accepted this Resolution and come forward with an amending Bill to remove that defect. The Trade Mark and Patents offices are situated in Calcutta for the benefit of the whole of India. Similarly, I think this board, the proposed central board, could be placed at Calcutta or Bombay instead of at Delhi. My friend the Honourable Mr. Karandikar has replied to some of the other objections raised and it is not necessary for me to repeat them. I have brought a social evil to the notice of the Government of India and it is up to them to remedy it. I think the obstacles placed in the way are not insurmountable. With these words, Sir, I put my Resolution to the vote of the Council.

THE HONOURABLE MR. J. CRERAR: Sir, I for my part also do not propose to detain the House very long at this stage, but I must reply to one or two observations which have been made and I must complain of the omission of other observations which I invited and which have not been made. It has been stated by my Honourable Friend Mr. Karandikar that I objected merely on a technical ground to this Resolution. It has been alleged by the Honourable Mover himself that I objected merely on a legal ground. Now I ask the fair judgment of the House whether that really is the case. Did I take legal and technical grounds in explaining to the House what I conceive to be the difficulties in the way of this motion? However, I think there are one or two genuine points of misapprehension which it would be well for me, before the House pronounces on this question, to endeavour to remove. The Honourable Sahibzada used expressions which suggested to me that he thought that the existing law did not provide effective measures for safeguarding against such matters as injury to the religious susceptibilities of any community or of the people of any province. Now if Honourable Members will only examine the law in the matter they would see that there are ample and even drastic powers

residing in the Local Governments and their officers. The District Magistrate of any district in India, if a film is produced within his jurisdiction which has caused or is likely to cause injury to religious susceptibilities, can of his own motion forthwith suspend the certificate of that film, and that film cannot be exhibited until the Local Government have passed final orders in the matter. Now I think that is enough to remove any misapprehension as to whether we do have an adequate machinery. The next question is, whether that machinery is adequately operated. The Honourable Member did not specifically criticize any particular action of any particular provincial board. Possibly he refrained from doing so because he had not the material for doing so, and in any case I should like on behalf of Government, in spite of the many criticisms which are and always will be levelled at any system of censorship you may possibly devise, to acknowledge the onerous and frequently exceedingly inconvenient services rendered by the non-official members of these boards. And I do very strongly appreciate the testimony, which is evidently implied in the Honourable Member's Resolution and in the speeches of the Honourable gentlemen who have supported it, to the intelligence, the efficiency and the integrity of official agencies when applied to difficult and delicate matters of this kind.

I have only one word more to say and it is this. The Government of India and the Local Governments—and the Government of India I mention more particularly, not because I impute any lukewarmness in this matter to the Local Governments but because I happen to be more fully cognizant of what the Government of India have contemplated and are doing in the matter—are very much alive indeed to the importance of this question and of securing that the censorship is properly conducted, having regard to all the other interests which have to be considered. My position then is briefly this. We cannot accept the proposition in the form which the Honourable Member has moved it. I have explained the reasons, and I deny that they are merely technical. The difficulties are of a much greater comprehensiveness than that. We have recently, in a general review of the whole question, called the attention of Local Governments to the directions in which, under the existing Act, by the existing machinery, improvements can be attained. I will not weary the House with details of the points to which we have drawn the specific attention of Local Governments. The question is a somewhat technical one and, in order to convince the House that we have really gone into the matter in great detail, I should have to go into the matter myself in great detail—but I must ask the House to accept the assurance that that is the case. My position then, briefly is this. The Honourable Member must convince us that he can suggest to us practical solutions of the undoubted grave difficulties which subsist in his proposals. In the meantime, until we are presented with such solutions or discover them ourselves, we propose to urge every improvement possible within the limits and by the means provided by the law as it stands.

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

"That this Council recommends to the Governor General in Council that, in place of the various existing provincial boards, a single salaried board be appointed for the whole of India to regulate the import into India of cinema films, and to exercise a stricter control over cinemas generally."

THE HONOURABLE MR. HAROON JAFFER: I would like to say a word, Sir . . . .

THE HONOURABLE THE PRESIDENT: The Honourable Member has no further right of reply.

The Resolution was negatived.

CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

THE HONOURABLE THE PRESIDENT: Can the Honourable Mr. Chadwick tell us whether his motion is likely to give rise to any controversy? If not, it will be unnecessary to adjourn the House for luncheon.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): I hope not, Sir.

Sir, I beg to move:

"That this Council do proceed to elect in such manner as may be approved by the Honourable the President, a panel consisting of 8 members from which 6 shall be selected to serve on the Central Advisory Council for Railways, as provided for in clause 6 of the Resolution adopted by the Legislative Assembly on the 20th September, 1924, on the subject of separation of Railway Finance."

I will only detain the House for a moment. The House will probably remember that in accordance with the recommendation of the Acworth Committee a Railway Finance Committee was appointed, the Members being nominated by Government. A little later a few others were added to that Committee, also nominated by Government, and the Committee was constituted into a Central Advisory Council for Railways. It is now proposed to reconstitute that Central Advisory Council on the lines of the Advisory Councils which are attached to the various Departments, wherein the members are nominated from panels elected by the Legislature. That is all that is proposed in this Resolution. The House will be asked, if the House approves of this Resolution, to arrange to elect a panel of 8 Members from whom 6 Members will be selected to serve on the Central Advisory Council for Railways.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: With reference to the motion just adopted by the House, I have to say that nominations of candidates for the panel should be handed in to the Secretary of the Council by the hour of noon on Monday next, the 26th, and that the election, if necessary, will take place on the following day, Tuesday, the 27th.

Has the Leader of the House any information to give to the House as to the future course of business?

STATEMENT OF BUSINESS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, at the meeting to be held on the 27th instant any Bills which may in the meantime have been passed in another place will be laid on the table. The Honourable Mr. Crerar will move that the amendments made by the Legislative Assembly in the Provident Funds Bill, as passed by the Council of State, be taken into consideration, and thereafter certain amendments to those amendments will be moved. The further course of official business will depend upon developments elsewhere.

The Council then adjourned till Eleven of the Clock on Tuesday, the 27th January, 1925.

COUNCIL OF STATE.

Tuesday, 27th January, 1925.

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

MEMBER SWORN:

The Honourable Sir Leslie Creery Miller, Kt. (Madras: Nominated Non-official).

QUESTIONS AND ANSWERS.

REDUCTION IN POST-CARD, LETTER AND BOOK POSTAGE RATES, ETC.

36. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Is there any prospect of a reduction in the post-card, letter and book postage rates next year?

(*b*) Would the Government please place on the table a statement showing reduction or increase in postal revenue on post-cards, letters, book postage receipts for the last three years?

(*c*) Has the attention of the Government been called to the demand for reduction of time taken by the English mail to arrive at Bombay and would Government please state whether steps are being taken to see that the time be reduced?

THE HONOURABLE MR. A. H. LEY: (*a*) I would ask the Honourable Member to await the presentation of the Budget.

(*b*) The information is not available as no separate statistics are kept of the revenue derived from the different classes of postal articles referred to. The total value of postage stamps, wrappers, envelopes and post-cards—inland private and service and foreign—issued for sale from Treasuries is as follows:—

1921-22—Rs. 683·8 lakhs.

1922-23—Rs. 725·9 lakhs to which should be added Rs. 7·5 lakhs collected through National Cash register machines installed in certain big telegraph offices.

1923-24—Rs. 729·8 lakhs *plus* Rs. 14 lakhs collected through the above machines and Rs. 20 thousand collected through Franking machines.

(*c*) Government are aware that there has been a demand for regularity in the arrival of the English mail and the matter has been the subject of correspondence with the General Post Office, London. Friday morning

has been fixed as the time of arrival most suitable to the Post Office and the steamers have been arriving on Friday morning during the past few months with one or two exceptions. When the new steamers are placed on this service next year, a regular Friday morning arrival may be relied upon.

THE HONOURABLE MR. PHIROZE C. SETHNA: Are Government aware that there is a growing feeling in the United Kingdom as also an agitation in the press and elsewhere in regard to an early return to the penny postage system?

THE HONOURABLE MR. A. H. LEY: Yes, Sir.

STATUS OF THE HIGH COMMISSIONER FOR INDIA.

37. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Has the attention of the Government been called to the statement of the Secretary of State for the Colonies regarding proposals for raising the status of Dominion High Commissioners?

(*b*) Would the Government please state whether similar steps are being taken regarding the High Commissioner for India?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) It is presumed that the Honourable Member refers to a report of a speech made by the Secretary of State for the Colonies at the Canada Club Dinner. According to that report, Colonel Amery stated that High Commissioners did not receive at present so many personal exemptions from British taxation as did Foreign Ministers. He is reported to have added that "future High Commissioners were to be treated in the matter of these personal concessions on the same footing as Foreign Ministers".

(*b*) The Honourable Member will realise that this is a matter of personal concessions from British taxation which His Majesty's Government is graciously pleased to grant to certain high officials who happen to be resident in England. Judging from past experience the Government of India have no grounds for supposing that any such concessions, if given at all, would not be granted to all High Commissioners alike.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Are there no other concessions than taxation?

THE HONOURABLE MR. D. T. CHADWICK: I understood from the Honourable Member that he assented to my statement that this was the speech to which he referred. It is the only one which I have seen. The only instance given in that newspaper report as a sample which Colonel Amery gave of exemption from personal taxation, was this, namely, Foreign Ministers are not required to take out licenses for their personal motor cars, but High Commissioners are.

THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state if one of the reasons for the resignation of Sir Dadiba Dalal, the last High Commissioner, was due to the difference between him and the Government of India in regard to his status?

THE HONOURABLE MR. D. T. CHADWICK: Does this question arise, Sir?

THE HONOURABLE THE PRESIDENT: The question on the paper is in regard to the raising of the status. I think the question does arise.

THE HONOURABLE MR. D. T. CHADWICK: The answer to the question that has been asked was given in another place only very recently and Government propose to make no further statement.

PUBLICATION OF THE REPORT OF THE REFORMS INQUIRY COMMITTEE.

38. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please state when the Report of the Reforms Inquiry Committee will be published and when action thereon may be expected to be taken?

THE HONOURABLE MR. J. CRERAR: It is hoped to publish the Report within a few weeks. I add for the information of Honourable Members that, before final orders are passed, the Indian Legislature will have an opportunity of discussing the recommendations of the Committee.

RECOMMENDATIONS OF THE LEE COMMISSION.

39. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Would the Government please lay on the table a statement showing the full financial effect of acceptance of the recommendations of the Lee Commission's Report so far as they have been accepted or are proposed to be accepted by the Right Honourable the Secretary of State?

(*b*) Would the Government please also lay on the table a statement showing what reductions the Inchcape Committee had proposed in respect of posts, appointments and services corresponding to those about which the Lee Commission have recommended increase or expansion?

THE HONOURABLE MR. A. C. MCWATTERS: (*a*) I lay on the table a copy of the reply given by the Honourable Finance Member at the meeting of the Legislative Assembly on the 3rd September 1924.

(*b*) This part of the question is not clearly understood. The Lee Commission did not deal with questions relating to the strength of establishments, and the Inchcape Committee deliberately excluded the financial conditions of the superior Civil Services from the scope of their inquiry in view of the announcement which had been made of the appointment of the Lee Commission.

Diwan Bahadur M. Ramachandra Rao: Will the Government be pleased to state the estimated cost of the recommendations of the Lee Commission's report distributed among each of the Provinces and the Government of India?

The Honourable Sir Basil Blackett: If the recommendations of the Lee Commission are accepted in the form in which they were made the estimated cost distributed between the Government of India and the Provinces is as follows:—

	Lakhs.
Government of India	26
Madras	9·7
Bombay	9·7
Bengal	9·3
United Provinces	10·8
Punjab	9·1
Burma	10
Bihar and Orissa	4·9
Central Provinces	5·7
Assam	2·9

The calculation has been made on the basis of a 16-pence rupee, and as exchange has been higher, the actual expenditure in the current year would be less; but, on the other hand, it is possible, as the Commission recognised, that the number of officers taking advantage of the passage concession in the first few years will be more than normal. Secondly, the above calculation does not take into account the cost of the recommendations regarding house rent and medical attendance, which it is not possible to estimate accurately. In addition, there will be a sum of approximately 1½ lakhs for the first year increasing by roughly the same figure every year for about 14 or 15 years, representing the cost of the pension concessions, of which it is not possible to show the distribution among the different Governments. The above represents the figures of cost as calculated by the Commission itself. To this may have to be added a sum approximately 18 lakhs per annum if it is decided to extend the Commission's proposal to officers of the Great Indian Peninsula and East Indian Railways which will shortly become State-managed lines and to officers of Company-managed lines.

Against these extra charges must be set expected savings increasing annually due to replacement of European personnel by Indian. I can give no estimate of their amount or of their distribution among the various Local Governments.

EFFECT OF THE STEEL PROTECTIVE DUTIES.

40. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please lay on the table a statement showing the effect of the preferential Steel Tariff—

(a) on the revenue up to the 31st December; and

(b) on market prices of the articles concerned, from the introduction of the higher rate of tariff up to the 31st December?

THE HONOURABLE MR. D. T. CHADWICK: (a) The increase in the revenue up to the end of December 1924, due to the increase in duties imposed in June last on articles of steel, is estimated at 71 lakhs.

(b) The duties imposed last June had little effect on prices, internal prices, as the increases due to the duties were largely nullified by the fall in landed cost.

PROTECTION OF THE STEEL INDUSTRY.

41. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please state what further steps have been taken for the protection of the steel industry in India since the passing of the Steel Industry Protection Act of 1924, the reason therefor and the financial effect thereof on (a) the industry, (b) the revenue, and (c) the market prices?

THE HONOURABLE MR. D. T. CHADWICK: A Government Resolution was accepted yesterday in another place by which bounties limited to 50 lakhs will be given on certain conditions on steel manufactured in India between October 1st, 1924 and September 30th, 1925. A copy of that Resolution is placed on the table. Also yesterday in another place a vote was passed authorising expenditure up to 25 lakhs for this purpose in the current financial year.

(a) It is hoped that these measures will be helpful to the industry.

(b) They would cost the revenues 50 lakhs.

(c) Giving a bounty does not affect market prices.

Resolution.

"This Assembly recommends to the Governor General in Council that a bounty should be paid on steel manufactured in India between the 1st October 1924 and the 30th September 1925, subject to the following conditions :—

(1) The bounty should be paid only to firms or companies manufacturing, mainly from pig-iron made in India from Indian ores, steel ingots suitable for rolling or forging into any of the kinds of steel articles specified in Part VII of Schedule II to the Indian Tariff Act, 1894.

(2) The bounty should be paid on steel ingots manufactured by such firms or companies, and the bounty should be paid at the rate of Rs. 20 a ton on 70 per cent. of the total weight of the ingots manufactured in each month.

(3) The total amount of the bounty payable under this resolution in the 12 months ending 30th September 1925 should not exceed Rs. 50 lakhs."

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: May I ask, Sir, whether any opportunity will be given to this House to consider the Resolution that was passed by the other House?

THE HONOURABLE MR. D. T. CHADWICK: I do not think that is the intention, Sir; nor am I aware that there is a big demand for it.

COST OF THE ANNUAL CONFERENCE OF THE PRESIDENTS OF THE CENTRAL AND PROVINCIAL LEGISLATURES.

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

(a) if the cost of the annual Conference of the Presidents of the Council of State, the Legislative Assembly and the Provincial Councils are paid by them or partly by them and partly by the Provincial Governments, and

(b) the actual amounts spent each year by the Government of India?

THE HONOURABLE SIR NARASIMHA SARMA: The answer is that there is no cost other than the travelling expenses of the Provincial Presidents which are not paid by the Government of India.

DELAY IN THE TRANSMISSION OF CABLES TO GERMANY.

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

(a) if their attention has been drawn to the allegations attributed in a leading article in the issue of the *Industrial and Trade Review for India*, dated 1st January 1925, to Indians in high official position to the effect that cables to Germany are not only carefully studied for the commercial benefit of English competitors, but that they are actually delayed in transmission; and

(b) if there is any truth in the allegations made?

THE HONOURABLE MR. A. H. LEY: (a) No.

(b) There is no truth in the allegations made.

RESOLUTION RE RECRUITMENT AND TRAINING OF PROBATIONERS FOR THE FOREST SERVICE.

44. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government please state what effect has been given by them till now to the Resolution

passed in this Council on 19th September 1922, in regard to probationers for the Forest Service being recruited and trained in India?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: Proposals of the Government of India on the subject were submitted for sanction in February, 1924, to the Secretary of State for India, who has asked for certain preliminary information which the Government of India will not be in a position to furnish until certain outstanding questions, some of which have arisen from the recommendations of the Lee Commission, have been settled.

THE HONOURABLE MR. PHIROZE C. SETHNA: I understood the Honourable Member to say that proposals were sent to the Secretary of State as late as February 1924, which means about 17 months after the Resolution was passed. Is there any reason for such an extraordinary delay?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: Delay was inevitable on account of references which had to be made to the various Local Governments on the matter.

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table a copy of the Bill to amend the Indian Merchant Shipping Act, 1923, for a certain purpose, which was passed by the Legislative Assembly at its meeting held on the 26th January, 1925.

ELECTION OF MEMBERS TO THE CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

THE HONOURABLE THE PRESIDENT: The following Honourable Members have been nominated as candidates for the Central Advisory Council for Railways or rather for the panel from which the quota of the Council of State will be selected:

The Honourable Lala Sukhbir Sinha,
The Honourable Haji Chowdhuri Muhammad Ismail Khan,
The Honourable Rai Bahadur Lala Ram Saran Das,
The Honourable Dr. Sir Deva Prasad Sarvadhikary,
The Honourable Mr. Haroon Jaffer,
The Honourable Mr. J. W. A. Bill,
The Honourable Mr. Phiroze C. Sethna,
The Honourable Sir Arthur Froom,
The Honourable Mr. W. A. W. Dawn,
The Honourable Sir Maneckji Dadabhoy,
The Honourable Mr. Lalubhai Samaldas,
The Honourable Sardar Jogendra Singh,
The Honourable Sir Leslie Miller,
The Honourable Sir Dinshaw Wacha,
The Honourable Nawab Sir Mohamed Muzammil-ullah Khan, and
The Honourable Sahibzada Aftab Ahmed Khan.

The number of candidates largely exceeds the number of vacancies. The House, therefore, will proceed with the election which, as usual, will take place in accordance with the principle of proportionate representation by means of the single transferable vote. Honourable Members are, I think, aware of the procedure. In any case, they will find instructions on the ballot papers, which the Secretary will now make over to them.

(The ballot was then taken.)

PROVIDENT FUNDS BILL.

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

"That the amendments made by the Legislative Assembly in the Bill to amend and consolidate the law relating to Government and other Provident Funds be taken into consideration."

I do not intend to detain the House any further at this stage, as the matters requiring attention will be explained by my Honourable colleague in moving the amendment which stands in his name.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The following amendment was made in the Bill by the Legislative Assembly. In clause 6 of the Bill, sub-clause (*b*) was deleted, and in sub-clause (*a*) the letter "a" within brackets and the word "or" at the end of the sub-clause were deleted. The question is:

"That this Council do concur in that amendment."

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, with your permission I would like to make a small variation in the motion which stands in my name that will not affect it materially. It is only a drafting correction. I therefore beg to move, as an amendment to sub-clause (*a*) of clause 6 of the Bill the letter "a" within brackets and the word "or" at the end of the sub-clause be re-inserted, and that sub-clause (*b*) be re-inserted with the following amendment, namely: After the word "authority" the words "for any reasons specified in this behalf in the rules of the Fund" shall be inserted.

The amendment which I have just read out is rather involved, but the material portion of it is the latter part, namely, to re-insert with a slight alteration, sub-clause (*b*) which, when this Bill was before the Council of State, formed a portion of the Bill. This Bill has two main objects, namely, to allow dependants of a deceased contributor to a provident fund to be placed in the same secure position as are at present the widow and children of a deceased employé who is a subscriber to the Fund. The other object of the Bill was to facilitate the rapid payment of these provident fund contributions to employés as and when they fell due. The Bill, however, deals with two classes of provident funds, corresponding to the two main clases in existence. One of these is most usual in those services to which a pension is attached. In this first class of provident funds the fund consists solely of subscriptions made by the employé. No contribution is made thereto by the employer or by Government. The provident fund consisting solely of subscriptions of employés is the property of the employés, and when any such employé is dismissed or leaves

[Mr. D. T. Chadwick.]

service for any reason, his money in the fund is not touched. That is amply protected by the Bill. My amendment has nothing whatever to do with that class of provident fund.

There is however a second class of provident fund which is described in the Bill as a *contributory* fund. This is a fund of a composite character; it consists of two portions, namely, subscriptions from employés and a contribution or addition made by the Government or the employer, or the authority which has founded the fund. As far as the Bill is concerned, that portion of this composite fund which relates to the subscriptions of the employés is not touched. Those are the property of the men who have subscribed them to the Fund. It does not matter whether the man dies after long and faithful service, this goes to his widow and orphans, or whether he has been dismissed with contumely for a most serious offence he gets this part. That portion which represents his own subscriptions is his own property, his own estate, and passes to his dependants or to him. My amendment deals solely with the second portion of this composite fund, namely, those contributions which have been made to the fund by the employer or the authority which has founded the fund. It also deals with that portion in only one particular case, and that is when a man has been dismissed from service, or has resigned within the first five years. Therefore it deals with the case in which a man is still alive. There is no question of widows and orphans, or other dependants in this matter. The man has been dismissed; he is alive.

It may be asked why I am moving this amendment to a Bill which really belongs to my Honourable friend. The reason is this, at the present moment the chief contributory provident funds are those under the railway administrations, but there is nothing in the Bill, there is nothing in any of the rules of Government to make contributory funds purely a matter of railways. They can be started by other authorities. So the question with which I deal is really a general one. It only happens to fall to my lot to move this amendment because for the moment most of these contributory provident funds have been started by the railway administrations. When this Bill was before the Council last September, it contained this clause which, with the permission of the Council, I would like to read:

"When the sum standing to the credit of any subscriber or depositor in any Government or Railway Provident Fund which is a contributory provident fund becomes payable, there may, if the authority by which the Fund has been started so directs, be deducted therefrom and paid to that authority where the subscriber or depositor has been dismissed from the employment of that authority, or where he has resigned such employment within five years of the commencement thereof, the whole or any part of the amount of any such contributions, interest or income."

The word I there want to emphasise is the word "contributions," which under the Bill is the contribution made by the employing authority. The subscriptions of the man, which are his own property, are not touched, whatever happens to him. Sir, in another place that clause was deleted. I should like to show the effect of this deletion by comparison with some other services of Government, especially those which are pensionable. Where under the terms of service Government agree to pay a pension, there is little or no reason why also they should start a contributory provident fund. These contributions very largely take the place of pensions. With this clause deleted the employé would have a statutory right to the total amount in his name in the fund, whether it consists of

subscriptions or contributions. Yet nobody in a pensionable service has a statutory right to his pension; the pension is only payable for continuous good service. There has been a rule in the Civil Service Regulations, No. 353, which has been there, I suppose, from the date when the Civil Service Regulations were first drafted, which reads:

"No pension may be granted to an officer removed for misconduct, insolvency or inefficiency."

It is only right that any employer should keep such a rule or condition. The first question that arises is, is there any reason whatever to place those who may happen to contribute to the contributory provident fund in a safer or better position than all those persons in the other services are in regard to their pensions? They are not protected. They have not the statutory right to protection. If they are dismissed for theft, insolvency or inefficiency, a deduction in whole or in part may be made from their pensions. At best they can be given a compassionate allowance; that is equivalent to a deduction "in part". Next, let us compare the position of the men in the provident fund amongst themselves. A man who has worked well and who has fallen sick and has to give up service perfectly honourably performed in a perfectly worthy manner will get his full provident fund, his subscription plus the addition that may be made to it by his employer. There is also the man who after conviction is dismissed for theft. Is that man also to be in the same position and have also both the addition and his own subscription? He is entitled to his own subscription and he gets it, but there is no reason why he should also have the addition made by the employer, namely, the bonus. The possible risk of losing or jeopardising one's pension or what is similar the addition to the provident fund has a very salutary effect; it makes a man careful and makes him cautious, and authorities would be very loathe to create more funds of this nature, that is contributory funds, if in future they lost the safeguard that this provision gives. Many employés and officers now prefer a contributory provident fund to a system of pensions. After all, both schemes have their advantages. As regards the contributory provident fund, when a man retires or leaves his service at any rate he gets a large sum down and that remains with him and for the use of his family. A pension may be merely of transitory benefit to the family if life after retirement prove short. The authorities will be very loathe to create more of these contributory provident funds if it becomes a statutory right that everybody who subscribes to such a fund is to have an indefeasible right both to his subscription plus the bonus or addition. As I have stated above, this question is not merely a railway question; it is one, therefore, of general application. In commercial firms, many commercial firms have started provident funds, and I have not heard of any firm which has bound itself down whatever happened in every circumstance to give the full bonus to everybody equal to that of a man who has served it well and faithfully. You may ask how it happened that this clause, which I submit is a thoroughly reasonable one, happened to be deleted during the discussion in another place. On reading those debates, the issues seem to have been obscured and the real point was not kept clear. It was freely stated that in the railways men of long service were freely dismissed with forfeiture of their bonuses. Sympathy ran with them. But that is not the real issue. That was a matter of administration. To-day I wish to keep the issue clear. The issue to-day is not a question of administration or the details of administration. We are engaged in formulating a Bill, in preparing a law; therefore we are engaged with principles and not the occasional application of them. If an administration is culpably slack or

[Mr. D. T. Chadwick.]

culpably severe, there are means of dealing with it and there are means of rectifying such conduct ; but that is no justification for changing a good Bill into a bad Law, and this would be the effect if this clause is not re-inserted. It is for this reason, Sir, that I want to keep the issue perfectly clear, and that I do not intend to-day to divert into the details of railway administration. Those can be debated on their merits at any time. I will only turn aside from the consideration of principles upon which I have been speaking for a moment in order, if necessary, to allay any fears that may exist in this Council on this matter, namely, that men in the railways of long service are dismissed arbitrarily, are dismissed in large numbers and their bonuses are wantonly withheld. Last year, 1923-24, 8 Railways disbursed 82¼ lakhs as bonus to their employés, that is, the additions to the provident funds made by the railway administrations. That sum does not contain one anna of the subscriptions paid by the employés themselves. Last year 82¼ lakhs of bonuses were disbursed. One-fourth of a lakh was withheld on account of men dismissed of over 5 years' service. In 6 railways 28 men last year were dismissed of over 5 years' service with forfeiture of bonus. Seventeen of them were dismissed on account of theft and 4 of those after conviction, 2 for interfering with women passengers, another was a guard drunk whilst in charge of a train, and two for taking bribes, the rest for abusing free passes, and things like that. I have given the figures just to show how large these bonuses are and how they are valued by the staff; and I submit it is right, where you have to dismiss a man for theft or for interfering with women passengers or for any of these things that I have stated, that he should only get his own subscription back. I want to make it quite clear that he gets his subscription. There is no question about that. It is only a question of the bonus. Even, Sir, these figures are not my case. It does not matter one rap to me if it is proved and proved up to the hilt that in one case or several cases bonuses have been unwisely withheld. We are not now dealing, as I said, with the details of administration. It would be perfectly right for anybody to criticise the details and raise that issue. Here we are making a law and are dealing with the broad principles which underlie the legislation. If in one administration or one section of the administration, the bonus has been unwisely withheld, that is no reason for giving statutory protection for their bonuses to all unfaithful servants. These funds, Sir, are extremely valuable. They are very important and valued very highly by all employés. The vast bulk of our railway servants—in spite of the many criticisms heaped upon railway servants by those who travel by train whether in India or in any other country—the vast bulk of our railway servants serve us loyally and they serve us well. Those men value these provident funds and they appreciate very highly the large additions which are made to them by contributions from the railway administrations. The figures that I have just given for last year show the dimensions of these additions. Our object should be to encourage the formation of these funds, to encourage our employés to earn their full bonus by long and continued good service, and also to encourage the authorities to establish more and more such funds. If we withdraw from the authorities who found these funds any right or claim to withhold a portion of the bonuses whatever be the behaviour of any of their subordinates, then, Sir, I submit that we shall not be encouraging the foundation of these funds, we will instead be checking them. In other words, we shall be running right against the principles for which this Bill stands, namely, to encourage thrift. It is a poor

comfort to any employé who falls ill to know that the dishonest man will get the same privilege as he himself and he can get nothing better. It is, Sir, for this reason that I ask this Council to restore this clause. I have made only one small alteration, and that is to add after the word "authority" the words "for any reasons specified in this behalf in the rules of the Fund." When attention was directed to this clause it became clear, Sir, that it is only fair to add some words of that nature. As it was, the discretion is left absolutely vague. It is right that some description should be given of the offences for which, if a man be dismissed, the bonus may be withheld. That can only be done generally. But it is also right to include such description in the rules of the Fund, so that when a man joins service he knows the terms on which he joins. And here, Sir, we have got an excellent precedent in our Civil Service Regulations which have for many years worked fairly in relation to all our various pensionary services. My suggestion is that we should endeavour to keep these contributory provident funds marching side by side with the conditions of the pensionary services. Therefore, it is better to follow the Civil Service Regulations and insert in the rules of the contributory provident funds the same set of words from Article 353 that I have already quoted. If at any time greater precision or more elaborate definition is attempted in the Civil Service Regulations, then the same alterations can be carried out in the rules of these contributory provident funds. By this means we keep the two services similar. For these reasons I commend that portion, which is really the main portion of my amendment, to the consideration of the Council. I only want it to be realised thoroughly that however, an employé may behave his own subscriptions are not touched.

The second portion of the clause which fell in the other place with the first half of the clause without any discussion whatever need not detain us for a moment. It is strictly analogous with all the other services of the Government, namely, that the contribution can also be withheld where a man resigns his employment within five years of the commencement thereof. In none of our services do we give a pension to a man who joins duty and then resigns his appointment within 5 years. It is not worth it. The most he can get is a gratuity at the end of 5 years. I trust, therefore, that this Council will accept this amendment with the small addition that I have made, otherwise we will be running the risk, as I said before, of converting what was really a good Bill into a thoroughly bad law.

THE HONOURABLE THE PRESIDENT: Amendment moved:

"That in sub-clause (*a*) of clause 6 of the Bill, the letter '*a*' within brackets and the word 'or' at the end of the sub-clause be retained, and that sub-clause (*b*) be retained with the following amendment, namely:—After the word 'authority' the words '*for any reasons specified in this behalf in the rules of the Fund*' shall be inserted."

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, when this Bill was sent to the other place, I do not think it was expected that it would be returned in the shape in which we find it now. And it is necessary, therefore, for us to try and find out the reasons particularly for the deletion of clause 6 (*b*). It may be, Sir, that there are in the other place Members who deem it their duty—and very rightly so—to look after the interests of the working classes. And, consequently, they view with suspicion any measures that are brought forward in the shape of Government or private Bills which affect the interests of capital

[Mr. Phiroze C. Sethna.]

and labour. They are naturally anxious to see that there is nothing in these Bills which would benefit capital at the expense of labour.

The opposition began in the other place, I believe, to the word "contributions" in sub-clause (*a*), namely, deductions to be made from the total amount of any contributions credited to the account of a subscriber. Now, reading this clause by itself, one would naturally infer that "contribution" meant what was paid by the employer and also what was paid by the employé. But a reference to the definition clause explains that "contribution" only refers to what is given by the employer. However, Sir, with due deference to the draftsman, I, as a layman, think that much of the opposition and suspicion would have been removed if, instead of defining the word 'contribution' in the definition clause, the words "of the employer" were added after the word "contribution". The Honourable Mr. Chadwick in explaining the word "contribution" to-day has referred to the employer's share as contribution and what was given by the employé as "subscription".

The next objection in the other place was in regard to the legal liability for any amount which the employé was bound to repay. Objection was taken that, if any amount was to be so repaid by the employé, the employer had no right to deduct it but that he should proceed to a Court of law to recover it. That was, an absurd proposition, and it is very fortunate that that objection did not prevail in the other place.

They have absolutely deleted clause 6 (*b*). The majority who passed the amendment contend that the employer's contribution is no favour and they look upon it as a matter of right. They, therefore, look upon the provident fund money as deferred pay and nothing else. It was pointed out that Government and other bodies which give pensions do not give such pensions in cases where a man is dismissed for offences of different kinds such as were enumerated by the Honourable Mr. Chadwick. It was also pointed out that, similarly, contributions of the employers to provident funds in such cases should also be withheld. This was not acceptable to the majority in the other place because, as I said, they contended that they look upon the Provident Fund purely and simply as deferred pay. Another point that was advanced was that, whilst pension is absolutely provided for by the employer, provident fund is provided for both by the employer and by the employé. Now if the employer provides 50 per cent. of the total contribution, surely he has a right to impose conditions the same as are imposed in the case of a pension?

Denying the right of the employer to withhold such payments in the case of misconduct is like looking a gift horse in the mouth. His contribution is certainly a gift from the employer, and the employer has the right to impose whatever conditions he thinks are reasonable, and the conditions as explained by the Honourable Mr. Chadwick are no severer than what is the case with pensions either in Government service or elsewhere. What are the conditions? The first is that if a man resigns within five years, he is not entitled to get any portion of the employer's contribution. These contributions are given for the purpose of ensuring long service, and of getting faithful service from the employé. If the man chooses to leave the service within five years, I think it is perfectly right for the employer not to pay him any contribution. As regards dismissal, it is only in cases of

misconduct that the employer proposes not to pay his contribution. Could anything be fairer? In cases of misconduct, and grave misconduct such as were referred to by Mr. Chadwick, is it at all right to expect him to get the employer's contribution? If so, what is the advantage of a provident fund? It is no incentive to a good man to do better work than the others, when he finds that all are treated alike, be they honest or dishonest.

But, Sir, it seems to me the opposition to clause 6(*b*) arose from the idea that dismissals were effected by railway administrations under very flimsy excuses. I think it was urged by one Honourable Member that some people were dismissed because they could not manage to get a doctor's certificate to account for their absence. Others contended that some people were dismissed because of their having joined trade unions and things of that kind. But the figures which the Honourable Mr. Chadwick gave us a few minutes back show that the number of dismissals, whether for good reasons or bad, is proportionately very very small, and we must assume that the employers are certainly not hard-hearted men, and there must certainly have been good reasons for such dismissals. However, if there was any doubt on the subject, it will be now removed by the amendment which Mr. Chadwick has proposed. His amendment is to the effect that, after the word "authority", be added the words "for any reasons specified in this behalf in the rules of the Fund". Now, I presume these rules will be framed by representatives of the employers as also of the employés. Am I right?

THE HONOURABLE MR. D. T. CHADWICK: I am not certain about that, but I can say this, that they are of course printed. A copy is given to every man when he joins the Fund, so he is fully aware of them, and any deputation can go and discuss them. They are not infrequently the subjects of discussion between the railway administrations and the employés.

THE HONOURABLE MR. PHIROZE C. SETHNA: I thank you for the explanation. But even if the employé had no representation on a board which framed the rules, he would be handed a copy of the rules before he joined the service, so that he would join the service with his eyes open, and know beforehand the consequences in the event of his dismissal. Therefore, it is perfectly right not to give the employer's contribution to a man who is dismissed for misconduct or for any offence that will be laid down in the rules.

I personally, Sir, would go a step further, and I am glad to say I am not alone in holding that view. I say that even the employé's subscription might in such cases not be paid to him. I know that some would call this confiscation. I may be allowed to refer to a particular body on which my Honourable Friend Sir Arthur Froom and myself are serving, a large quasi-Government public body, the Bombay Port Trust. I admit there was difference of opinion amongst the Trustees of that Board, but the majority held the view and it is now the rule that if an employé is convicted of theft or other serious offence, the return of the whole or part of the employé's own contribution was left to the absolute discretion of the Trustees themselves. That condition is laid down in the rules of the Bombay Port Trust Provident Fund. If a person enters the service of the Bombay Port Trust, he knows that for misconduct, if he is convicted, and if the Trustees so decide, they may not return to him the whole, or even part, of his own contribution. I contend that the employer is perfectly

[Mr. Phiroze C. Sethna.]

justified in doing so, if before the man is employed he tells him that this is one of the rules of the provident fund to which he will be asked to subscribe. That being so, Sir, if this clause 6(*b*) is not restored, I for one hold that the very object for which a provident fund is started will be frustrated, and I do hope that, not only this Council will see the wisdom of restoring it, but that, when this Council carries the amendment and, when this Bill goes back to the other place, they will on maturer consideration also agree to restore this clause as it deserves to be.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I feel I must oppose this amendment. I may state my reasons as shortly as possible. In the first place, referring to the definition of "provident fund", it seems that as soon as the subscriptions and the contributions blend together, the whole of it is provident fund, and it does not rest with anybody thereafter, when these two things blend together, to divide them again for the benefit of a certain contingency, the contingency which has been referred to in clause 6(*b*), which may happen either within the first five years of service or may be due to dismissal. I claim therefore that it is improper to enable the employers to have an eye as regards the money they will put in; that must not be allowed to be divided later on. The whole of it must become provident fund, belonging to the employé. It seems to me further that there is some misapprehension about the position of an employé. When he gives in a subscription, he does it on the contribution that he expects from his employer, and when he does it, he does it on the authority of the employer, and the money belongs wholely to him. Then to arm the employer with power to dictate terms to the employé is an element in the service which must be discouraged. I think there are needy employés, and they have to submit to any conditions the employers may impose upon them. It is for the very reason that the employers' hands must not be strengthened, that they must not be encouraged to impose any conditions other than those legitimately belonging to the kind of service the employés are called upon to do. In pecuniary matters when the employer needs service I suppose and I believe it is not quite consistent to give the employer a better position than the employé. In the matter of dismissals while there may be very rare cases which are brought to the notice of the Government or perhaps taken to higher quarters with the object of redress, I have seen numerous cases in which the dismissals are not justified. Servants are removed from service without proper reasons. Very rarely do such cases come to the notice of Government or to higher quarters, and I do really think that, in the matter of dismissals, greater regard must be had to the conditions under which dismissals should affect the grant of the money that is due to the employés. Now a saving clause is attempted to be added here by the addition of the words "for any reasons specified in this behalf in the rules of the Fund". Now, in the first place, I tried to look into the whole Bill which contemplates not only a revision of previous enactments but also an amendment of the existing law, and I do not find any clause enabling the funds to lay down their own rules. It seems to have been taken for granted that those that are to bring certain funds into existence can frame their rules. I accept it. But then the rules would vary according to the authority that brings the funds into existence. The Legislature is in a manner inducing those that have the authority to bring funds into existence to frame rules in which the employés hardly have a

12 NOON.

voice. To give them the authority of law without knowing what those rules are going to be—those rules would never be submitted to the Legislature, they are the private property of the employers—is not justifiable. The authorities may make the rules in any way they like. But if that is the idea that the rules are the property of those who bring certain funds into existence and they can frame rules as they like, it will be a very hard thing, because we are incorporating new rules about which we know nothing practically. It may be, as was very rightly pointed out by the Honourable Mr. Sethna, that an employé enters into service with his eyes open. He gets into service knowing full well the rules and why should he complain? Quite so. But we sympathise with the employés in their needy conditions. It is not that they are all dishonest. It is perfectly clear that the Legislature must have control over the rules of the funds which enable dismissals. The present amendment indicates that in the case of dismissals generally—and on every occasion provided those dismissals are justified under the rules of the fund—the money is to be forfeited.

THE HONOURABLE MR. D. T. CHADWICK: No.

THE HONOURABLE MR. R. P. KARANDIKAR: Excuse me; I did not catch the expression. However, I will proceed. In the case of dismissals the condition is:

"Where the subscriber or depositor has been dismissed from the employment of that authority for any reasons specified in this behalf in the rules of the Fund."

I contend that if a man is dismissed for reasons specified in this behalf in the rules, we give a certain sort of legislative sanction to the rules of the fund, of which at least the employé is supposed to be cognisant and then he has no reason to complain as the Honourable Mr. Sethna put it. The second part is where he resigns such employment within five years, in that case the contributions have to go back to the employers. I really think that all that money which is made up of the contributions and the subscriptions of both the employed and the employer belongs to the servant, the employé. I quite appreciate the force of the argument that when the employer has got the money in his hand and when there is defalcation, he should be entitled to deduct as much money as is involved in the defalcation. But the language of the clause does not indicate the extent to which the deduction may be made. The clause says the deduction may be the whole or part of it. It all depends upon the discretion of the employer. There is nothing to indicate to what extent the employer may deduct. There is the special concession to the employer that when he has the money he can deduct. It is only natural that he should have the right to deduct. Now, if he wants to deduct the whole of it, he can do so. If he finds he must impose a sort of penalty on the employé, he could dismiss. We must differentiate between cases and cases. In the case of an employer who has been defrauded to the extent of a certain sum of money and who has got the money, and there is clear ground to prove it, the money can be deducted. Suppose he does not like that servant to continue for good or bad reasons, he may impose a sort of penalty and take back all his contributions. There is no guarantee in the clause. It does not indicate to what extent the employé's money can be deducted. I really think that such a large power should never be given to an employer. In the case of cross claims and set-offs, unless there is a specific clause, they will withhold the payment. Where the employés have no voice, they

[Mr. R. P. Karandikar.]

could hardly plead before their employers and they may or may not be successful. It all rests on the discretion of the employer. Then you have got the safeguard, there could be no suit lodged in Civil Courts, provided the employers show that they have been acting *bona fide*, and in that case no Civil Court can take cognisance of any such deduction. Possibly I may be wrong in the construction of the law that I am placing upon these clauses. But I do not wish to leave any loophole whatever for anybody to say that the Legislature has approved of the provisions. The employés' money rests entirely with the discretion of the employers. There is no guarantee that the employers would be called to account for what they do. It seems to me that the Legislature should withhold its sanction for the purpose of enabling the employers to so use their powers that if they have a good claim they should invoke the assistance of the law by filing a suit, as perhaps the employés would be asked to go to the law Courts if there are any extra deductions made, assuming for a moment that they could do so. Similarly, opportunity will be given to the employers. In this discussion they have omitted from consideration the reasons that prompt provident funds to be brought into existence. They are not so much for the benefit of the employers. They are for the benefit of the employés and, consequently, it is their interests which are to be safeguarded more than the interests of the employers. The Bill was passed here, but in the other House this portion was deleted for reasons which it is not necessary for us to repeat here, except that exception was taken to our own view. I do claim, therefore, that we should abstain from introducing any such element in clause 6 as would arm the employers unnecessarily, and I oppose this amendment.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, this Provident Fund Bill, like many other measures which have been before this Council, is one which I would describe as entirely for the benefit of labour, working in big concerns. It was on that account that I welcomed it when it was introduced in this House. I will not detain the Council very long because the Honourable Mr. Chadwick clearly explained his reasons for objecting to the way in which clause 6 of the Bill had been altered in another place. He was followed by my Honourable friend Mr. Sethna who still further cleared up the points. I was rather astonished, after listening to these two speeches, to hear another one made objecting to Mr. Chadwick's amendment. I cannot think that my Honourable friend Mr. Karandikar has a true conception of the position. I think that, if he were an employer of labour, he would have a clearer conception. I have had a good deal to do with the provident funds. My Honourable friend Mr. Sethna referred to the Bombay Port Trust Provident Fund. My recollection of that Provident Fund goes back a little further than his. The Port Trust Provident Fund was very strict at one time because, in the event of the conviction of any employé of the Bombay Port Trust, the Trustees were obliged to withhold the employé's subscription as well as the Trustees' contribution. We altered that. We thought that that rule was rather hard because it bore harshly on the family of the man who had misconducted himself. We altered the rules of the Fund because legally the Trustees were obliged to withhold both the subscription and the contribution. This Bill, Sir, does not go to any such length. I contend that sub-clause (*b*) of clause 6 is an entirely fair one. I think I can understand to a certain extent some of the objections taken to it

in the other place. It was perhaps feared that some officer, say of a railway, might dislike or take a dislike to one of the employés and find some pretext for dismissing him and also withhold the railway contribution. That, Sir, has been met by my Honourable friend Mr. Chadwick by providing that rules should be made, and I do not entertain any fear, such as my Honourable friend Mr. Karandikar appears to have, about these rules. These rules will be published. If there is anything objectionable in them, we shall soon hear about it from Mr. Karandikar. There is just one point where I should like the Honourable Members of this Council to realise how this sub-clause (*b*) of clause 6 is entirely in the interests of the employé, and is not only in the interests of the employer. It is this. We can easily visualize an employé yielding to sudden temptation and committing some offence. Without this sub-clause (*b*) the man when dismissed receives the employer's contribution as well as his own subscription. In fact, the employer has to pat him on the back and say that he had been a good boy to commit such an offence. That is wrong. The employer might be ready to condone a first offence committed in sudden temptation, but he would feel entirely justified in withholding his contribution. If he cannot withhold the contribution, what happens? The employer feels, and justly feels, that it is not right that this man should get off scot-free, and he probably prosecutes him. Therefore, the effect would be that the employer might be ready to deal lightly with a first offence, but he cannot let him benefit in the same way as an employé who has done good and faithful service. Therefore, he feels obliged to prosecute the offender with the result that the man would incur the stigma of jail which the employer, with this sub-clause, (*b*), very probably would not wish to bring about. That, I contend, Sir, is the reason why this sub-clause (*b*) is in favour of an employé. I do not wish to detain the Council any longer. I think the Honourable Mr. Chadwick and the Honourable Mr. Sethna have made the position quite clear, and I hope my illustration has made it clearer still. I therefore strongly support Mr. Chadwick's amendment.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-official): Sir, I wish to oppose this amendment and for a reason which up to this time has not been urged. It is this. The Honourable Mr. Chadwick in moving his amendment mentioned that this provident fund consists of what labour pays towards it and what the capitalist or the employer pays towards it. It then becomes a fund. Then, my Honourable friend Mr. Sethna thinks that whatever money is paid in by the employer is looked upon as merely deferred payment. He thinks that is the wrong way of looking at things. He thinks what the employer pays is really a certain kind of benevolence, a certain kind of kindness. Out of this you say you will give Rs. 5 to your employé as a charity. But when the man leaves, the employer says: " I wanted to give you this charity but you have behaved so badly that I withdraw it ". That is the point of view that appears to have been urged. My point of view is that the Rs. 5 saved by the labourer is what he has saved by his labour and he pays it into the fund and the employer also pays Rs. 5 into that fund in accordance with the terms of employment. So, both these amounts put together form a fund. He demands his fund. That fund is not the property of the employer; it is not the property of the employé himself. It is a third thing, put by to provide for certain contingencies. And that contingency is to be judged by a third party and not by the person who has put his money into it. So

[Mr. G. S. Khaparde.]

the objection I have to this amendment is that it gives what we call a dominant partnership to the employer. The fund is a joint fund, partly paid for by the employer and partly by the employé. It happens to be kept by the employer, but it might as well have been put into the savings bank or any other bank. Once the money has been paid into it both parties lose their ownership or control over it. The control is with the person with whom it is kept. In this case it may be kept with the employer, but he is to be looked on as the third party; and whoever wishes to take anything out of it, has to justify it before a third party. And if that third person does not intervene, then the dominant partner, the employer, gets an advantage, which Mr. Sethna thinks a fair advantage, but which I think is not a fair advantage. The argument has been urged that it may be the employer has got an advantage; it may be the employer has fined the man for nothing, but still the Honourable Mr. Chadwick thinks that is a different matter, to be judged separately and in another place. I humbly submit it is not; it is a joint fund, nominally in the hands of the employer, but it ought to be in the hands of a third person, and when this man goes and says "give me my money" the employer may say "no, give him less because he has done so and so," and then justice will be done. Whereas if he is given less and has to go to Court, the pleader charges so much in fees and the Governments want so much in stamps and the man is too poor to afford it. It is purely a matter of principle. When the fund is constituted by the payments made by two persons, one of them should not be in a position to withhold any payments at all. It should go to a third person, and if such a clause was there, that it should be referred to a third person, I would take a different view, but there is no third person and the employer retains the power of taking away what he has paid. That is wrong in principle. I therefore oppose this amendment.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, when I first had notice of the amendments passed on this Bill in the other place, and when I read the deliberations in that place, I realised very speedily that that change had been made in the Bill in consequence for the most part of a series of misapprehensions. After the extremely lucid and forcible speech of the Honourable Mr. Chadwick and the equally lucid and forcible speech of Mr. Phiroze Sethna, I hoped in this place at least, which originally affirmed this legislation without a single dissentient voice, we should not at this stage have misapprehensions of this character reappearing once more. In that respect, although both the principle of the Bill, and the expedients which it devises have been so fully explained, not only from the Government benches but from the non-official benches, it is with some sense of disappointment that I find misconceptions of the character which we have heard falling from my two Honourable and learned friends opposite. Take first the contention raised by the Honourable Mr. Karandikar. His contention was that, between the two elements in a contributory provident fund, the subscription and the contribution, it is impossible to draw any line of separation. Now, Sir, I venture to controvert my Honourable and learned friend on that as a mere statement of fact. Not only are these two elements in that fund different in their origin, but they are accounted for separately. There is no reason either in principle or in practice why they should be treated as inseparable. As a matter of illustration I might point out to my Honourable friend, that in the case of the pensions of officers who are serving what is commonly known as a foreign employer, the employer makes a specific pension contribution, and that is perfectly distinct both in its

character and in the manner in which it is accounted for from other elements in the moneys which ultimately are paid when the officer becomes a beneficiary under that pension system. The Honourable Mr. Chadwick has pointed out the very close analogy that exists between the provident fund system and the pension system. On this particular point my Honourable friend's difficulty is, I venture to suggest, an entirely illusory difficulty. He went on to say that by recognising this distinction between contributions and subscriptions you are really guilty of a fraud upon the subscriber. The subscriber, he says, only makes his contributions to the fund on a firm promise from his employer that he will on his part make a contribution. He implied that, unless there was a promise of a contribution from the employer, the employé would make no subscription. Let me remind my Honourable friend that there are two classes of provident funds. One is the contributory provident fund, and the other is the non-contributory provident fund. In the case of the non-contributory provident fund subscriptions from the persons who are members of that fund are the only source of the fund and interest paid on them. If my Honourable friend's contention was correct, that no one subscribes to a provident fund unless he is promised a contribution from his employer, then it would be impossible for non-contributory provident funds to exist; but I assure my Honourable friend that they do exist. On that point I think I had better deal with the observations which fell from the Honourable Mr. Khaparde. I think he foresaw perhaps some of the objections that might be urged to the difficulties raised by the Honourable Mr. Karandikar and he put his own proposition in a subtler form. He said that after the contribution had been joined in indissoluble matrimony with the subscription that was a bond which the laws neither of God nor man should be permitted to put asunder. Well, Sir, we are not dealing with matters of quite so superhuman a character as this; we are dealing with human relations of a purely contractual character, and I think the Honourable Member is ill-advised in invoking metaphysical considerations of this kind. Now, Sir, let us go to what is really the burden of the objection of my Honourable friend opposite, the Honourable Mr. Karandikar. It really was this. He proceeded on the argument that forfeitures or reductions in the payment of contributions might generally and frequently be expected to be made by an arbitrary and unjust and extremely stupid administration. It is only on the acceptance of a proposition of that kind that the House can be expected to follow the Honourable Member. As a matter of fact I can give the House an assurance, because I have had some experience in the administration of these funds myself, and I have naturally discussed the case with officers who have had much greater experience than I have, as to what the actual conditions of these funds are. The case of the railways has been specified. Is the Honourable Member aware that in any case where it is proposed to forfeit any portion of the contribution, that is the amount contributed by the railway companies, however small and insignificant may be the amount or the status of the employé, no order of that kind can be made without the special sanction of the Agent of the railway himself; and I am further informed and I believe that the point of view which the higher officers of railway administrations take and the point of view which the Railway Board when appeals occasionally go to them take is not that a case must be made out for paying the contribution in the case of a delinquent employé but the point of view invariably taken is that a case and a very positive case for withholding any portion of the contribution must be made out. That, Sir, is the spirit in which these questions in the ordinary course of administration

[Mr. J. Crerar.]

are dealt with. What my Honourable friend Mr. Karandikar is really inviting the House to do is this. He is inviting us to infringe that very sensible principle of legislation—hard cases make bad law. Hard cases will arise under any form of legislation or administration which is conceived by human brains and which is worked by human brains. But there are other remedies to apply to hard cases of that kind. The principle to which the Honourable Member is asking the House to commit itself is really this: if in any single case it can be shown that an innocent man has been found guilty, your procedure is not to apply to the case of that innocent man the ordinary remedies but you are to repeal the law which protects society against crimes of which this man has wrongly been judged guilty. It is a wrong remedy. The Honourable Mr. Chadwick emphasised that point and I am sorry it has been necessary for me to emphasise it again. We are concerned here and now in laying down general principles for the guidance of the various authorities who now and hereafter have to administer provident funds. We ought therefore to restrict ourselves very carefully to general principles. We ought above all things to see that the general principles which we are affirming are sound general principles. Now, I maintain that the principle which the Honourable Member is asking the House to affirm is essentially an unsound one. If hard cases have occurred—I will not deny the fact that hard cases may occur—I say that the remedy which the Honourable gentleman has in mind is the wrong remedy. Then the Honourable Member passed on to the question of framing rules. He said this Bill gives certain legislative sanction to the framing of rules and that it is quite impossible for any Legislature to commit itself even in regard to general principles unless it itself is prepared to examine and, as far as I can understand him, draw up these rules. That is not a practical method of procedure. Even in the cases of laws, which specifically provide a rule-making power, the Legislature is very rarely asked to draw up those rules itself. It lays down the principles by which those rules must be guided. It lays down certain principles which those rules are not permitted to infringe. That is as far as it goes. That is precisely what we propose to do in this matter. I would ask my Honourable friend to remember simply this, that as the Honourable Mr. Chadwick has very clearly pointed out in order to remove the last vestige of misapprehension in the matter, we propose to conform to the principles hitherto recognised in regard to pensions; the same principles are to be applied *mutatis mutandis* to the very analogous case of provident funds. Finally, Sir, I will ask the House to apply to the arguments of my two Honourable and learned friends the following test. If you give validity to them, are they calculated to promote the admittedly beneficial objects of the Bill? I say most emphatically they are not. In the first place, my Honourable friend has asked why should the railway administration, why should the Local Governments who have to administer funds of this kind, having a grievance or having grounds of complaint against one of its employés, not go into a Court of law? May I ask my Honourable friend to read the Statement of Objects and Reasons for the Bill? One of the most important of these is that there should be expedition in payment. If my Honourable friend is going to tie the hands of the persons responsible for administering these funds by litigation of that kind, you put them to some inconvenience no doubt, you may perhaps provide a few opportunities for his own very distinguished profession, but the employé, the beneficiary under the provident fund, suffers very severely

indeed. Moreover, taking the general body of employés who are beneficiaries under these funds, provident funds of all description, are you really promoting their interests, the interests of the honest, hard-working, sober, laborious man by giving these extraordinary privileges to the dishonest, to the undeserving and the idle? I do not think, Sir, that you will be promoting the conditions of the general body of the persons who attach the greatest value to funds of this kind. Moreover, I will emphasise in concluding a point which the Honourable Mr. Chadwick made and which, I am afraid, the two Honourable gentlemen either did not note or forgot. The benefit of these funds is greatly valued by the employés. Even in the other place, even by the harshest critics of this Bill, it was generally admitted that it really was a beneficent Bill and some surprise was expressed that it should emanate from the Home Department. If obstacles of the character contemplated by my two Honourable friends, if impediments of the character which inevitably flow from their propositions, are to be imposed upon the administration of these funds, it will be increasingly difficult to extend, as is the desire, so admirable a means of ensuring and rewarding honest, sober and continuous service. The interests of the employés would ultimately suffer to an extent much more serious than can be inferred from the number of instances which could possibly be adduced of injustice in individual cases. Not only that, it will not only injure the prospects and interests of the great mass of employés, whose patrons you profess to be, but you will be a party to a fraud upon the public revenue. You will not only be injuring the interests of the employés under these various administrations, but you will be causing public funds to be diverted into the pockets of undeserving persons, to the detriment both of their fellow workers and the tax-payer.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, if my Honourable friends behind were to remain in the profession much longer, I do not think the loaves and fishes about which the Honourable the Home Secretary has spoken are likely to come to them because clause 7 has already taken away the remotest prospect of any visions of that kind. Clause 7 says:

"No suit or other legal proceeding shall lie against any person in respect of anything which is in good faith done or intended to be done under this Act."

Unless, therefore, absence of good faith could be pleaded and established, I do not think my friends would have any chance. Sir, this House submitted to that and the other House has also submitted to that. Recently the tendency of taking away the jurisdiction of our law Courts by provisions like this has been more common than formerly, and I regret it not for the sake of my profession but for the sake of the community at large. However, having regard to the fact that the other House has submitted considerable erosions on these wholly financial and matrimonial ties, I do not think we can very well carry the matter further. The Assembly has assented that, where there is a liability incurred by the subscriber, the authorities in charge of the funds shall have the right of dealing with it. That was first opposed in the other House, but ultimately the Assembly did accept that this class of cases, at all events, shall be dealt with by the authorities. There are three classes of cases to which objection has been taken. One is in the case of liability, which has already been conceded by the Assembly. The other two are cases of dismissal and of short employment. Sir, if this House had been shown to be wrong, I should have been the first to advocate that we should go back on what we have

[Dr. Sir Deva Prasad Sarvadhikary.]

done. But from what we have heard to-day and the careful perusal of the view taken in the other House, there is absolutely no reason why we should go back on what we have done, especially since the Honourable Mr. Chadwick has now introduced an amendment which will become part of the law. I hope and trust that the provisions for appeal to the higher authorities shall be in no way taken away simply because there is in the rules something that provides particular causes of dismissal under which forfeiture is entailed. I do not quite follow my Honourable friend Mr. Karandikar when he speaks of the absence of rule-making provisions. He assumed that rules might be made. In fact, every one of these clauses, *e.g.*, 2 (*a*), 2 (*b*), contemplate that those in charge of the provident funds shall have powers to make rules. And if those rules do not come up before legislation is sanctioned, it will be open to any Honourable Member to bring them up and to have them corrected where it is necessary to correct them. I am not at all prepared to agree, Sir, that, because money comes from two sources, it immediately becomes part of the same fund inseparable for all time. On the other hand, if the definitions are read through carefully, it will be seen that it is really the object of those definitions to keep the two funds separate, as far as possible, for obvious reasons. If the provident fund takes the place of pensions, then the principle guiding the pension rules must also guide this. Nobody can claim a pension if he has been in service for five years or if he has been dismissed. For all these reasons, I think that the House should stand by its own decision and accept the amendment that the Honourable Mr. Chadwick has proposed.

THE HONOURABLE THE PRESIDENT: The question is:

"That in sub-clause (*a*) of clause 6 of the Bill, the letter '*a*' within brackets and the word '*or*' at the end of the sub-clause be retained, and that sub-clause (*b*) be retained with the following amendment, namely:—After the word 'authority' the words '*for any reasons specified in this behalf in the rules of the Fund*' shall be inserted."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The Bill as now further amended will go to the other Chamber.

The Council then adjourned till Eleven of the Clock on Wednesday, the 28th January, 1925.

COUNCIL OF STATE.

Wednesday, 28th January, 1925.

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

RESOLUTION *RE* SCHOLARSHIPS AND PRIZES FOR INDIAN ART STUDENTS.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): I beg to move the following Resolution on art and its future in India:

"This Council recommends to the Governor General in Council that a committee be appointed at once to formulate a scheme of scholarships and prizes for Indian art students engaged in painting, sculpture, architecture and the artistic crafts."

I must admit at the very outset that I am nothing more than a layman in matters of art, although I have often thought seriously of exchanging both politics and business for that more æsthetic and delicate subject, for to paint a picture of things as you would like them to be is surely better than having to see things as they really are in all their crudeness and nakedness, and to see the shekels coming in as a result of your own financial schemes is surely more encouraging than having members of a Parliament voting down the very schemes which you prided yourself were well nigh perfect.

But, despite my dependence on the more stern things of life, I am not one of those who regard Art as a side-show of our existence. I agree with Browning that "it is the glory and the good of Art, that Art remains the one way possible of speaking truth," but yet, to use the words of Shakespeare, I am afraid that here in India we are faced with "Art made tongue-tied by authority." There is no need for me to dilate on the wonderful art of ancient India, art which is finding its greatest expression to-day in other lands. The whole world now looks upon the art of our forefathers as models of creative work, both in painting and architecture, and surely what we did centuries ago we can do to-day and fifty years hence. Indeed, I firmly believe that the future of Indian art is to be even greater than its past, although it is equally true that the extent of that greatness depends very largely upon the encouragement it receives from Government. The President of the Board of Education in England, Mr. C. P. Trevelyan, recently said that he was glad that art was beginning to be, as it ought to be, a matter of far greater consideration for the Government, which ought to see whether the community was doing enough to help artistic progress. He admitted that England was far behind the other countries of Europe in the attention the Government gave to art; and so in passing, we might well ask, where then stands India in the scale of æsthetic values? There is hardly a foreign Government which has not a Ministry of Culture of some form or another, whilst England, and India for that matter, is willing

[Mr. Haroon Jaffer.]

to let the State stand aside and leave the whole of artistic production to private enterprise, not even encouraging it in a really practical way. No Government can afford to be so materialistic as this, for there is not the slightest doubt but that Art plays a great part in the national life. The greatest period in the history of such countries, as Greece, Italy, yes, and India, was when Art in all its forms flourished to the full.

As an illustration of what a great statesman thinks of this question and its relationship to India, I have no hesitation in quoting to this House the views of that good friend of India, Sir George Lloyd. At the recent meeting of the Conference of India Art at Wembley, Sir George made important suggestions for the establishment of a point of focus for the artist-producing efforts of the Government Schools of Art of India, and the ideas so impressed the Indian Art Society that its committee were given power to take definite action on those and other suggestions. And as a background to these ideas, the Conference placed on record its sense of the importance of promoting throughout the Empire the study and appreciation of the æsthetic culture of India in the provinces of architecture, painting, sculpture, music, and the applied arts.

The Resolution I am here moving is really nothing but a translation into practical form of the suggesions made by Sir George Lloyd, who did so much for Indian Art in connection with the Bombay School of Art. He it was who arranged for the founding there of a class of Indian mural painting and who revived by means of life classes that assiduous study of the forms of nature which is the sure foundation of art. He recognised to the full that Indian art students must be given the fullest possible facilities of training if there is to be a really fruitful improvement in the condition and extent of modern Indian art.

Following out this idea and this line of progress, Sir George recognised that it is after the students of the school of art graduate that the real opportunities are now required. And so he suggests that we in India might well borrow an idea from the French nation and might discover in a scheme somewhat similar to the French " Prix de Rome " a point of focus for the art students and their practical work. And so he suggested that the Central Government here in Delhi should establish a " Prize of Delhi ", and that students qualifying in sculpture and painting, and perhaps in architecture and the artistic crafts, as winners of this prize should be admitted to a central institution—a kind of " Villa Medici "—there to reap the fullest advantages of a period of three or four years painting and modelling. And, Sir George Lloyd rightly claims, such a scheme would offer no serious difficulty, neither in finances nor in organisation, if properly handled. The Resolution I am moving merely calls for the appointment of a committee by the Government to organise just such a scheme to cover all these points and to meet any other points which might arise out of the investigation. The idea here suggested of such a scholarship plan would provide a safe and certain improvement upon the present more or less opportunist methods of art education in India, and would give to art the very important patronage of Government which would so greatly assist it on its commercial side. And probably this idea would be far more useful and practical in India than any Ministry of Fine Arts, or Department of Culture, because, to use the words of Sir George Lloyd, " it would crown and concentrate the co-directed efforts of inter-provincial Schools of Art and give stability of aim and prospects to the arts students of India." At the present time it is becoming more and more evident that while the

different schools of art are developing in India, a national art has yet to be evolved. India is, in fact, in the middle of an artistic renaissance, and needs both the encouragement and the guidance of Government, if only to act as a stabiliser.

That this project of Sir George Lloyd is both practicable and acceptable to the art students themselves, I quote just a few lines from the report of the recent meeting of the Bombay branch of the Art Society of India, held to mark its appreciation of the Resolutions passed by the larger branch in London referred to in the earlier portion of my speech. The following was one of the Resolutions passed in Bombay:

" The Art Society of India is distinctly of the opinion that the scheme of encouragement of Indian art outlined and indicated by the " Prize of Delhi " and the Mural Paintings suggested by Sir George Lloyd will be of great use and practical encouragement to Indian artists and craftsmen, as it believes that every scheme of encouragement, promotion, or development of Indian art must be based on the conditions of art in India and the requirements of its artists and craftsmen."

Only a few weeks ago His Excellency Sir William Marris, in opening the first all-India Art Exhibition at Lucknow, paid a wonderful tribute to the excellence and magnetism of the art of this great land. He freely admitted that it was a distinct pleasure to him to be associated with anything in any way connected with Indian art, and pointed out that without entering into the respective merits of Eastern and Western art, it was a great truism that real art depends solely on the nobility of ideals and on the love of the expression of ideas, and not on the mere mode of expression. He then went on to state how much he disapproved of Indian artists who wished to propagate the Western style. He was glad to see that there was a real revolt against that imitation of an imported art, and he saw in that revolt an attempt to revitalise the proper thread of Indian traditions.

And we can all, I think, agree with His Excellency in this matter. We can all be ardent " non-co-operators " in this matter at least, pledged to retain our old Indian ideals of art and not to seek to imitate that of other lands, whether it be British, French, or Japanese. The art of a country is its test of nobility and creative power, its criterion of beauty and imagination. To encourage indigenous art is therefore an act of the greatest loyalty; to discourage it or to give greater encouragement to the art of other lands is to be treacherous to the æsthetic ideals of one's motherland. The recent splendid exhibition at Lucknow is in itself a tremendous argument for this Resolution, for it proved, in its very success and popularity, that the people of India want and demand that the art of their country should not only be preserved, but should also be encouraged to the fullest extent.

In closing, I therefore ask the House to pass this Resolution and thereby assist greatly the sacred cause of art in India, and loose it from its present tongue-tied condition, give it speech and utterance, for while the building up of museums and the hoarding of acquisitive things is all very well in its place, a much greater thing is creation itself, and art is simply creation in excelsis.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I am in support of this Resolution, but I feel that the Resolution by itself will not serve the object which the Honourable Mover has at heart. The giving of scholarships and awarding of prizes is not enough

[Mr. Phiroze C. Sethna.]

and it is, therefore, that I propose by way of amendment that the following words be added at the end of the Resolution:

"and a central institution be opened where the scholarship holders and prizemen may continue their work for a period of three or four years."

Evidently, Sir, the Mover of this Resolution has had his inspiration from the address which was read by Sir George Lloyd in England, and I will admit that I have taken my cue from the same address in moving this amendment. No good purpose can be served by just awarding prizes and giving a few scholarships. What is necessary is that the recipients of these prizes and scholarships be afforded an opportunity of further prosecuting their studies in the art or arts in which they may be engaged. They have not scope enough for doing so in the respective schools of art from which they may have passed out. Therefore the next stage for these winners of prizes would be as it were post-graduate courses at a central institution where they can further prosecute their studies; and a central institution for this purpose cannot be located at any place better than at Delhi. The object of a central institution is to secure a measure of Government patronage for Indian art with a view to stimulating its progress. I suggest Delhi in preference to other centres in India where there are located at the present moment the five different schools of art in this country, namely, at Bombay, Calcutta, Madras, Lucknow and Lahore, because if these bright students come up to Delhi we would bring them in direct touch with the Central Government and they will be working as it were under the eye of Government and not at a distance. I suggest Delhi because it has a unique, romantic inspiration for artists and a grand environment of works of art for students. Take the case in Europe. Artists of all kinds wend their way to the famous Villa Medici at Rome. Those who earn the 'Prix de Rome' in Paris to which the Mover referred or the Rome Prize in London all proceed for the further prosecution of their studies in their respective arts to this Villa Medici at Rome. Similarly, there ought to be a central institution in this country—I say preferably at Delhi—where our promising artists may come for further progress.

The Honourable Mover has referred to a Conference in London. This Conference on Indian art was held in June 2nd last, at the British Empire Exhibition at Wembley under the auspices of the India Society in London, and Sir George Lloyd was the principal speaker on that occasion. This speech was made by Sir George Lloyd only after six months of his vacating his position as Governor of Bombay. Consequently, when he spoke at that meeting, he spoke with intimate and up-to-date knowledge of the subject he handled. According to him, the immediate and the most pressing need for Indian art to-day was the "establishment of a point of focus for the artist-producing efforts of the Indian Schools of Art." The Honourable Mr. Haroon Jaffer has paraphrased Sir George's remarks, but with your permission, Sir, and with the indulgence of the House, I would rather quote in his own words the two concluding paragraphs of Sir George's admirable speech. He said:

"My proposal is that the Government of India should establish a Prize at Delhi, and that students qualifying in sculpture and painting, (and perhaps in architecture and arts and crafts) as winners of this prize should be admitted to a central institution—a veritable "Villa Medici"—there to reap the fullest advantages of a period of three or four years' painting and modelling. The merits of this scheme, both from the point of view of the artists and of the country that would benefit by their services are clear. The organization of it should not be difficult. The financial side of this proposal, if efficiently handled, should not be heavy".—I would particularly invite the attention of the Government Benches to this—"and the result would certainly be a great opportunity for Indian art students, an immense incentive to work for the School of Art, and a logical development of Indian art along lines of proved efficiency. This would be a safe and certain improvement upon the present more or less opportunist methods of Indian Art education. It would secure for Indian artists the unspeakably important asset of Government patronage at a central institution. It would go further towards the helping of Indian art to-day than the formation of an Indian Academy of Fine Arts, or a Ministry of Fine Arts, because this scheme would crown and concentrate the co-directed efforts of inter-provincial Schools of Art, and give stability of aim and prospects to the art students of India."

It may be asked, Sir, if such a central institution were established, who might be appointed to be in control of an institution of that nature? My reply would be that there need not be one Principal. In fact one such Principal would be neither required nor desirable, nor would one such person be available who could supervise and further the studies of students who will have had their early training in different Schools of Art. Again a Principal might not be available who will be able to conduct and supervise the work in different branches of Art, assuming that the central institution takes up not only painting but also architecture, sculpture as well as other branches of art.

I would suggest that the work might be allowed to be carried on by these post-graduates who will be coming there from the different Schools of Art, in a manner that would give them considerable latitude and enable them to work on their own, but have their work supervised by their own Principals from the different Schools of Art affording such Principals facilities to go over to the central institution as often as they conveniently can. My proposal may sound novel, but there is precedent for it and it worked admirably. In Bombay, some years ago, the School of Art there sent a batch of a dozen students under an ordinary master to work at the Ajanta Caves. They did so for the long space of eleven years. The Principal of the Bombay School of Art used to pay occasional visits to guide those students. The work they did was excellent and reflected great credit on the young artists, but unfortunately all the pictures save two were destroyed in a fire. The two which are saved are with the Bombay School of Art.

It might also be asked what about the conditions and curriculum of such a central institution? I would say that because the men there will be post-graduates the conditions and curriculum might be left to the Principals of the different Provincial Schools of Art, and, if necessary, they might be framed by them under the direction of the Provincial Governments. These conditions and the curriculum could not clash in the main features, because the courses, as I say, will be post-graduate courses. The students coming to the central institution will be young artists who will either paint or model as they think right for a period of three or four years entirely on their own initiative except for the nominal supervision of their own Principals. The central institution may begin with painting and sculpture, and if these prove a success, architecture and artistic crafts might follow later on, and perhaps music as well.

Sir, Bombay at the present moment is particularly fortunate in having as its Principal at the School of Art there Captain Gladstone Solomon who is not only a very able man, but is a great enthusiast and certainly has done much good work for the school and all the work connected with it. Captain Solomon was one of those who was also present at the Conference held at

[Mr. Phiroze C. Sethna.]

Wembley, and, speaking on the same subject and on the same occasion as did Sir George Lloyd, he made the following very pertinent remarks:

"The establishment of such a "Villa Medici" would go far towards solving one of the most difficult problems that face Indian Art education to-day,—that is the placing of the really brilliant student in touch with his public. At present the School of Art in Bombay and as far as I know, the other Art Schools also are truncated systems leading nowhere exactly and therefore exposing themselves to the occasional attack of the pessimists who doubt their *raison d'etre*. What is the use of advocating Indian art unless you believe in it sufficiently to give to the Indian Art Schools an objective, and to the Indian public that outward sign of Government's real patronage which is absolutely necessary before Indian Art can be reinstalled on her ancient throne?"

Sir, the Government of this country cannot be said to be doing much at the present moment to encourage art. It is high time that it commenced to do more from now onwards. It is true that the public in India have not yet awakened to a sense of their obligations in regard to Art. When they do so, artists will come into their own in our midst, but until then I think it is the duty of Government to take the place of an enlightened public to encourage Art as best they can and help it by some such means as I have advocated in the amendment which I have now the honour to move.

THE HONOURABLE THE PRESIDENT: Amendment moved: "That the following words be added at the end of the Resolution:

'and a central institution be opened where the scholarship holders and prizemen may continue their work for a period of three or four years.'"

I think it is clearly open to future speakers to speak on the original motion and on the amendment together inasmuch as the Honourable Mover of the Resolution clearly indicated that his Resolution was intended to contemplate the establishment of such a central institution as is advocated in the Honourable Mr. Sethna's amendment, in fact the amendment appears to clarify the original Resolution rather than add anything to it.

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): Sir, I wish to say in the first instance, if I may be permitted to do so, that I should like to congratulate the Honourable Mover of this Resolution for the enthusiastic and at the same time restrained manner in which he has introduced a rather delicate and difficult subject, and I think it is to the advantage of Government and of this Council that a subject of this kind has been brought up and discussed in the two very interesting speeches to which we have just listened. I really have only one criticism to make regarding the speech of the Honourable the Mover of the Resolution, and that is, as you, Sir, have just indicated, that the definite proposal which I understand the Honourable Mover wanted to put forward was not met, I think, by the terms of his original Resolution, and my Honourable friend Mr. Sethna, if I may say so, has with his usual lucidity and clearness seized upon that point and brought forward an amendment which I understand meets the wishes of the Mover of the Resolution. Well, my only criticism, as I say, is this that, although I sympathise very largely with it, it places me in rather a difficult position. When I saw this Resolution at first, it was merely a Resolution that a Committee be appointed to formulate a scheme of scholarships and prizes for this particular kind of study, and it did not occur to me that the idea of a central institution was included in that at all. Naturally one would

suppose it was a kind of suggestion that the Government of India should come to the assistance of Local Governments in a subject, which after all, as the Council is perfectly well aware, is a provincial transferred subject. But when I say this, I am in no sense complaining that the Honourable Mover has not taken that line. I think he has very wisely avoided it; but it does place me in this difficult position. It was only yesterday, when he was kind enough to tell me the lines on which he was going to attack the problem, that I understood this question of a central institution was going to be mooted, and it was indeed not till yesterday evening that I received notice of the amendment moved by my Honourable friend Mr. Sethna. I only want to say this, that this amendment completely alters the aspect of the original Resolution, and I do not think this Council can very well expect me to be able to pronounce the final decision of the Government upon a question of such great importance and raising such very large and far-reaching issues. I fully realise the importance of this question. I fully sympathise with the Honourable Mr. Sethna's point of view. I understand that what is at the back of his point of view, and certainly at the back of Sir George Lloyd's speech, which I have only just seen, is that the construction of a great new city does afford an opportunity for the encouragement and the utilisation of modern Indian Art, which obviously requires the serious consideration of Government. With that point of view I entirely sympathise and I agree, but I cannot, as I say, at a few hours' notice commit Government to a final expression of their view on a very large question of this kind. Taking the proposal for a central institution, I think there are many obvious advantages; but there are certain other points of view which will certainly have to be considered. Let me put two points of view, two lines of thought which have occurred to me. I will put them in the shape of questions. In the first place, is it necessarily wise or in the best interests of Indian Art that post-graduate studies in a subject of this kind should be centralised, rather than that we should make improvements in post-graduate education in the Provinces? I make no pretension to being an art critic at all, but it has always seemed to me that in the Schools of Art which exist in India at present and which are undoubtedly beginning to flourish, there are two or three, at any rate, very distinct and separate ideals or forms of thought—modes of thought and modes of expression. There is the well known School of Art in Bombay of which the Honourable Mr. Sethna is rightly so proud and which I thoroughly agree with him is a flourishing institution with a vitality of its own. But the mode of expression which is, I think, characteristic of that school has always seemed to me to be different in type from, for instance, the school which is now coming into prominence in Bengal. There you have got a different kind of school of painting, with to my mind a very different and an individual character of its own. I am not very sure whether the establishment of a central institution for post-graduate studies of this kind would not possibly tend to blunt the individuality of the different local schools in different parts of a very large Continent like India. That is my first line of thought. I cannot answer that question, but it is a question which will certainly have to be considered and very likely the answer will be that a central institution is just what is required; but I do not want to commit myself to that view at the present moment.

Then there is a second line of thought which I will put in the shape of a second question. Is it necessarily wise or in the best interests of Indian Art that an institution for post-graduate studies in a subject of this nature should be officialised, if I may use the word? That question has

[Mr. A. H. Ley.]

been raised by the Honourable Mr. Sethna. I am not sure that it necessarily follows that direct Government patronage in the shape of an institution, which I understand is to be a Government institution, is necessarily the best way of encouraging artistic production of this kind. My Honourable friend Mr. Haroon Jaffer, if I caught him correctly, referred to a quotation from Shakespeare about "art being tongue-tied by authority." There is something in that. It is a line of thought which I think requires to be expanded a little. I am not suggesting that in this country it is necessarily the case that patronage of art should be left entirely to private institutions. That is a line of advance which has been advocated in certain other countries. It is quite possible, and I think probable, that conditions in India are so different, that some kind of patronage from Government affords the best line of advance. I only mention these two points of view because they are rather important questions which will have to be considered. I do not propose to answer them one way or the other at the present moment. There is also one other point of view in connection with a Government institution, which is a question which will also have to be gone into, namely, that of finance. Sir George Lloyd, whom my Honourable friend Mr. Sethna, has quoted, said that the financial side of this proposal, if efficiently handled, should not be heavy. But there are a great many considerations which will have to be taken into account in considering the financial side of this subject. One point that will certainly be raised is a constitutional point. I do not know the views of the local administration on this question; but I am pretty sure that if the Chief Commissioner of Delhi has to find a large, or even a small, sum of money for this purpose he will probably say: "Why should not the Local Governments pay?" He is in a very awkward position, if I may say so, as I am sure he realises. We are always having this financial difficulty. If the Chief Commissioner of Delhi wishes to send students, say in engineering, to Roorkee, he has got to pay out of his budget. I imagine he will certainly object to paying out of his budget for a central institution for post-graduate study in Delhi for the advancement of learning on the part of students sent up by all the Provinces. Therefore I say the question would have to be discussed very carefully with the Local Governments concerned, to see how far they would be willing or able to contribute to a scheme of this kind.

I have really only one or two more words to say, Sir. The Resolution starts by recommending the appointment of a committee. I am not quite clear whether the appointment of a committee also finds a place in the Honourable Mr. Sethna's amendment. Is a committee necessarily the best way of dealing with this question? I am not prepared to answer that question either at a moment's notice. There are possibly some of us who think that we are suffering from a fever of committees, and that it would be much better to sit down and get to business. Also I do not quite know what my Honourable friend the Mover's idea is as to the personnel of a committee of this kind. That is obviously a question of very considerable importance, when you are dealing with a subject on which such a large variety of personal opinion exists. However, that is a purely incidental point and I do not want to press it any further. Now, one more remark. The proposal is that a committee be appointed at once to formulate a scheme, and I can now I think take this Council into the confidence of the Government and say that in point of fact a scheme has already been formulated. It is quite true that it has not been considered, but it has been formulated; it has been formulated by the architects of

new Delhi in consultation with the Chief Engineer. Mr. Sethna expresses disapproval, I can see; I am not prepared to say at the present moment whether that scheme is on the right lines or on the wrong lines, or whether some other kind of scheme should not be put forward. I only wish to say at the present moment that it is an expensive scheme. As far as I can recollect it was a proposal which involved an initial capital outlay for provision of quarters and studio of over two lakhs of rupees non-recurring; and a recurring outlay on scholarships and staff, including a Superintendent which Mr. Sethna objects to, of over one and a half lakhs of rupees. I do not say that that is necessarily a large sum of money to find for the object in view; but it is quite clear that this will have to be considered with due regard to financial considerations. As a matter of fact I am free to admit that nothing has been done with regard to this at present, mainly for financial considerations. But I do say this: that I am in full sympathy with the idea that the opportunity should be taken for the stimulation and encouragement of Indian art for the purpose of embellishing the buildings in New Delhi when they are complete.

I have little more to say. I have tried to point out that, while I have very great sympathy with this idea and I think myself that it is on the right lines, I cannot as I say at very short notice actually commit Government to accepting the scheme as it stands, or accept the Resolution directly as it stands. I can commit Government, and I am prepared to commit Government, to taking up the whole question and considering now what steps will be necessary and what steps should be taken by Government for the purpose of encouraging art in Delhi in the manner suggested both by the Honourable Mover of the Resolution and by my Honourable friend, Mr. Sethna. I do not know whether on that assurance my Honourable friend would be willing to withdraw the Resolution on the undertaking that I have given that the question will now be considered. If not, possibly we could come, with your permission, Sir, and the permission of the Council, to some form of words which I could suggest, if my Honourable friend is not willing to withdraw the Resolution, which would meet my point.

I only want to say one further word. I would propose in the first instance at any rate to refer the question to a committee which is already in existence, namely, the Standing Advisory Committee attached to the Department of Industries and Labour. We had a Resolution last year by the Honourable Mr. Vedamurti, who is unfortunately not here this morning, in which Government agreed that important questions relating to New Delhi should, if possible, be placed before the Standing Advisory Committee, and I am quite prepared and anxious that that should be done now. It will be for the Standing Advisory Committee to advise Government on the suitability of the scheme which has been formulated or its unsuitability, as the case may be, and to advise Government whether it would be necessary or desirable to proceed further with the appointment of some other committee to consider this question or the reverse. But I can undertake that the whole question will be threshed out as soon as possible. If my Honourable friends are willing to withdraw the Resolution on this understanding, I should be content to leave the matter at that.

THE HONOURABLE MR. PHIROZE C. SETHNA: Sir, will the Honourable Mr. Ley inform us if the scheme which he referred to will be brought before Council before any practical effect is given to it?

THE HONOURABLE MR. A. H. LEY: I think I can give that undertaking. It would at any rate clearly be a subject which should be considered carefully by one or other of the Houses of the Legislature.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, I do not rise to make any speech on the merits of the question, but having listened to the lines taken up by the Honourable Mover of the Resolution, the proposer of the amendment and the Honourable Mr. Ley, I think it is possible to meet the wishes of the Honourable Member in charge of the subject on behalf of the Government without disregarding the merits of the proposal. As to the first two considerations put forward by the Honourable Mr. Ley, I do not think much enthusiasm will have been created in the hearts of Honourable Members when he formulated two questions without attempting to give a definite answer. I must congratulate my Honourable friend on his able advocacy, but I do not think after all that carried the cause of fine arts in this country any further. He was on more solid ground when he took his stand on financial considerations. I was unable to follow him quite clearly when he made some references to the Chief Commissioner of Delhi. I for one entirely fail to see what our Honourable colleague, the Chief Commissioner of Delhi, has got to do with a proposal of this character. If the Government propose to find the money and put him in charge of the administration of this School of Art, I am quite sure the Honourable Mr. Abbott will have no objection. Rather I take it he will enthusiastically push forward the scheme. But when the Honourable Mr. Ley speaks of the starving Delhi administration having to find the money to initiate this movement, I think he certainly assumes too much. Now, Sir, educated public opinion feels very strongly that enough has not been done by Government to revive and improve the condition of Art in this country. The difficulties which any Government would have to face if they were to take up a question of this character are obvious, and I have no desire to minimise the difficulties of our Government in this matter. But all the same, I do not think it will be proper to give a decent burial to this Resolution by asking the Honourable Mr. Jaffer to withdraw it with a promise that the question would be duly considered by Government. The substantive proposal that I make, Sir, is that, having regard to the existence of a Standing Committee attached to the Honourable Mr. Ley's Department and having regard to a certain proposal that has been mooted by the Imperial Government in consultation with the architect and engineer, the best thing would be for us to adjourn the consideration of this Resolution till some time in the first or second week of March. In the meantime, the Honourable Mr. Ley will be in a position to consult the Honourable Member in charge and the Government, if necessary, and he will also have ample opportunities of ascertaining the wishes of the Standing Committee and, if necessary, to put himself in touch with the architect and engineer. On the other hand, if the Honourable Mr. Jaffer agrees to withdraw his Resolution, it would come to this that an important question was raised in this Chamber and, without eliciting any definite information or securing a definite promise from the Honourable Mr. Ley, a decent burial was given to this Resolution. The best course that I would suggest, therefore, would be—and I definitely propose it—that the consideration of this Resolution do stand over till some time in March. I believe that will be elastic enough to enable this Council to take up this Resolution, and to give it its careful consideration either in the beginning or in the middle of March as may suit the convenience of this Chamber. But I certainly feel that the subject is too important to warrant the Honourable Mr. Jaffer in withdrawing his Resolution. At the same time I hope the Honourable Mr. Ley will find his way to consider this proposal favourably in the meantime.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, in view of the propriety of the speeches that have been delivered on this very interesting subject, it would be an affront to suggest anything, but I would venture to think that the small endeavour which I am making now will meet with the approval of this House. I propose to move an amendment. It is this . . . . . .

THE HONOURABLE THE PRESIDENT: Does the Honourable Member wish to move an amendment?

THE HONOURABLE MR. R. P. KARANDIKAR: Yes, Sir.

The amendment that I propose is this:

"This Council recommends to the Governor General in Council that he should at an early date consider the advisability of formulating a scheme of scholarships and prizes for Indian Art students engaged in painting, sculpture, architecture and the artistic crafts, and of establishing a central institution where the scholarship holders and prizemen may continue their work for a period of three or four years."

THE HONOURABLE THE PRESIDENT: Will the Honourable Member kindly hand in his amendment?

(The amendment was handed in by the Honourable Member).

THE HONOURABLE THE PRESIDENT: Further amendment moved:

"That in the original Resolution for all the words after the words 'the Governor General in Council', the following words be substituted namely:

'that he should at an early date consider the advisability of formulating a scheme of scholarships and prizes for Indian art students engaged in painting, sculpture, architecture and the artistic crafts, and of establishing a central institution where the scholarship holders and prizemen may continue their work for a period of three or four years.'"

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): Sir, after the remarks I have already made I think it will be obvious that the Resolution worded in those terms entirely meets my point of view, and I can certainly accept it on behalf of Government.

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THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): I am quite willing to withdraw my amendment in favour of the amendment which has been accepted by Government.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): Sir, I should have much liked to agree to the suggestion made by the Honourable Saiyid Raza Ali to wait till March next, but since the Government accept the Resolution in the modified form suggested by the Honourable Mr. Karandikar, I also accept it.

THE HONOURABLE THE PRESIDENT: The question is that the amendment proposed by the Honourable Mr. Karandikar be made to the original Resolution.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The question then is:

"That the original Resolution as so amended be adopted, namely:

'This Council recommends to the Governor General in Council that he should at an early date consider the advisability of formulating a scheme of scholarships and prizes for Indian art students engaged in painting, sculpture, architecture and the artistic crafts, and of establishing a central institution where the scholarship holders and prizemen may continue their work for a period of three or four years.'"

The motion was adopted.

ELECTION TO THE PANEL FOR THE CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

THE HONOURABLE THE PRESIDENT: I am now in a position to announce the result of yesterday's election to the panel of 8 Members from which 6 Members are to be selected to serve on the Central Advisory Council for Railways. The election resulted as follows:—

The Honourable Dr. Sir Deva Prasad Sarvadhikary.
The Honourable Sir Arthur Froom.
The Honourable Mr. J. W. A. Bell.
The Honourable Rai Bahadur Lala Ram Saran Das.
The Honourable Haji Chaudhuri Muhammad Ismail Khan.
The Honourable Mr. Phiroze C. Sethna.
The Honourable Sir Dinshaw Wacha; and
The Honourable Lala Sukhbir Sinha.

STATEMENT OF BUSINESS.

THE HONOURABLE THE PRESIDENT: Has the Honourable the Leader of the House any announcement to make regarding the business of the House?

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): At the meeting of this Council for official business on Tuesday, the 3rd February, motions are to be made that the Bill to amend the Indian Merchant Shipping Act for a certain purpose, as passed by the Legislative Assembly, be taken into consideration and passed; and I propose to move the motion standing in my name for leave to amend the Standing Orders of the Council of State in connection with the separate presentation of the Railway Budget.

THE HONOURABLE THE PRESIDENT: In view of the statement just made I must adjourn the Council till Tuesday, the 3rd February, at Eleven of the Clock in the morning.

The Council then adjourned till Eleven of the Clock on Tuesday, the 3rd February, 1925.

COUNCIL OF STATE.

Tuesday, 3rd February, 1925.

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

QUESTIONS AND ANSWERS:

ANNUAL CLASSIFICATION IN THE PIECE WORK ESTABLISHMENT OF THE GOVERNMENT OF INDIA PRINTING, CALCUTTA.

45. THE HONOURABLE MR. G. S. KHAPARDE: (*a*) Is it a fact that since 1922 no annual classifications have been held in the Piece Work Establishment of the Government of India Printing, Calcutta?

(*b*) Has the system of annual classification been discontinued?

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

(*b*) The answer is in the negative; it is understood however that the Controller of Printing, Stationery and Stamps is preparing proposals for modifying the present system.

GRANT OF PENSIONS TO PIECE WORKERS IN THE GOVERNMENT OF INDIA PRINTING, CALCUTTA AND THE DELHI PRESS.

46. THE HONOURABLE MR. G. S. KHAPARDE: With reference to the recommendation of the Piece Workers' Committee's Report, 1922, and the reply given by the Honourable Mr. Ley to my question No. 317 on the 3rd September, 1924, will Government state how many piece workers of the temporary establishment in the Government of India Printing, Calcutta and the Delhi Press, respectively, have been granted pensions during the period 1923-24?

THE HONOURABLE MR. A. H. LEY: In Calcutta, two; in Delhi, none.

PROVIDENT FUNDS IN GOVERNMENT PRESSES.

47. THE HONOURABLE MR. G. S. KHAPARDE: Will Government state whether a Provident Fund has been brought into operation in the Government presses, and if so, from what date?

THE HONOURABLE MR. A. H. LEY: The answer is in the negative.

GRIEVANCES OF THE BINDERS OF THE GOVERNMENT OF INDIA PRINTING, CALCUTTA.

48. THE HONOURABLE MR. G. S. KHAPARDE: (*a*) Are Government aware of the fact that the following reply was given by the authorities in

Calcutta, to the representation of the binders of the Government of India Printing, Calcutta, stating their grievances regarding their promotions and classifications:

"With reference to their petition, dated the 11th March, 1924, the binders may be informed that owing to conditions that have obtained in the binding for sometime past, it is impossible to take up the question of their promotion and re-classification at present. If any of them are unable to live on their present earnings, they may hand in their names to you, so that you may try to include their names in the list of those to be removed."

(*b*) If the answer be in the affirmative, what action do Government propose to take in the matter?

(*c*) If the answer is in the negative, will the Government inquire into the matter?

THE HONOURABLE MR. A. H. LEY: (*a*) The statement quoted is not quite correct. What actually happened was as follows: Owing to very grave overcharges by the binders for time work, it was necessary to suspend their re-classification for payment by time. The binders filed a petition on the 11th March, 1924, urging that they could not live on their existing pay. As large reductions were then being made in the binding establishment, the binders were informed that if any men, who were dissatisfied with their earnings, sent in their names to the Superintendent, they would be considered for reduction on decrease of establishment. No names were sent in.

(*b*) Government do not propose to take any action in the matter.

(*c*) does not arise.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table the following Bills which have been passed by the Legislative Assembly:

(1) A Bill further to amend the Indian Railways Act, 1890.

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

(3) A Bill to repeal certain enactments whereby breaches of contract by labourers are made punishable under the criminal law.

INDIAN MERCHANT SHIPPING (AMENDMENT) BILL.

THE HONOURABLE MR. D. T. CHADWICK: (Commerce Secretary): Sir, I beg to move:

"That the Bill to amend the Indian Merchant Shipping Act, 1923, for a certain purpose, as passed by the Legislative Assembly, be taken into consideration."

Sir, this Bill, which has just passed the Legislative Assembly, is an exceedingly short one. It only contains one clause. Its object is to enable the Governor General in Council to issue rules for the charging

of fees for the grant of the certificate referred to in sub-section (*4*) of section 243 of that Act, the amount of such fees and the manner in which they should be recoverable. Section 245 of the Indian Merchant Shipping Act, which is the section to be amended by this Bill, permits the Governor General in Council to issue rules in regard to that part of the Shipping Act which relates to wireless telegraphy. As it stands at present, the Governor General in Council can only issue rules prescribing the nature of the wireless telegraph equipment to be carried by ships, the trained staff required, and also the manner in which the notice to be given under sub-section (*3*) of section 243 shall be given to the Chief Officer of Customs. This Bill we now propose turns entirely on section 243. Under that section the Governor General is empowered to appoint wireless telegraphy inspectors. Secondly, the wireless telegraphy inspectors have power to inspect ships at any time to see whether the equipment and the staff are in accordance with the rules. The third and fourth clauses alone of that section relate to the cases in which the wireless telegraphy inspector finds the equipment out of order or the rules not being carried out. In that case under clause (*3*) he gives notice to the Master of the ship about the defects and what he considers ought to be done to put them in order. He sends a copy of that notice to the Chief Collector of Customs and the ship cannot leave the port until the defects are remedied. When they are remedied the wireless inspector sends a certificate to the Chief Collector of Customs saying that the installation, etc., is in order. This Bill will permit of the charging of fees in regard to the grant of that certificate. In other words you will see from what I have just said that this certificate only arises when the equipment is out of order or the staff is not according to the rules, and as this Bill restricts the charging of fees to the grant of a certificate, it follows therefore that under this amendment fees will only be charged in the cases in which the equipment has been found out of order. It would be ridiculous, it would be unjust really, to charge a fee for the visit of the inspector when everything is in order. The inspector has the right to inspect the ship at any time; that is fair and reasonable. There is no case for charging a fee for such a visit when everything is in order. But he may have to go frequently to visit a ship to see if defects have been remedied. It is in regard to such visits that Government now ask for powers to collect fees. I may say that that is the practice in England. It has been law there for the last two years. This suggestion has been circulated already to all maritime Governments, and they have been asked to consult Chambers of Commerce and commercial opinion. On the whole, commercial opinion was in favour of the levy of these fees, provided it was made clear that they would only be charged in cases in which the equipment was out of order or the rules were not being obeyed. In the first part of my speech I made it absolutely clear, I trust, that by the way this Amending Bill is worded fees can only be charged in such cases. With these words, Sir, I commend this small Bill to the notice of the Council.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend the Indian Merchant Shipping Act, 1923, for a certain purpose, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. D. T. CHADWICK: I beg to move, Sir:

"That the Bill, as passed by the Legislative Assembly, be passed."

The motion was adopted.

AMENDMENT OF THE STANDING ORDERS.

THE HONOURABLE THE PRESIDENT: I have received from the Honourable the Leader of the House notice of a motion which he desires to make for amendment of the Standing Orders of the Council of State. I will proceed to read the amendment to the Council. It runs:

"That after Standing Order 70 of the Standing Orders of the Council of State the following Order be inserted, namely:

'70A. When the Budget is presented to the Council in two or more parts, each part shall be dealt with in accordance with Standing Order 70 as if it were the Budget:

Provided that the reference in the said Standing Order to the Finance Member shall be read as referring to the Member of the Government by whom the part of the Budget under discussion was presented'."

I have to ascertain in the first place whether the Honourable Member has the leave of the Council to move his motion. Does any Honourable Member object?

(No Honourable Member objected.)

The Honourable Member has the leave of the House.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, I beg to move, leave having been given, that the proposed amendment be referred to a Select Committee. Honourable Members are doubtless aware that, at the instance of the Government, the Legislative Assembly has during the September Session of last year agreed, with some modifications, to a Resolution presented by the Honourable the Commerce Member, to a separation of Railway from General Finance for certain purposes. Clause 7 of that Resolution, which is the clause necessary for our present purposes, reads thus:

"The Railway Budget shall be presented to the Legislative Assembly, if possible, in advance of the general Budget in order that more time may be allotted for its discussion, and the Member in charge of Railways shall then make a general statement of railway accounts and working, and so on."

The Government accepted this Resolution and have made the necessary provision. The Legislative Rules have accordingly been modified to enable the presentation of the Budget to each House in two or more parts. The Legislative Rule, as modified, runs thus:

"Nothing heretofore contained shall be deemed to prevent the presentation of the Budget to each Chamber in two or more parts, and when such presentation takes place each part will be dealt with in accordance with the foregoing rules as if it were the Budget."

Though the rule has been modified in a general form, it is proposed to limit its scope at present to the presentation of the Railway Budget separately from the general Budget and in advance of it. The amendment which I am seeking with the leave of the House to make in Standing Order 70 is a consequential amendment and will, if accepted, enable a general right of

reply to be given to the Honourable Member who presents the Budget to which the subject relates, and will not confine its operation as it does at present only to the Honourable the Finance Member. Standing Order 70 as it now stands provides by clause (3) that the Finance Member shall have a general right of reply at the end of the discussion. The proposed change, as Honourable Members will notice, states that "the reference in the said Standing Order to the Finance Member shall be read as referring to the Member of Government by whom the part of the Budget under discussion was presented". I do not think I need say more to commend my motion to the general acceptance of this House.

I move, Sir, that the amendment be referred to a Select Committee.

THE HONOURABLE THE PRESIDENT: The question is:

"That the proposed amendment, for which leave has been given, be referred to a Select Committee."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: As the House is aware, seven Members have now to be elected by the Council to serve on the Select Committee to which the proposed amendment has just now been referred. I should be in a better position to fix dates for nomination and for the election, if necessary, if the Honourable the Leader of the House could inform me and the House what is likely to be the future course of business.

STATEMENT OF BUSINESS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, the only business which Government are at present in a position to place before the Council relates to the Bills which have been laid on the table to-day. Under Rule 27 motions for the taking into consideration of those Bills, namely, the Bill further to amend the Indian Paper Currency Act, 1923, and the Bill to repeal certain enactments whereby breaches of contract by labourers are made punishable under the criminal law, cannot, in the absence of a direction from yourself, be taken into consideration till three days from the receipt of notice. If, therefore, notice is given to-day, Friday will be the earliest day on which the motions can be made in the absence of such direction, and Friday is not a day on which the Council ordinarily meets. In view, however, of the paucity of business during the present week—there was, as you are aware, no non-official business and therefore no meeting yesterday, and there is again no non-official business for to-morrow—it may be that it will suit the convenience of Honourable Members to meet on Friday. Alternatively, Sir, should Honourable Members indicate a preference for this course, you will perhaps be pleased to permit the making of the motions in question on Thursday, in which case we would have, as usual, a meeting on that day. If neither of these suggestions finds acceptance, the Bills will be proceeded with in the ordinary course on Tuesday next, and the Council will in the meantime meet for the transaction of non-official business on Monday.

THE HONOURABLE THE PRESIDENT: Of the three Bills laid on the table to-day one is a non-official Bill and that will lie in the Council until some Honourable Member gives notice of his intention to move that the

[The President.]

Bill, as passed by the Legislative Assembly, be taken into consideration, in which case the Bill will of course be taken up on a day allotted for non-official business. With regard to the other two Bills, I assume that notice will be given by the Honourable Members in charge of them in this House to-day. The business would in the ordinary course come up, as the Honourable the Leader of the House pointed out, on Friday and I leave it to the House to decide whether they would desire me to shorten the period of notice so that these Bills may be taken on Thursday.

Both the Bills are very short though I think it can hardly be said that they are unimportant. I should like to ascertain the opinion of the House with regard to each Bill separately. The Bill further to amend the Indian Paper Currency Act, 1923,—is it the desire of the House that this Bill should be proceeded with on Thursday next, or would it prefer to have the full three days' period of notice?

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): In view of the circumstances explained by the Honourable the Leader of the House, I do not think that this Council will insist on the statutory notice in connection with both the Bills. Though important, they are simple ones and can be disposed of on Thursday next.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): I agree with my Honourable friend, Sir Maneckji Dadabhoy and think that Thursday next will suit the convenience of the House.

THE HONOURABLE THE PRESIDENT: The Bill further to amend the Indian Paper Currency Act, 1923, will therefore, in accordance with the wishes of the House, be proceeded with on Thursday next, provided notice is given by the Honourable Member in charge to-day. The Bill to repeal certain enactments whereby breaches of contract by labourers are made punishable under the criminal law—I should like to ascertain the desire of the House with regard to that Bill.

THE HONOURABLE SIR MANECKJI DADABHOY: The same are our views on this Bill also.

THE HONOURABLE THE PRESIDENT: That Bill will also be taken up on Thursday on the same condition. That enables me to announce that nominations for seven Members to be elected to serve on the Select Committee to which the draft Standing Order has been referred, will be received by the Secretary up to noon on Thursday next, and I will on that day announce the date on which the election will take place, if necessary.

The Council then adjourned till Eleven of the Clock on Thursday, the 5th February, 1925.

COUNCIL OF STATE.

Thursday, 5th February, 1925.

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

MESSAGES FROM THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: Two Messages have been received from the Legislative Assembly. The first message runs as follows:

"I am directed to inform you that the Message from the Council of State to the Legislative Assembly desiring their concurrence in a motion to the effect that the Bill to consolidate the law applicable to intestate and testamentary succession in British India be referred to a Joint Committee of the Council of State and of the Legislative Assembly, and that the Joint Committee do consist of 12 members, was considered by the Legislative Assembly at their meeting to-day, and that the motion was concurred in by the Assembly.

The following Members of that body were nominated to serve on the Joint Committee, namely:

The Honourable the Home Member,
Diwan Bahadur M. Ramachandra Rao,
Rai Sahib M. Harbilas Sarda,
Mr. K. C. Neogy,
Mr. Abdul Haye, and
Sir Hari Singh Gour."

The second message runs as follows:

"I am directed to inform you that the Message from the Council of State to the Legislative Assembly desiring their concurrence in a motion to the effect that the Bill to amend the provisions of section 27 of the Indian Succession Act, 1865, be referred to a Joint Committee of the Council of State and of the Legislative Assembly, and that the Joint Committee do consist of 12 members, was considered by the Legislative Assembly at their meeting to-day, and that the motion was concurred in by the Assembly.

The following Members of that body were nominated to serve on the Joint Committee, namely:

The Honourable the Home Member,
Diwan Bahadur M. Ramachandra Rao,
Rai Sahib M. Harbilas Sarda,
Mr. K. C. Neogy,
Mr. Abdul Haye, and
Sir Hari Singh Gour."

THE HONOURABLE THE PRESIDENT: With regard to the first message, there is for the moment no Honourable Member in charge of the Bill referred to therein. It was in charge of the Honourable Sir Alexander Muddiman who is no longer in this House. I shall therefore consult the Honourable the Home Secretary and arrive at a decision as to who is to take charge of the Bill in this House. With regard to the second message I understand that the Honourable Sir Arthur Froom will give notice of a motion for the constitution of the Committee.

INDIAN PAPER CURRENCY (AMENDMENT) BILL.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): 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, as the House will observe, is a short Bill with a single operative clause. The essential portion of the Bill gives to the Government of India the power to increase the paper currency to the extent of 15 crores of rupees against the backing of securities held in the reserve. I wish to emphasise two points, first, that the Bill is purely permissive, that is to say, that it does not follow that, if the Bill is passed into law, the whole of this increase will necessarily be made, but the Government will make such increase, if any, as is required in accordance with the needs of trade. In the second place, the Bill is one which is not asked for by Government owing to any financial exigencies of their own. It is one put forward solely in the interests of trade. At this stage I should like to refer for a moment to the second portion of the operative clause which represents an amendment moved in the other House and accepted by Government restricting the amount of the created securities held in the reserve to 50 crores of rupees. Government have had no hesitation in accepting that amendment because they recognise that in normal times it is right that a limit should be placed on the amount of securities of this kind in the Paper Currency Reserve. For an emergent occasion emergent action may be necessary, but in normal times it is quite proper that there should be some limit of this kind. It will be evident from the Statement of Objects and Reasons that Government had in fact no intention of making any increase in the paper currency against the backing of these created securities. The procedure which Government would adopt is mentioned quite clearly in the Statement of Objects and Reasons, and in fact during the last four years Government's policy has been directed to reducing the amount of created securities held in the reserve. Four years ago the amount of these created securities was slightly in excess of 60 crores. The present figure is below 50 crores, which represents a very substantial reduction of over 10 crores of rupees in these created securities. I may explain further that the reason why this amendment took the particular form which it has taken, namely, a definite figure of 50 crores, is because these created securities are held in the reserve at their cost price which is variable. The figure of 50 crores does in fact practically prohibit Government from increasing the present amount of these created securities, but the amendment is not framed in those words because the purchase price is variable and therefore a fixed figure would have been inappropriate.

Such in brief is the substance of the Bill. I quite recognise that questions of currency are very much in the air just now and I realise that different views are held, and quite legitimately held, as to the direction which currency reform in this country should take. But with regard to this present Bill I ask the House to accept two postulates, first, that this Bill is a limited measure of a practical kind which is intended to deal with the trade situation as it exists to-day, and second, that fundamental questions of currency reform cannot be rushed. The view of Government on this question was clearly expressed by His Excellency the Viceroy in his address to the Members of the Legislature on the 20th January. Government's view definitely is that before any new policy is embarked upon, it is essential that these questions should be considered by an authoritative committee. His Excellency the

Viceroy also held out an expectation that if world conditions continue to improve as they have been doing recently the time is not so very far off when such a committee may be appointed. If the House accepts these two postulates, as I am sure they will do, they will not expect or desire me to enter into a discussion of fundamental questions of currency and exchange. What they will require me to do is, I think, to prove to their satisfaction that this Bill is in the first place beneficial and necessary and, in the second place, safe and unobjectionable.

With regard to the first point whether the Bill is beneficial, I think my task is an easy one. The principle of the Bill is based upon a fundamental proposition, which is in fact axiomatic, that increasing trade requires an increase of currency. We are, I think, undoubtedly able to say that trade in this country is improving. We have had the benefit of four good monsoons in succession, and whether we consider the increased value of our imports and exports or the value and volume of the various crops which are being marketed, it is evident that trade is now definitely improving and that increased means of payment are necessary. I might perhaps be allowed to compare currency to the oil which lubricates the machine of trade. If that machine is under-oiled you get all the symptoms of engine trouble, and those symptoms are well recognized by the commercial community in high bank rates and in restriction and dislocation of trade. As a practical method of envisaging the problem I would ask the House to consider the history of the last two years. During the last year and during the first half of the present busy season Government have added to the currency 18 crores of rupees—12 crores last year and 6 crores this year—in accordance with the method which is contemplated in this Bill. I ask the House to consider what the position of trade and the bank rate would be to-day if those 18 crores had not been added. I can appeal here to commercial opinion in this country. We had at the beginning of the present busy season very lively apprehensions expressed both from Bombay and Calcutta of what the course of the present busy season would be, and I think I may say, without being contradicted, that the announcements made by Government and their promise to take such action as might be proved necessary and the mere fact that they did begin, fairly early in the present busy season, to increase currency, relieved almost entirely the very serious apprehensions which were expressed.

The next point which the House will ask me to explain is why the Bill is necessary. We have still a margin of about 7½ crores which can be added to the currency against securities, and the Imperial Bank has still a margin of 8 crores of the emergency currency which it can take against the security of internal trade bills. I do not say that it will be necessary for Government to utilize the provisions of this Bill, but I would ask the House to remember that currency stringency when it comes is apt to be sudden and intense, and therefore I think it only a wise precaution that these powers should be placed in the Government's hands to meet any contingency which may arise.

I now turn to the second point, whether the Bill is safe and unobjectionable, and I would ask the House to consider this from two aspects. First, with regard to the possible effect of this Bill upon prices. Inflation of currency is admittedly a great evil and leads to increase of prices and other disasters. But increase of currency is not necessarily inflation. It only becomes inflation if that increase is out of proportion to the requirements of trade; in other words, if there is an increase in the means of payment beyond the needs of business. Now Government have no

[Mr. A. C. McWatters.]

intention of making any increase beyond what is actually required. As I have said, the Bill is not required on account of any financial exigencies of their own. It is not a question of covering a deficit in the budget. The increase will be made solely on the basis of value and not on the basis of debt. And therefore I can confidently say that no apprehensions need be felt by any Honourable Member as to the adverse effect of this Bill upon prices.

The second aspect from which I wish the House to regard this question of safety is with reference to the metallic backing in our currency reserve. On the 15th January last the gross circulation of currency notes in India was 178¾ crores; and against that we held in the reserve 101½ crores of gold and silver coin and bullion, making a percentage of 56·86. And even these figures understate the position, because the figures which I have given for circulation are of the gross circulation and include the currency notes held in Government treasuries and by the Imperial Bank as its cash reserve. Further, they understate the position because, as the House is aware, the gold and sterling securities in the reserve are at the present moment under-valued. If these securities were revalued at the present market rate, the value of the metallic backing would be 61 per cent., the securities would be 19·4 per cent. and the created securities 19·6 per cent. This is a position which most countries in the world would envy. I have taken the trouble to examine from the latest publication of the League of Nations the corresponding figures for 38 of the principal countries in the world which supply returns to the League of Nations, and I find that 8 countries only in the world are in as good or a better position, and of these only two are European countries, Spain and Switzerland, while in England itself the latest figure for metallic backing for Bank of England and Treasury notes is only 39 per cent. I think therefore, if we consider it either from the point of view of the possible effect on prices or its effect in reducing the proportion of metallic backing in the Paper Currency Reserve, the House will agree that this Bill is both safe and unobjectionable.

I do not think that I need trouble the House with any longer explanation. I have asked Honourable Members to consider the Bill as a limited measure of a practical kind; I have tried to prove to them that the Bill is beneficial and necessary and also that it is safe. I beg to move.

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 HONOURABLE MR. J. W. A. BELL (Bengal Chamber of Commerce): Sir, I desire strongly to support the Bill which has been introduced by my Honourable friend, Mr. McWatters.

The financial position in India, for some time has been one which has given cause for anxiety on account of the shortage of currency available for the financing of the trade of the country. What the position would have been but for the action of Government in increasing the amount of currency issued against trade bills, and in making that currency more readily available, it is difficult to estimate. But I do not think I am exaggerating when I say that it would have been serious.

The present measure will still further ease the situation, and remove any cause for anxiety, in the direction which I have indicated, for some considerable time to come. The additional financial assistance to the trade of the country which the Bill will make possible, if it be passed, will, I feel certain, be very warmly appreciated by the whole commercial community.

I understand that in some quarters there has been a certain amount of opposition to this Bill, possibly from persons who consider that it does not go far enough and who in fact consider that the time has now come for an entire change in the policy of Government. These persons, I understand, believe that by the immediate appointment of a Commission the whole problem of exchange and currency, as it presents itself in India, will be solved. They seem to think that, in some mysterious way, the appointment of such a Commission would dispel the darkness and uncertainty in which the currency and exchange position is at present enveloped. I almost wish that I could share their faith. I feel that the time has not yet come for any drastic change in the direction indicated. In fact I feel—although I hope that I am wrong—that that time is much more distant than some people seem to imagine, and that the financial position in Europe and throughout the world is still too uncertain and too unsettled to make it possible for any Commission to arrive, unless by accident, at a correct solution of the currency problem. I feel also that any premature action on the part of Government would be very harmful indeed.

The best course for Government to follow in the meantime, it seems to me, is to proceed cautiously, and take what steps seem best in order to meet each emergency as it arises.

The Bill now before the House is such a step. It will not solve the currency and exchange problem, but it will remove, for a long time to come, what has been a menace to the trade and prosperity of the country. As such, I trust, and I feel sure, that it will receive a welcome and support from the Members of this House.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I rise to endorse what has fallen from my Honourable Colleague, Mr. Bell, in this connection. Our Honourable friend, Mr. McWatters, has very lucidly explained this morning the real object and scope of this Bill. He has discussed the Bill from two standpoints, one of necessity and the other of safety, and I beg to express my fullest concurrence in both the propositions he has laid down in the course of his speech. Sir, I am sorry to notice that the real scope of this Bill has been misunderstood and ill-comprehended in certain quarters. The greater questions of currency and exchange, which no doubt require our consideration and perhaps the early attention of Government and re-examination, have been unfortunately mixed up with the simple scope of this Bill. The real object of this Bill is only to raise the permissible limit in order to avoid an excessive monetary stringency by creating additional currency. Sir, the Honourable Sir Basil Blackett has laid the commercial community of India under a deep debt of gratitude since he has taken charge of the portfolio of finance. You are all aware of the financial chaos that prevailed before he assumed his office. He has by a most judicious, skilful and tactful management of the finances of the country extricated the

[Sir Maneckji Dadabhoy.]

country from a deplorable financial position. He has come to the rescue of the important commercial communities in this country. But for the substantial aid given in the matter of the raising of nearly 18 crores of currency during the last two years, the trade of the country would have been thoroughly ruined. It is perhaps not fully recognized that during the last three years on account of a good harvest, due to good monsoons, the country's trade has slowly but consistently and steadily increased, with the result that large sums of money have been rendered necessary for financing the various crops, such as the jute, cotton and the wheat crops. But for the timely assistance and the alteration in the Paper Currency Act, this would not have been achieved. Sir, I quite appreciate that though the Bill only seeks an alteration in a figure, by the conversion of one figure, 850, into another figure, 1,000, a big and important principle is involved beneath the provision which is contained in this Bill. I quite see that the time has now come when these makeshifts, when this temporary avoidance of difficulties, will not help the country. I fully believe that nobody realizes this position more acutely than the Honourable the Finance Member himself. The present ineffective, unnatural ratio of ten rupees to the pound has greatly contributed to our difficulties, and unless that problem of exchange is tackled at an early date with the help of all the information that is available on the subject, and unless our currency legislation is placed on a more effective and sounder basis, we shall always be confronted with trouble and difficulty. I am very pleased to notice the Finance Member himself realizing the gravity of the situation. The other day in another place he made some very pertinent remarks in this connection. He said:

"I have said more than once both here and outside that the Government of India regard the two shillings ratio which is on the Statute-book as entirely fictitious. It has become entirely fictitious. There is no intention to continue our exchange policy with a view to recovering the two shillings ratio. If the two shillings ratio still remains on the Statute-book, it remains because the time has not yet come at which we can usefully fix some other ratio and be sure that we can maintain it."

Sir, these words are pregnant enough, especially the last statement which is embodied in the speech, that the time has not yet come when this ratio can be attained and can be maintained. I have heard a great deal said during the last few days about the manipulation of our exchange in such a way as to bring down the ratio to 1s. 4d. But the point as made out by the Finance Member is that whatever we do in the matter, whether we will be able to maintain that ratio. I share entirely his difficulty. There are world factors to be taken into consideration. The exchanges of different countries have a great deal of influence on our own currency and exchange policy, though local conditions also materially direct the movements of exchange. We have been fortunate in having three or four good monsoons. One single bad year, one failure of the monsoon, one famine, might upset all our calculations and render all our efforts fruitless. In a matter like this we cannot move with inconsiderate celerity and swiftness. We have to move with extreme caution and circumspection. We have to watch the diverse factors that surround the commercial conditions in this country. We have to watch carefully the large imports of gold and silver in this country. We have to watch with great determination our exports from this country. All these factors, though each of these may not have any effect

taken singly on our exchange policy, have when combined a great influence on the currency policy of this country. Till an economic stability has been reached or at least it is within sight, it would be hazardous in my opinion, it will be practically dangerous, to meddle with exchange and I am glad to hear the decision announced by His Excellency the Viceroy that if during the next 12 months a position of economic stability is reached, a fully representative committee will be appointed. I feel sure that if these conditions happily set in earlier action will be taken by Government at no distant date to re-examine the entire fiscal policy of the Government of India, and I have no doubt that the marked ability, the influence and the knowledge which the Finance Member particularly possesses in connection with international currency will be of extreme value to this country. I am glad, however, to notice that the Finance Member has rightly recognised the limitation to be placed on the created securities or what are commonly known as *ad hoc* securities. These securities, as perhaps the Council is aware, are nothing short of demand drafts or I. O. U.'s given by the Government of India to the Currency Department to be liquidated at some future date. Unfortunately this method of currency has not been favourably received. It does in my humble opinion incalculable injury to the credit of Government and to the credit of the country, and I am very pleased to notice the decision now arrived at to enforce a rule of limitation and not to allow these created securities to extend over 50 crores of rupees. Our financial position to-day is exceedingly sound. Our friend the Honourable Mr. McWatters has assured us this morning that our currency is to the extent of 178 crores and it has got a metallic backing of 101 crores, which is more than 58 per cent., and he has by a comparison of the figures of other countries demonstrated in a very lucid manner that our metallic backing to-day is on a much sounder footing than the metallic backing even in England. With this financial position we have nothing to despair of. We have every reason to hope that our financial policy with the sound guidance of Sir Basil Blackett will steadily inspire greater credit and will be not only in a stronger position, but will excite the envy of European and other nations. For these reasons I support this Bill heartily and I repeat again that the commercial communities of India are exceedingly grateful for this far-sighted measure which will give them great and much needed pecuniary relief.

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.

Clause 1 was added to the Bill.

Clause 2 was added to the Bill.

The Title and Preamble were 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 HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): On behalf of my constituency, I wish to express in a very few

[Sir Arthur Froom.]

words that I heartily welcome this Bill. Previous speakers have pointed out that the Bill is not intended to be an exposition of exchange or a revelation of the Government's exchange policy. Nor is it intended to explain the various operations of Government in exchange. If that were so, it would require a larger document than this Bill. But this Bill is a very simple one and those Members of this Council who have not an intimate acquaintance with the higher realms of finance will readily understand the objects of the Bill when it is explained that it is aimed at keeping the bank rate down. It is generally accepted that a high bank rate is not good for the trade of this country, its external trade or its internal trade. The object of this Bill is to render funds accessible for the movement of produce and for general trade purposes, without labouring under the very serious difficulties of a high bank rate. That, Sir, is the chief object of this Bill and it can be readily understandable by all of us. Sir, I extend a hearty welcome to the Bill and I congratulate the Finance Department on bringing it forward.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): I wish to express on behalf of Mr. McWatters and myself and of the Finance Department our thanks to those Members who have spoken to-day for the very kind words which they have said about myself and about the policy of the Government of India during recent years. I feel sure that this Bill which is a purely temporary measure for dealing with an immediate difficulty is one which is for the benefit of every one in India (except possibly, if it is going to reduce money rates, to the money-lender). I thank Sir Maneckji Dadabhoy in particular for the unduly flattering expressions he has made use of in regard to myself. I am glad to find from its attitude to this Bill that this House, as it often does, quickly realises when it has got a good thing.

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 passed."

The motion was adopted.

WORKMEN'S BREACH OF CONTRACT (REPEALING) BILL.

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

"That the Bill to repeal certain enactments whereby breaches of contract by labourers are made punishable under the criminal law, as passed by the Legislative Assembly, be taken into consideration."

I do not think that I need detain the House very long in explaining the object of this small Bill. Honourable Members will observe that the operative parts of the Bill are the repeal of the Workman's Breach of Contract Act, XIII of 1859, and two cognate sections of the Indian Penal Code. The Act with which we are concerned is an old Statute which was passed in circumstances very dissimilar from those which prevail to-day, and the equity of its application has in recent years been more than once called into question. In 1920 an amending Act was passed which had the effect of removing some of the provisions of the Statute which it was considered

might be specially liable to result in hardship in individual cases; and since then the whole question of the principle involved in the Bill has come under careful consideration on more than one occasion. On the last occasion an undertaking was given by the Honourable the Home Member that the Government of India, after having considered opinions received after consultation with the Local Governments, would introduce a measure to repeal this Act. It is in fulfilment of that assurance that I now make this motion. It has generally been recognized that under modern conditions such a measure as Act XIII of 1859 is unsuitable for retention on the Statute-book, at any rate as a measure of universal applicability. It is possible that in certain tracts where special conditions operate some measure of this kind may conceivably be necessary. But it is obviously appropriate that if any such measure is necessary it should be undertaken by the Local Governments in whose jurisdiction such special conditions are found to subsist. While the Statute, Act XIII of 1859, was under consideration, the Government of India took the opportunity of consulting Local Governments and public bodies of various descriptions regarding the two cognate provisions in the Indian Penal Code, section 490 which deals with the breach of contract of servants during a voyage or journey and section 492 which deals with breach of contract to serve at distant places to which a servant is conveyed at the master's expense. Section 490 is practically a dead letter, and I have hardly been able to discover a single instance in recent times in which it has been put into effect. Section 492 is so similar in substance to Act XIII of 1859 that any decision to repeal Act XIII of 1859 would almost, as a matter of logical consistency, involve the repeal of section 492 of the Indian Penal Code. Honourable Members will observe that it is intended that this Bill if passed should be brought into operation on the 1st of April 1926. The object in fixing that date is to enable all the interests affected to adjust themselves to the conditions which will supervene on the repeal of the enactment which I have mentioned, and also to enable any Local Government which finds reason to believe that in its jurisdiction or any portion of its jurisdiction some substituted measures are necessary, to undertake at leisure such legislation as they may consider necessary.

Sir, I move that the Bill be taken into consideration.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to repeal certain enactments whereby breaches of contract by labourers are made punishable under the criminal law, as passed by the Legislative Assembly, be taken into consideration."

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I rise to lend my support to this Bill but not without a tinge of sorrow and some disappointment. Sir, this Bill has taken its birth in the two Resolutions that were moved by Labour Members in the Assembly. A new spirit has now arisen in some parts of the country and particularly in the Assembly, a spirit which I am sorry to say is destructive of all privileges of capitalism and a spirit destructive of all industrial progress and activity. This spirit if kept within safe and limited bounds will be helpful to the country in the matter of maintaining the health and safety of the working classes and to the general progress of the country. But, if this spirit, which has now arisen, is allowed to be carried beyond limits and oversteps the boundary of moderation, this country will regret the day and that too very sadly. The Government of India have unfortunately

[Sir Maneckji Dadabhoy.]

in a moment of righteous weakness given way to the blandishments of the Movers of those two Resolutions. My friend the Honourable Mr. Crerar has to-day informed the Council that a pledge was given by Government that the opinions in the country would be obtained and, if there was a consensus of opinion with reference to its repeal, the Government would bring forward a Bill for the repeal of this measure. But my friend Mr. Crerar did not tell this Council that the opinion which the Government obtained were in the main adverse to the repeal of this Act. The Bengal Government gave its half-hearted support; the Madras Government agreed to the repeal; but every other Provincial Government set its face against the repeal and advised the Government of India not to dispense with this measure. I should have strongly opposed this Bill to-day but for the fact that the operation of this Bill has been postponed to 1926 and an opportunity has been given to Provincial Governments to adjust their labour conditions during the interval and pass such local Bills as may be required. Sir, I do not for a moment deny that in some parts of this country there have been abuses under this Statute. I would not for a moment deny that some unscrupulous employers have exacted unlawful arrests and have deceived Courts, and in order to carry on their work have even violated the provisions of this Act. But at the same time I cannot minimise the importance of this Act and the great service it has rendered to this country during the 66 years of its existence. Originally this Bill was framed at the instance of the Calcutta Trades Association and subsequently extended to various parts of the country. India is now industrially making rapid progress. Labour is required from all parts of the country, from distant lands, to migrate to industrial centres for the purpose of carrying on the ordinary work. You are aware, Sir, that employers of labour do not obtain their labour without undergoing much risk, without making large advances. If they make these large advances for the purpose of carrying on the every-day work in industrial centres and to provide maintenance for a large body of people, it is equally right that there should be some protection from Government for the risk which industrial enterprise undertakes. The original idea of the Act of 1859 was only to make penal those violations of agreements which were deliberately, fraudulently and intentionally committed. The Courts sometimes in their zeal in interpreting the Statute have dispensed with the necessity of requiring independent proof and have accepted the mere fact of an advance having been made and of the subsequent bolting of the workmen as evidence of guilt and have convicted the parties. Sir, I am very sorry at any rate to observe that in this Bill Government have attempted also to include sections 490 and 492 of the Indian Penal Code. In giving the reasons for asking for the repeal of these provisions, Government have stated that an opportunity has at the same time been taken of repealing sections 490 and 492 of the Indian Penal Code which deal with cognate matters, as their repeal seems to be a logical development of the repeal of the Act of 1859. Logicality is an exceedingly charming expression and is an ideal certainly to be coveted, but there has never been either logicality in the law or a consistency in the procedure of the Government of India. I submit that those provisions which are embodied in Chapter XIX of the Indian Penal Code were absolutely independent of the provisions contained in the Act of 1859. I admit that when the Penal Code was drafted by Lord Macaulay a year later, he might certainly have had the knowledge of the provisions of the Act of 1859, but I firmly dis-

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believe that the mere existence of the Act of 1859 influenced him in drafting this Chapter XIX of the Penal Code. Sir, I can understand the anxiety of the Council, the anxiety of the people, to see that poor workmen are not oppressed, that they are not unduly harassed. I can quite appreciate the anxiety of Government in that respect, but I cannot appreciate the anxiety of the Government to repeal these provisions and to destroy a most important weapon of protection which the Legislature gave. I shall give you two simple illustrations. Take, for instance, the case of an invalid who is sent home in charge of a nurse who has received payment for her services in advance for the voyage. When the boat arrives at a certain place, the nurse leaves her employer because she has meanwhile obtained some better appointment. What becomes of her patient? Is there any justification for the repeal of such a salutary provision? Take for instance, the case of a person who has specially engaged a nurse or a party for the protection of a minor, to take him to England or to take him to any other place overseas. Suppose the party fails, and commits a breach of contract. Is there any justification for according that party any immunity from prosecution? You do not compare the criminality involved in a case like that with the criminality of the workman who has received wages, shuts up his work and leaves the service. Sir, it is an unfortunate piece of legislation. I will not oppose it because the Government is fulfilling its pledge, as Mr. Crerar has pointed out. The Secretary of State has unfortunately given his sanction to the repeal of this Act. The Government of India have agreed to it, and the Legislative Assembly has accorded its seal of approbation for the repeal of this measure. There is only one consideration which weighs with me in coming to the decision to support this Bill. We have taken up a certain position in relation to the Colonies; our own Indian labour is being largely recruited in the various parts of the world; we are insisting on the Colonies abolishing the penal clauses connected with emigration of labour, and that fact has heavily weighed with me in assenting to the repeal of this measure. But I hope the Local Governments in the short time at their disposal will frame suitable measures for affording some protection to industrial enterprises, while at the same time protecting the interests and liberty of the workmen as a body. With these words, Sir, I support this Bill.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, even at the risk of being charged with entertaining those tendencies which in certain quarters are considered extremely dangerous, namely, labour tendencies, I rise to say a few words on this motion. Sir, the country seems to be divided, if I understood the last speaker correctly, between two classes so far as labour *cum* capital questions are concerned. There is a class of politicians who want to push forward the interests of labour by all legitimate and proper means. Then again we have a school of thought which may be termed the protagonists of capitalism, to which class I dare say the last speaker belongs, who are not able to see the hardships and the injustice to which labourers are exposed. Sir, what after all is the scope of the Bill that is before this House, which it seems has given considerable offence to my Honourable friend, Sir Maneckji Dadabhoy, who would not have been prepared to support this Bill, but for the exceedingly happy and fortunate circumstance, or for the exceedingly unhappy and unfortunate circumstance from his point of veiw, that the Secretary of State in a weak moment has given leave to introduce a measure of this character, and that the Government of India have on their part fallen into line with

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[Saiyid Raza Ali.]

the views of the Secretary of State? Sir, I am not one of those who would tolerate any one class of people encroaching upon the rights of any other class of people, but at least let us be clear in our views as to what those rights are. Is it fair to say that by passing this measure we would be in any way cutting down or encroaching on the rights of that exceedingly powerful class, namely, the capitalist? I for one have carefully gone through the four corners of this Bill, and I cannot find in it any thing which will injure the rights of capitalists. Sir, this question has been before the country during the past four years and it owes its origin, as this Council knows, to a certain Bill that was introduced in another place by Mr. Neogy on the 20th February, 1923. On that occasion after a full discussion of the principles of the Bill the following announcement was made by the Honourable Mr. Chatterjee on behalf of Government:

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"It is therefore the view of Government that it would be better that a considered Bill should be introduced by them after full consideration of all the circumstances and they would undertake to repeal the present measure with effect from say, about 1926."

What has been done in the meantime? It appears that Government in conformity with their established practice put themselves in communication with the Local Governments and such bodies as are interested in the subject and the result is the present Bill, which far from cutting down the rights of the capitalists only takes away certain serious disqualifications to which the labouring classes are subject. I need hardly say much about the provisions of Act XIII of 1859 which was amended in 1920 or of the provisions of Act XIV of 1897. As Honourable Members are aware, the provisions of these Acts enable capitalists to proceed against labourers in Criminal Courts and the labourers, on actions being instituted against them before Magistrates, are liable to be punished by the Magistrates. The Bill proposes that these provisions should be done away with. Then there are two sections in the Indian Penal Code which also very properly and wisely have been included by the Government among those laws which are going to be repealed, namely, section 490 and section 492. In the excess of his enthusiasm to run down the Government my Honourable friend Sir Maneckji Dadabhoy put a strange interpretation. . . .

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, I am being misrepresented. I have not run down the Government.

THE HONOURABLE SAIYID RAZA ALI: Sir, people do suffer from confusion of thought at times. Nobody has proposed that section 491 of the Indian Penal Code should be repealed. The Government have never proposed it and nobody in this Council has yet suggested it. In fact most of the remarks which were made by the last speaker about the inequity of doing away with section 491 do not in fact apply to the provisions of this Bill. It is but meet and proper that sections 490 and 492 should be repealed, and I have heard nothing from the last speaker which would go to show that it is necessary any longer to keep these two sections even in the interests of that half-celestial human being, namely, the capitalist. Sir, unfortunately logic was trotted out across the floor of this House. I do not propose to say much on the beauties of logic, but according to some it appears that logic, though a charming and beautiful thing, loses all its charm and beauty the moment it tends to result in something which is likely to take away what the capitalist has quietly put in his pocket. I did not propose to make any speech on this motion which I think is one on which the country should congratulate the Government as I thought that

this Bill would be passed into law without any discussion. But in view of the discordant note struck by my Honourable friend Sir Maneckji Dadabhoy, I have deemed it my duty to place these considerations before the House which I hope and trust will give to it its unanimous support or unanimous support with one dissentient. (*The Honourable Sir Maneckji Dadabhoy*: "I am supporting the Bill".) I stand corrected and I am happy in the thought that even my Honourable friend is going to support this Bill whole-heartedly and not in the half-hearted manner which was indicated by his speech. Sir, I support the motion.

THE HONOURABLE MR. R. P. KARANDIKAR: (Bombay: Non-Muhammadan): Sir, I had no intention of taking part in a debate on a small measure like this, for really speaking no discussion was needed if there was assent on everybody's part. Even if it was a grumbling assent as it should be from capitalism, it would have been quite sufficient for the Bill to pass through this House. It is a matter of surprise, some times agreeable or otherwise, according as one has time at his disposal to listen to a debate of this kind, and I do trust that this House has enough of time really. It should be enough to point out for the safety of those who want to guard capitalism that capitalism is already guarded much more by the poverty of the people than by industrialism. Take for instance the Provident Fund Bill. You have got several provisions which enable the Provident Fund to lay down for the benefit of the fund the subscriber, the workmen, the people who are supported by industries. It can dictate terms and I say capitalists can dictate terms to labour and from that point of view if industrialism has to supply facts, over poor labour capitalism has the upper hand. The Act of 1859 is as old as myself and I have been at the Bar for nearly 40 years and more and I have never found many instances which appertain to the exercise of the enactment of 1859. It has not been of any use practically, no cases whatsoever. Possibly there may have been a few here and there, and my Honourable friend on the left who belongs to the judicial bench will bear me out that there were very few cases indeed. Nothing is to be lost really by deleting a provision of law which stands for nothing, which is of no use practically. And as has been pointed out, sections 490 and 492 also have not been of any use really and there is no point in retaining them. Then if they in a manner affect the spirit of the people which was encouraging labour, I know now-a-days capitalism and labour do not wish to agree so much as perhaps in the palmy days of capitalism when it enabled labour to come forward and help itself. But now labour is getting the upper hand and consequently capitalism fears that the whole thing may go to labour. I find that ideas of moderation must change. Having lived sufficiently long I have been marking the march of events and the spirit of moderation. It is no use of one House pointing out to the other House that the spirit of moderation is wanting in some place. We lay ourselves open to the same charge and I do not like the idea at all. I think it would be much better and to the advantage of us all if we refrained from passing any comment on what takes place in another House by reason of the moderation or otherwise of particular Members. I wholeheartedly support this motion.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to repeal certain enactments whereby breaches of contract by labourers are made punishable under the criminal law, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

[The President.]

Clause 2 was added to the Bill

Clause 1 was added to the Bill.

The Schedule was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. J. CRERAR: Sir, I move:

"That the Bill, as passed by the Legislative Assembly, be passed."

In doing so I should like in a very few words to thank the Honourable Members who have spoken in the debate for the support which they have given to this Bill. I think perhaps my thanks are specially due to my Honourable and learned friend Sir Maneckji Dadabhoy. The Honourable Saiyid Raza Ali and the Honourable Mr. Karandikar spoke with evident warmth and conviction. The terms of the benediction which my learned friend from Nagpur gave the Bill were of so extremely frigid a character in themselves that I do feel that some acknowledgment is due from me of the fact that he should ultimately or initially have made up his mind to support this measure. I only desire to dissent very strongly from one observation which the Honourable Sir Maneckji Dadabhoy made. He suggested that the Government of India had undertaken this measure in weak compliance with blandishments or perhaps intimidation, either in another place or from higher authority. I must entirely repudiate any suggestion of the kind. The Government of India after having carefully considered all the opinions which were obtained—and I frankly admit that the majority of those opinions were adverse to this measure—the Government of India having considered all those opinions and having taken a survey of the whole situation as it presented itself to them, deliberately decided to proceed with this measure And I think perhaps my Honourable and learned friend, after having taken a survey of the whole situation and having come to the same conclusion, will perhaps agree that the Government of India arrived at that conclusion on equally unimpeachable grounds. I move, Sir, that the Bill as passed by the Legislative Assembly, be passed.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, one or two observations that have fallen from my Honourable friend behind compel me at this stage to occupy the time of this Council only for a few minutes. First, let me assure my Honourable friend Mr. Crerar that, when I said the Government in a moment of righteous weakness succumbed to blandishments, I did not intend at all to say that the Government gave way either to intimidation or to pressure. I used the expression generally in connection with the spirit of the times, and particularly that displayed in the Assembly, and I meant that the Government thought that the Bill as it existed on the Statute-book was either an anachronism or an anomaly. As regards the observations made by my friend the Honourable Mr. Karandikar that no Member of this House ought to make any reflections against the other House I entirely agree. But I am afraid my Honourable friend has either entirely misunderstood my remarks or inadvertently misinterpreted them. When I referred to the spirit which is now prevalent, a spirit destructive of industrial progress, I did not make any reference and

I did not intend to make any reference to individual Members of the Assembly, but I certainly spoke of the general spirit of opposition to capitalism which is now beginning to show there. I hope my Honourable friend Mr. Karandikar will accept that explanation. As regards my Honourable friend Mr. Saiyid Raza Ali's baseless criticisms I need only say that I have the misfortune as a rule to disagree with him. I am extremely sorry to notice that he has in a great measure misinterpreted me in the Council to-day. I do not wish to occupy the time of the Council. Honourable Members have heard me and the line which I took up in connection with this measure, and I leave Honourable Members to form their own judgment.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to repeal certain enactments whereby breaches of contract by labourers are made punishable under the criminal law, as passed by the Legislative Assembly, be passed."

The motion was adopted.

CONSTITUTION OF THE SELECT COMMITTEE ON THE AMENDMENT OF THE STANDING ORDERS.

THE HONOURABLE THE PRESIDENT: I am now in a position to constitute the Select Committee to which the Honourable Sir Narasimha Sarma's motion for the amendment of the Standing Orders was the other day referred. The House has to elect seven Members to serve on that Committee, and as exactly seven nominations have been received, there will be no necessity for an election. I therefore declare that the Honourable Sir Narasimha Sarma, the Honourable Saiyid Raza Ali, the Honourable Mr. J. W. A. Bell, the Honourable Mr. R. P. Karandikar, the Honourable Mr. D. T. Chadwick, the Honourable Mr. G. S. Khaparde, and the Honourable Sardar Charanjit Singh are duly appointed to that Committee. Under Standing Order 55 I am required to complete the Committee by nominating to it as a Member one of the panel of Chairmen, and I therefore with his consent have pleasure in nominating the Honourable Sir Arthur Froom to serve on the Committee. I think it would be convenient for the Members of the Committee if the Select Committee should meet on Monday morning at the conclusion of the day's business. I will have notices sent to Honourable Members to that effect.

The Council then adjourned till Eleven of the Clock, on Monday, the 9th February, 1925.

COUNCIL OF STATE.

Monday, 9th February, 1925.

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

QUESTIONS AND ANSWERS.

SINGAPORE NAVAL BASE.

49. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please state if India would be involved in any expenditure, capital or recurring, in connection with the proposed Singapore Naval Base scheme?

If so, to what extent?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: So far as the Government of India are aware, the answer is in the negative.

EXPENDITURE ON THE MILITARY MANŒUVRES NEAR DELHI.

50. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please state whether the expenditure in connection with the recent military manœuvres near Delhi was provided in the Military Budget for the year, and whether there has been any excess over the Budget allotment?

If so, to what extent?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The answer to the first portion of the question is in the affirmative, and to the second in the negative. The expenses connected with the Manœuvres including the Artillery Demonstration and the Review were met from the normal annual Training Grant by curtailing their usual training programme and no extra expense was therefore involved.

PUBLICATION OF THE CORRESPONDENCE RELATING TO INDIANS IN SOUTH AFRICA, KENYA AND TANGANYIKA.

51. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please place on the table such correspondence as it may be possible to publish, in connection with the question of Indians in South Africa, Kenya and Tanganyika that has passed between the Government and the authorities in the places concerned and with the Right Honourable the Secretary of State for India and the Right Honourable the Secretary of State for the Colonies, since the Council of State met last?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The correspondence relating to Kenya and Tanganyika that has taken place since the last Session of the Council is on the whole of a routine character and no object will be served by publishing it. As regards South Africa the Honourable Member is aware that delicate negotiations are going on.

and Government feel that it will not be in the public interest to make the correspondence public at this stage.

REALIZATIONS FROM THE INCREASED DUTIES ON STEEL IMPORTS.

52. THE HONOURABLE MR. W. A. W. DAWN: Will the Government be pleased to state:—

(a) the total amount realized from the increased Duties on Steel imports from the time of their imposition up to 31st December 1924;

(b) how much of the total of increased Duties on Steel was contributed by Steel imported into Burma;

(c) whether the Government is disposed to give effect to the suggestion, made by the Burma Chamber of Commerce in their letter of 28th July 1924 addressed to the Secretary to Government of Burma, Department of Agriculture, Excise, and Forests, that the increased duties on Steel imported into Burma be made over to Burma instead of to the Central Revenues?

THE HONOURABLE MR. D. T. CHADWICK: (a) Roughly 71 lakhs.

(b) This is estimated at between 9 per cent. and 10 per cent. of this amount, i.e., somewhat under seven lakhs.

(c) No, Sir.

MONEY ORDER REMITTANCES FROM BURMA TO INDIA FROM THE 1ST APRIL TO THE 31ST JANUARY, 1924.

53. THE HONOURABLE MR. W. A. W. DAWN. Will the Government be pleased to state the amount of money remitted by Money Order from Burma to India from the 1st January, or alternatively, from the 1st April, 1924, to 31st December, 1924?

THE HONOURABLE MR. A. H. LEY: The estimated amount of money orders issued from Burma to India from April to December 1924, based on figures collected for a period of 15 days, is rupees three crores and eighty-five lakhs. A more accurate estimate is being prepared and will be supplied to the Honourable Member as soon as possible.

RECRUITMENT FOR THE FRONTIER CONSTABULARY.

54. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: (a) Will the Government kindly state how is the present Border Military Police and the Constabulary recruited? What are the castes and tribes that compose this force? What is the proportion of the Mussalmans, Sikhs and Hindus in this force?

(b) Will they kindly state the extent to which the border tribesmen are recruited in the Border Military Police and the Constabulary? Are the Government considering the desirability of changing the composition of this force? If so, in what manner?

THE HONOURABLE LIEUTENANT-COLONEL S. B. A. PATTERSON: (a) and (b). The Border Military Police in the North-West Frontier Province were reorganised in 1913 as Frontier Constabulary. A copy of the Quarterly Composition and Distribution Return, which gives the details required by the Honourable Member, is laid on the table.

The Government are not considering any change in the composition of the force.

Quarterly Composition and Distribution Return of the Frontier Constabulary in the North-West Frontier Province corrected up to 1st October 1924.

COMPOSITION.		DISTRIBUTION.						REMARKS.
Tribes.	Number.	Districts.	British officers.	Staff.	Infantry.	Mounted.	Total.	
Afridi, Kohat Pass	440	Commandant	1	...	...	...	1	The Corps is armed with—
„ Tirah	359							(1) Muskets, B. L., ·476 bore. 388
Babars	14							(2) Pistols 20
Bangash, Shiah	398	Hazara	1	2	218	5	226	(3) Rifles, ·303 low velocity, short. 4,977
„ Sunni	81							
Bannuchi	14							
Bhittanni	153	Shabkadar	3	1	655	100	759	
Derajat Mussalman	12							
Gandapur	11							
Gigiani	57	Peshawar	1	2	558	112	673	
Khalil	168							
Khattak	599							
Kundi	33	Kohat	1	2	549	40	592	
Marwat	131							
Mishwani	35							
Mohmand, Cis-frontier	137	Bannu	1	1	545	96	643	
„ Trans-frontier	161							
Mullagori	106							
Niazi	8	Northern Dehra Ismail Khan.	2	2	979	157	1,140	
Orakzai, Shiah	334							
„ Sunni	536							
Panjabi Musalman	4	Southern Dehra Ismail Khan.	3	2	870	61	936	
Sherani	108							
Shinwari	1							
Sikhs, Tirah	13							
Swati, Cis-frontier	126	Total	*13	12	4,374	57	4,970	
„ Trans-frontier	121							
Tanauli	74							
Wazir	403	Short of strength	...	2	36	1	39	
Yusafzai, Cis-frontier	100	Excess of strength	...	...	...	...		
„ Trans-frontier	111							
Zaimukht	110							
Total	4,957	Sanctioned strength	*13	14	4,410	572	5,009	* Including one temporary.

E. C. HANDYSIDE,
Commandant, Frontier Constabulary,
North-West Frontier Province.

Quarterly Composition and Distribution Return of the Frontier Constabulary in the Hazara District corrected up to 1st October 1924.

HEAD-QUARTERS—OGHI.

COMPOSITION.

Tribes.	Staff.			Infantry.						Mounted.					Grand Total.
	Subadar-Major.	Jemadar-Adjutant.	Total.	Subadars.	Jemadars.	Havildars.	Naiks.	Sepoys.	Total.	Risaldar.	Jemadar.	Dafadar.	Sowars.	Total.	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Bangash, Shiah	...	...	...	...	...	...	...	...	...	...	...	1	...	1	1
Khattak	1	1	2	...	...	...	...	2	2	...	...	...	...	...	4
Mishwani	...	...	...	...	..	2	3	30	35	...	...	...	..	...	35
Swati, Cis-frontier	...	...	...	...	...	...	1	13	14	...	...	...	...	...	14
,, Trans-frontier	...	...	...	1	...	1	...	10	12	...	...	...	...	...	12
Tanauli	...	...	...	1	1	3	2	65	72	...	...	...	2	2	74
Yusafzai, Cis-frontier	...	...	...	...	...	2	1	24	27	...	...	...	2	2	29
,, Trans-frontier	...	...	...	...	2	2	3	49	56	...	...	...	...	...	56
Total	1	1	2	2	3	10	10	193	218	...	...	1	4	5	225

DISTRIBUTION.

Posts.	British Officer.	Staff.			Infantry.						Mounted.					Grand Total.	Remarks.
		Subadar-Major.	Jemadar-Adjutant.	Total.	Subadars.	Jemadars.	Havildars.	Naiks.	Sepoys.	Total.	Risaldar.	Jemadar.	Dafadar.	Sowars.	Total.		
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Oghi	1	..	1	1	1	2	4	3	76	86	...	...	1	4	5	93	The Corps is armed with— (1) Rifles, ·303, L. V., short } 227 (2) Muskets, B. L., ·476 bore. } 30
Picquet Hill	...	...	...	...	...	...	...	1	8	9	...	...	...	...	...	9	
Baleja	...	...	...	..	1	...	1	2	31	35	...	...	...	...	...	35	
Kagan	...	..	...	...	...	1	2	2	34	39		...	...	...	...	39	
Choran-ki-gali	...	1	...	1	...	...	2	1	20	23	...	...	...	...	...	24	51 Men of Frontier Constabulary Shabkadar are on Command in this District.
Escort and detached duties.	...	...	...	...	...	...	...	1	4	5	...	...	...	...	...	5	
Sick	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Absent on leave	...	...	...	...	...	...	1	...	20	21	...	...	...	...	...	21	
Absent without leave.	...	...	...	...	...	..	...	...	...	...	...	...	...	...	...	...	
Total	1	1	1	2	2	3	10	10	193	218	...	...	1	4	5	226	
Short of strength	...	...	...	...	...	...	...	...	2	2	...	...	...	...	...	2	=2 short.
Excess of strength	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Sanctioned strength.	1	1	1	2	2	3	10	10	195	220	...	...	1	4	5	228	

Quarterly Composition and Distribution Return of the Frontier Constabulary in the Peshawar District corrected up to 1st October 1924.

HEADQUARTERS—SHABKADAR.

COMPOSITION.

Tribes.	Staff.			Infantry.						Mounted.					Grand Total.
	Subadar-Major.	Jemadar-Adjutant.	Total.	Subadars.	Jemadars.	Havildars.	Naiks.	Sepoys.	Total.	Risaldar.	Jemadar.	Dafadars.	Sowars.	Total.	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Afridi, Kohat Pass	...	...	...	...	...	...	...	...	...	...	1	1	12	14	14
" Tirah	...	...	...	2	4	10	9	192	217	...	...	...	...	...	217
Babar	...	...	...	...	...	...	...	1	1	...	...	...	...	...	1
Bangash, Shiah	...	...	...	...	2	2	3	51	58	1	...	2	23	26	84
" Sunni	...	...	...	1	...	3	2	45	51	...	...	...	6	6	57
Khalil	...	...	...	...	...	...	1	1	2	...	...	1	..	1	3
Khattak	...	...	...	1	2	5	5	97	110	...	...	2	25	27	137
Mohmand, Trans-frontier	...	...	...	1	1	5	4	94	105	...	...	...	1	1	106
" Cis-frontier	...	...	...	...	...	...	...	...	...	...	...	...	2	2	2
Orakzai, Shiah	1	...	1	...	1	...	...	2	3	...	...	...	...	...	4
" Sunni	...	...	...	1	1	5	5	93	105	...	...	...	...	...	105
Punjabi Musalman	...	...	...	...	1	...	...	1	2	...	...	...	...	...	2
Sikhs, Tirah	...	...	...	...	...	...	...	...	...	...	...	2	11	13	13
Yusafzai, Cis-frontier	...	...	...	...	...	...	...	1	1	...	...	1	9	10	11
Total	1	...	1	6	12	30	29	578	655	1	1	9	89	100	756

DISTRIBUTION.

Posts.	British Officers.	Staff.			Infantry.						Mounted.					Grand Total.	Remarks.
		Subadar-Major.	Jemadar-Adjutant.	Total.	Subadars.	Jemadars.	Havildars.	Naiks.	Sepoys.	Total.	Risaldar.	Jemadars.	Dafadars.	Sowars.	Total.		
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Shabkadar	2	1	...	1	2	6	8	6	181	203	1	1	9	73	84	290	The Corps is armed with—
Michniand Kabul River Towers.	...	...	...	...	...	1	2	4	52	59	...	..	...	...	...	59	(1) Rifles, 303 L. V., short. } 762
Munda, Khazana, Ghund and Towers.	...	...	...	...	1	...	2	4	49	56	...	..	...	...	...	56	(2) Muskets, B. L. ·476 bore. } 70
Abazai	...	...	..	...	...	1	1	1	25	28	...	...	...	4	4	32	
Oghi (a)	...	...	...	...	...	1	2	2	46	51		...	.	...	...	51	(a) On duty with Oghi F. C.
Peshawar (b)	1	...	...	...	1	2	7	4	85	99	...	...	..	...	...	100	(b) On duty with Peshawar F. C.
Matta	...	...	...	...	1	...	1	2	27	31	...	...	.	...	..	31	
Under arrest	...	...	...	...	...	...	...	..	1	1	...	.	...	1	1	2	
Escort and detached duties.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	..	...	
Sick	...	...	...	..	...	...	1	...	17	18	...	...	...	5	5	23	
Absent on leave	...	...	...	...	1	1	6	6	95	109	..	...	...	5	5	114	
Absent without leave.	...	...	...	...	...	...	..	...	...	...	...		..	1	1	1	
Total	3	1	...	1	6	12	30	29	578	655	1	1	9	89	100	759	
Short of strength	...	...	1	1	...	...	...	1	6	7	...	1	...	...	1	9	} = 6 short.
Excess of strength	...	...	...	...	...	2	...	...	..	2	...	..	...	1	1	3	
Sanctioned strength.	3	1	1	2	6	10	30	30	584	660	1	2	9	88	100	765	

Quarterly Composition and Distribution Return of the Frontier Constabulary in the Peshawar District corrected up to 1st October 1924.

HEADQUARTERS—PESHAWAR.

Tribes.	Composition. Staff. Subadar-Major.	Staff. Jemadar-Adjutant.	Staff. Total.	Infantry. Subadars.	Infantry. Jemadars.	Infantry. Havildars.	Infantry. Naiks.	Infantry. Sepoys.	Infantry. Total.	Mounted. Risaldar.	Mounted. Jemadars.	Mounted. Dafadars.	Mounted. Sowars.	Mounted. Total.	Grand Total.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Afridi, Kohat Pass	...	...	...	...	...	...	...	...	...	...	...	2	25	27	27
,, Tirah	...	...	...	...	1	...	...	2	3		...	...		...	3
Bangash, Shiah	...	...		...	...	1	...	1	2	1	...	1	14	16	18
Gigiani	...	...	...	...	...	...	...	1	1	...	...	1	2	3	4
Khalil	1	...	1	...			...	11	12	...	1	2	38	41	54
Khattak	...	...	...	2	3	10	16	188	213		...	...	...	...	213
Mohmand, Cis-frontier		...	...	...			...	3	3	...	...	1	22	23	26
,, Trans-frontier	...	...	...	...			...	...	...	...	...		...	...	...
Mullagori	...	...	...	1	1	5	5	94	106	...	...	...	...	...	106
Orakzai, Sunni	...	1	1	1	1	4	4	96	106	...	...	...		...	107
Punjabi Musalman	...	...	...	...		...	...	...	...	...	...	...	2	2	2
Yusafzai, Cis-frontier	...	...	...	1	1	7	2	48	59	...	...		...	...	59
,, Trans-frontier	...	...	...	...	1	2	3	47	53	...		...	...	...	53
Total	1	1	2	5	8	30	24	491	558	1	1	7	103	112	672

Posts.	Distribution. British Officer.	Staff. Subadar-Major.	Staff. Jemadar-Adjutant.	Staff. Total.	Infantry. Subadars.	Infantry. Jemadars.	Infantry. Havildars.	Infantry. Naiks.	Infantry. Sepoys.	Infantry. Total.	Mounted. Risaldar.	Mounted. Jemadars.	Mounted. Dafadars.	Mounted. Sowars.	Mounted. Total.	Grand Total.	Remarks.
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Peshawar	1	1	...	1	1	4	19	8	233	265	..	1	4	51	56	323	The Corps is armed with— (1) Rifles, ·303 short, L. V. } 664* (2) Muskets, B. L. ·476 bore. } 60
Jola Talao	...	..	...	...	..	1	1	1	25	28	..	...	...	...	..	28	
Almal Chabutra	...	...	...	...	1	...	2	2	36	41	...	...	...	..		41	
Burj Ladaur	...	...	...	..	...	...	...	1	7	8	...	...	...	...	...	8	
Fort Mackeson	...	...	...	...	1	...	3	2	43	49	...	...	...		...	49	
Shamshatu	...	...	...	...	...	1	1	2	31	35	...	...	...	..	...	35	
Bara Fort	...	...	...	...	1	...	2	4	45	52	...	..	..	...	..	52	
Kacha Garhi	...	...	...	...	...	1	1	2	21	25	...	...	...	...	...	25	
Escort and detached duties.	...	...	...	...	...	...	...	..	...	..		...	...	...	...	...	In addition to this the following men of the following Frontier Constabulary are on duty in this District:— F. C., Bannu . 1 F. C., Shabkadar. 100 Total . 101
Sick	...	...	...	..	...	...	...	...	9	9		...	...	2	2	11	
Absent on leave	...	..	1	1	1	..	1	2	41	46	1	...	3	50	54	101	
Absent without leave.	...	..	...	..	...	...	..	...	...	...	...	.	...	...	...	...	
Quarter Guard	...	...	...	...	...		...	...	...		.	...	...	...	...	...	
Total	1	1	1	2	5	8	30	24	491	558	1	1	7	103	112	673	
Short of strength	...	...	...	.	...	2	...	1	...	3	...	1	2	...	3	6	} =8 exc.ss.
Excess of strength	...	...	..	...	..	..	5	...	6	11	..	...	...	3	3	14	
Sanctioned strength.	1	1	1	2	5	10	25	25	485	550	1	2	9	100	112	665	

Quarterly Composition and Distribution Return of the Frontier Constabulary in the Kohat District corrected up to 1st October 1924.

HEADQUARTERS—HANGU.

COMPOSITION.

Tribes.	Staff.			Infantry.						Mounted.					Grand Total.
	Subadar-Major	Jemadar Adjutant.	Total.	Subadars.	Jemadars.	Havildars.	Naiks	Sepoys.	Total.	Risaldar.	Jemadar.	Dafadars.	Sowars.	Total.	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Afridi, Kohat Pass	...	...	...	1	1	5	5	98	110	..	...	2	24	26	136
„ Tirah	...	...	...	1	1	5	5	97	109	...	...	...	...	...	109
Bangash, Shiah	...	...	...		...	4	5	96	105	...	1	...	11	12	117
„ Sunni	...	...	...	1	1	...	...	1	3	...	...	...	1	1	4
Orakzai, Shiah	...	...	...	..	...	1	...	...	1	...	...	1	...	1	2
„ Sunni	...	1	1	...	...	...	...	2	2	...	...	...	...	...	3
Swathi, Cis-Frontier	...	...	...	1	1	5	5	97	109	...	...	...	...	...	109
Yusafzai, Cis-Frontier	1	..	1	...	...	...	...	...	...	...	...	...	...	...	1
Zaimukht	...	...	...	1	2	5	5	97	110	...	...	...	...	...	1
Total	1	1	2	5	6	25	25	488	549	...	1	3	36	40	591

DISTRIBUTION.

Posts.	British Officer.	Staff.			Infantry.						Mounted.						Remarks.
		Subadar-Major.	Jemadar-Adjutant.	Total.	Subadars.	Jemadars.	Havildars.	Naiks.	Sepoys.	Total.	Risaldar.	Jemadar.	Dafadars.	Sowars.	Total.	Grand Total.	
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Hangu	1	1	...	1	...	2	9	11	190	212	...	..	1	8	9	223	The Corps is armed with—
Torawari	...	...	...	...	...	...	1	2	26	29	..	...	...	...	...	29	(1) Muskets, B. L., ·476 bore. } 55
Kotal	...	...	...	...	1	...	1	2	19	23	...	...	.	...	...	23	(2) Rifles, short, M. L. E., Mark III, Low Velocity. } 592
Marai	...	...	...	...	...	...	1	2	22	25	...	...	...	..	...	25	
Thall	...	...	...	...	1	1	3	2	48	55	...	...	1	5	6	61	
Marghuz Tangi	...	...	...	...	1	...	2	1	27	31	...	...	...	...	...	31	
Chanda Ghundi	...	...	...	...	1	...	1	1	29	32	...	...	...	...	...	32	
Ublan	...	...	...	..	...	1	2	1	25	29	...	...	...	...	...	29	
Kohat City Picquets.	...	...	...	...	1	...	2	3	44	50	...	1	...	19	20	70	
Patrol	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Sick	...	...	...	...	...	...	...	...	9	9	...	...	...	...	...	9	
Absent on leave	...	...	1	1	...	2	3	...	46	51	...	...	1	3	4	56	
Absent without leave.	...	...	...	..	...	...	...	...	2	2	...	...	...	...	...	2	
In Quarter Guard.	...	...	..	...	...	...	...	...	1	1	...	...	...	1	1	2	
Total	1	1	1	2	5	6	25	25	488	549	...	1	3	36	40	592	
Short of strength	...	...	...	..	...	1	...	..	..	1	..	...	...	...	...	1	=1 short.
Excess of strength	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Sanctioned strength.	1	1	1	2	5	7	25	25	488	550	...	1	3	36	40	593	

Quarterly Composition and Distribution Return of the Frontier Constabulary in the Bannu District corrected up to 1st October 1924.

HEADQUARTERS—BANNU.

COMPOSITION.

Tribes.	Staff. Subadar-Major.	Staff. Jemadar-Adjutant.	Staff. Total.	Infantry. Subadars.	Infantry. Jemadars.	Infantry. Havildars.	Infantry. Naiks.	Infantry. Sepoys.	Infantry. Total.	Mounted. Risaldar.	Mounted. Jemadars.	Mounted. Dafadars.	Mounted. Sowars.	Mounted. Total.	Grand Total.
1	3	2	4	5	6	7	8	9	10	11	12	13	14	15	16
Afridis, Kohat Pass	...	...	...	...	1	4	6	93	104	...	...	2	22	24	128
„ Tirah	...	...	...	1	...	...	..	1	2	...	...	...	...	...	2
Bangash, Shiah	...	...	...	...	...	...	...	1	1	..	...	1	25	26	27
Pannuchi	...	...	...	...	...	...	...	3	3	...	...	2	7	9	12
Gigiani	...	...	...	...	1	3	3	46	53	...	...	...	...	...	53
Khalil	...	...	...	...	...	...	...	...	...	...	...	1	...	1	1
Khattak	...	...	...	1	2	4	5	96	108	..	...	..	...	...	108
Marwat	...	...	...	...	...	...	...	...	...	..	..	...	8	8	8
Mohmand, Cis-Frontier	...	...	...	...	...	...	...	...	...	...	1	...	...	1	1
„ Trans-Frontier	...	...	...	1	...	2	2	50	55	...	...	...	...	...	55
Niazi	...	...	...	...	..	...	...	...	...	...	...	...	4	4	4
Swati, Cis-Frontier	...	...	...	...	1	...	...	2	3	...	...	...	...	...	3
„ Trans-Frontier	..	...	...	1	1	5	5	97	109	...	...	...	...	...	109
Wazir	1	...	1	1	2	5	5	94	107	...	...	1	22	23	131
Total	1	...	1	5	8	23	26	483	545	...	1	7	88	96	643

DISTRIBUTION.

Posts.	British Officers.	Staff. Subadar-Major.	Staff. Jemadar-Adjutant.	Staff. Total.	Infantry. Subadars.	Infantry. Jemadars.	Infantry. Havildars.	Infantry. Naiks.	Infantry. Sepoys.	Infantry. Total.	Mounted. Risaldar.	Mounted. Jemadars.	Mounted. Dafadars.	Mounted. Sowars.	Mounted. Total.	Grand Total.	Remarks.
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Bannu	1	1	...	1	1	4	9	12	191	217	...	1	3	31	35	254	The Corps is armed with—
Kurram Garhi	...	...	...	...	1	...	1	2	31	35	...	...	...	...	...	35	(1) Rifles, ·303, short, L. V. } 649
Chauki Islam	...	...	...	...	...	1	1	2	31	35	...	...	...	...	...	35	(2) Muskets, B. L., ·476 bore. } 70
Jani Khel	...	...	...	...	1	...	1	3	55	60	..	...	1	11	12	72	
Tajauri	...	...	...	...	1	...	1	1	56	59	...	...	...	...	...	59	
Gambila Sarai	...	...	...	...	1	...	2	1	35	39	...	...	1	25	26	65	
Ghazni Khel	...	...	...	...	...	1	1	1	13	16	...	...	1	11	12	28	On temporary duties.
Peshawar	...	...	...	...	...	...	...	...	1	1	...	...	...	...	...	1	
Detached duties	...	...	...	...	...	...	...	...	1	1	...	...	...	...	...	1	Undergoing instruction in Intelligence Class, Thandiani.
Sick	..	..	...	...	...	...	1	...	14	15	...	...	...	1	1	16	
Absent on leave	...	...	...	...	...	2	5	4	53	64	...	..	1	9	10	74	
Absent without leave.	...	...	...	...	...	...	...	...	1	1	...	...	...	...	...	1	
In Quarter Guard	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	
Pending trial in a Criminal Case.	...	...	...	...	...	...	1	...	1	2	...	..	..	...	...	2	
Total	1	1	...	1	5	8	23	26	483	545	..	1	7	88	96	643	
Short of strength.	1	...	1	1	..	...	2	...	4	6	...	1	1	...	2	10	} = 8 short.
Excess of strength.	...	...	...	...	...	...	...	1	..	1	...	.	.	1	1	2	
Sanctioned strength.	2	1	1	2	5	8	25	25	487	550	...	2	8	87	97	651	

Quarterly Composition and Distribution Return of the Frontier Constabulary.

HEADQUARTERS—

COMPOSITION.

TRIBES.	Staff.			Infantry.						Mounted.					GRAND TOTAL.
	Subadar-Major.	Jemadar-Adjutant.	Total.	Subadars.	Jemadars.	Havildars.	Naiks.	Sepoys.	Total.	Risaldars.	Jemadars.	Dafadars.	Sowars.	Total.	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Afridi, Kohat Pass	...	1	1	...	...	...	...	1	1	...	1	1	14	16	18
„ Tirah	...	...	...	...	...	...	...	...	...	...	...	2	20	22	22
Bangash, Shiah	...	...	...	1	1	4	5	95	106	...	...	1	29	30	136
„ Sunni	...	...	...	...	...	...	...	...	...	...	...	2	15	17	17
Bannuchi	...	...	..	...	...	...	...	1	1	...	1	...	...	1	2
Bhitanni	1	...	1	1	1	4	4	74	84	...	...	1	12	13	98
Derajat Musalman	...	...	...	...	...	...	...	...	...	...	..	..	5	5	5
Gandapur	...	...	...	...	...	...	...	1	1	...		1	9	10	11
Khattak	...	...	...	1	2	5	5	92	105	1	...	1	16	18	123
Kundi	...	...	...	...	...	...	1	22	23	...	.	1	9	10	33
Marwat	...	..	...	1	1	6	5	97	110	...	...	1	12	13	123
Orakzai Shiah	...	...	...	3	2	15	15	293	328	...	..	...	...	...	328
Wazir Ahmadzai and Hathi Khel	...	...	...	2	3	8	8	199	220	...	...	...	..	...	220
Yusafzai, Trans-Frontier	...	...	...	...	...	...	...	...	...	...	...	...	2	2	2
Total	1	1	2	9	11	42	43	875	979	1	2	11	143	157	1,138

in the Northern Dera Ismail Khan District corrected up to 1st October 1924.

TANK.

DISTRIBUTION.

POSTS.	British Officers.	Staff.			Infantry.						Mounted.					GRAND TOTAL.	REMARKS.
		Subadar-Major.	Jemadar-Adjutant.	Total.	Subadars.	Jemadars.	Havildars.	Naiks.	Sepoys.	Total.	Risaldar.	Jemadars.	Dafadars.	Sowars.	Total.		
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Tank	2	1	1	2	...	3	9	12	245	269	...	2	7	63	72	345	The Corps is armed with— (1) Rifles, ·303 L. V. 1,140 (2) Muskets, B. L., ·476 bore. } 60
Bain	...	...	...	...	1	1	2	1	45	50	...	..	1	16	17	67	
Mullazai	.	...	...	...	1	...	3	4	58	66	..	...	...	2	2	68	
Nasran	..	...	...	...	...	1	2	4	53	60	...	..	...	2	2	62	
Zam	...	..	...	..	1	...	3	...	61	65	...	...	...	1	1	66	
Manjhi	...	...	...	...	...	1	3	2	59	65	...	...	1	23	24	89	
Kaur Bridge	..	...	...	...	1	...	2	3	59	65	...	...	..	8	8	73	
Girni	.	...	...	...	1	1	3	2	55	62	...	...	...	...	...	62	
Sur Kamar	..	...	...	...	1	...	3	2	42	48	..	..	..	...	...	48	
Chowki Faqir	...	...	...	...	...	...	1	1	19	21	...	...	...	...	...	21	
Murtaza	...	...	...	...	...	1	2	3	59	65	...	...	...	3	3	68	
Escort and detached duty (Tirni work)	...	...	...	...	...	1	1	1	17	20	...	...	1	6	7	27	Tirni work.
Sick	...	...	...	...	1	...	...	1	20	22	...	...	.	3	3	25	
Sick leave	...	...	..	...	...	...	...	...	3	3	...	...	...	...	...	3	
Absent on leave	...	...	...	.	2	1	8	7	79	97	1	...	1	16	18	115	
Absent without leave.	...	...	...	...	...	...	...	...	1	1	...	...	...	.	...	1	
Total	2	1	1	2	9	10	42	43	875	979	1	2	11	143	157	1,140	
Short of strength.	...	...	...	.	...	7	3	2	.	12			1	.	1	13	} =11 short.
Excess of strength	...	...	...	.	...	..	..	...	1	1		...	...	1	1	2	
Sanctioned strength.	2	1	1	2	9	17	45	45	874	990	1	2	12	142	157	1,151	

Quarterly Composition and Distribution Return of the Frontier Constabulary in the Southern Dera Ismail Khan District corrected up to 1st October 1924.

HEADQUARTERS—DARABAN.

Tribes.	Composition. Staff. Subedar-Major.	Staff. Jemadar-Adjutant.	Staff. Total.	Infantry. Subadars.	Infantry. Jemadars.	Infantry. Havildars.	Infantry. Naiks.	Infantry. Sepoys.	Infantry. Total.	Mounted. Risaldar.	Mounted. Jemadar.	Mounted. Dafadar.	Mounted. Sowars.	Mounted. Total.	Grand Total.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Afridi, Kohat Pass	...	...	...	1	1	5	5	105	117	...	...	...	...	...	117
„ Tirah	...	1	1	...	...	...	..	1	1	...	...	...	4	4	6
Babars	...	...	...	...	...	...	...	...	...	...	...	1	12	13	13
Bangash, Shiah	...	..	...	...	...	...	...	1	1	...	1	1	12	14	15
„ Sunni	...	...	..	...	...	...	...	...	...	...	...	...	3	3	3
Bhittani	...	...	...	...	...	2	3	50	55	...	...	...	...	...	55
Derajat Musalman	...	...	...	...	..	...	...	...	...	...	...	...	7	7	7
Khalils	...	...	...	1	1	8	4	95	109	...	...	...	1	1	110
Khattak	...	..	...	...	...	...	...	...	...	...	...	1	13	14	14
Mohmand, Cis-Frontier	...	..	...	1	...	5	4	98	108	...	...	...	...	...	108
Niazi	...	...	...	...	...	...	...	...	...	...	...	...	4	4	4
Orakzai, Sunni	1	...	1	2	4	13	14	286	319	...	...	...	...	...	320
Sheranni	...	...	...	1	1	4	2	99	107	...	...	...	1	1	108
Shinwari	...	...	..	...	1	...	...	...	1	..	.	...	...	...	1
Wazir	...	..	...	1	...	4	2	45	52	...	...	...	...	...	52
Total	1	1	2	7	8	41	34	780	870	...	1	3	57	61	933

Posts.	Distribution. British Officers.	Staff. Subadar-Major.	Staff. Jemadar-Adjutant.	Staff. Total.	Infantry. Subadars.	Infantry. Jemadars.	Infantry. Havildars.	Infantry. Naiks.	Infantry. Sepoys.	Infantry. Total.	Mounted. Risaldar.	Mounted. Jemadar.	Mounted. Dafadars.	Mounted. Sowars.	Mounted. Total.	Grand Total.	Remarks.
17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34
Daraban	3	1	1	2	3	3	7	7	226	256	...	1	2	46	49	319	The Corps is armed with—
Zarkani	...	..	...	...	1	1	6	6	127	141	...	...	..	..	...	141	(1) Rifles, ·303, L. V., short. } 943
Luni	...	.	...	...	...	1	3	2	61	67	...	...	..	...	..	67	(2) Muskets B. L., ·476 bore. } 43
Domanda	...	...	...	..	1	...	1	4	63	69	...	...	...	...	...	69	(3) Pistols, Webley. } 20
Drazinda	.	...	...	...	...	1	2	4	57	64	...	...	...	...	...	64	
Moghalkot	...	..	...	.	...	1	3	1	45	50	...	...	..	...	...	50	
Burj Zam	...	..	...	...	...	...	1	...	15	16	...	...	...	...	..	16	
Sur Kamar	...	...	...	..	1	...	4	2	67	74	..	...	..	...	...	74	
Quarter Guard	...	...	..	...	...	...	...	...	2	2	...	...	...	...	...	2	
Escort and detached duties.	...	...	...	...	...	...	1	1	2	4	...	...	.	1	1	5	
Sick	...	...	...	...	..	...	1	2	7	10	...	...	...	2	2	12	
Absent on leave.	..	...	...	...	1	1	12	5	94	113	...	...	1	8	9	122	
Absent without leave.	...	...	...	...	...	...	...	...	4	4	...	...	...	...	...	4	
Total	3	1	1	2	7	8	41	34	780	870	..	1	3	57	61	936	
Short of strength	..	...	..	..	1	7	...	6	...	14	...	...	2	...	2	16	=9 short.
Excess of strength	1	...	...	...	...	...	1	...	3	4	...	...	..	2	2	7	
Sanctioned strength.	2	1	1	2	8	15	40	40	777	880	..	1	5	55	61	945	

ADJUSTMENTS CONSEQUENT ON THE AMALGAMATION OF THE EAST INDIAN AND THE OUDH AND ROHILKHAND RAILWAYS.

55. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly state whether it is in contemplation to hand over to the North Western Railway the working of the Delhi-Amballa-Kalka section of the East Indian Railway? If so, from what date? Is it also under contemplation to hand over the working of the certain sections of the North Western Railway and the East Indian Railway to the Oudh and Rohilkhand Railway? If so, what sections and from what dates?

THE HONOURABLE MR. D. T. CHADWICK: Government contemplate the amalgamation of the Oudh and Rohilkhand and the East Indian Railways with certain adjustments in the areas at present served by the East Indian, the Great Indian Peninsula and the North-Western Railways. The question is under correspondence with the Secretary of State, and no detailed announcement can be made about it at present.

RUNNING OF A THROUGH MAIL FROM PESHAWAR TO HOWRAH.

56. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly state whether it is proposed to run a through mail from Peshawar to Howrah? If so, from what date and *via* which route?

THE HONOURABLE MR. D. T. CHADWICK: No such proposal is under consideration at present.

QUALIFICATIONS OF MR. WEBB, A SUPERINTENDENT IN THE OFFICE OF THE AGENT, NORTH WESTERN RAILWAY.

57. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly state what qualifications one Mr. Webb had who was recently selected as a Superintendent in the Office of the Agent, North Western Railway? In what department and on what post was he employed in the Railway Department before the selection and whether he ever held any responsible ministerial position in any office before? If so, in which office and for what period?

THE HONOURABLE MR. D. T. CHADWICK: As stated in my previous reply to the Honourable Member on the 22nd September, 1924, the selection of the best men for posts of this nature is a matter which must be left to the Agent's discretion.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: May I put a supplementary question? That does not supply the information asked for in the question. Is the Honourable Member not in a position to state what the qualification was, apart from being considered the best man?

THE HONOURABLE MR. D. T. CHADWICK: No, Sir, I am not. Promotions of that nature are left with the Agent.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Are the Government aware that this gentleman is a fitter in charge and had no administrative experience?

THE HONOURABLE MR. D. T. CHADWICK: No, Sir, I am not.

RECRUITMENT TO THE SENIOR SUBORDINATE SERVICES IN THE TRAFFIC, LOCO. AND CARRIAGE DEPARTMENTS OF STATE RAILWAYS.

58. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly lay on the table the rules and regulations proposed for recruitment to the senior subordinate services in the Traffic, Loco. and Carriage Departments of State Railways, and also the proposed rules for admission to the various training institutions connected with these departments?

THE HONOURABLE MR. D. T. CHADWICK: The recruitment of men to fill senior subordinate appointments is ordinarily made by promotion of the most efficient men already in employment. Government do not contemplate framing any general rules on the subject. The question of training officers for employment on Railways is still under consideration.

RESOLUTION *RE* IMPROVEMENT OF THE STATUS AND CONDITION OF INDIANS OVERSEAS.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, I find myself in a position in which I feel I owe an explanation to you and to the House, as I propose to ask for leave to withdraw the Resolution,* I hope, Sir, in doing so, you will permit me to give the explanation which I think is due to the House. After His Excellency the Viceroy opened the Legislature, there was strong public feeling in the country, stronger than ever and I tried to voice it by sending in the Resolution which I was to have moved to-day. During my short absence in Calcutta a deputation was received by His Excellency and in the course of a sympathetic speech, in which he more than recognised the difficulties of the South African Government, he earnestly advised patience and deprecated anything like acrimony that might embarrass the delicate negotiations that His Excellency declared were in progress. As this advice has been given, I have felt it my duty to follow it. I remember having done so in the Legislative Assembly when the Right Honourable Srinivasa Sastri sent us similar advice. Nothing came of it but continued restraint has been advised. Having regard to what His Excellency has said, I should be serving no useful purpose, and might be doing the contrary, by now moving this Resolution, which would be bound to give rise to a debate which would not be liked outside India, however much it might be liked here. Under these circumstances, and reserving to myself the right of ballotting again for a Resolution of this kind later on, after we know the results of the negotiations, I ask for leave to withdraw the Resolution which stands in my name. Because there is no other business before the House, I feel somewhat guilty in having brought the House here for nothing, but it is no fault of mine that this is so. At the same time I do feel it, and I make my apologies to the House.

* "This Council recommends to the Governor General in Council that a committee of members of the Council of State and the Legislative Assembly and of officials be appointed early, to examine the question of Indians overseas, and to report on the steps and measures necessary to be taken for the improvement of their status and condition."

THE HONOURABLE THE PRESIDENT: Do I understand that the Honourable Member has withdrawn? He does not require leave to withdraw if he does not move.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: If I do not require leave I merely withdraw it for the present.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): The Government have no business to place before the House this week, and subject to your direction we shall not meet on Tuesday or Thursday. On Wednesday, which, as you are aware, is a non-official day, I hope to make a statement regarding the course of Government business next week.

THE HONOURABLE THE PRESIDENT: I would remind the Honourable Members who are on the Select Committee for the amendment of the Standing Orders that the Committee will meet in five minutes in the Committee room.

The Council then adjourned till Eleven of the Clock on Wednesday, the 11th February, 1925.

COUNCIL OF STATE.

Wednesday, 11th February, 1925.

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

QUESTIONS AND ANSWERS.

STERLING SECURITIES IN THE PAPER CURRENCY RESERVE.

59. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to say:

(*a*) what was the premium on gold on the date on which they sold two million gold from the Paper Currency Reserve and what was the premium on the 15th of January 1925;

(*b*) now that Government can replace the gold very nearly at par, do Government intend to do so;

(*c*) has there been any change in the price of securities which were purchased by the proceeds of this gold;

(*d*) what would be the loss on these securities if the replacement were made immediately;

(*e*) what is their policy with regard to sterling securities, which are kept in the paper currency reserve, and why are there any sterling securities at all in the Paper Currency Reserve;

(*f*) whether the sterling securities in the Paper Currency Reserve are Indian Government sterling loan, and, if not, why not?

THE HONOURABLE MR. A. C. MCWATTERS: (*a*) The gold was sold on different days commencing from the 19th November, 1923, and ending on the 5th February, 1924. The highest premium during the period was 12 shillings and the lowest 9*s*. 2*d*. per fine oz. The premium on 15th January, 1925, was 2*s*. 2*d*.

(*b*) The Government have come to no decision on this point at present. The transaction undertaken last year could undoubtedly be reversed now at a considerable profit, though it is arguable whether the most profitable

moment has yet arrived and in view of the strong metallic position of the reserve there appears to be no immediate reason for incurring the loss of interest involved by holding gold rather than securities.

(c) to (f). The sterling securities are all in the form of British Treasury Bills which are more easily realisable than any other securities, and involve no risk of loss by depreciation. It is not possible in an answer to a question to enter into the arguments, which are well known, which explain the necessity for keeping a portion of the reserve in sterling.

ESTABLISHMENT OF THE RATES TRIBUNAL.

60. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what progress they have made with regard to the establishment of the Rates Tribunal?

THE HONOURABLE MR. D. T. CHADWICK: The Secretary of State's reply to Government's proposals regarding the establishment of the Rates Tribunal was received by the mail of January the 25th, and is under consideration.

THE HONOURABLE MR. PHIROZE C. SETHNA: Supplementary question. Sir, may I know what salaries are to be paid to the members who form the Tribunal?

THE HONOURABLE MR. D. T. CHADWICK: I want notice of that question; I am afraid that I do not know.

EXPEDITIOUS SETTLEMENT OF CLAIMS AGAINST RAILWAYS.

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

(a) what steps have been taken for alterations in the Railway Act in order to bring the Act up to date with modern practice in other countries;

(b) if they recognise the necessity of any additional safeguards to the public in view of the taking over of the East Indian Railway and the Great Indian Peninsula Railway under State management, especially to secure quicker repayment of claims for refunds, etc., and quicker machinery for adjustment of other claims against Railway Companies by the public?

THE HONOURABLE MR. D. T. CHADWICK: (a) I would invite the attention of the Honourable Member to the answer given in the Legislative Assembly on the 10th September, 1924, to question No. 1698. This question, I believe, relates to the revision of the Railway Act, and the recommendation of the Acworth Committee was that it should be left for the President of the Rates Tribunal.

(b) The Government do not understand exactly what the Honourable Member's intention is; but they are not aware of any reason why it should be anticipated that the taking over of the East Indian and Great Indian

Peninsula Railways, should require the provision of additional safeguards to the public. The necessity for expeditious settlement of claims is fully recognised and has been receiving the attention of the Railway Board.

ENCOURAGEMENT OF INDIGENOUS INDUSTRIES.

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

(a) in what way the Industries Department has assisted large all-India industries since its inception, and

(b) what policy it has formulated for securing the growth of industries?

THE HONOURABLE MR. A. H. LEY: (a) I am not sure what the Honourable Member means by the expression "All-India Industries", but I presume he has in mind those industries the development of which has been declared by order of the Governor General in Council to be a Central Subject under Item 20, Part I, Schedule I, of the Devolution Rules. The only industries, regarding which such a declaration has been made, are the steel, rail, and railway wagon industries in the provinces of Bombay, Bengal and Bihar and Orissa. It is hardly necessary for me to inform this House of the action which the Government of India have taken towards the development of these industries.

Nor, with regard to part (b) of the question, need I remind the House that under the Devolution Rules the "Development of industries, including industrial research and technical education," is a provincial Transferred Subject in all the Provinces and that in view of the provisions of Rule 49 of those Rules, the Central Government have little scope for formulating any policy for their development. In regard to matters which are the immediate concern of the Central Government, the main direction in which Government have been able to take action is in the formulation of the policy underlying the rules for the supply of articles for the Public Service and the creation in pursuance of that policy of the Indian Stores Department.

RUPEE TENDERS.

63. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what steps they have taken with regard to the establishment of a system of rupee tenders in India, for which the Assembly made a recommendation last year?

THE HONOURABLE MR. A. H. LEY: The Government have not yet come to a final decision in regard to the Resolution adopted by the Assembly to which the Honourable Member refers. As explained by the Honourable Sir A. C. Chatterjee in his reply to question No. 2081, asked in the Assembly on the 17th September, 1924, the question is one which has to be examined in many complicated aspects. This House may, however, rest assured that the matter is receiving the most earnest attention of the Government.

STATIONERY FOR GOVERNMENT DEPARTMENTS.

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

(a) who purchases the stationery required for their different departments ;

(b) if the services of the Indian Stores Department cannot be utilised for this purpose ;

(c) what attempts have Government made to create production of stationery required by Government in this country, and if such attempts have been made the names of any publications in which the results of such attempts are described?

THE HONOURABLE MR A. H. LEY: (a) The Controller of Printing, Stationery and Stamps.

(b) No.

(c) A large proportion of Government orders for paper has always gone to the Indian Paper Mills. A large proportion of miscellaneous supplies, *e.g.*, ferro-prussiate paper, ink, ink powders, sealing wax, tags, tape, paper weights, penholders, wax cloth, etc., is manufactured in India. Manufacturers are given all possible information to enable them to manufacture stationery articles, and they receive the benefit of the services of the Stationery Office laboratory. The manufacture in India of ferro-prussiate paper, high quality sealing wax and inks is largely due to the encouragement given by the Stationery Office. In 1923-24 more than 31 lakhs worth of Indian made paper and stationery articles were purchased. There is no publication on the subject.

MANUFACTURE OF MATCHES IN INDIA.

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

(a) the extent and capacity of the new plants for match manufacturing, which have been set up in India during the last two years ;

(b) the figures, by the month, of customs duty on matches and match-making material, and indicate if there has been any falling off in the revenue from matches from the growth of internal manufacture ;

(c) who are the owners and what is the proposed output of the new plant, which has been set up in the country?

THE HONOURABLE MR. A. H. LEY: (a) and (c). The information required is not available with the Government of India. It is being collected from the Provinces and will be furnished to the Honourable Member later.

(b) A statement is laid on the table, from which it will be observed that there has been a falling off in the revenue. Government are not in a position to say definitely how much of this decline is due to internal manufacture.

Statement showing the figures, month by month, of customs duty on matches and match-making materials collected in 1923 and 1924.

(In thousands of rupees.)

Months.	Matches	MATCH-MAKING MATERIALS.*		
		Splints.	Veneers.	Total.
January, 1923	15,28	...	...	...
February	18,32	...	...	...
March	10,63	...	...	...
April	8,36	...	...	...
May	12,28	...	...	...
June	13,84	...	...	...
July	12,39	...	...	...
August	11,31	...	..	...
September	16,05	...	...	...
October	13,84	...	...	...
November	16,66	...	...	...
December	9,71	...	...	...
January, 1924	7,72	...	...	...
February	3,97	...	...	...
March	10,77	...	...	...
April	9,52	77	1,57	2,34
May	8,70	12	54	66
June	9,31	11	48	59
July	11,02	39	43	82
August	11,03	5	25	30
September	12,97	6	74	80
October	9,77	16	70	86
November	10,77	9	66	75
December	9,00	16	73	89

*Separately recorded from April, 1924.

THE HONOURABLE MR. PHIROZE C. SETHNA: Do Government propose to make up for the loss of revenue by any special duties on locally made matches?

THE HONOURABLE MR. A. H. LEY: I should like to have notice of that question.

PURCHASE OF MILITARY STORES.

66. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state whether it is the policy of the Army Department to purchase independently of the Stores Department?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The Army Department utilizes the services of the Indian Stores Department for the purchase of such classes of stores as are dealt with by that Department and which it can obtain as cheaply and as efficiently as the army purchasing agency. At present, the Indian Stores Department carry out the purchase of textiles and engineering stores, and, further, all indents on England are sent to the Chief Controller, Indian Stores Department. Such items as he is able to supply are cancelled from the Home indent.

The question of further utilizing the services of the Indian Stores Department is under consideration.

FACTORIES UNDER THE ARMY DEPARTMENT.

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

(a) how many productive plants or factories (including under this head dairy farms) are being worked on Government account in the Army Department;

(b) the number of men getting more than Rs. 300 per mensem, and how many of them are Indians and how many Europeans;

(c) the reason for the continuance of each one of these factories?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) The following is the information desired:

Ordnance Factories	7
Clothing Factories	2
Grain Crushing plants	3
Flour mills	3 (two of which are part time.)
Dairy Farms	33

(b) 321, of whom two are Indians and the rest Europeans.

(c) As the answer to this part of the question is necessarily a rather lengthy one, I will, with your permission, Sir, lay it on the table.

The continuance of each of the Ordnance and Clothing factories is necessary because, in the first place, no organised private enterprise exists in India to undertake the manufacture of all the requirements of the

army, and secondly, because such private firms as may have facilities for the production of certain classes of articles cannot always be relied on to produce the material on modern lines and as quickly, according to the standard, quality and specification required.

As regards the Crushing plants and Flour Mills, the former are existing plants at which an experiment in centralised crushing of animal grains purchased for the army, is now being carried out with a view to economy and efficiency. As far as Government are aware, no private enterprise of this kind organised on modern lines exists in India to meet the requirements of the army. The flour mills are owned by private individuals and public joint stock companies and have been taken under the control of Government for stated periods for the purpose of grinding wheat products required for the army. The full-time mill does Government work only, while the part-time mills carry on private trade after Government milling is finished. As far therefore as milling is concerned, the manufacture is in the hands of private enterprise.

The dairy farms were established and are maintained for the purpose of providing the soldier with a safe and reliable supply of pure milk and butter.

FURNITURE AND FITTINGS FOR BUILDINGS IN NEW DELHI.

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

(a) the names of sub-contractors who have supplied the following items for various buildings in the New Delhi:

(i) furniture;

(ii) electrical fittings;

(iii) door handles, hinges and other brass;

(iv) iron or steel work;

(v) cement; and

(b) what percentage of the total quantity was of Indian origin, *i.e.*, manufactured in this country?

THE HONOURABLE MR. A. H. LEY: The information asked for is not available and its collection would involve an expenditure of time and labour which Government consider it unnecessary to undertake.

I can, however, state generally that every endeavour is made to obtain supplies in India. The furniture is being, and will be, made in India, and from the commencement of the work Indian steel has been purchased whenever practicable and available: similarly Indian cement has been used whenever available, and the cast iron piping used in the water supply distribution schemes is practically exclusively of Indian manufacture, up to the maximum size made in India. As the Honourable Member is doubtless aware, practically all electrical fittings used in India are imported as are also high grade door and window fittings.

ADMINISTRATIVE CHANGES IN THE EAST INDIAN RAILWAY.

69. THE HONOURABLE MR. PHIROZE C. SETHNA: What administrative changes have resulted from the taking over of the East Indian Railway?

THE HONOURABLE MR. D. T. CHADWICK: It is somewhat difficult to deal with the Honourable Member's inquiry within the compass of a reply to a question. The main change is that the Railway will in future be administered by the Government of India through the Railway Board and their Agent instead of by the East Indian Railway Company in England. As a natural result all of the arrangements connected with the administration both in England and India will be assimilated to those of other State-owned Railways.

REVALUATION OF SECURITIES IN THE GOLD STANDARD RESERVE AND THE PAPER CURRENCY RESERVE.

70. THE HONOURABLE MR. PHIROZE C. SETHNA: (*a*) Will Government be pleased to state the various dates on which securities in the Gold Standard Reserve and the Paper Currency Reserve have been revalued, and the total amount of loss in connection therewith from 1912-13 to date?

(*b*) Will Government indicate the loss, if any, which would be involved in the realisation of sterling securities, which they hold in the Gold Standard Reserve and the Paper Currency Reserve if Government were advised to turn them into gold now?

THE HONOURABLE MR. A. C. McWATTERS: (*a*) In the Paper Currency Reserve, securities are held at their purchase price and not at their market value. There is *thus no occasion for revaluation*. As regards the Gold Standard Reserve, the Honourable Member will observe that in the quarterly statements published in the Gazette of India, both the nominal value and the estimated market value of the securities held are given.

(*b*) This is a hypothetical question the answer to which depends on the price of gold and the market value of the securities at the time of realisation.

With reference to the reply which I have just given to the first part of the Honourable Member's question, I should like to add, by way of explanation and to avoid any misunderstanding, that I assumed the Honourable Member's question to refer to *revaluation on a commercial basis*. There was of course a revaluation of the sterling securities in the Paper Currency Reserve in *October 1920*, in connection with the adoption of the new statutory ratio, since the accounts of the Reserve are published in rupees. This, however, was a purely book-keeping transaction and had no connection with the *market value* of the securities.

ECONOMIC INQUIRY IN INDIA.

71. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what steps they have taken to secure the establishment of an economic inquiry in India?

THE HONOURABLE MR. A. C. McWATTERS: I would invite the attention of the Honourable Member to the Finance Department Resolution No. 655-F., dated the 22nd January 1925, published in the Gazette of India of the 24th *idem*.

THE HONOURABLE MR. PHIROZE C. SETHNA: Has the attention of Government been drawn to a paragraph in one of the local papers in its yesterday's issue as follows:

"The Committee has made proposals to the Government asking whether what is required of them is to lay down the scope of a larger inquiry or to submit tentative conclusions."

Will Government enlighten the Council in regard to this?

THE HONOURABLE MR. A. C. McWATTERS: I have not seen the quotation referred to.

THE TAXATION INQUIRY COMMITTEE.

72. THE HONOURABLE MR. PHIROZE C. SETHNA: (*a*) With reference to the statement in the communiqué announcing the appointment of the Taxation Inquiry Committee that Government expected this Committee to make a report in the course of one year, will Government be pleased to state from which date they are reckoning this year to commence;

(*b*) what outlay do Government expect over the work of this Committee as a whole and for how much has the sanction of the Legislature been obtained;

(*c*) the number of men to whom invitations to give evidence or join in the preliminary discussion were issued in connection with this Committee;

(*d*) how many of these persons replied agreeing to give such evidence and how many have already given evidence?

THE HONOURABLE MR. A. C. McWATTERS: (*a*) The Committee assembled in the last week of October. During November and the first half of December three of the members were detached for duty on other Committees and the full Committee was not in session continuously until December.

(*b*) The estimated expenditure for 1924-25 is Rs. 1,44,050 as against a sum of 2 lakhs provided in the budget and for 1925-26 Rs. 2,81,000.

(*c*) and (*d*). On the 10th November, 1924, the Committee issued a letter to 320 members of legislative bodies, economists and other public men, inviting their assistance in indicating material available from non-official sources. To this letter 115 replies have been so far received. The formal questionnaire was issued in the third week of December, in the majority of cases through Local Governments. The exact number of copies issued by them is not known. By the third week in January, 37 replies had been received.

Up to the 28th January 27 witnesses had been orally examined and a considerable number since that date.

PROPOSED AIR ROUTE BETWEEN EUROPE AND INDIA.

73. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to state what undertaking or guarantees they have given on behalf of India in connection with the proposed air route to India?

THE HONOURABLE MR. A. H. LEY: The Government of India have not at present given any undertaking or guarantee on behalf of India in connection with the proposed air route between Europe and India. The question of the assistance, if any, to be given is under consideration.

PURCHASE OF GLYCERINE FOR AMMUNITION FACTORIES.

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

(*a*) the amount of glycerine which they purchased for ammunition factories during the last five years, with the price and

(b) the quantities showing how much was of Indian origin?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) 75 tons at a cost of £6,313.

(b) A quarter of a ton for trial, at a cost of Rs. 600. This was found to be unsuitable.

LEGISLATION TO DEAL WITH TRADE COMBINATIONS.

75. THE HONOURABLE MR. PHIROZE C. SETHNA: (a) Can Government state whether the Board of Trade regulates in any way the sale of petroleum and petrol in the United Kingdom?

(b) Will Government lay on the table any regulation, either ordinary or extraordinary, which enables the Board of Trade to inquire so as to secure a free market and to check all combinations or otherwise in restraint of trade?

(c) Have Government considered what measures they might take against monopolies and combinations either to fix prices of petrol or to pool profits or otherwise to the detriment of the consumer? If not, will Government consider the same and report what they propose to do?

THE HONOURABLE MR. D. T. CHADWICK: (a) The Government of India are not aware of any Board of Trade Regulations regulating the sale price of petrol or petroleum in the United Kingdom. Regulations are of course in force designed for the purpose of securing safety and of regulating the method of storage and handling.

(b) The Government of India are not aware of any Regulations of the Board of Trade directed towards the object mentioned in the Honourable Member's question.

(c) Government have not considered the difficult subject of legislation to deal with trade combinations and agreements about selling prices. As at present advised, they are not satisfied that the need for such action has arisen.

THE HONOURABLE MR. PHIROZE C. SETHNA: Are Government aware that the price of petrol in the United Kingdom is far less than what it is in this country?

THE HONOURABLE MR. D. T. CHADWICK: I understand that the price of petrol in Calcutta from bulk installations as for instance, kerbside pumps, is Rs. 1-7-6, per gallon, of which six annas is excise duty. That reduces the real sale price to Rs. 1-1-6 a gallon, which is practically the same or even less than what it is in England where there is no excise duty. I think Re. 1 a gallon was the price before the war. I might be allowed to add that prices have come down very considerably during the last 18 months or two years.

ENCOURAGEMENT OF INDIAN ART.

76. THE HONOURABLE MR. PHIROZE C. SETHNA: (a) Has the attention of Government been drawn to the proposals for the encouragement of Indian Art outlined at the Conference of Indian Art held at Wembley on June 2nd, 1924?

(b) Do Government contemplate any measures in conformity with those proposals? If so, what are they?

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

(b) I have nothing to add to what I said on the subject in dealing with the Resolution brought forward by the Honourable Khan Bahadur Ebrahim Haroon Jaffer in this Council on the 28th January last.

MURAL PAINTINGS IN THE SECRETARIAT AND COUNCIL HALLS, NEW DELHI.

77. THE HONOURABLE MR. PHIROZE C. SETHNA: (a) Will Government be pleased to state whether it has arrived at any definite decision in regard to the mural paintings to be executed in the Secretariat and Council Halls at New Delhi?

(b) If the answer is in the negative, will Government be pleased to state when they would be likely to do so?

THE HONOURABLE MR. A. H. LEY: (a) No definite decision has been arrived at.

(b) I regret I cannot forecast the period that will lapse before a decision is reached.

CENTRAL INSTITUTE OF INDIAN ART AND ANTIQUITIES IN LONDON.

78. THE HONOURABLE MR. PHIROZE C. SETHNA: Has the attention of Government been drawn to a proposal for a central institute of Indian Art and antiquities in London? If it has, will Government be pleased to state whether it has promised any support to the scheme and, if so, what?

THE HONOURABLE MR. A. H. LEY: The reply to the first part of the question is in the negative. The second part does not arise.

SALE OF GOVERNMENT PUBLICATIONS.

79. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government please state:

(a) if their attention has been drawn to the fact that booksellers in the list of Government do not usually stock Government publications;

(b) what are the reasons, if any, why they do not stock Government publications;

(c) what are the terms allowed to such booksellers;

(d) is it not compulsory on such booksellers to stock Government publications;

(e) if they are aware that even books like Reports of Controllers of Currency are not available with them in stock and the public have to write to the Superintendent, Government Printing at Calcutta?

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

(b) Booksellers state that the demand for Government publications is insufficient to justify them in holding stocks.

(c) Approved agents are allowed

(i) 25 *per cent.* discount on published price, and

(ii) a refund of the price paid by them for unsold books or publications returned by them in good condition.

(*d*) Government have no means of compelling booksellers to hold publications in stock. If such a condition were laid down, booksellers would decline to be authorised agents for the sale of Government publications.

(*e*) Government have no information on the subject. It should however be noted that the officer responsible for the sale of Government publications in Calcutta is the Manager, Government of India Central Publication Branch, and not the Superintendent, Government Printing.

THE HONOURABLE MR. PHIROZE C. SETHNA: Am I to understand that the Manager is to be addressed, and not the Superintendent?

THE HONOURABLE MR. A. H. LEY: Yes, Sir.

THE HONOURABLE MR. PHIROZE C. SETHNA: Is that fact published for the benefit of the public?

THE HONOURABLE MR. A. H. LEY: Yes, Sir, it has been published.

DESPATCH OF GOVERNMENT PUBLICATIONS V. P. P. BY THE MANAGER, CENTRAL PUBLICATION BRANCH, CALCUTTA.

80. THE HONOURABLE MR. PHIROZE C. SETHNA: Are Government aware that the Superintendent, Government Printing, Calcutta, does not send Government publications per V. P. post but insists upon money being paid in advance for executing any orders?

THE HONOURABLE MR. A. H. LEY: The answer is in the negative. The Superintendent, Government Printing, is as I have said, no longer responsible for the issue of Government Publications. The Manager, Central Publication Branch, Calcutta, has instructions that publications should ordinarily be sent by V. P. P. on demand. In the case of correction slips, however, the large number of packages returned unaccepted with consequent loss to Government have rendered it necessary to institute a system of prepayment. This does not apply to ordinary publications, and if the Honourable Member can show me any specific instance of prepayment being demanded, I shall be glad to have inquiries made.

SALE OF GOVERNMENT PUBLICATIONS.

81. THE HONOURABLE MR. PHIROZE C. SETHNA: (*a*) Are Government aware that the existing difficulties in the way of likely purchasers make it sometimes impossible to buy Government publications?

(*b*) Will they consider the advisability of taking steps to making Government publications more readily available in all the principal towns and cities than is the case at present?

THE HONOURABLE MR. A. H. LEY: (*a*) The answer is in the negative.

(*b*) Necessary steps have already been taken to make Government publications readily available. Copies of important publications are sent to the book depôts of Provincial Governments for sale as soon as issued. To keep stocks of all publications in the principal towns and cities would involve the printing of excessive numbers of copies, many of which would be wasted.

COAL MINES OWNED BY THE RAILWAY BOARD.

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

(*a*) how many coal mines are owned by the Railway Board ;

(*b*) who manages these collieries;

(*c*) what is the average cost at pit's mouth in these collieries; and

(*d*) what is the price for coal purchased by the Mining Engineer for the Railway Board?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) (*b*) and (*c*). The Railway Board as such does not own any coal mines but the State-worked and State-owned railways own ten collieries, of which six are actually producing coal and four are under development. The Coal Departments of the East Indian and the Bengal Nagpur Railways manage the collieries owned either wholly or jointly by those Railways. All other collieries are under the direction of the Chief Mining Engineer, Railway Board.

The Honourable Member's attention is invited, in this connection, to paragraph 80 in Volume I and Appendix B in Vol. II of the Administration Report for 1923-24, a copy of which is in the Library. In this Report are given full details regarding cost of coal at pits mouth for the open collieries.

(*d*) The Chief Mining Engineer has not purchased any coal for the Railway Board during the current year. The prices being paid for coal consumed by State-worked railways, under the 3 year contracts for the period 1922-23-24-25, as modified at a meeting last July between the Railway Board and the Coal Trade are as follows:

	Rs.	A.	
Deshurgher	10	8	per ton.
Selected Jherriah	9	12	„
1st Class „	9	0	„
2nd Class „	6	4	„

CONTRACTS FOR COAL FOR THE RAILWAYS ENTERED INTO BY THE LATE MR. CHURCH.

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

(*a*) what is the position with regard to contracts entered into for the railways by the late Mr. Church;

(*b*) when are these contracts falling in ;

(*c*) what arrangements are made for the future ; and

(*d*) what precautions are Government taking to prevent the recurrence of the evils, which were complained of in connection with these contracts?

THE HONOURABLE MR. D. T. CHADWICK: Very full information was given with regard to this question in the September Session in the Legislative Assembly and it is rather difficult to compress all that information into an answer. If my Honourable friend will kindly accept it, I should like to refer him to pages 3216 and 3217 of the Official Report of the

Legislative Assembly Debates for September 1924. I have only to add, with reference to part (*d*) of his question, that Government intend in future to purchase coal required by State Railways by calling for tenders and placing orders after due consideration of the tenders received.

PURCHASE OF COAL THROUGH THE INDIAN STORES DEPARTMENT.

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

(*a*) what is the total amount of coal purchased by them each year for State Railways during the last three years ;

(*b*) what is the annual amount of coal purchased for departments of Government other than Railways during the last three years ;

(*c*) if they have noticed that the prices paid for coal under (*a*) and under (*b*) are not always the same ; and

(*d*) if they will make use in future of the Indian Stores Department for the purchase of coal?

THE HONOURABLE MR. D. T. CHADWICK: (*a*) The amount of coal purchased for the three State-worked Railways, (North Western, Eastern Bengal and Oudh and Rohilkhand) during the last three years is as follows:—

1921-22	1·63 million tons.
1922-23	1·67 „
1923-24	1·67 „

(*b*) and (*c*). Figures for the purchases of coal made by other Departments are not available. The price paid for coal by any purchasing department must depend upon many considerations, *e.g.*, the market conditions at the time of purchase, the quantity required, the time and period for which deliveries are needed. It would be most improbable that the prices paid by Departments under such varying conditions would always be the same.

(*d*) The attention of the Honourable Member is invited to the views expressed by the Stores Purchase Committee, in paragraph 148 of their Report, with which the Government of India are in agreement.

PURCHASE OF WAGONS.

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

(*a*) the wagon requirements of the Government of India during the next five years ;

(*b*) how many of these would be additions and how many replacements and how many renewals ;

(*c*) the figures separately for State-owned railways and for State-managed railways ;

(*d*) if the provision for the encouragement of the wagon industry in the Indian Steel (Protection) Act will apply to purchases for railways managed by Companies; and

(*e*) if so, what is the machinery to secure that wagon orders for Government railways managed by Companies are not placed with foreign manufacturers in preference to Indian manufacturers?

THE HONOURABLE MR. D. T. CHADWICK: (*a*), (*b*) and (*c*). It is not possible to give definite figures of what the demands will be for the next five years, especially as the Board hope by their efforts to obtain better use from existing wagon stock to effect economy in the purchase of additional wagons.

(*d*) and (*e*). The East Indian Railway, while still a Company-worked railway, and four other principal Company-worked railways join the State-worked railways in a combined call for tenders for the supply of wagons; and it is in response to this call that orders are placed for wagons of the types to which a bounty under section 4 of the Steel Industry (Protection) Act is attached. In placing the orders for wagons of these types, no differentiation is made between the Company-worked and the State-worked railways, and the provision for the encouragement of the wagon building industry applies equally to purchases of these types for these Company-worked railways as well as to those for State-worked railways.

But as the Honourable Member is aware, the total amount provided by way of bounty under section 4 of the Steel Industry (Protection) Act is limited to 7 lakhs in each year. It is this that limits the number of wagons to which it is possible to attach a bounty, and if the number of wagons required by the State-worked railways and these Company-worked railways altogether exceed the number to which the bounty can be attached, the balance has to be ordered abroad, unless tenders are received from Indian firms at prices, and under conditions, which admit of their acceptance in accordance with the Stores Purchase Rules.

THE HONOURABLE MR. PHIROZE C. SETHNA: Has the number of wagons required been such as to exceed the amount of bounty which is offered?

THE HONOURABLE MR. D. T. CHADWICK: The amount of bounty, as the Honourable Member will realise, is not fixed so much per wagon; it is fixed by the total amount of the bounty available. The amount of bounty therefore that is needed per wagon depends upon the difference between the tenders of the Indian firms and of firms outside India. If there is a wide disparity between these two prices, the total sum is used up more quickly and the total number of wagons which can be ordered in India under the bounty scheme is reduced. If the disparity is small and the tenders approximate to each other, it is possible to spread this bounty over a much larger number of wagons. That accounts for a certain amount of variation.

THE HONOURABLE MR. PHIROZE C. SETHNA: If the number of wagons is very large and the amount of bounty, namely, 7 lakhs, insufficient, will not Government consider the advisability of approaching the Legislature for increasing the grant from 7 lakhs to a higher amount?

THE HONOURABLE MR. D. T. CHADWICK: I think the Honourable Member is under a certain misapprehension, probably from my answers. The number of wagons that have to be ordered abroad is not so excessive. And secondly, the Tariff Board strongly recommended and so the Wagon Building Industry in India desired that the bounty should be given to particular types of wagons. It is not much assistance to the wagon building industry to get small orders for a large number of varying types. The bounty is therefore utilized in regard to orders for the main types of wagons. Seven lakhs was the amount recommended by the Tariff Board.

RAILWAY WORKSHOPS.

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

(a) the capital outlay up to the last year of calculation available on each of the workshops attached to State-owned railways ;

(b) if there are commercial accounts kept for these workshops ;

(c) what is the amount of work turned out by each workshop ;

(d) if the workshops are fully occupied with work all the year round ;

(e) if the reply to (d) is in the affirmative, what steps the railways take for getting their work done when their own workshops are fully occupied ;

(f) if they pass on the surplus work to private enterprise ; and

(g) if any complaints have been received from private enterprise of unfair competition with them by the railway workshops?

THE HONOURABLE MR. D. T. CHADWICK: The information asked for is being obtained from the railways and will be supplied to the Honourable Member as soon as it is received.

APPOINTMENT OF INDIANS AS MEMBERS OF THE RAILWAY BOARD.

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

(a) the names and qualifications of the members of the Railway Board ;

(b) why no Indians have been placed on the Railway Board ;

(c) if it is suggested that there are no qualified Indians, what steps are Government taking to secure Indians to qualify for such position ;

(d) with such steps as the Government are taking, at what period of time in the future do they expect to have an Indian or Indians sitting on the Railway Board?

THE HONOURABLE MR. D. T. CHADWICK: (a) The Honourable Member will find the names in the Classified List, a copy of which is in the Library. The relevant qualification in each case was long and distinguished service on the Indian Railways.

(b) The Honourable Member is referred to the reply given to question No. 1621 in the Legislative Assembly on the 3rd September 1924.

(c) and (d). Government are taking special measures to improve the training of railway officers in India, but it is impossible to specify any particular date when an appointment of an Indian to the Railway Board will be made.

THE HONOURABLE MR. G. A. NATESAN: Is it suggested that after half a century of railway administration in India, there is not a single Indian qualified now to be safely trusted to sit on the Railway Board?

THE HONOURABLE MR. D. T. CHADWICK: The selection so far has been made from those who had experience as Agents and as Chief Engineers who were available, and in the present case I do not think there was an Indian who was qualified for this post in that way.

THE HONOURABLE MR. R. P. KARANDIKAR: May I know if steps are being taken to enable Indians to become Agents?

THE HONOURABLE MR. D. T. CHADWICK: I have just said, Sir, that Government are taking special measures to improve the training of railway officers of all departments of the Railway, Loco. Engineering, and Traffic.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Is it a fact that Rai Bahadur Ralla Ram (an exceptionally brilliant officer) retired after officiating as Chief Engineer, Eastern Bengal State Railway? Was his name ever considered for membership of the Indian Railway Board?

THE HONOURABLE MR D. T. CHADWICK: That must have taken place before my association with the Railway Department began, and I am afraid I have no knowledge whatever about it.

GRANT OF PASSPORTS TO TRANS BORDER TRIBESMEN ENTERING INDIA.

88. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly state whether any passports or permits are taken by trans-border tribesmen when entering India from the land borders and, if so, will they kindly state for the information of this House the conditions on which such passports or permits are granted?

THE HONOURABLE LIEUTENANT-COLONEL S. B. A. PATTERSON: The reply to the first part of the question is in the negative; the second part therefore does not arise.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: Sir, a Message has been received from the Legislative Assembly. The message runs as follows:—

"I am directed to inform you that the Bill to consolidate and amend the law to provide for the special protection in respect of civil and revenue litigation of Indian soldiers serving under special conditions, which was passed by the Council of State at their meeting on the 8th September, 1924, was passed by the Legislative Assembly at their meeting on the 9th February, 1925, with the amendments indicated in the attached statement. The Legislative Assembly request the concurrence of the Council of State in the amendments."

The statement of amendments and a copy of the Bill as amended are laid on the table.

RESOLUTION *RE* ANNULMENT OF THE NATAL BOROUGHS ORDINANCE.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, since I gave notice of the Resolution which I am now called upon to move, an influential deputation consisting of several very prominent members of both the Indian and European communities waited upon His Excellency the Viceroy and placed before him not only all the points that I might to-day urge in favour of my Resolution but also very many more. His Excellency's reply was marked by deep sympathy and a full determination to do everything in his power to get redressed the great wrong that has been done to Indians in Natal. As a member of that

[Mr. Phiroze C. Sethna.]

deputation myself, I returned quite convinced that the Government of India are in right earnest. They have already started negotiations and from the assurance given by the Viceroy I feel confident that he himself and his Government will leave no stone unturned till they have brought about an honourable settlement of this very vexed question. I am sure His Excellency realises . . . .

THE HONOURABLE THE PRESIDENT: Order, order. The Honourable Member must not make a speech. If, as I understand, he proposes to withdraw his Resolution, the rules require him to confine himself to a bare statement to that effect.

THE HONOURABLE MR. PHIROZE C. SETHNA: In one more sentence I will conclude. I think that Honourable Members ought to know the reason why I am asking for leave to withdraw the Resolution. All that I want to say is that we realise that His Excellency is fully alive to the fact that Indians look upon this question as a question of national honour, and we look to His Excellency and to his Government to do everything to vindicate that honour. His Excellency however explained to us that at this stage if any threats or denunciations were offered, it would embarrass the Government and perhaps imperil the negotiations. In view of that, Sir, I would request you to be good enough to ask the House to give me permission to withdraw the Resolution.

"This Council recommends to the Governor General in Council that he be pleased to urge upon the Home Government the expediency of taking such steps as may be necessary for the annulment of the Natal Boroughs Ordinance to which assent has been given by the Governor General of South Africa."

THE HONOURABLE THE PRESIDENT: The Honourable Member has not moved his Resolution, and therefore it is not necessary to ask for leave to withdraw.

THE HONOURABLE MR. PHIROZE C. SETHNA: Then, Sir, I do not move the Resolution.

RESOLUTION *RE* UNIVERSITY TRAINING CORPS.

THE HONOURABLE RAZA SIR RAMPAL SINGH (United Provinces Central: Non-Muhammadan): Sir, I beg to move the Resolution that stands in my name and runs as follows:—

"This Council recommends to the Governor General in Council to be pleased:

(*a*) to raise the strength of the University Training Corps so as to meet the demands of the Universities of different provinces for giving military training to such of their students as are physically fit; and

(*b*) to extend to the members of the University Training Corps the same privileges as are being enjoyed by the members of the Auxiliary Force."

Sir, I am aware that a Committee was appointed to go into the question of the Auxiliary and Territorial Forces in India, to make recommendations regarding them, keeping in view the removal of racial distinctions, their efficiency and effectiveness as well as their attractiveness. Yet the report of the Committee is not out, but it is expected to be out within a few days as would appear from an answer given to a question in the other House. Under these circumstances it might be considered that it would have been better if I had waited for the issue of the report which, it may

be presumed, will assist the Government in the formulation of their future policy as regards the organisation, strength, facilities, etc., of the non-regular forces in India. What the recommendations of the Committee are, or will be, I am not in a position to tell; and out of those recommendations what will be acceptable to the Government of India and the Military Department with a view to give them practical shape, is equally beyond my power to conjecture. So for the above reasons I hope I shall not be considered to be inopportune in moving this Resolution because even if the report were to contain the same recommendation as my Resolution seeks to make, it cannot be said that the Government would surely give effect to it. So in case the report contains the recommendation, my Resolution will only add to its weight and, if not, it will draw the attention of the Government to one very important point ignored by the Committee. Hence the desirability of my Resolution in either case.

Sir, I do not think it is desirable or necessary for me to go into the detailed history of the Auxiliary and Territorial Forces in India—the latter of which includes the University Training Corps which forms the subject-matter of my Resolution. Suffice it to say that the various enactments which the Government of India passed from time to time for the formation of Volunteer Corps did not debar Indians from admission into those corps. But in practice this was not the case and very few lucky Indians could get admission into them. This uncalled for obstruction by executive orders on racial considerations was strongly felt by the Indians and from time to time representations were made to the Government, but in vain. The result was that there were no avenues for Indians of education, status and position to get military training of any kind. Only the enrolment in the cavalry and the infantry branches of the service and non-commissioned and commissioned ranks of the second order were open to certain classes on inadequate pay with no status. It was not possible for educated Indians having some sense of self-respect to join the Indian Army under these humiliating conditions, as it could not have added to their honour or materially benefited them. In this way the martial spirit, without which no nation can long survive, began gradually to wane in India. Even the classes from which enrolments were, and are, made cannot be considered to have retained and maintained their full spirit of chivalry and valour that distinguished them from others in former times. In these classes men who could any how afford to avoid enrolment never cared for it, and those who did, or do, join the army owing to pressure of poverty, had, or have, no great sense of that honour which service confers. I do not mean to say that the old martial spirit of these classes has altogether vanished. Their traditions, and feats of valour of their ancestors do still stand them in good stead and stir them with thoughts of heroism, and, as compared with others, they are still equipped with some of that spirit and can vie with other nations successfully on the battle-field. But it cannot be denied that there has come about a marked deterioration in their physique and inborn courage, and for this deterioration and general emasculation of the Indian people I hold the policy of the Government—both past and present—to be responsible.

Sir, under the Hindu rule a whole class was set aside as a special fighting asset of the nation. This duty was ordained to the Kshattriyas and the system served as a sort of voluntary conscription sanctified by the religious usage and tenets of the country. No Kshattriya could dar-

[Sir Rampal Singh.]

to defy it, as such defiance would have amounted to a moral sin. But side by side with this sort of voluntary conscription which regulated the conduct of the Kshattriyas only, there is ample testimony to show that other classes or castes were never debarred from rendering their quota of service in the defence of their motherland. In the days of the Hindu and Muhammadan rules military training was a very necessary and desirable accomplishment which nobody having some position in the country could ignore to possess. The example set by the highly-placed was emulated with alacrity by their dependants and others. Thus the military art was kept alive as a noble profession for the rich as well as for the poor, and it always used to get vitality from the honour with which it was looked upon by the people and the Governments. I regret to observe that that enthusiasm and ardour for serving the country and the Crown got more or less extinguished under the British rule. The result of this unwholesome policy leading to the above-mentioned state of things became apparent in all its nakedness during the War; and any man who had had something to do with recruitment will readily testify to the fact that recruitment could not be made in those days as briskly as it was desired; and though India supplied more than her quota of men it was not without enormous difficulties. If the military policy of the Government had been something different from what they had been pursuing, the War would not have lasted so long and India with the guidance of England would have subdued the enemy within a much shorter interval. It was not so much for the longer duration that the War took to finish that we so grievously deplored in our heart of hearts as for our utter helplessness to defend our own hearths and homes in those troublous times. If any emergency could have occurred which might have compelled the English to abandon the defence of India, what would have been her fate? Any adventurer from outside might have become her master, as the people had no capacity to offer any resistance. I would venture to urge that the Government of India ought to take a lesson in this respect from the experiences of the late Great War and do their utmost to prepare India for such an eventuality, God forbid, if it ever occurs.

Sir, repentance and correction come when the mistake is realised, and after long last during the War the exigencies of the situation induced the Government to enact the Indian Defence Force Act of 1917 which after the Armistice took the shapes of Indian Auxiliary Force Act and the Indian Territorial Force Act in 1920. A limitation has been put on the strength of the Territorial Force by the Secretary of State and the Military Department; and the prescribed limit for the present is only twenty thousand in all for the whole of British India. The progress so far made is not quite satisfactory according to some, as the prescribed limit has not yet been reached. I need not dwell upon the causes that are standing in the way. I have only to deal with the University Training Corps which forms a part of the Territorial Force. The Government of India have accepted the principle of having a second line of defence. The Esher Committee laid special stress on the importance of encouraging University Corps and even the Provincial Governments were not averse to their developments. The Universities have become conscious of their duties towards their students as regards military training. In my own province three Universities, I mean the Allahabad University, the Benares

Hindu University and the Aligarh Muslim University, have expressed their readiness to introduce compulsory military training for their boys who may be physically fit. The word "compulsory" need not cause any nervousness in the mind of the Government. These Universities are autonomous bodies and it is their look-out to see what is best for their students. The educative effect of such training cannot be overestimated. I may quote the latest publication of the Government, in support of my assertion, which says:

"The purpose of the University Training Corps is mainly educative, to inculcate discipline and form character. Incidentally they are expected to be a source of supply of both officers and men for the provincial battalions."

Can it be said that for good citizenship military training and the sense of good discipline that it engenders are not the most essential requisites? It would be unstatesmanlike on the part of the Government not to encourage and foster the very legitimate aspirations of the young educated Indians to obtain a training for the defence of their country. Sir, in essence the Government are pledged to carry out the scheme of a second line of defence, and it would ill behove them to show any half-heartedness or stinginess in meeting the demands of the Universities. The announcement of the British Government, the message of His Majesty the King-Emperor and the utterances of many responsible officers are ringing in the ears of the Indian people that the goal of the British Government is Swaraj; but Swaraj without developing the capacity of the people for self-defence is meaningless. Any indifference or lukewarmness on the part of the Government is sure to create discontent and give a chance to the people to infer that the policy is simply to delay the advent of Swaraj to an indefinite period. The present rate of progress in the Indianisation of the military services and the imparting of military training are calculated to take years and years before the end could be achieved. In a debate Sir William Vincent, the late Home Member of the Government of India, declared in emphatic words that if he were a non-official Member of the Assembly the one consideration that he would constantly have pressed upon the Government would have been the development of an Indian army officered by Indians because on that really rested very largely the future political progress of the country.

Sir, His Excellency the Commander-in-Chief while sympathetically dealing with the question of Territorial Forces on the 5th February, 1924 in the other House was pleased to observe:

"We therefore have a balance of 5,000 men still to make up. When these units get up to the total limit of 20,000 and when the experiment (for it is an experiment) has proved a success, I have no objection to advocate its expansion."

Sir, no doubt the prescribed limit has not even now been reached as far as my information goes, and there must be some special causes for that, but the response of the Universities has been substantial, adequate and all that could be desired, even though the conditions are discouraging and there are grievances and the sooner they are redressed the better. I wonder why the prescribed limit of 20,000 was not made up by enrolment to the University Training Corps. The other day while talking with my Honourable friend Aftab Ahmad Khan, who is absent to-day, I learnt that the boys of the Aligarh University are clamouring for admission into the University Training Corps but are not getting admission. I know on reliable authority that the same is the case in the Allahabad and Benares Universities. It is inexplicable why admissions are refused and even then

[Sir Rampal Singh.]

success questioned. If proof be needed for the disparaging circumstances under which University Training Corps are labouring I would simply refer to the reply given by the Government to a question put by Pandit Shamlal Nehru, M. L. A., on the 22nd January last, in the other House with regard to the Allahabad University Training Corps. It was organised in 1922 and the order for the issue of rifles was given in 1924, and yet, as far as I know, they have not reached them. Then, Sir, leaving all these things aside, I for one cannot agree that a scheme on which the betterment and the future national defence of India rests should be given a trial for trial's sake. It should be pushed through at all costs. It has a great vitality in it which should grow in strength provided the Government help and foster it with care and earnestness.

Sir, there is one aspect of the question on which I have not touched yet, and it is that the expansion of the Territorial Force or for the purpose of the Resolution the strengthening of the University Training Corps would entail expenditure which, in these days of retrenchments and economies, it is neither feasible nor desirable to incur. In matters affecting the vital interests of the Indian people the niggardly policy of the Government of India can find few advocates. You are expending between 50 and 60 crores, at one time up to 70 crores, over the regular Army for the defence of India, and you cannot afford out of that sum to spend a few crores over the organization and equipment of the irregular forces in India. Shall I repeat the oft-repeated aphorism "where there is a will there is a way". You have set your seal of appreciation to the desirability and necessity of the formation of a second line of defence, and now on considerations of finance it would not be proper for you to let the movement drag on a more than half-dead existence. The other House, I am sure, will never grudge any allotment on this item of expenditure.

Now, Sir, I come to the second part of my recommendation in the Resolution. I would not tire the House by going into details where the Territorial Forces, of which University Training Corps form a part, suffer in comparison with the Auxiliary Force, in status, emoluments, conditions of service and so on. Nothing is more galling to the sense of one's self-respect than to be subjected to and become a victim to race distinction anywhere, to say nothing of it in one's own country. It would be but a truism to say that education makes that sense of self-respect more sensitive, sharper, more keen than it is in the ordinary man with no rudiments of even elementary education. Now, Sir, it is hoping beyond hope that University Training Corps consisting of the undergraduates who, a few years after, are to become the leaders of the political thought and material and moral progress of India should swallow any disparity in privileges which may be enjoyed by any other community. Buoyancy in patriotism and self-denial for the sake of the defence of one's own motherland cannot have a free play if adverse conditions be created to smother them at the very outset. It is an admitted fact that the University Training Corps do not enjoy the same privileges, rights and concessions as do the Auxiliary Forces. So in the name of justice, in the name of statesmanship, I appeal to the Government and to this House to accept my Resolution.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, it is a matter for great congratulation that this subject of raising the strength of the University Training Corps has been brought up for discussion before this House by the Honourable Raja Sir Rampal Singh, a distinguished and a rich landholder, for it is evidence, if evidence were wanting, that upon this question of University Training Corps, men of all sections and of all classes and all interests are keen. The Honourable Mover very rightly pointed out that the Universities, almost without exception, have begun to take a deep interest in this matter, and he referred to the action of three Universities in India. I might state, subject to correction, that in the University of Bombay, a proposition for compulsory military training to University students was lost by one vote and in my own University, the discussion on the subject has been adjourned; and in almost every other University this question has been raised in some form or other. Having regard, perhaps, to some of the difficulties which are experienced by the Universities themselves and by the authorities, particularly the military authorities, in regard to the introduction of compulsory military training, I think it is a matter for great satisfaction that the Honourable Raja Sir Rampal Singh has moved his Resolution in which he makes a very modest and a very practical demand. In the absence of compulsory military training, I think it is reasonable to expect the State to give all facilities to students who want such training. To put it very briefly, and if I may say so, to put, as it were, the view of the country, if you have difficulties in providing for compulsory military training for all the University students, then give facilities to all students who are anxious to have military training. In one word, let no student, who is in the University and who is anxious to have military training, be denied the facilities for it. This is a very modest and a very practical proposal, and I am glad to associate myself with all that the Honourable Raja Sir Rampal Singh has said in regard to this question. Not only that, Sir, I want that this military training should not be confined purely to the infantry branch. I want that it should be extended to all branches, and I take it, when my Honourable friend moved his Resolution, it was his object also. Not only in infantry training should be given but instruction should be imparted in all the branches,—as you have in England in the case of the Officers' Training Corps,—training in India should also be given in all the branches. As a preparation for this,—and I would appeal to His Excellency the Commander-in-Chief who has on more than one occasion assured this House that he is deeply interested in promoting military training among Indian students,—if the scheme is to be successful at all, as they have in England, some attempt should be made, at least in some of the high schools, to have something like the Junior Training Cadet Corps which exist in England.

The second part of the Resolution is important. I am not one of those who believe that anything is gained by raking up the past history of this question or any other question in which perhaps the Government have not dealt with the people as justly and as rightly as they ought to have done. But having regard to the fact that the declared policy of the Government of India has been of late to give all possible facilities—and I only hope that facilities would be given quickly and in an increasing manner for military training—I do hope that the second part of the Resolution will elicit from His Excellency the Commander-in-Chief a very sympathetic answer that the University Training Corps should have the right to receive not the Viceroy's Commission like Subadar and Jamadar, but the King's Commission as well. That is exactly the implication of the request in the second proposition—to extend to the members of the University Training Corps the same privileges as are being enjoyed by members of the Auxiliary Force. As I am aware, not once, but more than once the Government of India, and particularly His Excellency

[Mr. G. A. Natesan.]

the Commander-in-Chief, have said that they are deeply interested in this question. I do ask them to accept this Resolution and to give such a satisfactory answer as will satisfy the public at large.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, the Honourable Mover has made two distinct recommendations in this Resolution. I support them both. I hope that there is not a single Member of this House who will dispute the first recommendation, in which he asks for an extension as also an improvement in regard to the conditions of the University Training Corps. The University Training Corps has been a success from the start, and this very success is an argument in itself for not only expanding it but also improving it. As the Honourable Member pointed out, the Territorial Force in this country, including the University Training Corps, is limited in number to only 20,000, with the result that many Universities which desired to have their own independent Corps have not been able to do so. I think, Sir, it is the duty of Government to see that every young student who desires to have a military training is afforded the opportunity for the same. Personally, I go much further as this House is aware, because of a Resolution I brought forward to the effect that compulsory military training in the country be enforced. That Resolution, however, was not accepted by this House. Universal compulsory military training may come later on, but until then I strongly support the view which was advanced by that eminent educationist, Dr. Paranjpye, and which so far has been followed by only the University of Allahabad, as far as I know, but I stand corrected as the Honourable Mover has told us to-day that besides the University of Allahabad, the University of Benares and also the University of Aligarh are in favour of every physically fit undergraduate being compelled to undergo a course of military training. The Honourable Mr. Natesan has referred to this question being brought up before the Bombay University, where, as he rightly said, it was lost by one vote. I do hope the day is not long distant when every University in the land will compel its undergraduates to undergo a course of military training.

But, Sir, apart from compulsory military training and besides increasing the number of the Territorial Force and consequently of the University Training Corps which would enable, I hope, every student to undergo a military course if he so desired it, I think there are other improvements which also ought to be taken into consideration. The Universities Conference met in May last and made certain recommendations which were embodied in a Resolution. The recommendations were six in number and were as follows:

(1) The institution of A and B certificates in University Training Corps and the overhauling of the system of granting Commissions in the University Training Corps.

(2) The military authorities should add to their subventions for the purpose of training camps, etc., and the Universities should supplement these funds.

(3) Some effort should be made to ensure closer working between the University Training Corps and the battalions of the Territorial Force.

(4) Sapper and medical units should be encouraged.

(5) Anglo-Indians should be permitted to enter the University Training Corps.

(6) The military authorities should hold out facilities to University Training Corps to take part in any rifle meetings and the like.

These recommendations as I have informed the House, have been made by a responsible body such as the Universities Conference and I trust therefore that they will meet with the sympathetic consideration of the authorities.

I now come to the second recommendation in the Honourable Mover's Resolution. He desires the extension to the members of the University Training Corps of the same privileges that are being enjoyed by the members of the Auxiliary Force. I would go further and I would say that the same facilities be afforded not only to the University Training Corps but to the Territorial Force at large. Sir, this is a vexed question. This is a question which affords a standing grievance to the public at large. It has not been ventilated in this House to the same extent as it has been in another place, and ventilated there by one who is held in high esteem both by Government and the public on account of the sober and sound views that he holds on all subjects, and particularly because he has identified himself with the subject of military training amongst Indians; I mean Sir Sivaswamy Aiyer. He has more than once drawn the attention of Government to the distinctions which do prevail at the present moment between the two forces, and he has suggested their removal. The distinctions are in regard to organisation, in regard to training, pay, bonus allowances, etc. Now, in regard to organisation, the Territorial Force at the present moment consists of only one arm of the Army, namely, the infantry, whereas the Auxiliary Force is fully equipped in all the different branches of the Army. This change is what the Honourable Mover, I take it, wants for the University Training Corps and which I claim for the whole of the Territorial Force. There is nothing in the Indian Territorial Force Act to prevent the formation of other arms, besides infantry, in the Territorial Force. If it is not there, the objection perhaps is administrative and not statutory. But whether administrative or statutory, I think the time has arrived for the entire removal of this distinction. Nearly five years have elapsed since both the Auxiliary Force Act and the Indian Territorial Force Act were enacted. There has been a growing and genuine desire on the part of young men to join them and it is the duty of Government therefore to encourage them as much as they possibly can. Government should therefore abandon any idea of distrust which they may have and should open other branches of the Army also to the Territorial Force, I mean particularly cavalry and artillery. Sir, I look upon the removal of this distinction as perhaps of greater value than the distinction in regard to payment of bonus, etc. And I do hope that this will be borne in mind and that His Excellency the Commander-in-Chief will be as sympathetic to the Resolution which my Honourable friend has put forward before the Council to-day as he was to another Resolution in regard to the University Officers Training Corps in England which I brought forward some days back.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to support the Resolution which has been moved by my Honourable friend, Raja Sir Rampal Singh. The Honourable Mr. Sethna and Mr. Natesan have dealt with the points very well, and I think that in a province like the Punjab, which finds the majority of

[Lala Ram Saran Das.]

the recruits for the Army, the extension asked for is mostly needed. I am sorry to observe, Sir, from the information which I have that the Members of the Punjab University Training Corps do not receive from the Government the encouragement that they ought to do. An officer of the University Training Corps applied for a King's Commission which was refused. The Punjab being a martial province needs special consideration in this matter. During the last Great War man power was greatly needed and so the British Government had to fall back on India for it. India has 310 millions of population and in case this Resolution is accepted and its policy adopted, a time will come when no power in the world will dare face the British power. With these remarks I strongly support the Resolution.

THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): Sir, I rise to support the Resolution which my Honourable and respected friend has recommended to this Council. Two years ago I moved a Resolution in the Legislative Assembly recommending that officers of Indian regiments should in future be appointed from amongst Indians, and His Excellency the Commander-in-Chief was pleased on that recommendation to announce the decision that 8 units of Indian regiments would be Indianised at once and he gave the hope that in future the number of those regiments will be increased. I do not know, Sir, what has happened during these two years, but I find that the spirit which is at present prevailing among the students and young boys is to join the Indian forces and they have the future prospect in mind of joining the army as officers. For the development of this spirit it is necessary that they must have from the very beginning a certain encouragement. I know there is a school at Dehra Dun for the preparation of students for the King's Commission, but the heavy expenditure essential for that school keeps back a lot of boys from going and acquiring that spirit which they inherit from their ancestors. My Honourable friend the Mover has very rightly pointed out that the material spirit has not altogether died out in the minds of the young boys who come from the martial races. The monetary circumstances and the absence of hope for the future prevent them from taking up a military career which would have been the most fitted for them. There are boys who in after life take up medicine, law and other professions, but from the very beginning they are only fitted to take up the military profession. I knew many boys when I was in college who would have been very suitable military officers if they had been so trained. I find them now in other capacities. It is those people who have military traditions behind them that long to join the army. But they cannot come in until this is developed in the Universities. When I used to read the history of the lives of great men nobody's life appealed to me more than that of Napoleon. I used to dream for a time of what a man can achieve. What is the result? Although I have taken up one part of Napoleon Bonaparte's life—for he was an excellent lawyer because he made the Code of France and I have taken up that part—I have been shut out from endeavouring to follow all his other achievements which under other circumstances could have been at my disposal. In the same way I find every boy in college handicapped. All my play-fellows were splendid cricketers and very good riders. They were good at hockey. Of course they were not good at their books. For them it would have been a splendid thing to have been officers in the

regiments. If they look to their forefathers they find that many battlefields have been won by their ancestors, and that is a great stimulus to them. They know that now at the most they can only rise up to a certain limit. They have got a social position which they cannot keep up by simply getting an appointment in the shape of Viceroy's Commission in the Army which brings them a very limited salary without any scope for the future. They do not get sufficient temptation to take up the profession for which they are made by nature. The case which has been put up by my Honourable friend the Mover will provide, if accepted, great recruitment for the Indian army from amongst the University Corps because a boy who goes to the University in the first year is about 16 or 17, and if his inclination is for military training and if he finds that he will be a good soldier and that he will have a good prospect before him, he will probably take up this profession rather than go and seek other professions for which he is not suited. I do not think that you cannot find among Indians great talents, bravery and capacity for acting as officers. Unless there is sufficient education, unless there is sufficient temptation, the young men will not go and take up this profession. General education is only limited up to the school class. After that, it is the character which is formed and it is only at that time that one can make up his mind for which profession he should go. So the best thing for the Army as well as for India and for the future defence of this country, as very rightly pointed out by the Honourable Member, is that these Corps should be opened to the boys in the Universities. Of course he makes a limitation that only those boys who are physically fit should be admitted; and I do not think therefore there will be any such thing as compulsion. I think all boys who are physically fit will join with great pleasure; those who enjoy the sports which they have at present, cricket, hockey and football—and in Aligarh, pig-sticking and riding and jumping—will readily join these Corps and they will be a good source for recruitment for the future as Indian officers for the Indian regiments, taking into account the school which you have got at present at Dehra Dun. You can select boys from amongst them and send them to Sandhurst or other places, as Government likes. But in the present circumstances I hope this recommendation made by the Honourable Mover will be accepted, as I think it is a very feasible and very practicable one from all the points he had in view. I do not know what His Excellency the Commander-in-Chief will say about the financial aspect of the question; probably the Honourable Mr. McWatters might get up to speak on this question; or His Excellency the Commander-in-Chief might find it inconvenient to say anything now and might like to give a reply after he has received the Report. But I think if he accepts the Resolution he will find it very good for his Army.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I have listened with considerable interest to the remarks that have been made not only by the Honourable Mover of this Resolution, but by the various Honourable Members who have spoken on this subject. They have travelled over a considerable area. They have touched upon many difficult and complicated questions, but I do not propose to follow them into the intricacies of Indianisation and other very knotty questions which they have referred to, for they are unconnected with the immediate subject of the Resolution. I find myself in considerable sympathy and I may say agreement, with some of the remarks of the proposer of this Resolution—I do not mean to say by that that I can accept the Resolution as it stands; but I do find myself in agreement with several of his arguments, and particularly

[H. E. the Commander-in-Chief.]

with what he said in reference to a certain committee which, as you all know, has been sitting for some considerable time and which, as I announced in this House about a fortnight ago, had already signed a unanimous report. I refer of course to the Auxiliary and Territorial Force Committee which has been sitting for the last four or five months under the presidency of Sir John Shea and who signed their unanimous report about a fortnight ago. The Honourable the Mover of this Resolution said that he could not tell what was in that Report and he could not say what the Government would decide upon it. I quite agree with him: I cannot tell you what is in that Report, neither can I tell you what the Government are going to decide upon it. But this I can say now, that many if not all the points that have been raised in reference to the Territorial Force and particularly to the Officers Training Corps which is the subject of this Resolution, are very carefully and very thoroughly dealt with in that Report. It is unfortunate that we have not been able to publish the Report before this debate took place, because Honourable Members who have spoken on this subject would then have had an opportunity of seeing the results of the work of this very important Committee presided over, as I said, by the Adjutant-General of the Forces, and a prominent member of which was Sir Sivaswami Iyer to whom an Honourable Member has already referred and who has most thoroughly gone into all the intricacies of this difficult problem and who in conjunction with the other members of this Committee has put forward recommendations in a unanimous report. Now, I find myself in some difficulty. I should like to accept the Resolution, but I fear I cannot. I am reluctant at the same time to oppose the Resolution, knowing as I do that the desires of the Honourable Mover as well as the desires that have been put forward by other Honourable Members are met to a very large extent by the proposals of the Committee to which I have referred; and I therefore find difficulty in respect of my attitude towards this Resolution. If I were an ordinary member of this Council and if this Resolution were going to be put to the vote, I feel that I should prefer to walk out of the House and not record my vote. I do not know whether it would be possible and in accordance with the rules of business to continue this discussion at a later date when this report has been made available to Honourable Members . . .

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Will Your Excellency tell us when the Report will be published?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: It will be published on the 24th of this month; it is in print and ready now and its publication has only been delayed owing to its being in the post for we cannot issue it until it reaches London. That is the only thing for which we are waiting, so I suggest, Sir, if it is in conformity with the usages of the House, that we might resume this discussion at some later date when Honourable Members have had an opportunity of carefully studying the Report.

THE HONOURABLE THE PRESIDENT: To put the matter in order, would His Excellency or some Honourable Member move formally that the discussion be adjourned to some date after the 24th February?

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): I move that the debate be adjourned to a date a fortnight after the publication of the Report. No useful purpose will be served by continuing the debate after what His Excellency the Commander-in-Chief has said, and there are many of us who would like to bring forward our views on the Resolution as well as the recommendations of the Report. It may be possible to move amendments to the Resolution in the light of the Report which might make this Resolution acceptable to the Commander-in-Chief. From that point of view, Sir, I move that this debate be postponed to a date a fortnight after the publication of the Report.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I would be quite prepared to accept that.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, I agree with what my Honourable friend has just said when he proposed the adjournment of the discussion. The only thing I am doubtful about is whether we should fix a time when it could be discussed—a week or fortnight after its publication. In March we will be busy with the Budget and other matters here, and it might be inconvenient to fix a stated time like a week or fortnight after the publication. I think we might move that the discussion be postponed until some convenient date after publication of the Report.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I should certainly like to put it in that general way, but it is not permissible to do so under the rules. If, however, the Honourable the President or the Honourable Member in charge of the department suggests some other date, I should be quite agreeable to accept it.

THE HONOURABLE THE PRESIDENT: I think the most convenient form of putting the motion is:

"That this discussion be adjourned to some date in the present Session after the 24th of February."

The motion was adopted.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE ON THE AMENDMENT OF THE STANDING ORDERS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, may I ask your leave to present the Report of the Select Committee which was appointed the other day to amend Standing Order No. 70.

(The Report was presented.)

STATEMENT OF BUSINESS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): I have already stated, Sir, that Government have no business to place before the Council to-morrow. On Tuesday next the Honourable Mr. Crerar will move

[Sir Narasimha Sarma.]

that the amendments made by the Legislative Assembly in the Indian Soldiers Litigation Bill, as passed by the Council of State, be taken into consideration, and the Honourable Mr. Chadwick will move for leave to introduce a Bill to amend the Indian Ports Act, 1908. On Thursday, the 19th February, the Honourable Mr. Chadwick will move that the Bill already referred to be taken into consideration and passed, and in the event of any Bills being passed by the Assembly in time to admit of their being laid on the table in this Chamber on Monday next, motions will be made that the Bills in question, as passed by the Legislative Assembly, be taken into consideration and passed. On the same day the Honourable Mr. Crerar will move for the election of panels from which members will be nominated to the Standing Committees attached to the Home and Commerce Departments, the Department of Education, Health and Lands and the Department of Industries and Labour, and I shall myself move that the report of the Select Committee, on the amendment of the Standing Orders, which I have just presented, be taken into consideration.

The Council then adjourned till Eleven of the Clock on Monday, the 16th February, 1925.

COUNCIL OF STATE.

Monday, 16th February, 1925.

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

QUESTIONS AND ANSWERS.

EXCLUSION OF INDIAN HISTORY FROM THE SYLLABUS OF THE QUALIFYING EXAMINATION FOR ADMISSION TO THE ROYAL MILITARY COLLEGE, SANDHURST.

89. THE HONOURABLE MR. HAROON JAFFER: Will Government be pleased to state whether Indian History has been dropped from the syllabus of the qualifying examination for admission of Indian students to the Royal Military College, Sandhurst?

If so, why?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The answer is in the negative. Although Indian History is no longer shown as a separate subject in the syllabus, it is included in the subject "British Imperial History", and forms an important part of the examination.

DEPUTATION OF SIR GEOFFREY CLARKE TO THE CONGRESS OF THE POSTAL UNION AT STOCKHOLM.

90. THE HONOURABLE MR. HAROON JAFFER: Will Government be pleased to state:

(a) whether Sir Geoffrey Clarke was an official representative of the Indian Government at the recent Congress of the Union Postale Universelle at Stockholm;

(b) who paid his expenses;

(c) what was the amount of those expenses;

(d) what are the details of the "victory" said to have been gained for India at that Congress?

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

(b) The Government of India.

(c) A sum of Rs. 17,376-9-8 has been booked in the accounts on account of the deputation of Sir Geoffrey Clarke to the Stockholm Congress. This included his deputation pay.

(d) At the Stockholm Congress, an attempt was made to deprive India and certain other countries of their right to vote at future Congresses. It was, in the belief of the Government of India, due in no small measure

to the representations of Sir Geoffrey Clarke that British India was recognised along with Australia, New Zealand, Canada and South Africa as an independent member of the Postal Union, and her right to a separate vote was permanently assured.

91. (THE HONOURABLE MR. HAROON JAFFER: I do not propose to put the question to-day as I understand that it will be more convenient to Government if I put it at a later date.)

ALLEGED CORRUPTION IN THE BENGAL COUNCIL.

92. THE HONOURABLE MR. HAROON JAFFER: Will Government be pleased to state:

(a) if they have seen the report that letters written by Ministers of the Bengal Council show the existence of corruption and jobbery in connection with the business of that Council;

(b) if so, what action do Government intend to take?

THE HONOURABLE MR. J. CRERAR: (a) Government have seen such reports.

(b) The matter is now under the consideration of Government.

AGE-LIMITS FOR THE I. C. S. EXAMINATION.

93. THE HONOURABLE MR. HAROON JAFFER: (a) Will Government be pleased to state if it is a fact that the Secretary of State for India has retained the present temporary age-limits of 21 to 24 years for the open competitions for the Indian Civil Services to be held in London in 1925 and 1926, pending the decision on the recommendations on this subject made by the Royal Commission on Superior Civil Services?

(b) Did the Government of India advise on or agree with this action?

(c) Why should the decision on the Commission's recommendations be delayed until after 1926?

THE HONOURABLE MR. J. CRERAR: (a) Yes.

(b) The Government of India agreed with the action.

(c) Decisions on the recommendations will not be delayed as long as the Honourable Member suggests. It is necessary, however, in order to give candidates sufficient notice, to take the regulations into consideration a year or more before the examination is held, and it for this reason that it is thought advisable to maintain the existing age-limits for the 1926 examination.

WITHDRAWAL OF FIELD SERVICE CONCESSIONS FROM INDIAN TROOPS ENGAGED IN WAZIRISTAN.

94. THE HONOURABLE MR. HAROON JAFFER: (a) Will Government be pleased to state if field service concessions have been withdrawn from Indian troops engaged in Waziristan against the Mahsuds?

(b) If so, why?

(c) Do Government intend to reconsider this decision periodically?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) Yes.

(b) Field service concessions were withdrawn with effect from the 1st April, 1924, as it was considered that, in view of the diminished intensity of the operations in Waziristan, the continuance of such concessions was not necessary.

(c) No. But the question of ameliorating the conditions of service in Waziristan is at the moment being examined by the military authorities.

SURVEYOR GENERAL'S SPEECH ON THE PRESENT METHOD OF THE DIVISION OF THE ADMINISTRATIVE WORK OF INDIA INTO DEPARTMENTS.

95. THE HONOURABLE MR. HAROON JAFFER: (a) Will Government be pleased to state if they have seen the report of the lecture of the Surveyor General stating that the present method of dividing the administrative work of India up into departments has led to fearful congestion and chaos?

(b) Was that an official utterance?

THE HONOURABLE MR. J. CRERAR: (a) Government have not seen a verbatim report of the speech.

(b) No.

RADIO-TELEGRAPHIC COMMUNICATION WITH THE UNITED KINGDOM.

96. THE HONOURABLE MR. HAROON JAFFER: (a) Will Government please state whether they have received from an Indian controlled company proposals for following the lead of the Dominions in connection with the installation of radio-telegraphic communication with the United Kingdom by means of the "beam" system?

(b) If so, have Government come to any decision on the matter yet?

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

(b) Government have communicated their readiness to grant a license to the Company in question, provided the Company enters into an agreement with Government. The Company has accepted this condition and it is hoped that the agreement will be signed without further delay.

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with rule 25 of the Indian Legislative Rules, I lay on the table a copy of the Bill further to amend the Indian Income-tax Act, 1922, which was passed by the Legislative Assembly at its meeting held on the 11th February, 1925.

MESSAGES FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

THE HONOURABLE THE PRESIDENT: I have received two Messages from His Excellency the Governor General:

(The Messages were received by the Council standing.)

The first Message runs as follows:

"In pursuance of the provisions of sub-section (3) of section 67A of the Government of India Act, I hereby direct that the heads of expenditure specified in that sub-section shall be open to discussion by the Council of State when the Budget is under consideration.

READING,
Governor General."

[The President.]

The second Message is:

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

Friday, February, 20th	*Presentation of the railway portion of the Budget, hereinafter described as Part I of the Budget, in both Chambers.*
Monday, February, 23rd	*General discussion in the Legislative Assembly of Part I of the Budget.*
Tuesday, February, 24th	*General discussion in the Council of State of Part I of the Budget.*
Wednesday, February, 25th ... *Thursday, February, 26th* ... ... *Friday, February, 27th* ... ... *Saturday, February, 28th*	*Voting of demands for grants under Part I of the Budget in the Legislative Assembly.*
Saturday, February, 28th, at 5 p.m. ...	*Presentation of the remaining portion of the Budget, hereinafter referred to as Part II of the Budget, in both Chambers.*
Tuesday, March, 3rd ... ... *Wednesday, March, 4th*	*General discussion in the Legislative Assembly of Part II of the Budget.*
Thursday, March, 5th	*General discussion in the Council of State of Part II of the Budget.*
Friday, March, 6th .. ... *Saturday, March, 7th* .. ... *Thursday, March, 12th* .. ... *Friday, March, 13th* .. ... *Saturday, March, 14th*	*Voting of demands for grants under Part II of the Budget in the Legislative Assembly.*

(Signed) READING,
Viceroy and Governor General."

February, 10th, 1925.

THE HONOURABLE THE PRESIDENT: With reference to the latter Message, which I have just read, Honourable Members will notice that Friday, February, the 20th, has been appointed for the presentation of the Railway portion of the Budget in this House. In view of that I think it would be convenient for Honourable Members if, instead of as usual holding a meeting on Thursday for the disposal of Government business, the Government business which would ordinarily be taken on that day be postponed till Friday, leaving Thursday a blank day.

AMENDMENT OF THE LAW RELATING TO INTEREST BILL.

THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): *I beg to move for leave to introduce a Bill to amend the Interest Act.

This Bill has once been introduced in the Legislative Assembly. Unfortunately, the Member who had introduced this Bill has not come to the present Assembly. This Bill had therefore to be stopped and no further motion could be made. The objects of this Bill are of course very limited. I only want this Bill to stop the accumulation of interest.

* Not corrected by the Honourable Member.

The Act which had been passed in 1918, called the Usurious Loans Act, No. X of 1918, gives extensive powers to the Court to curtail the rate of interest on all kinds of transactions, but one great point which has not been included in the Bill, and which is greatly wanted at present, is to stop the accumulation of interest beyond a certain limit. We find every day in the Courts that decrees are passed for sums 5, 6, 20 and sometimes even 100 times the capital amount which had been originally advanced; and although the rate of interest is very moderate, the accumulation continues and it generally affects the zamindar class of people greatly, because the zamindars are really very shy to part with their property, and once they have borrowed a sum they are always thinking that they will pay it off and they never like to pay it off by the sale of any of their property. The result is that the interest goes on accumulating and ultimately the whole property is sold instead of a portion of it. This is not the time for me to give this House specific instances which I would otherwise have quoted of decrees of different High Courts which had been passed within three or four years of the passing of the Usurious Loans Act of 1918. Before the advent of the East India Company there were two laws prevailing in the country. Muhammadans allowed no interest. Their personal law does not recognise any kind of interest at all. The Hindu law according to the Dharm Shastra limits the accumulation of interest to the amount of capital which is originally advanced. According to Hindu law no Hindu can claim higher interest than the principal amount which he has lent, and this law is prevailing at present to a certain extent in the Bombay Presidency, Berar, in the town of Calcutta and in most of the Native States, but it does not prevail in other parts of the country. A change had been brought about in the Interest Act in 1839 and then later on in 1855 when the Usury Repeal Act, XXVIII of 1855, was passed in the Council. At that time there was no Muhammadan and no Hindu in the Council. Therefore the popular views and the laws of both the communities, who are the chief communities living in India, could not be represented in the Council. The effect has been disastrous. If we take a census of the zamindars we find that the zamindary property has within 50 years passed out of the hands of the zamindars by nearly 90 per cent., and even to-day we find that the same thing is happening. Government have very wisely recognised this fact that protection should be given to those people who are zamindars and they recognise it in the shape of the Court of Wards Act. If a zamindar is not properly managing his property and the Collector of the district reports the matter to Government, the whole property is taken away from his management and placed under the management of the Court of Wards. So recognising this principle that protection is necessary to safeguard the property of the zamindars, there arises another side issue that under these circumstances even the Collector cannot take any action. In these circumstances unless there is an application made to the Local Government the authorities are absolutely powerless. So, Sir, recognizing the principle that protection is necessary I beg for leave to introduce this Bill in order to remove these defects. It might be said that if the rate of interest is one per cent. in six years it will double itself, while limitation is allowed for 12 years. This is the strong point against this measure. So it is curtailing limitation. But the real object is that, as the Courts usually pass a decree for six per cent., if the rate of interest is six per cent. then it will take exactly 12 years to accumulate up to that amount. So limitation does not operate in that respect if the rate of interest is small. But if the rate of interest is one per cent. and the debtor has not paid anything for 6 years, when the amount doubles

[Mr. Yamin Khan.]

itself, then the creditor should be obliged to bring his suit in order to recover the sum which he has advanced. This will be really forcing the creditor to sue before the expiry of his time. But if the debtor is a person who pays nothing for 6 years, then the creditor should be made to sue him. If the debtor goes on paying the interest annually then it will not accumulate to the amount of the capital sum for six years. What this Bill really desires to do is to make it impossible for the interest to accumulate to more than double the principal sum by providing that when it has reached the amount of the principal the creditor should be obliged to sue for it, and when the decree is passed then on the decretal amount it will go on accumulating at the rate of 6 per cent.; and in this way perhaps the big zamindars will be saved and also the smaller zamindars whose properties are passing away from their hands every day. The demand which is made in this Bill is not a new one to this Council. It has been proposed repeatedly in the United Provinces Council, but of course the local Councils have no power. Recently a Bill of far-reaching consequences was introduced in the Punjab Legislative Council.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): I rise to a point of order. I am not sure whether my Honourable friend is entitled at this stage, the introduction stage of the Bill, to discuss the merits of the Bill at such length and I solicit your ruling on that point.

THE HONOURABLE THE PRESIDENT: I think the Honourable Member in making his motion for leave to introduce is possibly going rather beyond the usual practice in this House in introducing a Bill. I was myself wondering what he was reserving for himself to say at future stages of the Bill without repeating himself. I am not sure whether the Honourable Member anticipates opposition and therefore thinks it is necessary to go into some detail. Of course he will realize that this is a purely formal stage, and that, in the absence of opposition, it is customary to use very few words indeed in asking the leave of the Council to introduce a Bill.

THE HONOURABLE MR. YAMIN KHAN: I am sorry, Sir, that my remarks have gone beyond the occasion. I only meant to say that this is not an isolated demand. It is the demand of the whole country. (*The Honourable Sir Maneckji Dadabhoy.* "Question?") Of course I have given the objects and reasons fully in the Statement of Objects and Reasons, and Honourable Members have probably read them. I beg the leave of the House to introduce the Bill.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, on behalf of the Muhammadans, and zamindars particularly, I rise to welcome the Bill.

THE HONOURABLE THE PRESIDENT: There is no necessity for the Honourable Member to welcome this Bill at this stage. At the introduction stage, the House is well aware only one speech is allowed after the Mover and that must be a speech in opposition.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Mr. President, I regret very much to be under the necessity of opposing this motion and

I shall explain my reasons for doing so as briefly as possible. The Honourable Mover has already informed the House that two measures, including provisions of the character detailed in this present Bill, have already been discussed in another place, and leave to introduce the Bill was in both cases refused. However, on the last occasion on which the matter was moved, the Government gave an engagement that they would consult Local Governments on this and one or two other connected matters. That inquiry has been carried out and the result has been that there is a preponderance of opinion on the part of Local Governments that it would be undesirable and by no means advantageous to proceed with the proposal. I have the utmost sympathy with the objects of the Honourable Member and I should be the last to deny the gravity of the evils which he desires to remedy. My only point is that his remedy is not the proper one. The rule of Damdupat is a very primitive, rough and ready rule. It may have been appropriate under primitive conditions when there was no law of insolvency, no law of limitation and no other means of controlling unconscionable usurious transactions. But as a principle of law to apply comprehensively to the whole body, with all their multiplicity and variety of loan transactions under modern conditions, it is by no means a suitable rule It involves very serious anomalies, one of which the Honourable Member has himself pointed out. It would be possible, for instance, under the application of this rule to allow interest at the rate of 100 per cent. if the action is brought at the end of one year. On the other hand, for a loan transaction covering a long term even a very moderate rate of interest having regard to the circumstances of the transaction might be disallowed. And as a matter of fact there is no more logical or consistent ground for limiting the total amount of interest than there is for limiting the rate of interest; and the question of limiting the rate of interest, as Honourable Members are aware, has been repeatedly investigated by the highest authorities, and invariably it has been decided that such a means of dealing with usurious transactions is impracticable. Moreover, this rule is capable of the easiest evasion. If a fictitious amount is entered as the capital sum, the rule ceases to operate. If the transaction is renewed so as to incorporate in the principal sums which should have been credited to interest, once more the rule fails to operate; and whether the pressure which might be brought to bear upon creditors to bring earlier suits than they would otherwise have done would generally be advantageous to the debtor is one which, I think, is extremely open to doubt. As a matter of fact—and I will not on the present occasion attempt to go into further detail—the Honourable Member's Bill does not accurately or correctly, or in a manner at all suitable for permanent legislation, state what the rule of Damdupat is. For these reasons—and I have, naturally, only touched very summarily and briefly upon the considerations which apply; they are however in my mind conclusive—I must with the greatest regret oppose the Honourable Member's motion.

THE HONOURABLE THE PRESIDENT: The question is:

"That leave be given to introduce a Bill to amend the Interest Act."

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): May I just point out, Sir, that the Honourable Member is under the rules entitled to a reply, if he wishes to avail himself of the provision.

THE HONOURABLE THE PRESIDENT: I think the Honourable Member might leave the Mover to look after his own interests. The question is:

"That leave be given to introduce a Bill to amend the Interest Act."

The Council divided:

AYES—16.

Aftab Ahmad Khan, Sahibzada
Amiruddeen Ahmad, Nawab Sir.
Barua, Mr. C.
Haroon Jaffer, Mr. Ibrahim.
Karandikar, Mr. R. P.
Muhammad Hussain, Mr. Ali Baksh.
Rampal Singh, Raja Sir.
Ray, Raja P. N.
Raza Ali, Mr.
Sarvadhikary, Sir Deva Prasad.
Singh, Maharaja Bahadur K. P.
Sinha, Mr. Sukhbir.
Umar Hayat Khan, Col. Nawab Sir.
Vedamurti, Mr. S.
Yamin Khan, Mr.
Zahir-ud-din, Mr.

NOES—21.

Abbot, Mr. E. R
Bell, Mr. J. W. A.
Berthoud, Mr. E. H.
Chadwick, Mr. D. T.
Crerar, Mr. J.
Dadabhoy, Sir Maneckji.
Dawn, Mr. W. A. W.
Froom, Sir Arthur.
Harnam Singh, Raja Sir.
Khaparde, Mr. G. S.
Ley, Mr. A. H.
MacWatt, Major-General Sir Robert.
McWatters, Mr. A. C.
Misra, Pandit S. B.
Mitter, Mr. K. N.
Muhammad Habibullah, Sir.
Patterson, Lieut.-Col. S. B. A.
Sarma, Sir Narasimha.
Singh, Mr. Charanjit.
Wacha, Sir Dinshaw.
Wild, Mr. A. C.

The motion was negatived.

RESOLUTION *RE* SUPPLY OF GANGES WATER AT AND BELOW NARORA.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, I beg to move the Resolution standing in my name, which runs in the following terms:

"This Council recommends to the Governor General in Council that a Committee of Members of both the Houses of the Indian Legislature and of officials be appointed at an early date to examine and report on the whole question of the supply of Ganges water at and below Narora and to advise as to the necessary quantity of unobstructed water that should be allowed to escape at Narora in order fully to meet the requirements of the situation created by the pilgrim traffic."

Sir, I hope that I shall not be voted as a super-fossil for attempting to raise what may be deemed a fossil-like question, in a House which in a flippant and unrepentant style, that passed unrebuked, has been called a House of "fossils." There may be an implication in that pitiful pleasantry which is not altogether dishonourable or discouraging, because I feel that in this House at least, one may with some confidence attempt to plead for a careful re-investigation of neglected causes that have been brushed aside on account of lack of organized timely and widespread protest. I am all the more encouraged because of the fairly favourable attitude taken by Government in connection with the question.

This question of the free and unrestricted flow of Ganges water from Gangotri to Ganga Sagar has long been holding the board, and Hindu public opinion, in spite of the somewhat restrained manner in which it has expressed itself, as it is accustomed to express itself in normal conditions, has been keeping itself actively to the fore. That such opinion has not been more aggressive is because of faith in the ultimate triumph of justice, and there have been indications during the past few months that justice will in the end triumph. Sir, a notable volume of literature has gathered round this question which, by itself probably might be a support of the plea of "settled fact." I submit, however, that investigation of some aspects of it will make Honourable Members hesitate as to whether the theory of "settled fact" ought to be maintained in this matter. I decline on behalf of the Hindu community of India that I seek to represent in this connection, and specially of Bengal, to accept as final the resolution of the Government of the United Provinces in August last declaring certain doles, if I may so call them, of Ganges water at Narora that are altogether insufficient to meet the purposes, certainly of Bihar and Bengal, though the United Provinces might be content with them. (*A Voice*: "No. It is not content.") That assertion of a Member from the United Provinces strengthens my position. It certainly does not meet the demands of the Northern India Hindu opinion and of the large Hindu public that flock to our places of pilgrimage from all parts of India during various festivals. That point of view throughout the controversy has strangely and regrettably been neglected, and from the all-India point of view I say the question should be examined carefully by a representative all-India committee such as this House may recommend to the Governor General in Council.

I am no very great believer in the committee procedure, unless when one wants to shelve a question, nor do I believe that a preliminary committee in regard to a question like this would be necessary merely because a volume of literature has gathered round it. I know attempts have been made in that direction in the near past but with no notably brilliant results and they are not likely to be repeated. A restricted committee of the United Provinces Government has sat and deliberated and necessarily ignored the entire question other than what affects the United Provinces problem. Even that problem, we are told, has not been fully met, and I submit that a Committee of representatives of this House, of the other House and of officials should investigate the whole of the question from the point of view of all-India Hindus.

While the rest of India had not realised and recognised what was being done and what the effect would be, the United Provinces authorities had taken drastic steps for diverting the water of the upper Ganges for irrigation purposes from below Hardwar and much later at Narora a lower Ganges diversion was made with more disastrous results from my point of view.

The controversy divides itself into three broad sections, one of which may be called the Hardwar section, with which I need not trouble the House at present. Very powerful opinion was voiced by the Princes and people of India alike in regard to this restricted question, and Lord, then Sir James Meston, Lieutenant-Governor of the United Provinces, at a conference held at Hardwar arrived at a solution that was acceptable to the sections of the public that were then represented. Sir James Meston was careful, however, to explain and declare that in that settlement was not included the controversy regarding the second outlet at Narora. The

[Sir Deva Prasad Sarvadhikary.]

importance of the Narora question from the Hindu point of view had however pressed itself upon Lord Hardinge, who desired that Hindu opinion should be placated as far as possible and Lord Meston was good enough to say that, although he could not deal with the matter because it had passed out of his hands into the hands of the Government of India, he would make representations on behalf of the Hindu public to the Government of India. Questions had been asked here I believe or elsewhere, which did not elicit clear information as to what was being done, excepting that a 2 feet notch or something like that was opened at Narora. The public grievance about the insufficiency of this gathered force. The question came to be ultimately decided by the Government of the United Provinces by the resolution of August last to which I have referred and which is unsatisfactory. My submission, Sir, is that having regard to the fact of the unsatisfactory nature of that decision, the Government of India have a clear duty in the matter and no amount of devolution rules or interpretations of rules about transferred subject and provincial subject machinery will help them in divesting themselves of that power, of that responsibility and that obligation, having regard to the fact that the Ganges is not the sole and exclusive property of any Government, certainly not of the United Provinces Government. At least three Governments and three Provinces including mine are interested in it, and therefore some central body will have to intervene and give its *imprimatur* regarding the requisite and necessary relief when a strong plea is put forward like this.

If I may anticipate for a moment some reference to the concessions by Sir William Marris's Government, for which we are thankful so far, one of them is an arrangement to release at Narora a slightly larger volume of water on the Amavasya, Sankranthi and certain other sacrosanct days in addition to the normal supply detailed in the Resolution. Religious and other bodies have been invited to submit a list of such dates but they have not yet complied, because I believe they do not accept the principle of the doles. But supposing a list was ultimately framed which was not entirely a United Provinces Government list, but was framed in consultation with the other Provinces also, a moot question would arise as to the date on which the requisite dole would have to be released at Narora, to be ceremonially available at all the important places on the requisite days. Take for instance the distance of Benares from Narora, which I believe is 400 miles. Ganga Sagar and Kalighat which are sacred from the point of view of those who resort to them are situated at much greater distances. My knowledge of hydraulics and hydrostatics is fairly rusty, and I would not undertake to tell the House what time it would take for that released dole at Narora to reach down to Ganga Sagar, which must be long after the festival had gone by. Therefore, the fiction remains and is accentuated all the more, in that attention has been called to the state of affairs in a very pointed fashion. Of course, if according to homœopathic principles released water were to gain in efficacy and virtue according to the weakness of the dilution and the length of distance, it may be that Ganges water released at Narora and reaching Ganga Sagar 15 days after the festival would acquire greater efficacy and virtue. That is a point of view that the Hindu community is not going to accept and if the agitation to-day is not as strong as it might be it is, I repeat, because the Hindu community believe that ultimately justice will be done to their claim when matters are pointedly brought to the notice of the Central Government.

The Hardwar conference probably settled the Punjab aspect of the question. But, when Sir James Meston agreed to have released 600 cusecs of water, that means 600 c. ft. per second, for use of what happens to be the section between Hardwar and Narora it could not have been intended that this volume should be intercepted lower down, taking away with the left hand what the right had given. The 600 cusecs of water which the Princes and Peoples' conference got agreed to being released at Hardwar is not made available for more than the small section between Hardwar and Narora, and the whole of the reach below Narora is starved even under the improved arrangements that have been proposed. As soon as the Narora dam has been reached, this 2 feet notch and such other concession as have been dealt with by the resolution of August last is supposed to allow all that is to be made available for places below Narora including places like Cawnpore, Allahabad, Benares, Patna, Calcutta, Ganga Sagar, which is most unsatisfactory. Therefore the problem is entirely unsolved so far as the lower reaches are concerned, and I submit it must be solved. I cannot refuse and I do not refuse to recognise the interests that have arisen. Fully recognising them, and taking them into consideration, I believe a solution is possible and that is my object in asking that a committee such as I indicate should go into the whole question and advise Government as to what can be done without any violent prejudice to the interests that have arisen, and at the same time without prejudice to the larger interests that have been so far neglected. At the same time we must recognise that such recognition of vested interests can be only within due limits and with due regard to the other interests that I speak of. I do not want to weary this House at this stage with details of riparian law and the rights of the lower reaches. With regard to smaller streams there has been misery-making litigation and sometimes even riots have taken place. With regard to the larger streams these questions have been happily rare Take the case of the Brahmaputra, for example, which has no sanctity except upon given dates and there questions like this cannot arise particularly having regard to the tremendous volume. Honourable Members will however notice the dispute between the Madras Government and Mysore, purely on economic grounds, about the Cauvery waters. There have been litigation and arbitrations. There have been also questions that will not to that extent arise in connection with this case, because the exigencies of the case as well as the importance of matters from the economic point of view are less. I hope therefore that owing to the comparative simplicity of the issues, the Government of India will recognise their obligations and insist on the right thing being done to the Hindu community more generously. A compromise far better than what has been arrived at by the United Provinces Government purely from the United Provinces point of view is needed and would be possible. If an inquiry is undertaken I am assured on fairly high authority that I am prepared to accept it will be demonstrated that there is a considerable amount of avoidable waste which if stopped would by itself help the lower provinces to get what they consider to be their rightful due in the matter. I shall not labour these details now because they are matters which would come within the purview of the committee if it comes to be appointed.

I submit again that matters cannot be dealt with on a narrow sectional economic basis of one particular province which happens to have so far been allowed to get the best of it. The issue is a much larger one. The matter is not merely sentimental, it is not even merely hygienic. They are

[Sir Deva Prasad Sarvadhikary.]

all that but what is more the controversy is based on religious beliefs and convictions that cannot be ignored or trifled with.

To show the gravity of the question from the Hindu point of view I need not go to witnesses other than Sir William Marris himself. Good Christians will remember the virtue and efficacy of baptism, whether by sprinkling or total immersion. The virtues of baptism were known to Hindus ages and ages ago; only their baptism has to be daily and in live waters, such as the mother Ganges provides, and that is where our difficulty comes in. Few rulers know this better than Sir William Marris, with his long experience and his fine classical tastes and training which he still keeps up. I fully trust that he will recognise the needs of the situation. I shall quote him with regard to the depth of feeling of Hindus in regard to religious questions. In August last replying to an address of the Bharat Dharma Mahamandal His Excellency was pleased to recognise that "A Hindu values religious freedom more than worldly possessions.". A year before that pronouncement was the report of the committee of non-official members of the United Provinces Legislative Council and their advice was partly accepted and partly rejected on the ground of adverse representations received from people concerned in the irrigation areas, including Hindu *raises*, who objected to sacrifice of revenue to any considerable extent and to other consequences following upon shortage of water. It is notable that that committee included a Muhammadan gentleman of distinction who was prepared to concede that 300 cusecs of water should be allowed if there was no large loss of revenue and he was prepared to recommend that 200 cusecs of water should, in any case, be allowed. The apprehended loss of revenue, if the whole of the recommendations of the committee were accepted, would be according to the resolution 2 lakhs besides other consequences that would follow to the tenant. Sir William Marris is prepared to sacrifice revenue to the extent of a lakh and a quarter. The difference is therefore about three-quarters of a lakh, and I submit that for an apprehended loss of revenue of that kind and even because of apprehended loss to tenants to some extent, Hindu public opinion ought not to be antagonised and the unanimous recommendation of the committee, including a Muhammadan gentleman, should not be partially rejected. It cannot be said that the loss of revenue, in the words of that Muhammadan gentleman, is "large." And I have shown it is possible to stop a lot of wastage of water, quite apart from other remedies that have been suggested from responsible quarters. It is not necessary therefore to interfere with the irrigation schemes of the United Provinces to any considerable extent.

However, this policy of cut and clip and curtail has been adopted in this resolution which is our grievance and in regard to which we approach the Central Government which had made it clear some time ago that Hindu opinion in the matter will have to be fully taken into account. As to how far Hindu opinion has been consulted I shall let the committee speak for itself:

"The Committee are fully satisfied that the decisions of the Government of India in regard to the religious conviction of the entire Hindu community of India have not been given effect to at the Narora head-works of the Lower Ganges Canal and the arrangements there are not only not a compliance with the said decisions but may be taken by a large section of the Hindu community as an insult to their religious feeling in the matter. . . . The condition is most unsatisfactory and to the Hindu mind most distressing."

That was the finding of the committee in 1923 and one of the members Mr. Parameshvari Dayal gave it as his opinion that there would be no great loss to the Irrigation Department. That that is so we have seen from the figures.

The committee has shown, and that verdict has not been challenged in any way by the resolution of the United Provinces Government, that what has been done there does not meet with the requirements of the Hindu community. I submit that in this matter the United Provinces Government have failed as trustees of the Government of India and the residuary obligations of the latter have still to be discharged.

With regard to the constitutional aspect of the question I do not think much need be said, because having regard to the all-India character of the Ganges the United Provinces Government are not the sole arbiter of the situation. A short quotation from Sir James Meston's speech will show that the outstanding matter was, and I believe still is, in the hands of the Government of India. Sir James said:

12 NOON.

"I wish to bring to your notice that all reference to Narora has been omitted from settlement, the reason being that the question of Narora has passed out of my hands and gone into those of the Government of India. But I will undertake that the wishes of the All-India Hindu Sabha are placed before the Government for their consideration."

Regarding the all-India aspect of the question I could not do better than to read an extract from one of the circulars of Mehta Buldeodas Vyas on behalf of the Bharat Dharma Mahamandal issued not long ago.

"The ordinary people cannot understand the hard technicalities and the terms of the canal department. Even the word 'Fishladder' is misunderstood by many unless explained. But their religious sentiment is deeply touched when they do not get the holy Ganges water for bathing and drinking. They understand so far that they have been deprived of their sacred water owing to irrigation canals. Against this comes the question of the loss of irrigation revenue of the Government of the United Provinces. Should the benign Imperial Government neglect the claim of the entire Hindu community of the whole of India in enjoying their sacred Ganges water for purification of their body and soul for a loss of little revenue of the Local Government of the United Provinces? Should the sacred property of the whole of the Hindu community of India be utilised by one Local Government for its little prosperity by wounding the religious feeling of the vast Hindu community? The irrigation question even if it proves some loss, touches a limited number of people who are insignificant as compared with the vast majority of the Hindus living in India or outside and even to the dear respected souls of those that are no more with us in this world."

I do not want to identify myself with the estimate of these interests being insignificant. No interests are insignificant and due care has to be taken to see that as far as possible and within due limitation what is possible is done to meet them.

Babu Buldeodas was not content with being merely sentimental and did not conclude without making some concrete suggestions as to how the difficulties of the situation may be met and some of the remedies are as follows:

"The Irrigation Department can remedy this first by controlling and regulating the waste of canal water near Cawnpore and Aligarh districts and, secondly, by making arrangements to feed the lower Ganges canal by Sarda canal if necessary, or thirdly, by closing some of the feeding channels temporarily, or fourthly, by arranging the supply of water from some of the big reservoirs of water in the Himalayan range and lastly, by making such arrangements for damming the minor tributary rivers in the Himalayas for a certain period and then opening them one by one during irrigation season."

[Sir Deva Prasad Sarvadhikary.]

That was at the end of 1922. Since then I am told the Sarda Canal has been so constructed that the possibility suggested above is now somewhat remote. But this suggestion was before the Government at the time and the Sardar Canal might have been so designed as to afford a remedy. However, Sir, it is not possible for us to suggest in this Council as to what should be done. If a Committee is appointed it will go into these things and see how the requirements of the Hindu public and the United Provinces Government can be met without derogation and prejudice to the one or the other.

We hear a great deal now-a-days of the need for improving our waterways and our water power. I do not know that we can come back to the days of old when the Ganges was a main stream of communications. People still live who saw steamers come up to Mirzapore, Allahabad and Benares and other places. One does not know how the diversion of water at Hardwar and Narora and construction of various bridges, had a deleterious effect on such communications. This is no place or time to go into those questions, unless to show that there have been factors and interests with which the engineers of the Irrigation Department did not reckon. There are important economic aspects in connection with the shrinkage of this water route which cannot be ignored and my object is to draw attention to this.

To the Hindu mind what the Ganges is or was is depicted in the beautiful odes of Sankaracharya, Valmiki and Kalidasa who have immortalized her glories in never-dying poetry and her daily need to the Hindu in his ablutions and adorations. Even Bishop Heber sang of such glories. All that is now reduced to more or less a fiction and instead of proclaiming those uplifting and beautiful traditions, the latter day propagandist poetasters are permitted now to effuse:

> "Along the Ganges Rank on Rank
> The opium poppies flame
> Six hundred miles on either bank
> Red with a nation's shame."

This is indeed rank and the critic's comment about the Indian poppy not being of the flaming Flanders' kind and about the poppy not being largely cultivated on the river banks may or may not be *apropos*; but effusions like this bring us back and down from the ideals of our great poets and sages; the latter day poetaster shows what in public eye the Mother Ganges has come to. Those who attempt to take liberties with the holy mother will remember the short shrift accorded to amative *Airavat* of old in his attempts to be familiar. The recent flood devastations in the upper reaches of the river may make engineers pause and think as to what the consequences of undue interference with her natural course may some day be.

We may well refrain from rhapsodies now and I invite this Council to help in restoring some of the Ganges' pristine glories and virtues once more. The Bhagarit of a later day will have to be more than a sentimentalist bent on the salvation of the ashes of King *Sagars'* hapless sons, who were sixty thousand in number and were his forefathers. He will have to be an engineer and a scientist. He will have to consider and combat materialistic people who want to monopolise the waters of the

Ganges for irrigation and such other purposes and plead vested interests; he will have also to make these materials realize that there are, as there ever have been, other purposes for which that holy water is needed. And I say it is possible to do this. If Honourable Members will take their minds back to what eminent Scientists like Professors Haffkine and Hanniken said regarding the virtues of the Ganges water after experiments which they carefully carried on during a dire cholera epidemic at Benares, there is something in the virtues of the Ganges water that baffles scientists, that unaccountably purifies all that it comes in contact with. But in order to be able to do that this river must have that free unimpaired flow without which the Ganges water does lose much of its virtue. Canals will not be able to do the duty which a free flow is said to achieve. In my callow days I remember six months storage of water was possible in Calcutta, water kept in large earthen jars. But now you dare not let the Ganges water stand for six hours. Microbes of a terrible kind infest it. Probably our septic tanks have partially contributed to that state of affairs, but restriction of flow is the chief factor.

I would not complain of the existing state of things only on the ground of sentiment, or even of religious belief, but I do so from the point of view of health also. The lower provinces have suffered much in this direction because what we have now as the Ganges water is a collection of ditch water and tributary water into which a small dole of the Ganges water may have been put in and which it is hoped will attain virtue and potency as it travels from its source.

THE HONOURABLE THE PRESIDENT: The Honourable Member has reached his time-limit.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: I am looking at the clock, Sir, and I am coming to a close. I have not much more to add except to put in a powerful plea, as powerful as I can, on behalf of the Hindu public, particularly that of Bihar and Bengal, and to request that a committee such as I have suggested should be appointed to go into the question from all points of view and see how all interests can be reconciled.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, being a representative of the Muhammadans of the Punjab, I support the Resolution whole-heartedly. Though it is only a Hindu question, the Hindu community is our brother community and we ought to help them as much as we can.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I rise to support the Resolution before the House. I came across certain references in the admirable compilation just brought out by Professor Rushbrook Williams. The reference to the canal appears on pages 161 and 162 of "India in 1923-24". I tried to understand the situation. There is an upper Ganges canal at Hardwar, and I have come to know from the details supplied that a certain quantity is allowed to escape at Hardwar. I wanted to know the reason why that quantity was allowed to escape. Perhaps from the reply we might get from the Government side we will be in a better position to judge the whole situation, but coming nearer to the question of the lower Ganges canal at Narora I find from the references which I have just quoted that an additional supply of water is diverted by another construction which supplies

[Mr. R. P. Karandikar.]

the lower Ganges canal. That may be a reason for the Irrigation Department of the Government concerned to control the flow of water at Narora, and in view of the difficulties thus caused it was I think reasonable on the part of those immediately interested in maintaining the supply of water to form a Committee as advised by His Excellency the Governor of the United Provinces and to come to a certain decision. The recommendations of the Committee so formed were dissented from by that Local Government. A Muhammadan member and another gentleman belonging to this Council also gave their own opinions. The Government, it seems, were forced by the exigencies of the irrigation requirements to reduce the flow of water to more than what was recommended by these gentlemen. Hence I think the people have a real grievance. On the one hand we have to consider the Hindu sentiment supported by spiritualism, and on the other hand we have to consider the temporal advantages. It may perhaps be out of regard for irrigation schemes that Government are forced to ignore the kind of sentiment that has been expressed by the Hindu community generally. But there is a relieving feature in that an Honourable Member belonging to this House, belonging to the Muhammadan faith, has seen it reasonable to give his whole-hearted support to this Resolution. While there is a great deal of sentiment which centres round Hindu opinion on this question, it is also a question that has to be considered by the whole House, and I do really think that this is the House which can conveniently consider this question, where there is a difference between the public of a province and the official head of that province in regard to a certain measure. Under these circumstances I think it is but a modest request made by this Resolution to appoint a Committee. We do not ignore the existence of the other House, though perhaps the other House at times may think it reasonable to ignore this House. It is therefore proposed that Members of both Houses as well as officials, which latter will represent the views of the Irrigation Department also, should confer together in coming to a certain conclusion. With these few remarks I do hope that this House will accept this Resolution.

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): Sir, I am afraid it is my duty to oppose the Resolution and to oppose it as emphatically as I can. Sir, I listened with care and with a great deal of attention to what my Honourable friend, Sir Deva Prasad Sarvadhikary, urged. I do not want to go into the constitutional question for more than a minute or so, because I want to deal with the question on rather wider lines. The constitutional issue was raised by the Honourable Sir Deva Prasad Sarvadhikary. It is not of course a question between one province and another, and I cannot see that that question arises at all. It is not a question between the United Provinces and Bengal or Bihar. I do not suppose my Honourable friend means to suggest that there is not enough water in the Ganges when it leaves the United Provinces to provide for all the necessary purposes—for the pilgrim traffic or other ceremonial and religious purposes. Whatever you do at Narora can make no difference to that. If there was no Lower Ganges Canal at all and no dam across the river at Narora, the volume of water which passes down when the river leaves the United Provinces would not be materially affected in any way, nor even the proportion of that water which has flowed unfettered from the source of the river. The total volume

of water at Narora in an average year is very considerably below 2,000 cusecs, whereas there are large tributaries which join the river lower down, and the Gogra itself, which joins the river just after it passes out of the United Provinces, has a discharge of well over 20,000 cusecs itself. Numerous other tributaries join the river in the interval; they are of course very large streams, so that the proportion is not affected. It is not therefore an inter-provincial question. But I quite realize that the only question which concerns the Government of India or this Council in this matter at all is the question of Hindu religious sentiment. That is a matter which concerns everyone and it is only that portion of the question which can be discussed, and I shall try and devote my whole attention to proving, if I can, to this Council that the requirements of Hindu religious sentiment in this matter have been as fully met as they can be in the circumstances of the case. Now let me give as briefly as I can the history of this question. I want to go a little further back than my Honourable friend did, because there are two or three points in the previous history of the question which I think will emphasize my argument that the requirements of religious sentiment have been met as adequately as possible. There are four dates in connection with this question which I should like this Council to bear in mind: 1878, 1914, 1916 and 1923. The dam across the river at Narora was constructed in 1878 to divert the waters of the Ganges into the Lower Ganges Canal. That canal and that dam performed their functions for nearly 40 years without any opposition, without any question having been raised by the Hindu community. It was not until 1914—that is my second date—that any question was raised in this matter at all. It was raised, when a somewhat similar question was under discussion about the new headworks of the Upper Ganges canal at Hardwar at the conference to which my Honourable friend referred. The Hardwar question does not enter into this controversy at all. That has been settled. But the question of Narora was then raised for the first time by the leaders of Hindu opinion, who said that it was objectionable to their religious sentiment that lower down the river, where the Lower Ganges Canal takes off, there should be a complete fettering of the water. I mention 1914 and what was said then particularly for one purpose; that it was then very definitely stated by the leaders of Hindu opinion that their objection to the arrangements at Narora was aimed at the intervention of gates or moveable sluices right across the river bed, and it was then definitely stated by the leaders of Hindu opinion that however small the flow of water, if an opening could be made in the dam, however small, to pass water down unfettered, their objection would be removed. The Local Government realising fully the genuineness of this sentiment did in 1916 meet it by creating what my Honourable friend calls the Narora notch, which was a 2 feet opening allowing for a free, uninterrupted flow of water calculated to pass down 24 cusecs. That was in 1916, and I think the Local Government then thought that they had come to a final conclusion of this very troublesome question. Later on, about 2 or 3 years later, the Hindu community desired this matter to be re-opened and what they then asked for was quite a new demand, it was no longer a demand for a portion, however small, of the sacred river being allowed to pass down untouched or unfettered by the hand of man from the source to the sea. That had already been met. The new demand was for something much bigger; it was for a full fledged stream sufficient to provide for wholesale bathing just below Narora, sufficient to provide for the carrying away of ashes and so on. Whatever may have been the case at Hardwar, this new demand, whether considered from

[Mr. A. H. Ley.]

a practical or a sentimental point of view, was a little difficult to substantiate. Narora itself is a place of no importance whatsoever except as the headworks of the Lower Ganges Canal, but a little lower down, four miles lower down, there is a little place called Ramghat which has from time immemorial been a centre of pilgrim traffic. But I want to say in passing that the popularity of Ramghat, which has really given rise to this trouble, as a pilgrim centre has considerably diminished of recent years mainly owing to the opening of the railway above Narora at Rajghat, which is a much more convenient place for bathing and more easily accessible. So that even from the sentimental point of view the grounds for asking for a further revision of the question were not so strong as otherwise they would have been. The Local Government, however, fully realised the force of Hindu opinion and the genuineness of the sentiments it had expressed and appointed a committee of their Council to which my Honourable friend referred, and that Committee, as I think he explained, proposed as a compromise that the opening at Narora should be enlarged so as to be able to pass down 300 c.ft. a second throughout the year. When they got the report of this Committee, the Local Government sat down to work out what the effect of it would be, and it was soon apparent that it was a serious matter. If the recommendations of the Committee had been accepted as they stood, it would have meant depriving 30,000 to 40,000 acres of *rabi* land of canal water and 15,000 to 20,000 acres of sugar-cane. That is no light matter. The figures are really serious, and they were so serious that the Local Government thought that it was necessary to invite public opinion on the proposals of the Committee. They would not accept them as they stood without having the matter fully investigated and having the opinion of all parties. I should like to give my Honourable friend some more details of this and I proceed to enlighten the Council on the subject. 431 opinions were received. 81 of those opinions, mainly from Hindu religious societies, endorsed and accepted the proposals of the Committee to pass down 300 cusecs of water. 351 opinions were very definitely opposed—very many of them from the Hindu community itself. There was one opinion which bore 18,000 signatures—you will find this in the Resolution of the Local Government—many of them were those of Hindu *raises* and cultivators. . . .

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): May I ask the Honourable Member from what districts these opinions and signatures were received?

THE HONOURABLE MR. A. H. LEY: I have not got the particulars of the districts, but I have no doubt that they were from districts cultivated by the canal. It is all detailed in the Local Government's resolution. It does not affect my argument, because I am trying to show what would be the result of accepting the report of that Committee *in toto*. I was referring to the opinions which were sent in by those who were definitely opposed to the above recommendation and they said that what was necessary was only to increase the amount of water, which was passed down the canal at Narora, during bathing festivals to a certain extent. The Local Government, when they received these opinions, obviously considered that the recommendations of the Committee had such an extremely serious effect that enormous damage would be done by accepting the recommendations of the Committee in full and they thought that they must

find some *via media*. The *via media* which they arrived at was published in their resolution of August 1923, namely, that 300 cusecs should be passed down free and uninterrupted at Narora for nine months in the year from the 15th March to 15th December, and during the three months from the 15th December to 15th March, which are of course the important months from the point of view of the *rabi* cultivators, there should be a minimum supply of 150 cusecs as against the 24 cusecs which the notch at Narora was designed to pass down. There will be a minimum supply of 150 cusecs even during the important irrigation months and that supply was to be increased to 600 cusecs during *purnamasi* festivals and other occasions when it was necessary for religious purposes to increase the supply, and to 1,000 cusecs for the four big bathing days at Ramghat and places down below. That was the solution. My Honourable friend did not suggest how many cusecs he would like to pass down. He might urge that after all one cusec here and there is not very much. One cusec sounds a very little, but one cusec alone on the Lower Ganges Canal is capable of irrigating 180 acres in a year, which would not be irrigated without that cusec, and of course, the effect is very much multiplied when you multiply the number of cusecs which you wish to take away. That was the solution which the Local Government reached, and it was a solution which Hindu opinion generally accepted at that time, at any rate in the United Provinces.

THE HONOURABLE LALA SUKHBIR SINHA: Not at all.

THE HONOURABLE MR. A. H. LEY: My Honourable friend, I know, never accepted it, but I say it was generally accepted by the Hindu Community.

THE HONOURABLE LALA SUKHBIR SINHA: No, never. It was never accepted.

THE HONOURABLE MR. A. H. LEY: It was not a solution which was reached without very material loss and sacrifice on the part of all concerned. That I need hardly say. It meant a loss of revenue to the Local Government—I do not think my Honourable friend was quite correct in his figures—of about 1½ lakhs a year. That is a matter, perhaps he may think, which is not of very great importance. But there is something more which is much more important. It means an annual loss to the cultivators, to the poor *rayats* who have to live on the canal and who get their living out of the canal, of 12 lakhs of rupees a year. That is the solution; and that is the price which the Local Government were willing to pay for a solution of this very difficult, troublesome and long-standing question. And I only wish to say this in conclusion, that it is a solution in regard to which the Government of India have no intention whatever of interfering with the discretion of the Local Government. They have not only no intention of interfering with the discretion of the Local Government, but they are in complete agreement with the Local Government that it is a solution which provides adequately, and not only adequately, but generously, for Hindu religious sentiment and that it gives the utmost to that sentiment which can be given without ruining, or at any rate bringing into serious distress, a large part of the population of the United Provinces for whose welfare the Local Government are responsible. I wish to make it

[Mr. A. H. Ley.]

perfectly clear that the Government of India have no intention whatsoever of reopening this question or having it re-examined by yet another committee.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): If I rise at this stage to support this Resolution it is not because I challenge the conclusions which have been arrived at by Government or that I want to challenge any part of the most lucid and instructive statement made by the Honourable Mr. Ley. I look upon this problem from a different standpoint. Personally, I am not at all conversant with the literature on the subject. I do not know anything of the merits of the case and I am not in a position to discuss the pros and cons of this question. My inability on this point is evident and I shall not go into the merits of the question. My Honourable friend Mr. Ley has pointed out with much force the various stages of this unfortunate controversy and has stated that in 1914 a new demand was made by Hindu sentiment and Hindu opinion, which the Provincial Government was unable to comply with. The result of the arguments advanced on behalf of Government is that the matter has been decided by the Provincial Government, and as such it is conclusive. I quite agree with the general proposition that in all provincial matters the Local Government should have the paramount voice and its decision should be final and ought not to be otherwise impeached, but, Sir, when in a controversy, religious feeling, religious enthusiasm and sentiment have been invoked, I think it is the duty of Government to move very cautiously and with prudence and, as far as possible, see that they adopt no action which would be likely to cause or give any offence or at any rate is likely to be misunderstood. There is no doubt that whatever may be the decision which the Local Government have arrived at on this matter there is a large volume of Hindu public opinion against it. I am not, at all, personally concerned in this question because I am a Parsi. I look upon it from a neutral and impartial standpoint. Whether the reversal of the policy of the Provincial Government is likely to cause financial loss or is adversely going to affect the people having the benefit of this canal water is another point altogether, but when my Honourable friend Dr. Sarvadhikary concluded his speech I was wavering, I was hesitating whether I should vote for it, but having heard the Honourable Mr. Ley's sentiments on this subject and the reasons which have prompted the Local Government to come to a final decision, I have no hesitation in supporting this Resolution. I request Government in this matter to take a wider and a more sympathetic outlook of the question. What is asked for by this Resolution? And if this Resolution is accepted by Government, what is going to happen? My Honourable friend has only asked for the appointment of a committee of both the Houses which have come into existence since the Reforms. (*A Voice*: "Officials also.") He wants the whole question to be thoroughly and impartially re-examined. Whether the Local Government ultimately accepts or rejects the decision of this committee or whether the Government of India accept it is another question. This is, however, not a question to be summarily dismissed. A large body of religious opinion is concerned and there is a feeling of enthusiasm and sentiment over the matter. Why ignore it? What are you going to lose by the appointment of a committee on this question? A few thousand rupees after all. Even the expenditure of a few thousand rupees will not be grudged

by the country, if at any rate it secures a trustworthy and acceptable final decision which will convince the opponents of the case like Dr. Sarvadhikary and others. I therefore believe that the Government will not be acting discreetly in rejecting this Resolution.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): Sir, I expected confidently that the Government of India would not oppose this Resolution as they were fully aware of the controversy in this matter and that for a long time. I thought that the moderate request contained in the Resolution for the appointment of a Committee would be gladly accepted by the Government to put a stop to the controversy in the future, but I regret, Sir, that they have not seen their way even to accept this moderate request for the appointment of a Committee. I thought that I would not have much to say on this subject; but, Sir, as one who knows a good deal about it from its inception, who was Honorary General Secretary to the Hindu Sabha, for about 8 years, who submitted all the memorials to the Local Government and the Government of India, I think I should be failing in my duty if I did not put forward before this Honourable Council a few facts about this matter. It was in 1914 that the United Provinces Government was advised by engineers to make a change at the headworks at Hardwar, *i.e.*, the headworks of the Upper Ganges Canal. Till that time the previous arrangement had been in existence for about 60 years, I think since 1858 when Colonel Courtney first made a cut in the Ganges at Hardwar. At that time he made an arrangement with which the Hindus were quite satisfied while sufficient water for the canal was obtained. He allowed sufficient water to flow into the Ganges from Hardwar down to Sagar. But it was in 1914 that engineers advised the United Provinces Government to make drastic changes at the headworks at Narora. Till that time the Hindus knew nothing about it. When inquiries were made we found that the proposal was to put a masonry band instead of a boulder band at Hardwar. The result of that was to put a full stop to the flow of water at Hardwar and any water allowed to flow was under the sluices which Hindus did not regard as pure and free (Avachinnadhara) for their sacred religious purposes. The result was that a special committee was constituted by the then Lieutenant-Governor, now Lord Meston. We discussed the question of Hardwar alone in that committee and some settlement was made. I was also present at that meeting, but that settlement was not acceptable to the Hindus of the whole country. The Maharaja of Jaipur and others intervened and the matter was brought to the notice of the Government of India. The result was that a very big conference was called at Hardwar in 1916, when about seven Ruling Princes, namely, Bikaner, Alwar, Gwalior, Jaipur, Kashmir and others, together with all-India Hindu representatives, were present. In that conference, Sir, it was decided that at least 600 cusecs of water should be allowed to escape down the Hardwar dam. At that time also the revenue and religious questions were fully considered by the Hindu representatives of all-India and by engineers of the Government of India and the United Provinces Government and many others. They considered all these questions.

THE HONOURABLE THE PRESIDENT: I hope the Honourable Member will soon start his journey down the river and reach Narora, which is the place the Resolution deals with.

THE HONOURABLE LALA SUKHBIR SINHA: I beg the leave of the Council to allow me a few minutes in order to explain the whole thing. It

[Lala Sukhbir Sinha.]

is a very important religious question and I should like to mention some details so that the Members may form a correct opinion. But I will be as brief as possible. In that conference, about Narora the Lieutenant-Governor said that the matter was in the hands of the Government of India and that he would settle nothing about Narora in that conference. Later on Lord Hardinge asked the United Provinces Government to do something at Narora. The then Lieutenant-Governor asked the Irrigation Department to make some arrangement. They opened a notch of only two feet over the crest to allow the water to pass below Narora. About this arrangement it is stated in the Government Resolution of August 1923 as follows:—

"In normal years the volume of water passing through this notch is 40 cusecs up to the end of November, gradually dropping to 10 cusecs by the end of December and to 4 cusecs by the middle of January. It remains at 4 cusecs from the middle of January to the end of April when it begins to increase with the advent of the snow water and attains a maximum of 40 feet in the middle of May."

With this arrangement no Hindu was satisfied. Representations were made to the Government of India and again the matter was referred to the Local Government. His Excellency the Governor, Sir Harcourt Butler, appointed a committee of Members of the Legislative Council to make a report in this matter. I was also invited to attend that meeting. The committee reported that at least 300 cusecs of water should be allowed to pass. They also at that time considered the revenue question fully and in detail, and after that consideration they came to the conclusion that 300 cusecs at least should be allowed to pass below Norora. That Committee's report was never allowed to be discussed in the Council. The Governor passed orders on that report without any discussion by the Council and without taking the opinion of any public bodies and depended too much on Rai Jawalaprasad Sarma, Superintending Engineer, Narora Division, who being an Arya Samajist had no religious sentiments about the Mother Ganges. In some districts, as Mr. Ley has pointed out, some cultivators were asked to express an opinion.

THE HONOURABLE MR. A. H. LEY. Opinions were publicly called for from all public bodies and everybody else.

THE HONOURABLE LALA SUKHBIR SINHA. Only in some districts on the Upper Ganges Canal some cultivators were asked to express an opinion. I think it was only in one district, Muzaffarnagar, that cultivators generally signed that memorial. I need not detain this Council by telling them of the way in which those signatures were obtained, but anyhow some signatures were obtained and submitted to the Local Government. Sir, the Hindus expressed their view in the press and from platforms that full consideration should be given to the report. But the Local Government passed a resolution in August 1923 to the effect that only 80 cusecs of free unfettered water would be allowed to pass through the notch and 70 through sluices, *i.e.*, 150 feet, and the rest only on festival days. Instead of the 600 that we had settled at Hardwar only 150 were to be allowed to pass below Narora continuously and 150 more on festival days, the total of which is half of what was settled at Hardwar to be the minimum quantity required for Hindu religious purposes. That is the reason for the present agitation amongst the Hindus, for it is an arrangement with which no Hindu is satisfied.

Sir, the Resolution requests the appointment of an all-India committee to consider this question. I think the Honourable Mover has placed the

whole Hindu community under a great obligation by putting forward this Resolution, which has been brought forward not a day too soon. He has fully demonstrated the sanctity of the river in his speech. I need not say any more on that point. The Ganges belongs to the whole of the Hindu community of the country—the Punjab, Rajputana, Sind, Guzerat, Bengal, Bihar, and so forth. Pilgrims from all those places flock to the banks of the Ganges for bathing as well as for the purpose of religious ablutions, and therefore the Government of India should intervene and should appoint a Committee, as has been asked for in this Resolution, to settle the question once for all. I am afraid if this question is not settled, it will lead to agitation in the whole country; it is a very important religious question with which every Hindu is concerned, and I hope and trust that Muhammadans as well as Christians also will support us in this matter. If Hindu religious feeling is not respected to-day, the other religions will be affected to-morrow, and therefore in cases of religious questions we should all combine and see what can be done to meet the demand of the public as well as to protect the public revenues. Why should not the Government have the same respect for our religious sentiment and religious feelings as we have? That is my submission, Sir. It is a question between a revenue of one or two lakhs out of seven crores of land revenue, and about one crore revenue from irrigation, and the religious feelings of so many millions of Hindus, I submit that that small sum should be sacrificed. We can also look for other sources of income which can make up this loss. Therefore I submit that this revenue question should not be made so important as to overlook the religious aspect of the case. I therefore strongly support this Resolution, and I appeal again to the Honourable Mr. Ley to reconsider his decision and accept this Resolution. It only asks for the appointment of a committee which will go into the details of the whole question, and I am sure the report of such a committee will not overlook the revenue question. I am a zamindar myself and would not like to see any loss to my lands or to my cultivators but we should not neglect the religious aspect of the question. It will therefore be the duty of the committee to consider all these questions and frame their recommendations.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, if I rise at this stage, it is only with a view to impress on Honourable Members that the Government are as anxious as any one here to take the religious feelings of the Hindu community into consideration and to do nothing which would offend their religious susceptibilities even though it be at some sacrifice. I appeal especially to educated gentlemen representing the various constituencies to do nothing by way of speech or otherwise which is likely to arouse fanaticism abroad, because it is easy to rouse fanaticism and religious consciousness in a community, whether Hindu or Muhammadan, for it is recognized that Indians generally are deeply susceptible to religious influences. I am anxious that the educated community should do nothing to arouse this consciousness except after the most careful consideration as to whether there is anything in the attitude of the Government of India either at present or in the past which has run counter to their wishes. In 1878 a dam was built right across the Ganges which stopped or impeded the flow in low water. For 40 years no objection has been raised, as has been pointed out by the Honourable Mr. Ley. The Hindu community did not feel that their religion was being interfered with in any slightest degree, and the Government were not aware that in building that anicut across the river they were doing anything which was calculated to wound the religious feelings of the Hindu community, for

[Sir Narasimha Sarma.]

they would not have done it, they would not have dreamt of doing it, if they had thought that that would have been the result of their action. Time passed. The Hindu masses neither of the United Provinces nor elsewhere took any the slightest objection to the construction of an anicut . . . .

THE HONOURABLE LALA SUKHBIR SINHA: Because no one knew of it before 1914.

THE HONOURABLE SIR NARASIMHA SARMA: That shows clearly that there was nothing done in the blocking of that river in 1878 which aroused the apprehensions, directly or indirectly, of the Hindu community. There was nothing which was done which offended their religious susceptibilities and impeded the exercise of their religious functions. In 1914—I will just briefly refer to it—an attempt was made to construct an anicut across the river Ganges at Hardwar. There was a controversy raised at the time. The Government officials naturally told the community: "Now, look here, in 1878 in the interests of the public we built a dam right across the river. No objection was raised at that time. Why should you raise any objection now? We are doing it for the benefit of the people." Then it was felt—I am not accusing any party of any weakness—it was recognized that in allowing that dam to be built at Narora in the manner in which it has been, the continuous, free flow of the water of the Ganges was to a certain extent interrupted, and the Hindu community represented that that was against what they conceived to be their religious injunctions. Government recognized that there was force in that objection and immediately altered their plans with regard to Hardwar, although such alteration caused considerable inconvenience from the irrigation point of view and continues to cause inconvenience even now, because when I was in charge of Public Works and this question was raised, I paid a visit more than once to Hardwar and the Public Works officials showed me the plans and the site and how by reason of acceding to the demands of the Hindu community the river was throwing up sand continuously against the channels which prevented irrigation supplies at a critical time reaching the fields in the Upper Ganges Canal. Labour was insufficient, labour had to be assembled, even the sappers and miners had to be requisitioned, in order that the proper supply, at any rate a sufficient portion of the proper supply, might reach the fields under the Upper Ganges Canal. I am only mentioning this for the purpose of showing that the Government then attempted to do everything that they could, even at great inconvenience to themselves, even at a considerable sacrifice of revenue, even at great sacrifice of the interests of irrigation, in order that they may not be considered to be trifling in any way with the religious feelings of the Hindu community. It was agreed that the Narora question also should be taken into consideration on its merits. Fears were expressed by the engineers that if any large notch was opened in the anicut, the whole structure might be washed away because, as the construction was originally designed, there was no intention of placing any notch there. That was one of the objections that was taken originally to any very large notch being opened in the dam at Narora. It was also urged, as the Honourable Mr. Ley pointed out, that that was not a place of pilgrimage and that the Hindu sentiment was being met inasmuch as a certain quantity of water was allowed to flow freely from the source to the Ganga Sagar. The Government of India felt that more perhaps might be done and asked the United Provinces Government to see whether Hindu

sentiment could not be appeased and met to a larger extent than was considered possible at that stage. The United Provinces Government went fully into the question and enlarged the limits so that now more water flows unimpeded down the river past the anicut than was customary heretofore. Therefore, the objection raised by the Hindu community that the water should not be stopped at any place but that there should be a continuous, uninterrupted flow of water from the source to the end, has been met by the Government (*A Voice*: "No.") With regard to the uninterrupted flow of water it has been met. It may be urged that when the water is very low in the river there is not enough water flowing through the sluice (*The Honourable Lala Sukhbir Sinha*: "Only four feet") so as to enable people to bathe freely at some distance from this dam. That is the reason why the United Provinces Government have promised that in times of pilgrim season, when there are a large number of pilgrims, they would send down sufficient quantities in order to enable pilgrims to bathe conveniently and perform their religious rites. Therefore, they have tried to minimise the disadvantages as far as possible while not interfering in any way whatsoever with the religious usages of the Hindu community. If the United Provinces Government have not been able to comply fully with the suggestions of the Committee, it was with great reluctance that they had been forced to that conclusion because they felt that they were doing all that could be reasonably urged on behalf of the Hindu community by way of allowing water to flow down the river uninterruptedly, by way of allowing such water as was necessary for ablutions, especially during times of pilgrim congestion, and that even if a little more water were let down it would be to the detriment of irrigation projects and the water would not suffice in times of drought to reach very far but would sink into the sands of the river without doing any body any good. Therefore, I think that the solution that has been arrived at—whether any better solution could be reached is a matter which might perhaps be urged in the local Council—cannot be characterised as one which defies the sentiments of the Hindu community. I am trying to meet the statement that the United Provinces Government have neglected to take into consideration the wider aspects of this controversy, have not been able to comply with the wishes of the Hindu community as a whole and have looked at it narrowly from the rigid standpoint of revenue. I think Honourable Members were a little perturbed by the Honourable Mr. Ley's advocacy of the case of the raiyat and his placing a little more stress upon that aspect of the question than was perhaps necessary. He felt, and everybody feels I think in this House, especially in dealing with a province like the United Provinces where the food question is of paramount importance, where the population is very much larger, according to many, than the existing resources can support, that it is a matter of very considerable importance whether you can safely reduce in any way whatsoever the food resources of the province, and that is the reason why the Honourable Mr. Ley, in charge as he is of the Irrigation Department's activities, rightly laid stress on the point and asked you to bear in mind how far you are justified in asking cultivators, Hindu as well as Muhammadan, to give up their rights unnecessarily, and that really, for nobody's advantage. The point I am trying to urge is that the Government of India as well as the United Provinces Government will never do anything which will wound the religious feelings of the Hindu community or of any community. The Government have always had before them this paramount consideration that they can secure the contentment of the vast masses of the Hindu population only if they

1 P.M.

[Sir Narasimha Sarma.]

feel that their religion is safe in the hands of Government. The Government realise that, they know that, and they appeal to the educated Indians who represent them here and in the other House to look at this question from that standpoint and do nothing which would embarrass Government in their endeavour to meet the wishes of the Hindu community from the religious point of view and to meet the agriculturists' point of view. I ask you to reconsider your decision and see whether there is anything unreasonable in what the Honourable Mr. Ley has put forward, namely, that the Government are doing their level best to satisfy both the irrigational wants of the province, as well as the religious needs of the Hindu community.

THE HONOURABLE SIR MANECKJI DADABHOY: Will the Honourable Member tell us what is the revenue from the canal irrigation?

THE HONOURABLE SIR NARASIMHA SARMA: You mean the sacrifice to which the Honourable Mr. Ley referred? I think it is about 12 to 15 lakhs of rupees worth of produce.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Three quarters of a lakh or a lakh of revenue.

THE HONOURABLE SIR NARASIMHA SARMA: We need not take into consideration so very much the revenue. It is just possible that the Assembly and the Council will vote the money if it is necessary. But that is a constitutional point that I would not enter into. It is a question as to what extent you would be diminishing the food supply of the country and whether there is anything to be set on the other side as a compensation for this sacrifice.

THE HONOURABLE LALA SUKHBIR SINHA: May I ask who found out that there would be a diminution in the food supply; either the Committee or the Local Government in their Resolution?

THE HONOURABLE THE PRESIDENT: Order, order. The Honourable Member is trying by his question to introduce new arguments which he should have advanced in his speech.

THE HONOURABLE MR. YAMIN KHAN* (United Provinces West: Muhammadan): Sir, the Ganges is a sacred river for the Hindus and they want a certain amount of water to flow constantly in that river in order to enable them to perform their religious duties, and I as a Muhammadan have got every sympathy with them. Apparently there is discontent among the Hindu community and they are not satisfied with the solution that has been arrived at by Government. In this Resolution the Hindu community and the Honourable Mover do not demand anything more than a committee which will go thoroughly into this question and advise Government in their report. If the solution arrived at by Government is found by the committee to be correct, there will be no dispute about it and the Hindu community will be quite satisfied. I think the demand of the Hindu community in this Resolution is a moderate one. The committee will not be a packed one. It will consist of some non-official Members of both Houses and of officials, and therefore there is a safeguard that it will not be guided merely by sentiment or by one point of view only. They will look into the

* Not corrected by the Honourable Member.

grievances and to the point of view of the cultivators as well. I represent a constituency of the United Provinces and I belong to the zamindar class of people too. I know there will be some hardship to the tenants as well as the zamindars by stopping a sufficient amount of water running in the canals. Zamindars cannot afford at present to leave their areas unirrigated. This committee is supported by the Honourable Lala Sukhbir Sinha who has been for many years Secretary to the Zamindars' Association and he can safeguard the interests of the zamindar community better. He is supporting this Resolution. He is voicing the feelings of the Hindu community on the other side. If you put men like him, who have got the confidence of the agriculturists and of the community itself on the committee there will be no fear, and I think Government will be well advised if they accept this Resolution and appoint a committee to go thoroughly into this matter and not to let this controversy be constantly hanging fire in the country.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): As the only Hindu occupying the empty benches of Madras I feel it my duty to urge Government to reconsider their decision and not to oppose this proposition. I must remind the Honourable Mr. Ley and the Honourable the Leader of the House particularly of the wording of this Resolution. It does not ask the Government to commit themselves to anything. It simply appeals to them to appoint a committee of non-officials and officials to examine and report on the whole question of the supply of Ganges water and the latter portion of the Resolution is very carefully worded:

"To advise as to the necessary quantity of unobstructed water that should be allowed to escape at Narora."

It is obvious from what has been said from the official and the non-official benches that this question has two sides and the Honourable Mr. Ley very fairly stated that even the Government of the United Provinces recognised the genuineness of the grievance; and after listening to the whole debate I do feel that it is the bounden duty of Government. . . .

THE HONOURABLE SIR NARASIMHA SARMA: They wanted to comply with a sentiment.

THE HONOURABLE MR. G. A. NATESAN: I was quoting the language of the Honourable Mr. Ley who said that the Local Government recognised the genuineness of the grievance. I hope my notes are not wrong and that I heard him correctly.

THE HONOURABLE MR. A. H. LEY: I said "genuineness of the sentiment."

THE HONOURABLE MR. G. A. NATESAN: Even granting that, it was something very tangible.

THE HONOURABLE MR. A. H. LEY: Certainly. I quite admit it.

THE HONOURABLE MR. G. A. NATESAN: I am now appealing to the Honourable the Leader of the House, who opposed this motion, to consider it from a different point of view. As is admitted, there is a genuine feeling in regard to this question. More than once the authorities have been asked to consider it and the Local Government had appointed a committee. That committee had more or less presented

[Mr. G. A. Natesan.]

a unanimous report, but the Government for some consideration or other were not able to satisfy all the demands. Now there is a persistent demand and agitation for it. Will it not be wise for Government to consider the balance of advantages and disadvantages before finally resolving to oppose it? I would consider that it will be part of good statesmanship to recognise that in the end, when you weigh the balance of advantages and disadvantages, you will find it disadvantageous to oppose a Resolution of this kind. Having stated my view, I appeal to Government not to press the House to a division because it seems to me that a sufficiently good case has been made out for the appointment of a committee not charged specifically to report one way or the other, but only to examine the question and to advise upon the necessary steps to be taken. It will be perfectly within the province of the committee, composed as it will be of officials and non-officials, to invite evidence and to weigh all the evidence. On the other hand it is equally possible that a feeling of compromise may prevail and the committee may be induced to adopt some steps which will settle this controversy. I hope Government will not persist in its opposition and at any rate will not press this question to a division.

THE HONOURABLE MAHARAJA BAHADUR KESHAVA PRASAD SINGH (Bihar and Orissa: Non-Muhammadan): *I do not want to take up much of the time of the House. I only want to say that in our part of Bihar and Orissa the water is very low and the Hindus in plague and cholera time take the dead bodies and burn them on the banks of the Ganges. This is a matter which affects the health of the people and, as this point was not put forward, I have mentioned it. I hope Government will not object to the supply of water.

THE HONOURABLE NAWAB SIR AMIRUDDEEN AHMAD (Punjab: Nominated Non-Official): Sir, I heartily support this Resolution. The Ganges is a sacred river, not only for the Hindus of the United Provinces alone but for all India. The committee in my opinion also should be appointed at once by the Government of India to consider this question and report as to what should be done. The public are not satisfied with the United Provinces Government Resolution as to the quantity of water to pass below Narora, and therefore the appointment of this committee is necessary. The question of religion is far more important than that of revenue and it should be respected.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Whatever the fate of the Resolution may be, and in this House it is difficult to be a prophet, it will be a supreme consolation to me and to my Hindu friends that it has been so largely, and so cordially, supported in the House, by non-Hindu Members, Muslims and Parsis. I have no doubt that in the matter of voting, though not in the matter of speech, we shall not be devoid of christian support as well. I hope, Sir, Government will see their way, at all events, to release its Hindu official members to vote as they think fit in the matter.

I do not think I need seriously say in answer to the Honourable the Leader of the House that I did not for a moment mean to impeach the good faith of the Government in the matter or not to recognise that they have been doing all they can according to their light. Only that light

* Not corrected by the Honourable Member.

is defective, and in the light of popular and widespread Hindu demand we appeal to the Government to reconsider their decision. Sir, the forty-year rule of limitation was quoted by the Government Members. It is a sort of rejoinder that the Eel accustomed to skinning is supposed ever to receive. Forty years indeed! How long have our people begun to know about these things, to think about these things and to combine to express their feelings? I appeal to Government not to let things go further and compel the Hindus to express their opinion more strongly than they have been doing. My Honourable friend the Leader of the House has appealed to us, educated members of the Hindu community, to do nothing, except after careful consideration, that is likely to arouse feelings amongst the community. Does my friend seriously mean to say that I am or my friends are capable of any course of the kind except after careful nay prayerful consideration of the whole question? It is because this point of view has been pressed upon me year after year by individuals and organizations, that I respect, that I have taken up the matter. 81 religious and other public bodies, which the Honourable Mr. Ley tried lightly to brush aside, have spoken in vain. These bodies are tremendously backed by Hindus in all parts of the country and it would be a blunder to ignore this, which would be to court trouble that may be avoided. These bodies have been pressing upon me the need of inviting the attention of the Government of India to this enormous question. It is the Central Government which has seizin of the whole case legally, morally and otherwise; because the Ganges is an all-India question and I have felt it my duty to bring the matter before this House in the hope that the Government will realize the "genuineness of the grievance," as Mr. Ley stated, or did not mean to state—I have made notes of his speech. A mosaic of his speech and the speech of the Honourable the Leader of the House regarding the "troublesome and difficult question" regarding the "genuineness of the grievance" and the "depth of sentiment" and, "the prevailing opinion of the Hindus," is a complete answer to the Government case and a complete vindication of the position I desire to take in the matter. Well, Sir, Narora is a difficult part of the country to get to. I tried to go but did not succeed, and I may remind my friend the Honourable the Leader of the House that I invited and pressed upon him to go and visit it. He could not and preferred to take the more agreeable route to Hardwar.

THE HONOURABLE SIR NARASIMHA SARMA: No, Sir. May I say that at the time the committee reported I had ceased to be the Public Works Member.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Now that the committee have reported, other people who have taken up my friend's burden will have to face the problem. The agreeable route to Hardwar took me also there. And there in the midst of those picturesque, solemn and sacred surroundings I began to realize the depth of the feeling of my co-religionists and I had but a dim vision of what the holy Himalayan Ganges was in the past, that made my grandfather travel to its source on foot. And I realized how much interference had wantonly reduced her to what she now is in the lower reaches. And in these sorroundings my resolve was taken.

We have been told that this is not an all-India question and the other provinces have no say in the matter. I question that entirely. Supposing our friends in the Punjab were able by some great engineering feat

[Sir Deva Prasad Sarvadhikary.]

to divert a portion of the Ganges for the better irrigation of the Punjab, what would the United Provinces say in the matter I wonder? Somewhat like what, Bihar and Bengal are now beginning to say. Sir, things like that do not answer any useful purpose, and speeches that require corrections and emendations and commentaries within a quarter of an hour from delivery are best left to speak for themselves. My friend Mr. Natesan and others have appealed to the Government of India to reconsider the position, and if the Government think that it would serve any useful purpose to adjourn this debate in order that the Government might take counsel in the matter and try to meet Hindu public opinion here, so thoroughly supported by non-Hindu public opinion, I am sure the Honourable Member in charge will make such a suggestion and nothing will please me better than to have that opportunity given.

Sir, the red herring of the growing unpopularity of Ramghat as a bathing centre has been attempted to be drawn across the trail of the debate. It has been stated that Ramghat is no longer a popular place of pilgrimage and Ramghat a little above is more popular. Naturally it would be so for there is more water and better water there; but is that any answer to my position that the whole of the lower reaches below Narora have a genuine grievance which will not stop till Government meet Hindu opinion more than half-way? I do admit that the Government have attempted to do what they had not done before and I am free to give my thanks for that. But a great deal remains to be done, and in spite of the appeal of my friend the Honourable the Leader of the House for caution and restraint, this volume of grievance will go on growing and growing till justice has been done to the Hindu community.

And, Sir, the practical part of the question demands careful consideration. I began by saying and I conclude that it is far from my intention to brush aside ideas of growth and development or to ignore interests that have arisen. We must reconcile the spiritual needs of a great community and the material needs of their neighbours as far as possible. I have positive information that Government engineers or at least some of them—one of them is away unfortunately, Mr. Lawrie is, I believe, his name—were of opinion that by careful handling of the situation, by husbanding resources, by stopping waste and by stopping the spoilt-child system of meeting demands, which probably helps malaria it will be possible to do a great deal. The rest will have to be done by auxiliary methods which 40 years' experience of irrigation have now taught. All this would be one of the objectives of the committee which I propose. My friend the Leader of the House has referred to the growing difficulties in Hardwar after the settlement. I heard something of them. Those also are matters that may well be gone into by the Committee I suggest. I am told, Sir, that those who got the Hardwar concession are now seeking to stick to it too literally and they refuse to allow engineering interference in the slightest degree. Even for purposes of improvement, I cannot say that that is right, Sir, from the engineering point of view if a good committee might ensure sweet reasonableness.

From all these points of view, Sir, and from the much larger and basic point of view examination by an all-India committee at the instance of the Government of India with their primary and residuary obligations in the matter, would assuage aggrieved Hindu opinion; the whole question can be impartially and carefully gone into after which Hindu opinion

is not likely to be so unreasonable as to object to what a committee like that may recommend and to the decision to which the Government may come on such recommendations.

THE HONOURABLE MR. A. H. LEY: I am afraid I am still unconvinced of the necessity for a committee or that the committee would be able to come to any more satisfactory conclusion than that which has been arrived at. I said in my opening speech that the Government of the United Provinces and the Government of India have both paid every possible attention they can to the claims of religious sentiment in this matter. I may have used the word "grievance." I do not know whether I did or did not. The point is that it is a question which could only be settled by a compromise. Even the committee appointed by the United Provinces recognized that it must be a compromise between the claims of religious sentiment—which I suppose if carried to a logical conclusion would require that the whole of the water of the Ganges should be passed down unfettered—and the claims of irrigation. They themselves recognized that. They say:

"It appears to the committee that the solution of these difficulties lies in a reasonable compromise of diverse interests."

And further it suggested—and I should like to read this to the House:

"The Lower Ganges Canal has been running ever since its opening in 1878 and in the area through which it passes conditions have been created which cannot be ignored. The canal is, as for many past years, a source of respectable income. The owners and tillers of the soil fertilised by the canal water have acquired rights and privileges and have accepted liabilities which should not easily be disturbed."

My Honourable friend said that the compromise was not satisfactory. I know that they feel that it is not satisfactory. But whatever compromise you get, however, much water you pass down from Narora cannot make any appreciable difference, as I started by saying, to the amount of water that passes down the river, or to the proportion which passes down the river unfettered by the hand of men from Gangotri to the sea. You may say that the United Provinces Committee's recommendation of 300 cusecs should be accepted. It has very nearly been accepted by the Local Government, except for three months in the year when the water passed down is 150 cusecs. If you add on another 150 cusecs that is not going to make any appreciable difference in the situation. Therefore I do think that the appeal which the Honourable Sir Narasimha Sarma made should be accepted. I say that it is a compromise which must be accepted as far as possible between these two diverse interests. I think a Committee would do more harm than good because it would reopen a very difficult question, and it can never come to a conclusion which is satisfactory to both parties. I am afraid, Sir, I cannot agree even to a Committee to reconsider the matter.

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

"This Council recommends to the Governor General in Council that a Committee of Members of both the Houses of the Indian Legislature and of officials be appointed at an early date to examine and report on the whole question of the supply of Ganges water at and below Narora and to advise as to the necessary quantity of unobstructed water that should be allowed to escape at Narora in order fully to meet the requirements of the situation created by the pilgrim traffic."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The Honourable Mr. Haroon Jaffer, in whose name the second Resolution stands, has made a tentative suggestion that his Resolution should be taken up to-morrow at the close of Government business. That is a course to which I personally have no objection, but it is really a matter solely for the Governor General in Council without whose consent non-official business cannot be taken up on a Government day. I should therefore like the Honourable the Leader of the House to say what he thinks of the suggestion.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): We have no objection to its being taken up to-morrow after the official work is over.

THE HONOURABLE THE PRESIDENT: Certainly, after the official work is over.

The Honourable Mr. Haroon Jaffer's Resolution will be taken to-morrow at the close of official business.

The Council then adjourned till Eleven of the Clock on Tuesday the 17th February, 1925.

COUNCIL OF STATE.

Tuesday, 17th February, 1925.

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

STATEMENT LAID ON THE TABLE.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, I lay on the table the information promised in reply to parts (*b*) and (*c*) of the Honourable Mr. Sethna's question in the Council of State on the 22nd January, 1925, on the subject of the number of Trustees and the number of non-official and official Indians on the different Port Trusts.

Statement showing the total number of Trustees and the number of non-official and official Indians on the different Port Trusts on the 1st January 1925.

Name of Port Trust.	Total number of Trustees.	Number of non-official Indians.	Number of official Indians.	REMARKS.
1. Madras Port Trust . .	15	4	*Nil.*	
2. Bombay " " . .	21	8	*Nil.*	
3. Karachi " " . .	11	3	*Nil.*	
4. Aden " " . .	10	2	1	
5. Calcutta Port Commissioners	16	2	*Nil.*	
6. Chittagong Port "	9	2	2	
7. Rangoon " "	13	1	*Nil.*	

INDIAN SOLDIERS—(LITIGATION) BILL.

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

"That the amendments made by the Legislative Assembly in the Bill to consolidate and amend the law to provide for the special protection in respect of civil and revenue litigation of Indian soldiers serving under special conditions, be taken into consideration."

Since this measure was last before the House, it has been considered in another place where it was referred to a Select Committee, the report

[Mr. J. Crerar.]

of which is before the House. Honourable Members will observe that the Select Committee recommended some minor amendments which have been adopted by the Assembly and are now for the consideration of this House. I need not detain the House very long in indicating the nature of these amendments, which I think it will be agreed, are improvements in the Bill. The first amendments are made in clauses 7 and 9 of the Bill, the result of which is to give the benefit of postponement of proceedings to soldier plaintiffs and defendants—a slight extension of the original Bill, but entirely within its policy and intention. The second amendment has been made in sub-clause (2) of clause 10. Some apprehensions were expressed as to whether this clause as originally framed would not operate to raise doubts whether the benefit to the soldier litigant of Article 164 of the Schedule to the Indian Limitation Act might not be prejudiced. The object of this amendment, therefore, is to make it clear that such protection as a soldier already possessed under Article 164 of the Schedule to the Limitation Act will still continue to operate in his favour. The third amendment is in clause 11 of the Bill and it follows the analogy of section 13 of the Indian Limitation Act, which provides that in computing the period of limitation prescribed for any suit the time during which the defendant has been absent from British India and from the territories beyond British India under the administration of Government shall be excluded. Here again we are merely inserting the provision of the Limitation Act into the present Bill for the removal of all doubts in the matter. There is a minor drafting amendment in sub-clause (4) clause 10, to which I do not think I need refer more specifically. These are the amendments for the consideration of Honourable Members and I think my explanation will be adequate to make clear their intention. I make the motion standing in my name.

THE HONOURABLE THE PRESIDENT: The question is:

"That the amendments made by the Legislative Assembly in the Bill to consolidate and amend the law to provide for the special protection in respect of civil and revenue litigation of Indian soldiers serving under special conditions be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: Amendments made by the Legislative Assembly:

"(i) In sub-clause (1) the figures '1925' were substituted for the figures '1924'; and

(ii) in sub-clause (3) the word 'April' was substituted for the word 'January'."

The question is that this Council do agree to that amendment.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: No. 2. "In clause 7 of the Bill the words 'in respect of' were substituted for the words 'as against' wherever they occur."

The question is that this Council do agree to that amendment.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: No. 3. "In clause 9 of the Bill the words 'in respect of' were substituted for the words 'as against'."

The question is that this Council do agree to that amendment.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: No. 4. "In clause 10 of the Bill—

(i) in sub-clause (1) the word 'April' was substituted for the word 'January'."

The question is that this Council do agree to that amendment.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: "(ii) In sub-clause (2) between the words 'decree or order' and the words 'during no part' the following words were inserted, namely:—'or where the summons or notice was not duly served on the applicant, after the date on which the applicant had knowledge of the decree or order'."

The question is that this Council do agree to that amendment.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: "(iii) In sub-clause (4)—(a) the words 'Where a' were substituted for the words 'If the', (b) for the word 'the' occurring between the words 'sets aside' and the words 'decree or' the letter 'a' was substituted, and (c) the words and figures 'sub-sections (1) and (3) of' were omitted."

The question is that this Council do agree to those amendments.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: No. 5. "In clause 11 of the Bill for the words 'in which the plaintiff, appellant or applicant' the words 'any party to which' were substituted, and the word 'April' was substituted for the word 'January'."

The question is that this Council do agree to those amendments.

The motion was adopted.

INDIAN PORTS (AMENDMENT) BILL.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, I beg to move for leave to introduce a Bill further to amend the Indian Ports Act, 1908.

The object of this Bill which I ask leave to introduce is to enable Local Governments to issue rules regulating the bunkering of vessels with liquid fuel within port limits and the description of barges, pipe lines and tank vessels to be employed in any such bunkering. The need for this amendment of the Act arises from a very simple fact. The Indian Ports Act was passed in 1908, and at that date there were very few ships, if any, that were burning liquid fuel. Since that date liquid fuel as a means of power for marine purposes has become much more common. It is therefore necessary to provide facilities for the bunkering of such ships at our ports, and bunkering not infrequently has to take place from lighters or barges

[Mr. D. T. Chadwick.]

or from the vehicles on the dock side. It is therefore obviously desirable that the Port Trustees or rather the Local Governments should be in a position to issue rules in regard to such bunkering and in regard to the specification of such vehicles in the interests of the safety of the other merchandise and ships in the harbour. That need has arisen in Bombay. This amendment is made at the direct request of the Bombay Port Trust and the Bombay Government. That is the reason, Sir, why I beg leave to introduce this Bill further to amend the Indian Ports Act, 1908.

THE HONOURABLE THE PRESIDENT: The question is:

"That leave be given to introduce a Bill further to amend the Indian Ports Act, 1908."

The motion was adopted.

THE HONOURABLE MR. D. T. CHADWICK: Sir, I introduce the Bill.

RESOLUTION *RE* APPOINTMENT OF A MEMBER OF THE COUNCIL OF STATE TO THE GOVERNING BODY OF THE LADY HARDINGE MEDICAL COLLEGE, DELHI.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH (Education, Health and Lands Member): Sir, I beg to move the following Resolution:

"This Council recommends to the Governor General in Council that he may be pleased to take steps to secure the appointment to the Governing Body of the Lady Hardinge Medical College, Delhi, of one Member of this House to be nominated by him from a panel of three Members to be elected by this House."

Honourable Members are doubtless aware of the circumstances under which the Lady Hardinge Medical College came into existence and the great historical event which it was intended to commemorate. The Government of India have from its inception not merely provided land for the location of this college, but have been making an annual grant for its upkeep. That grant this day stands at the figure of two lakhs per annum. The affairs of this institution have been managed by a Governing Body presided over by the Honourable Director General of the Indian Medical Service. It was felt—and I think very rightly—that a few Members of both the Houses should be associated with this Governing Body. The Governing Body itself has suggested to the Government of India that steps may be taken to secure that end and I have, therefore, Sir, the honour to move this Resolution.

THE HONOURABLE THE PRESIDENT: Resolution moved:

"This Council recommends to the Governor General in Council that he may be pleased to take steps to secure the appointment to the Governing Body of the Lady Hardinge Medical College, Delhi, of one Member of this House to be nominated by him from a panel of three Members to be elected by this House."

The question is that that Resolution be adopted.

The motion was adopted.

ELECTION OF THE PANEL FOR THE STANDING COMMITTEE ON EMIGRATION.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: Sir, I beg to move:

"That this Council do proceed to elect in the manner described in the Department of Education, Health and Lands Notification No. 114, dated the 7th February, 1924, a panel of 8 members from which the members of the Standing Committee to advise on questions relating to emigration in the Department of Education, Health and Lands will be nominated."

In doing so, I will merely state that my Honourable colleague Sir Narasimha Sarma had made a similar motion about this time last year and the Council had on that occasion elected a panel of 8 members from out of whom the Member in charge, with the approval of His Excellency the Governor General, had appointed 4 members. That Committee is now functioning. According to the rules its term of office will expire on the 5th March next and it is, therefore, necessary to adopt measures to secure the re-election of that Committee. In passing, I may observe, Sir, that that Committee has been doing very useful work and rendering very valuable assistance in giving advice regarding the solution of problems which are placed before it for its advice. I, therefore, Sir, have much pleasure in moving this motion.

THE HONOURABLE THE PRESIDENT: The question is:

"That this Council do proceed to elect in the manner described in the Department of Education, Health and Lands Notification No. 114, dated the 7th February, 1924, a panel of 8 members from which the members of the Standing Committee to advise on questions relating to emigration in the Department of Education, Health and Lands will be nominated."

The motion was adopted.

With reference to the motion just carried by the House, I have to announce that nominations will be received in the office of the Council up till 11 A.M. on Friday next.

RESOLUTION *RE* INVESTIGATION INTO THE MINERAL RESOURCES OF CHOTA NAGPUR, ETC.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): Sir, I beg to move the following Resolution:

"This Council recommends to the Governor General in Council to undertake a full investigation at an early date into the mineral resources of Chota Nagpur and to consider the advisability of establishing thereat a School or Institute of Mining."

In moving this Resolution, I hasten to point out that I am not asking for a committee of inquiry, as was the case with the Resolution moved yesterday, for which I believe my Honourable friend Mr. Ley will doubtless be extremely pleased. I find him smiling, and I therefore consider it a good augury for my Resolution to be accepted by the Government. Here, I am dealing with a highly technical subject about which I presume it will be advisable to say comparatively little, leaving it to this Honourable House to pass my Resolution so that Government can undertake a full investigation into the matter without feeling that their action will be condemned as extravagance when we come to discuss the Budget.

[Mr. Haroon Jaffer.]

There was a time when India was looked upon as a vast treasure-house of precious gems and valuable minerals, but to-day, generally speaking, we seem to have lost sight of the sources of these commodities and to take but very little interest in prospecting for mineral wealth. It is because of this that I have ventured to move my Resolution, and I have selected Chota Nagpur as the seat of my proposed School or Institute of Mining because I know that the Chota Nagpur area is very rich in mineral resources. It is a wonderfully mineralised country, with rich deposits of gold, copper, manganese, iron, and other valuable minerals. An Institute or School of Mining located in that area would have abundant opportunity of paying its own way, as well as providing young Indians with a geological bent an opportunity of learning a profession which would give them an independent career and incidentally make them of great service to the country.

Sir, such an Institute would, of course, carry on other work than the mere localised task of exploiting the resources of Chota Nagpur. India has a large number of mineral deposits which are, unquestionably, the world's best, particularly, in the case of mica, manganese, graphite, baryta, bauxite, monazite, and corundum. But want of knowledge is doing untold harm in connection with the production and the export of these minerals, especially mica and graphite. Mica mining, with but a few exceptions under European management, is being carried on, in a most unminer-like way, whilst when it comes to export there is absolutely no attempt made to grade it before shipment. The same applies with more or less equality to the production of graphite.

As for other metals of the more common variety, it must be admitted that the fullest opportunity to get the best out of the earth is very rarely manifested. Iron ore deposits are plentiful all over India and, if only the work was properly organised and controlled, the known deposits could be worked not only to supply all India's needs but also for a good export trade. Copper deposits have been found in many localities, but no real serious endeavour has been made to exploit them, except in the copper belt where it extends over 80 miles in length, from Dalbhoom to Kerson in the district of Singhbhoom. But probably for want of proper direction the mining here has not proved a financial success. The only part of India, in which gold mining is being carried on successfully, is in the Kolar Gold Fields, Mysore. Indians of ancient days had mined in almost precisely the same spots, and there was evidence that the ancients had gone deep for their treasure. Our modern engineers have taken the hint and at a depth of about three thousand feet have found their efforts amply rewarded.

In the direction of petroleum, much could be done by such an Institute of Mines. Of all India's minerals, it has the greatest future ahead of it, for the resources of Bengal, combined with those of Assam and Burma, are large enough to supply all of India's needs which are now being mainly supplied by foreign countries at prices that are manifestly absurd. Drillers trained at such a School or Institute of Mining would be of the greatest use to go-ahead prospectors, and their work would lead to tremendous benefits.

What can be done in the direction of utilising India's minerals has been demonstrated during the past few years, by the "Big Push" given to the Steel Industry, by the Tata Steel Works, at Jamshedpur. It has

been demonstrated in more ways than one that in the field of hematite ore in the Singhbhoom district and in Keonjhar State India is rendered potentially one of the world's greatest sources of iron and steel. The computed content of this field is 2,800 million tons of ore, so that the industrial question of the moment is the feasibility of converting this theoretic wealth into an economic possession which will justify the expenditure of capital on its exploitation, give work to many hundreds of thousands of workers, and provide the basis whereon alone in India can be reared the great experiment of educating the masses and alleviating the drabness and the misery of their present existence. Government have recently shown their appreciation of the importance of this mineral wealth by giving the steel subsidy, but unless plans are made to educate trained geologists and engineers, such beneficence will be robbed of much of its value. India is at the door of her opportunity, for her mineral resources are, to say the least, very attractive. The great aim of the country should be to win a high place among the industrial nations, but she can only do this by liberal exploitation of her mineral resources. Let Government give the lead by the establishment of some such Institute or School of Mining as my Resolution suggests, and I am sure that the great men of the country will respond. Most of them know by experience that metal begets metal, and that more often than not base metal produces precious metal. So if we start to train our young men into being geologists and enthuse them with a love for mining, then we can expect in the future to stand a chance of developing her industries and holding her own in the markets of the world.

I have painted but a skeleton picture of what such an Institute will mean, but I hope that I have said sufficient to make Government decide to conduct such an investigation as I ask for and to consider very seriously the establishment of an institution of study and research and propaganda in the heart of that wonderfully wealthy spot at Chota Nagpur.

THE HONOURABLE MR. E. H. BERTHOUD (Bihar and Orissa: Nominated Official): Sir, as I come to this Council from Bihar and Orissa and have had charge of districts in Chota Nagpur for several years as Deputy Commissioner, I have something to say on this Resolution. The Honourable Member asks the Council to make two recommendations to the Governor General in Council. The first is that a full investigation be undertaken at an early date into the mineral resources of Chota Nagpur. The second is, to consider the advisability of establishing a School or Institute of Mining there.

Sir, it is a long way from Poona to Chota Nagpur and I am afraid that the Honourable Member has not been very well informed as to what is going on there. As regards his second request the Government of India has long ago anticipated his wish. A school of Mining at Dhanbad in the Chota Nagpur Division has not only been sanctioned at a cost of nearly 10 lakhs of rupees, but the construction commenced last November and the main buildings are well above the plinth level.

As regards the Honourable Member's first request, the development of the mineral resources of Chota Nagpur is a matter for which the Local Government of Bihar and Orissa is responsible and that Government is fully alive to its responsibility. In 1921, after an exhaustive debate in the local Legislative Council, a Resolution was passed that a committee consisting of non-officials and officials be appointed to examine the possibilities and the methods of development of the mineral resources of this

[Mr. E. H. Berthoud.]

Province and to suggest how far the revenues of the Province can be increased by such resources. This Committee was appointed in 1922 and sat for a year and published its report in 1923. The chief result of the Committee's deliberations was to show that there was no novel form of action which Government could take to expedite the development of minerals in the Province, and that the exploitation of these resources must depend in the future as in the past on private capital and enterprise and that action on the part of Government can only take the form of giving all reasonable assistance and encouragement to the private investor or qualified pioneer. With a view to giving such assistance to the private pioneer a handbook was published last year on the mineral and mining resources of Bihar and Orissa, which I commend to the Honourable Member's attention. Amongst other valuable material in that handbook will be found an exhaustive article by Dr. Fermor on the Mineral Resources of Bihar and Orissa which shows what a very large amount of investigation has already been done in Chota Nagpur. In addition to this there has recently been special work by Mr. Jones and Dr. Pascoe on the iron deposits in Singhbhoom, and an exhaustive investigation has recently been made into the mica deposits in Hazaribagh by Mr. Hobson, an Assistant Superintendent of the Geological Survey. The Geological Survey has also a working party in the Province which is at present in the feudatory states of Orissa. This party is following up the topographical survey by the Survey of India and it will move into the Palamau district of Chota Nagpur in about two years' time when the topographical survey is completed. Lastly, the Government of Bihar and Orissa gives every facility to the *bona fide* private prospector who means business and it is for him to complete detailed investigation.

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): Sir, after what my Honourable friend on my left has said, there is very little for me to say on this subject. I should be quite prepared to accept a portion of this Resolution, but not the whole of it. As the Honourable Mr. Berthoud has pointed out, it falls into two parts and my objection to the first part is not only that, as Mr. Berthoud pointed out, Development of Mineral Resources is a provincial subject which is not the immediate concern of the Governor General in Council. That is one objection; there is another, and I should like to develop a little what my Honourable friend said with regard to the extent to which Government, that is, the Central Government, can assist the development of mineral enterprise in the manner suggested by the Honourable Member.

I think there are two forms of technical expert knowledge required for the development of a particular area of land or a particular mineral enterprise. One is the theoretical knowledge, which is provided by the geologist. The other is the practical knowledge, which is provided by the mining engineer. It is with regard to the first, and the first only, I think, that any real assistance can be given by Government in a matter of this kind. Now I do not want to elaborate what my Honourable friend said. The geological data of Chota Nagpur are perfectly well known already and I am quite sure, if my Honourable friend studies the very useful handbook published by the Local Government, he will find there very full and complete information on the mineral resources of the Province. Indeed I rather doubt whether there is a single portion of India whose mineral resources are better known than those of Chota Nagpur. Practically the whole of

Chota Nagpur has been geologically surveyed, except a very small portion of the southern part of the district of Singbhoom, and there is a geological party there now as my Honourable friend pointed out. Indeed during the last 5 years something like 2,200 square miles of Chota Nagpur have been surveyed, or resurveyed, by the Geological Survey of India. I am quite prepared to admit that it does not necessarily follow that the Geological Survey have completed all the investigation that is necessary in that area. Some of that survey is undoubtedly old, carried out at a time when field methods and laboratory methods were perhaps not so informative as they are now. But I can assure the Honourable Member, and I can assure this Council, that the Director of the Geological Survey and his Department have this matter perpetually in their mind and are doing all that they can possibly do for finally completing the geological survey of this district. They are as a matter of fact just about to undertake a resurvey of the whole of the coalfields of India, the object of that being the very important one of ascertaining fairly approximate estimates of the reserves of high grade coal in the country, and they will take up that work as soon as they can. So that there is no question of any kind of special investigation, which could be conducted by Government, into the mineral resources of the Province, which could be usefully undertaken now that has not been undertaken in the past. Then of course there is the constitutional objection. That is my objection to the first part of the Resolution. The second part I certainly am prepared to accept, because it is really advising Government to do what they have been doing, as my Honourable friend pointed out. . . .

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Government are not doing it in Chota Nagpur.

THE HONOURABLE MR. A. H. LEY: At Dhanbad. Nobody denies the great importance, which my Honourable friend puts forward, of providing really first class and adequate mining education in the neighbourhood of the mining districts. Nobody denies also, I think, the want that there is at present, and there has been in the past, of really adequate facilities for first class mining and geological education. But I need not remind the Council again, as my Honourable friend has already done it, that the Government of India in 1920 issued a formal Resolution announcing their intention of establishing just such a school as my Honourable friend wants for the purpose of providing those facilities and giving the training that is required. It is quite true that the preliminary steps for the establishment of that school were postponed for some period for financial reasons, but that difficulty, as the Council is well aware, has now come to an end. Money has been provided, and the school is actually in course of construction, and I may mention that it is hoped that construction will have so far advanced that it may be possible to open the first year classes by the autumn of this year. It has always been the express intention—expressed in the Resolution of the Government of India in 1920—that this institution should be of collegiate rank, in which the very highest form of teaching in the art of mining and its accessory sciences will be provided, and that will be done. The school will include an associateship course of 4 years' duration in geology and mining engineering and diploma courses of 3 years' duration in geology, coal mining and metalliferous mining. It is proposed that the school should be known by the designation of the Indian School of Mines, and every possible step will be taken by Government to push on its construction as fast as funds can be provided. I do

[Mr. A. H. Ley.]

not know whether, with this explanation, my Honourable friend would be prepared to withdraw his Resolution, or possibly to omit the first part of it. If he did that, I would be quite prepared to accept it. I understood from his speech that what he was really driving at was a School or an Institute for teaching the art of mining and its accessory sciences, and if that is his intention and he would confine his Resolution to that, I would accept it.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, this is a very important matter and I hope and trust that some way will be found out so to amend the Resolution that is before this House as to make it acceptable to all. I am of the opinion that the Government are indicating the proper line in which the Resolution may be amended, and if it serves the purpose I would recommend the amendment of the Resolution by dropping out the words "to undertake a full investigation at an early date into the mineral resources of Chota Nagpur and" If these words are dropped, the Resolution will read:

"This Council recommends to the Governor General in Council to consider the advisability of establishing thereat a School or Institute of Mining."

The exact wording of the Resolution may be considered further if the mover of the Resolution agrees to this amendment. I trust that this amended Resolution may commend itself to the whole House.

Before I conclude I have just to draw the attention of the House to a fact which perhaps has been left unnoticed for a considerably long time. Mining operations have attracted the attention of ancients in India, and referring to Kautilya's Arthasastra, which is dated the 3rd century before Christ, I find a whole chapter devoted to the discussion of this important branch of education. Chapter 12 of that compilation, which is a translation by Dr. Shamasastry, deals with this matter in various aspects. It speaks of the Superintendent of Mines; it speaks of where the minerals are to be found. It speaks also of the liquids and it also speaks of ocean mines and winds up by saying—it is a very important statement so far as the treasury is concerned:

"Mines are the sources of treasury; from treasury comes the power of Government; and the earth whose ornament is treasury is acquired by means of treasury and army."

The whole chapter is very suggestive of what had been done by the ancients. Undoubtedly the matter came to be neglected for a very very long time, and it appears to us now as if fresh endeavours are being made to unearth what India contains for the benefit of her children. But it is absolutely necessary that whatever is hidden underneath Indian soil should be brought out by scientific means. The ancient methods will not do. We must have scientific methods, and education to that extent is absolutely necessary. It is in this view that I have emboldened myself to suggest the amendment which I trust may be acceptable to the House. A few formal changes here and there might bring us to a proper conclusion.

THE HONOURABLE THE PRESIDENT: I would point out to the Honourable Member and to the Council that the suggestion of an amendment does not carry us very much further. Does the Honourable Member move the amendment?

THE HONOURABLE MR. R. P. KARANDIKAR: I do move the amendment to drop out the words "to undertake a full investigation at an early date into the mineral resources of Chota Nagpur and". Those words may be dropped, because Government have been doing it. The Resolution will then be to consider the advisability of establishing thereat a school, etc. Of course the word "thereat" loses its force. I therefore move the amendment, and the amended Resolution will read:

"This Council recommends to the Governor General in Council to consider the advisability of establishing in Chota Nagpur a School or Institute of Mining."

I move that amendment, Sir.

THE HONOURABLE THE PRESIDENT: Amendment moved:

"To omit from the Resolution the following words:

'to undertake a full investigation at an early date into the mineral resources of Chota Nagpur and'

and for the word 'thereat' to substitute the words 'in Chota Nagpur'."

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, in view of what has fallen from my Honourable friend Mr. Karandikar and the charge of supposed neglect which he has brought apparently against the administration or Government, I, as one . . . .

THE HONOURABLE MR. R. P. KARANDIKAR: I have never done it.

THE HONOURABLE SIR MANECKJI DADABHOY: I, as one who is somewhat intimately connected with the mineral industries of this country, coal mines, manganese mines, copper mines, etc., am entitled to express some opinion on the subject. Sir, as regards the first part of this Resolution my Honourable friend Mr. Berthoud has made the matter abundantly clear. The geological reports which have been published for the last 40 years, or rather since 1860, contain an abundant mass of information regarding every mineral that can be found or is traced or is traceable not only in the districts of Chota Nagpur but in other parts of Bihar and Orissa, in Bengal, in the Central Provinces and in parts of southern India south. This information is available to anybody who cares to obtain it, and I do not think anything further will be gained by a re-examination of the subject or by going over what has been done so efficiently in the past by the Geological Department. The work of the Geological Department has been considerably supplemented by mineral prospectors and I assure my Honourable friend Mr. Karandikar, that there is no part of Bihar which has not been tramped over a thousand times by ardent prospectors in search of minerals. I know this as a matter of fact, because on various occasions I had to send my own prospectors to the various parts of the country, and the information which I received made it perfectly clear to my mind that it would be hardly possible to supplement the useful and exhaustive labours of the Geological Department. In Chota Nagpur not only have some minerals like mica and iron been found, but they are worked on a very large and extensive scale. My Honourable friend the Mover of the Resolution has referred to the copper belt extending over 80 miles as he said in that part of the country. I myself had something to do with it and I tell you I lost money over it. (*The Honourable Dr. Sir Deva Prasad Sarvadhikary*: "Bad survey.") Sir, in Giridhi itself one copper mine was started by the Cape Copper Company and it had lately to be shut down because it was not a paying concern and could not compete with the South African mines.

[Sir Maneckji Dadabhoy.]

As regards the second part of this Resolution, the Honourable Mr. Ley has pointed out what the Government have been already doing in the matter. The Council is perhaps not aware that private mineral holders are doing considerably more than the Government could possibly do in the matter. The proprietors of many private concerns have apprentices in their establishments under their mining engineers in which mining is being taught. In my own concerns I have got a system of apprentices and I largely employ Indian apprentices and they are trained there. But my difficulty in this matter, which has also been realised by many other people connected with the mining industry in this country, is to find out careers for these apprentices. I know of several Indian gentlemen who had gone to England and received excellent mining training. They have now been in this country for some years and have not been able to get suitable appointments That is the real misfortune. I have no doubt that the School of Mining which has already been established and which will begin work next autumn, as the Honourable Mr. Ley pointed out, will impart useful knowledge and instruction. A class of mining engineers will be prepared in that institution, but the difficulty is to find suitable careers for these people. Now, what is happening in the coal mines of Bengal? There are so many coal mines in Bengal and I speak from some personal knowledge when I tell you that in most of these coal mines in Bengal, even in Jharia itself, we find that small proprieors never care to appoint or put their mines in charge of qualified men. There is under the Mines Act a certain obligation to appoint one qualified man in charge of the mine. That is being done and there the matter rests. I say that the resources of the country are being dissipated and squandered by mismanagement and by refusal to employ a proper class of people. The fact must be brought home to the proprietors of minerals that the minerals underground are a source of wealth to the country and on the proper conservation of minerals and management of those mines depend the industrial future of the country.

THE HONOURABLE MR. HAROON JAFFER: Sir, I was very glad to hear from my Honourable friend Mr. Berthoud that there was some investigation made into the resources of Chota Nagpur. But only in November last some geologists and others took part in a meeting held at the Rotary Club, Calcutta, and among them was Dr. Fermor of the Indian Geological Survey. It was then thought that it was necessary that there should be an investigation into the mineral resources of that part of the country. However, if the Government of India concur with what my Honourable friend has said then there is an end to it.

With regard to the amendment proposed by the Honourable Mr. Karandikar I think it meets the wishes of my Honourable friend Mr. Ley. I therefore raise no objection to it. I accept the amendment proposed.

THE HONOURABLE MR. A. H. LEY: Sir, I am prepared to accept that amendment.

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

"This Council recommends to the Governor General in Council to undertake a full investigation at an early date into the mineral resources of Chota Nagpur and to consider the advisability of establishing thereat a School or Institute of Mining."

Since which an amendment has been moved to omit from the Resolution the words:

"to undertake a full investigation at an early date into the mineral resources of Chota Nagpur and."

The question is that those words be omitted.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: Further amendment moved:

"That for the word 'thereat' the words 'in Chota Nagpur' be substituted."

The question is that that amendment be made.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The question then is that the following Resolution, as amended, be adopted:

"This Council recommends to the Governor General in Council to consider the advisability of establishing in Chota Nagpur a School or Institute of Mining."

The motion was adopted.

The Council then adjourned till Eleven of the Clock on Wednesday, the 18th February, 1925.

COUNCIL OF STATE.

Wednesday, 18th February, 1925.

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

DEATH OF SIR LESLIE MILLER.

THE HONOURABLE THE PRESIDENT: In the short interval which has elapsed since the House adjourned yesterday, it has sustained a grievous loss in the death of one of its most prominent and respected members. Sir Leslie Miller was but a few days ago sitting in his accustomed seat on the Madras benches, and though we all knew that he was ill and that a very serious view was taken of his illness, yet it must inevitably come as a great shock to the House to realise that it will see his face in the Council no more. I take for myself, and I am glad to give the House, this earliest opportunity of expressing our deep sense of sorrow at our loss and of expressing also our profound sense of sympathy with Lady Miller in her sad bereavement. I had known Sir Leslie Miller only since the time he came to this House as a Member. I have no doubt there are several here who have known him far longer than that. He occupied a seat here which was ordinarily reserved for the official representative of the Madras Government, and it is a striking commentary on his fairness, his ability and his soundness of judgment that on more than one occasion the Government of Madras have requested that he should be nominated to represent the Presidency when they might have sent an official. Sir Leslie Miller spent more than forty years of his life in India. As an official in the first place of the British Government, he rose to one of the highest offices that it falls to the lot of members of the Indian Civil Service to fill; and thereafter he gave ten years of his life in the service of one of the greatest States of India. On vacating his office as Chief Judge of the Chief Court of Mysore, he continued to serve the public as a Member of this House. How fully the confidence of the Madras Government in selecting him as their representative was justified this House is fully aware. Sir Leslie Miller never spoke unless he had some weighty contribution to make to the debate; and I venture to say without contradiction that there has been no Member of the Council of State whose opinions have carried greater weight on both sides of the House and have exercised greater influence on the course of debates in this Chamber. Honourable Members will later in the day have an opportunity of paying their last tribute of respect to our late colleague, and I feel sure that the House will desire me to have placed on record and communicate to Sir Leslie Miller's widow its profound sense of loss and sorrow and its deep sympathy with her in her bereavement.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, it is with a profound sense of sorrow and a heavy heart that I rise in my seat to associate myself with every word that has fallen from you. I had known Sir Leslie for nearly 30 years. I knew him first as District Magistrate and Collector of Vizagapatam. I appeared before him as a

[Sir Narasimha Sarma.]

vakil both in Vazagapatam and in Madras when he presided ably over the Madras High Court. He was always known for his ability, for his painstaking hard work, for his impartiality and the conscientious discharge of the duties of his office. Every one that knew him respected him for all that is best in the British character. He was a very sound lawyer. His judgments always inspired confidence and respect, and we, the practitioners of the time in the Madras High Court, felt that that Court was sustaining a very heavy loss when Sir Leslie Miller severed his connection therewith to be translated to another sphere of activity, to preside over the judiciary in Mysore. It was the good fortune of India that Sir Leslie Miller, after retirement, settled down in this country, and in the fact that on two occasions he complied with the request of the Madras Government to represent that Province in this Council; you have a clear indication therein of the high sense of duty which characterised him throughout his life. The Honourable the President was perfectly right when he said that Sir Leslie Miller spoke but on a few occasions and that he spoke only on those occasions when he had something real to say, and I can testify to the profound respect which he inspired on both sides of the House whenever he made any pronouncement on a controversial question. He was known for his impartiality in this House. He was neither a Government man nor a non-official man. He judged impartially every question that arose, and I think this House has really sustained a very heavy loss by the sad death of Sir Leslie Miller. He was a distinguished son of a distinguished father who was Law Member for many years in the Government of India. He was connected with India for more than forty years, and I think it is but right that this House should show in some signal way its mark of respect for his memory. I am sure there will be the unanimous vote of this House in expressing its profound sympathy with his widow and the other members of his family in the sad loss they have sustained.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, on behalf of my non-official colleagues and on my own behalf, I associate myself with all that has fallen from you and from the Honourable the Leader of this House. We have received the news of the sad death of one of our most respected colleagues with profound sorrow. Sir Leslie Miller had inspired confidence by his rare impartiality and his great learning among the non-official members of this Council. Not only was he a profound lawyer, but he was a man of strong common sense, and he brought to bear that gift on some of the most complicated debates that took place in this House. He was always ready to lend his valuable assistance and to place his store of knowledge and information at the disposal of his colleagues whenever it was sought for, and I myself on various occasions had consulted him on important questions involving intricate legal points, and he always gave his advice and assistance readily and cheerfully. Sir, by his death this Council loses a real and priceless ornament. As you said, Sir, he spoke very rarely, but when he spoke in this House his utterances commanded profound respect from both sides of the House. I have nothing further to add, but to suggest to you, Sir, that as a mark of respect to his memory, you will be pleased to adjourn this House to-day.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, on behalf of the non-official Europeans in this Council, I

wish to support the very seemly proposal of my Honourable friend Sir Maneckji Dadabhoy that you should adjourn the House to-day as a mark of respect for the memory of our late colleague, Sir Leslie Miller. I have not known Sir Leslie Miller so long as the previous speakers, but I have known him since he was a Member of the Council of State, and I do not think that I can pay a greater tribute to his memory than to say that we all mourn his loss very deeply and sincerely.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR (Madras: Non-Muhammadan): Sir, my memory of Sir Leslie Miller dates from my 15th year. He was the District Judge of my district. He was a very great friend of my father, and we used to go to him when we were little children. He was our adviser and used to take great interest in us. From my knowledge I can say that we learnt to have respect and regard for British justice only through administrators like Sir Leslie Miller. He was sitting by my side in the Council of State for four years excepting the last one year, and his impartial decisions on many of the subjects were so important and impressive that Government had to yield on many points. It was only the other day that myself and Mr. Khaparde approached him in connection with the Priest's Bill brought in the Assembly by Mr. Lathe and it was only through his sagacity and impartiality in this Council that Mr. Khaparde and myself won our point of view here. It is with very great heaviness of heart that I learn the news of his death just now, and I beg to associate myself on behalf of the non-official Members in condoling with his family on his death. It is very unfortunate that he should come away here to Delhi from Madras to die here but he has had the satisfaction that he died in harness in the service of the country which adopted him.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-Official): Sir, it is a very sad loss to lose so valuable a Member as Sir Leslie Miller. Every word that has fallen from you and from the other friends of course I entirely agree with. In fact, he had a judicial mind about him and his judicial equanimity was always evident in his conduct and action. He belonged to this "Council of Elders" and I believe perhaps we had no better elder among us than Sir Leslie Miller. For the last five years I have known him as such. I associate myself with all the other Members in mourning his loss and in the desire that we should adjourn for the day as a mark of respect and expression of sympathy to his widow.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, I desire to associate myself and my Honourable friends from Bengal with all that has been said on this mournful occasion. Short as our acquaintance with him here was on this Council, Sir Leslie impressed everyone that came in contact with him with the sterling qualities of head and heart with which he was so generously endowed. He was one of those old-world figures who attracted you the moment you saw him, and he was always ready to give the best that was in him in any service that was demanded of him. What made the deepest impression on us was that even after he had earned his pension and rest, he decided to settle down in our midst and still continue to give what was best in him to the service of the country which he had served so well. That was a feature of his career that influenced Indians very largely in their estimate of him, and one cannot help feeling now and again that more men of that type associated with us would be a distinct help to the discharge of public duties that are daily becoming more and more

[Sir Deva Prasad Sarvadhikary.]

onerous. There is something very noble in being permitted to die in harness and Sir Leslie literally died in harness, attending, in spite of his advanced age and failing health, to his duties here which he need never have taken up. There is also a tragic element in it, that these tolls are becoming frequent, away from Honourable Members' homes when they come here to do their duty. We all feel for Lady Miller and the members of the family; we entirely support the proposal about communicating to the family our deep sympathy in their bereavement; we also request that the House should be adjourned as a mark of honour to his memory.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): * Sir, on this occasion I speak with a sense of personal loss. I never knew Sir Leslie Miller before, but during the time that he was a Member here, I distinctly remember that on three occasions when there appeared to be a great difficulty, and a proposition for which I was fighting appeared to be on the point of being lost, I then approached Sir Leslie Miller and he very kindly helped me; and such was his great power and eloquence or rather the weight attached to all that he said that the House turned, and I was able to carry my three propositions which I could never have otherwise done. It has always been the practice with me during the time that he has been in this House that on all knotty and difficult points I always went and had a talk with him and I always said to him that in coming to India in the second generation he was something like the old Anglo-Indian families and he had inherited his friendship for us. He could easily understand our feelings and when there were points on which he could not understand, I explained the matter to him and it eventually ended in agreement. If gentlemen who have served here send their sons to this place in that way they establish a kind of hereditary link, and these links are stronger than those of interest. This sympathy and understanding to my mind always is stronger than the interest which prevails at the particular moment. I can hardly realise that he could have passed away because it was only a few days ago that, standing in this verandah here, he told me how he had been ill in England and how he came here and expected to recover here in the climate that he liked. Well, he adopted India as his country and I am very sorry indeed that India is unfortunate in not being able to retain him longer for the service of the country which he had adopted. I heartily associate myself with what has fallen from most of the Honourable Members who have spoken before me and it is only a poor thing that we can do to convey our condolences to his family and his widow.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, I rise to give expression to the deep sense of sorrow with which the news of the death of Sir Leslie Miller has been heard by this House. To the Members of the legal profession in this country, Sir Leslie Miller had been known as a distinguished judge for many years past, but it is not so much of his attainments, high as they were, as a judge that I wish to speak as of the silent and sound work that he performed on the non-official benches as a Member of this Council. Sir Leslie Miller was the one Member who was well known for his readiness to appreciate the viewpoint of his adversary in debate. As you have pointed out, Sir, he did not speak very often but, whenever he spoke, he made a real contribution to the debates and, whenever he lent the weight of his speech to any speaker, that speaker could rest assured that Sir Leslie Miller's support would have a great effect on this House. Sir, we send our sincere sympathy to the widow and other members of the family of the deceased and it is but meet and proper that as a mark of respect to the memory of Sir Leslie Miller, this House should adjourn for the day.

* Not corrected by the Honourable Member.

THE HONOURABLE SARDAR CHARANJIT SINGH (Punjab: Nominated Non-Official): Sir, on behalf of the Punjab Members I beg to associate myself with every word that has fallen from you and from other Honourable Members on the sad and sudden death of our late Colleague Sir Leslie Miller.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): Sir, I join in the sorrow expressed by you and other Members on the sad and untimely death of our late Colleague Sir Leslie Miller. I agree that the House should adjourn in memory of the deceased. I suggest, Sir, that at the funeral to-day a wreath on behalf of the Members of this Council be placed by you on the grave of the deceased.

THE HONOURABLE RAJA SIR RAMPAL SINGH (United Provinces Central: Non-Muhammadan): *Sir, on behalf of the United Provinces I rise to associate myself with the tribute that has been paid to the memory of Sir Leslie Miller. It is a matter of great sorrow that we have lost a Colleague whose ripe experience and judgment were always at our service in the debates. I quite agree that in respect to the memory of our deceased Colleague the House should be adjourned to-day and a wreath may be placed on his grave as has been suggested by my friend Khan Bahadur Ibrahim Haroon Jaffer, on behalf of this House.

THE HONOURABLE THE PRESIDENT: I take it as the unanimous desire of the House that I should convey to Sir Leslie Miller's widow the sentiments expressed here to-day and to assure her of our deep sorrow and our profound sympathy with her in her grievous loss. I take it that it is also the unanimous desire that the House should adjourn without taking up the business of the day as a mark of respect to the memory of our late Colleague. The Council will now adjourn till Friday, the 20th, at 11 o'clock.

The Council then adjourned till Eleven of the Clock on Friday, the 20th February, 1925.

* Not corrected by the Honourable Member.

COUNCIL OF STATE.

Friday, 20th February, 1925.

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

MEMBER SWORN.

The Honourable Mr. Clement Daniel Maggs Hindley (Chief Commissioner for Railways).

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: In accordance with Rule 25 of the Indian Legislative Rules I lay on the table a copy of the Bill to determine the salary of the President of the Legislative Assembly which was passed by the Legislative Assembly at their meeting held on the 18th February, 1925.

QUESTION AND ANSWER.

COST OF INDIA'S PARTICIPATION IN THE BRITISH EMPIRE EXHIBITION.

91. THE HONOURABLE MR. HAROON JAFFER: Will Government be pleased to state:

(*a*) what was the cost to the Government of India of participation in the Wembley Exhibition;

(*b*) what was the cost to the respective Provincial Governments;

(*c*) have they reconsidered their decision not to participate this year?

THE HONOURABLE MR. D. T. CHADWICK: Two days ago the Honourable Mr. Haroon Jaffer kindly deferred asking a question about the Wembley Exhibition. I now lay on the table the answer to that question.

(*a*) Figures of total actual expenditure are not yet available. The total estimated gross expenditure on the British Empire Exhibition for the three years ending 1924-25 from Central Revenues is as follows:

In England	£196,000
In India	Rs. 1,78,000

In addition the estimated gross expenditure on account of various Railways is Rs. 3,27,000.

The following recoveries have so far been made on behalf of the Government of India on account of rent etc.:

In India	Rs. 4,00,000
In England	£30,000

(b) The total estimated expenditure incurred by various Local Governments is as follows:

	Rs.
Madras	3,08,500
Bombay	72,058
Bengal	3,51,000
United Provinces	3,70,000
Burma	13,00,000
Punjab	3,50,000
Bihar and Orissa	50,000

Except in the case of Madras and Bihar and Orissa the above figures represent gross expenditure and take no account of recoveries.

(c) The Honourable Member is referred to the Commerce Department Press Communiqué of 19th February on the subject, a copy of which has been supplied to him.

RAILWAY BUDGET FOR 1925-26.

THE HONOURABLE MR. C. D. M. HINDLEY (Chief Commissioner for Railways): I rise to present a statement of the estimated revenue and expenditure of the Governor General in Council for the year 1925-26 in respect of Railways. At the conclusion of my remarks copies of the statement and other connected papers will be circulated to all Honourable Members of this House, together with copies of the speech which the Honourable Railway Member is now making in the other House.

I am deeply sensible of the honour of presenting to this Honourable House the Railway Budget, because this is the first occasion on which this Budget has been dealt with separately from the general budget, and is, therefore, an outstanding event of historical importance to the railways of India. Following the convention agreed to last September by the Legislative Assembly—a convention which we are justified in considering as the new charter of Indian Railways—the finances of the railways are now separated from the general finances of the country. Amongst the many advantages of this change is that of affording the Legislature a better opportunity of dealing with railway policy and the problems of railway administration on their own merits and not as an adjunct to the many other important problems, both political and economic, which arise out of the general budget for the year.

The presentation of the railway budget on a separate occasion and in advance of the general budget is rendered possible by the fact that under the convention the effect of the returns from railways on the general revenues is a known and ascertained fact and is based on the results of a previous year. Consequently the Railway Budget can be prepared—and for the first time in history has been so prepared—with regard to the facts of the railway business itself, and is not dependent either in its details or its scope on the proceeds of general taxation or the rate of expenditure on

other Government activities. What this measure of independence will ultimately mean in affording freedom to the Railway Board and the railway administrations to deal with the business of the railways on sound commercial principles and with due forethought and consideration for the transportation needs of the country can hardly be foreseen. This much is at least certain that funds for ensuring efficiency, for introducing improvements, and for further development will solely depend on the ability of the railway property as a whole to pay its way as a commercial concern. To secure the profit which is necessary in order that railways may meet from year to year the heavy obligation contained in the convention of paying a contribution equal to 1 per cent. on the capital at charge *plus* $\frac{1}{5}$th of the surplus profits, it is necessary for the Railway Board and the Agents not only to encourage traffic and to keep a watchful eye on expenditure, but also to so order the improvement and development programmes that expenditure incurred is remunerative to the required degree. The obligation is, therefore, an impelling factor of a constructive nature, the effect of which runs through the whole of our activities and organisation, and the budget which is now being presented may well be looked at as an index of those activities during the current and coming years.

The memorandum which accompanies the budget gives, as clearly as possible, the main features of the finances of the railways, the revised estimates for the current year and the estimates for next year, while the numerous statements, annexures and appendices, and, in particular, the information given regarding the individual budgets of the important railway administrations gives all the details necessary for a close study of the whole situation. I may explain in passing that the form into which we have put the budget this year has been approved of by the Standing Finance Committee for Railways, and that for convenience of discussion in the Legislative Assembly the demand has been split up into 15 separate votes, each of which refers to some special activity or group of activities.

Revised Estimate, 1924-25.

I propose to deal briefly with the main figures of the estimates and will mention first the revised estimates for the current year. We now estimate our gross receipts for the year at 98·01 crores which is nearly 5 crores better than our gross receipts for last year and 2½ crores better than our budget estimate prepared last March. This excellent result may be ascribed partly to good crops and improving trade but to some extent also to improved handling capacity of our railways resulting from expenditure incurred in recent years and better methods of working. Had it not been for the floods in north and south India, the figures for gross earnings would have been better still. On the expenditure side we estimate that our total charges will be 86·77 crores or, excluding interest charges, surplus profits to Indian States and Company railways and miscellaneous charges 62 crores against 59·16 crores last year. Actually our expenditure this year would have amounted to 63·25 crores, but for a windfall of 1¼ crores in the shape of customs duties paid by companies' railways which under the recent Privy Council decision must be refunded. For a proper comparison with the figure of 59·16 crores of the previous year we should, however, make a further adjustment of 195 lakhs, for in the current year we charge to Revenue the gross appropriation of 10 crores to the depreciation fund and not only the estimated actual expenditure from the fund for renewals which stands at 8·05 crores.

[Mr. C. D. M. Hindley.]

The correct figure for comparison is, therefore, 61·30 crores which is the cost of earning 98 crores. Last year we spent 59·16 crores in order to earn 98·18 crores, and we have, therefore, earned nearly 5 crores more by spending an additional 214 lakhs. The net gain accordingly from commercial lines arising from the gross earnings of 98 crores obtained by a total expenditure of 8677 lakhs is 11·25 crores.

I will now deal with the disposal of this sum. Under the terms of the convention the contribution is to be equal to 1 per cent. of the capital at charge in 1923-24 *plus* $\frac{1}{6}$th of the surplus profits in that year. On this basis the amount of the contribution to be paid from the net gain of the current year will be 630 lakhs odd. Against this we have to set off the loss on the working of strategic lines which under the convention is a liability of the general finances, and amounted in 1923-24 to 121 lakhs making the net payment to general revenues 509½ lakhs.

From the net gain of 1125 lakhs during the current year has to be deducted the estimated loss on strategic lines which this year is 151 lakhs leaving 974 lakhs available, and after deducting 509½ lakhs the balance available for disposal is 465 lakhs. The convention, however, stipulates that if after the payment of the contribution the amount available for transfer to Railway reserves should exceed 3 crores, ⅓rd of the excess over 3 crores should be paid to the general finances. The excess over 3 crores is 165 lakhs and ⅓rd of this or 55 lakhs must be added to the contribution leaving 410 lakhs to go to Railway reserves. The general revenues therefore get a net payment of 564 lakhs and the railway reserve fund 410 lakhs.

To summarise the position the estimates for the current year show that, after meeting all interest and other charges and providing funds for the loss on strategic lines, railways will be able to contribute 564 lakhs to general revenues, to accumulate 210 lakhs in the depreciation fund, and to place 410 lakhs to reserves.

Budget Estimate, 1925-26.

In the budget estimate for 1925-26 the gross receipts are placed at 101 crores or 3 crores in excess of the current year, the expenditure at 91 crores. Of the latter figure working expenses are estimated at 65·79 crores or 2½ crores more than the current year, while interest charges will be 82 lakhs higher. Amongst the expenditure which contributes to this excess I may mention that we hope to make a beginning on the work preparatory to the provision of automatic couplers on all our stock, for which 70 lakhs is allotted. We are setting aside 50 lakhs for speeding up repairs to rolling stock and 50 lakhs for meeting the cost of measures we are now taking to get rid of surplus and unserviceable stores. We have also thought it prudent to provide 26 lakhs for the cost of extending to officers on Companies' Railways the Lee Commission concessions regarding which a decision has not yet been arrived at. With these figures for gross earnings and working expenditure the net contribution to general revenues for the coming year will work out to 524 lakhs, or 40 lakhs less than the contribution in the current year. This is accounted for by the unexpected increase in the net receipts of the current year by 125 lakhs due to the refund of customs duty. The gross contribution to general revenues is estimated at 645 lakhs and we expect to put into our railway reserves 328 lakhs. We are making no proposals for any appropriation from these reserves. The figures quoted

are only anticipations and have yet to be realised. They in fact depend largely on next monsoon and the state of trade. Moreover, we have to bear in mind that in 1926-27 we have to meet a contribution to the general revenues based on the result of the current year's working, which is estimated at 735 lakhs. If in that year there should be a set-back in railway working and we were unlucky enough to make no profits, the whole of our reserves might be absorbed in paying the contribution for one year.

Capital expenditure, 1924-25.

The net capital outlay in 1924-25 is now estimated at Rs. 12·85 crores. But the total capital expenditure is expected to be considerably greater since the outlay is reduced to the extent of 155 lakhs by the refund of customs duty, and a reduction of 4 crores is also expected in the capital value of our stores balance. The estimated total capital expenditure, is, therefore, 18·4 crores—a figure approximating to the expenditure of last year. Most of the causes for the failure to spend the sanctioned grant of 30 crores are explained in the Report on Indian Railways for the year 1923-24 and these causes continued to operate well into the current year.

Capital expenditure, 1925-26.

We hope, however, that the efforts which have already been made to increase progress on approved works will bear fruit in the coming year, and in fact the various railway administrations estimate that they will be able to spend 32 crores in that year. For the purposes of the budget, however, in view of the heavy lapses in the capital grant of previous years, we do not feel justified in asking for the actual provision of more than 23 crores, an increase of about 30 per cent. over the current year's spending.

Of this 32 crores 8½ is for new construction and 23½ for open line improvements and additions.

Open line works.

The provision for open line works represents in concrete form the efforts which the Railway Board and the railway administrations are making towards the steady improvement of India's railways. The details of all the works which are now in progress or are to be undertaken will be found in the Budget Memorandum and in greater detail in the books which have been specially prepared for each railway. It would perhaps be difficult for Honourable Members by studying these books to get a clear conception of the magnitude of the efforts being made or of the underlying scientific principles on which the programmes are built up. I would, however, emphasise the fact that prior to the separation of finances, under the old system where expenditure year by year had to be regulated by considerations dependent on the general budget of the country, such an effort would have been impossible. Our predecessors in fact had no opportunity of laying down a definite programme of improvements and developments nor any hope of seeing such a programme steadily pursued. The success of such an effort depends on continuity of policy and the prospect of continuous supply of the necessary funds for the undisturbed completion of each portion of the programme.

This prospect has now been assured to us by the terms of the Convention under which the railway property of the State can build up a strong financial position based on adequate reserves and which accordingly gives us and the

[Mr. C. D. M. Hindley.]

railway administrations an entirely new outlook on the whole problem before us. The reason why an assurance of the continuity of regular financial provision is essential to success is that the various parts of the programme must be so carefully co-ordinated and so dependent upon one another, that failure to complete one portion means incurring unremunerative and wasteful expenditure on another portion. Honourable Members who have had time to look into the Railway Board's Report for the year 1923-24 will perhaps have seen that we have there explained very fully the methods we have adopted for dealing with new works on open lines. The whole subject is closely connected with the more modern and scientific methods of dealing with transportation problems which are now being introduced on all railways. A correct appreciation of the costs of numerous parts of the business of handling traffic such as can only be derived from properly arranged statistics leads directly to improvements in methods and the provision of better and more capable equipment. To take a concrete example our new working statistics amongst many other advantages which they afford to operating officers and the management, show comparative costs of handling wagons in different large marshalling yards. Not only do these comparisons lead to improved and quicker working in these yards but improvements are devised in layout and subsidiary equipment which require expenditure of considerable sums. In such a case if it is possible to show that the expenditure will result in a reduction in working expenses, the expenditure is sanctioned and forms a part of the programme. But in the consideration of such a proposal it is necessary first to ensure that the marshalling yard is itself in the right locality having regard to the flow of traffic and that the work it does is properly co-ordinated with that of other marshalling yards. And here the problem becomes a larger one involving a careful review of the capacity of the different sections leading to and from this yard and to other yards. The capacity of a section depends on the speed and weight of the trains which can be run over it, and our statistics again give us the necessary assistance in showing us the facts as they are and the facts as they should be. The strength of bridges, the strength of the permanent-way, the power and weight of locomotives in use, the gross weight and carrying capacity of the wagons all come into play and are factors which have to be co-ordinated in building up a programme of improvements. This co-ordination of the various factors is a matter which requires experience of working conditions and knowledge of the equipment besides the practical application of business methods, and it indicates the necessity for a well organised expert staff.

But such a co-ordinated programme of improvement and its consequent expenditure can only be considered as a suitable object for investing new capital if the interest on the additional capital is likely to be forthcoming from the increase in net revenue which will result, either through increased earnings or from reduced operating costs. This in fact is the criterion which we apply to all proposals for improvements, and it is in this respect again that the convention regarding the separation of finances is proving itself to be a live constructive force which will lead to improvements to railways which were altogether beyond the horizon of our predecessors.

The convention in fact not only gives us the promise of continuity in our efforts towards improvement, but gives us a criterion or index to the soundness of our proposals. If a railway administration can clearly demonstrate that such and such improvement will result in a gain to net revenues sufficient to meet the obligation rising out of the additional capital expenditure, we have no hesitation in giving our consent to the work being carried out in the certain knowledge that funds will be available. If now I give a few of the more important of the works covered by the present programme, the Council will no doubt understand that although they represent individual and concrete schemes they are part of properly co-ordinated programmes on separate railway administrations and that the programme as a whole represents a fully co-ordinated scheme of improvement which is being carried on as a continuous process and has as its objective cheapness and efficiency of transportation throughout India.

Rolling Stock.

So far as rolling stock is concerned, we are providing (in terms of four-wheelers, *i.e.*, counting a bogie vehicle as 2 four-wheelers) 3,857 new goods wagons and 822 new coaching vehicles of which 755 are for lower class passengers.

As regards wagons, judged by former standards the number would be inadequate to the increase in traffic we expect, but I must mention that improved operating has already begun to produce results and our existing stock is now doing more work of a profitable nature than formerly. The figures for coaching stock are lower than we should like to see, but here we are limited to some extent by the capacity of our workshops. We are now re-examining this matter and we hope that it may be possible without interfering with the repairs and overhaul of existing stock which are still seriously in arrears to undertake some further building of additional stock. We are as anxious as any one else can be to see an adequate supply of coaching stock which alone will enable us to give passengers better train services and avoid overcrowding.

Apart from the provision for additions and betterments to lower class stock which will cost nearly 1½ crores and the many other works which will carry with them improvements in the standard of travel of all classes we are making special provision of 30 lakhs for amenities for 3rd class passengers, such as waiting sheds, refreshment rooms, booking facilities, water supply, and so on.

Improving capacity of yards and lines.

Amongst many other improvements included in the programme we are spending about 3 crores on remodelling and improving 18 important station yards which will result in improved services and quicker handling of wagons and coaching stock. In many of these cases improvements are long overdue and are essential if we are to make the best use of our rolling stock and remove the primary causes of wagon shortage for public traffic. Honourable Members will, no doubt, appreciate the close connection of this class of expenditure with the amount required for additional rolling stock. In the same category we place the various schemes for doubling and improving sections of the line at present being worked to the limit of their capacity, amongst which I may mention doubling certain sections of the Bengal Nagpur Railway for which we have provided 58 lakhs, the doubling of the Grand Chord of the East Indian Railway for which the provision of 38 lakhs has been made, the quadrupling of certain sections of the Bombay, Baroda and Central India

[Mr. C. D. M. Hindley.]

Railway near Bombay on which 34 lakhs are to be spent, the rebuilding of the Bassein Bridge on the same railway, the conversion of the Parbatipur Siliguri section to broad gauge on which nearly 40 lakhs will be spent and many other equally important schemes.

Workshops.

Closely connected also with the problem of improved services is the necessity for improving and modernising our workshop facilities. There is no more potent cause in hampering the quick movement of traffic and adequate supplies of rolling stock than insufficient accommodation and equipment for repairs to stock.

The railway administrations are attacking this problem boldly and are taking advantage of the immense advances that have been made in the last few years in workshop practice and workshop organisation. In this connection I should like to quote what the President of one of America's great railways recently said in regard to workshop equipment:

> "Perhaps the point in which railroad facilities are the weakest is the machine tool equipment of the repair shops. The development of machine tools received a great impetus from the war and from the growth of a new industry. During the last 15 years we have had the Great War and the development of the automobile business. The effect has been to revolutionise machine tools and to render obsolete a large part of the machine tool equipment".

That is a saying which if it applies to America applies with even greater force to India, for we have had the added disadvantage of want of close contact with these factors and also the want of funds with which to make improvements. I have in the course of the last 18 months visited most of our large workshops and have been greatly impressed with the signs of the beginning of the revolution in workshop methods which I have referred in the quotation. I will give two instances of what I mean. The wheels of locomotives and rolling stock require to be brought into the shops at intervals to be turned in a lathe in order to correct inequality of wear on the tread. Most of the machines of old pattern in use till recently took as long as 7 or 8 hours to deal with one pair of wheels. The modern machine can do the work in 2½ hours. The savings resulting from installing such a machine are not confined to reduction in labour costs, but also arise from the shorter time during which wheels are out of running and the consequent reduction in the number of spare stock required. As another instance, the outturn from a locomotive repair shop depends on the number of pits or places where locomotives stand during repairs and on the time taken to repair a locomotive. Formerly it was possible to deal with 4 engines per pit per year and with a 50 pit shop to overhaul 200 locomotives per year.

The time taken for repairs depends on the output of the subsidiary shops and the organisation for bringing the repaired material to the spot. If we can increase the output to 5 engines per pit per shop, we increase the turn over in the 50 pit shop from 200 to 250 per annum, which means an effective addition of 50 engines to the available stock.

When I explain that workshops are now aiming at a figure of 6 engines per pit per annum, and that in some cases we hope that this

figure will be exceeded, it will be seen that heavy expenditure on improving workshop facilities is fully justified. I have given the outlines of the problem, but in the Budget Memorandum will be found more detail in regard to certain of the more important schemes, and it will suffice if I say that we are proposing to spend in the coming year a sum of about 3 crores on this very necessary improvement.

Electrification.

Perhaps one of the most important incidents during the past year has been the opening of the Harbour Branch extension in Bombay and the new electric train service on that branch. His Excellency the Governor of Bombay performed the opening ceremony on the 3rd of this month, and in his speech fully recognised the value of such a service to Bombay and the neighbourhood, and welcomed the prospect of further electric suburban services in the near future. I was glad to be able to take the opportunity as representing the Government of India to give Bombay an assurance of co-operation with the Local Government's efforts to make the development scheme a success by providing rapid transit suburban services as the development proceeds. But this incident had wider significance than the mere provision of a new route and a new service in one Presidency-town. It is the first practical example of electric railway traction in this country and holds the promise of further great developments in the handling of traffic. Already we are contemplating substituting electric traction on the main line of the Great Indian Peninsula Railway as far as Igatpuri and Poona, and if this is effected we are confident that we shall secure not only great economies, but also much better service to the public. We are also re-examining the problem of suburban traffic in Calcutta and we expect to be able to elaborate a scheme whereby that city can be relieved from some of its present traffic difficulties and be given an adequate rapid transit electric service between the city and its suburbs. I cannot refrain from remarking that the delay in providing an adequate permanent bridge across the Hooghly in the neighbourhood of Howrah, which delay seems likely to continue for many years unless the citizens of Calcutta wake up to a sense of their responsibilities, is having a serious effect on the whole problem of handling railway traffic into and out of the city. If we are to contemplate a further prolonged delay we must attempt a complete revision of our terminal arrangements, and we are about to make a serious practical examination of this large problem with the object of securing to the public the best facilities for terminal traffic which the various routes into and out of Calcutta enable us to make. The somewhat similar problem regarding Bombay terminal facilities both for passengers and goods, arising out of the development of the city will also be made the subject of a special investigation in the near future.

Standardisation.

Amongst the many activities of the Railway Board and the railway administrations which are moving in the direction of improvement of transportation, I may mention a few of the more important. We have adopted both in regard to locomotives and rolling stock the policy of progressive standardisation as a continuous process. Standardisation is sometimes stigmatised as stagnation, and indeed unless it is accompanied by a continuous intelligent effort towards improvement this description

[Mr. C. D. M. Hindley.]

is well deserved. Standard locomotives, standard wagons and standard coaching underframes are not new in this country, and the advantages of such standards are well understood. Complete standardisation assists in getting lower prices by facilitating pooling of orders and reduces expenditure in upkeep and in stocking of spare parts. Railways in India have to a large extent adopted standard equipment, but much remains to be done, and we were recently in danger of seeing our standards becoming out of date.

As fully explained in our report for last year we have taken steps to provide that our standards will in the future be capable of absorbing improvements based on modern experience and thus provide for progress. We have constituted permanent technical committees on standardisation for locomotives and rolling stock, and these committees after revising our standards will in future be available from time to time to deal with suggestions and the results of working experience as applied to the standard designs. During the last few weeks we have had the advantage of the able assistance of Sir Seymour Tritton, one of our Consulting Engineers, who is a recognised specialist in locomotive and rolling stock design and who has been able to work with our committees in the revisions they are now making. I am confident that in adopting this policy of progressive standardisation and arranging for it being carried into effect, we have made an advance which will prove to be of incalculable benefit to Indian railways in the future.

We have also constituted a Committee on somewhat the same lines for dealing with standards for permanent-way, points and crossings, etc., and shall shortly appoint a further committee to take up the problem of Bridge design, continuing the work which was begun by the former Bridge Committee and bringing into practical shape much of the important experimental and other information already collected by that Committee.

Automatic couplers.

Another matter of great technical importance and which has a great effect on the capacity of railways to handle increasingly heavy traffic is the provision of automatic couplers in place of the present spring buffers and screw couplings. Not only do these automatic couplers reduce the risk of accident to those engaged in shunting, but they will also enable time to be saved in marshalling and considerably reduce maintenance costs. They will also reduce the first cost of wagons and enable us to look forward to even larger capacity stock than our present screw couplings enable us to contemplate. The widening of running dimensions which is now in progress wherever new works or improvements are being undertaken makes larger stock possible and such larger stock must be provided with the more powerful draw gear which the automatic coupler device alone can provide. In this connection I may mention that the coaches now running on the new Harbour Branch service in Bombay are 12 feet wide or 2 feet wider than any other coaching stock in this country or in the world. The change to automatic couplers, however, is fraught with many difficulties, for we must so arrange matters that during the transition period there is no interruption to the free flow of wagons. To effect this we have to obtain a satisfactory transition device and experiments are now being made to this end. The operation of changing over will take about 5 years, of which 2 years will be spent in preparation that is

the establishment of conversion workshops in suitable places and the collection of material. We hope to make a start in the coming year and have provided 70 lakhs in the budget for this purpose.

New Construction.

I now turn to the construction programme. We are providing 8½ crores in the coming year and the projects to which this expenditure has reference are fully described in the Budget Memorandum.

We are aiming at a systematic examination of the possibilities of development in each of the areas served by our railway systems. We are confident that the extension of the benefits of railway transportation to every part of India, where population and trade are sufficient to warrant it, is one of the greatest needs of the country, and we have already made a beginning in putting together comprehensive schemes for the construction of new railways in each large area based on the needs of the area and the possibilities of obtaining paying traffic. Our programme already includes 40 new projects with an aggregate mileage of 2,138 miles and which will eventually cost more than 40 crores of rupees. This bold programme is justified by the fact that not only have we satisfied ourselves, in many cases after personal examination by the members of the Board that the new lines are needed, but the financial prospects of each project have been very carefully examined with the aid of all the information it is possible to obtain.

I may briefly mention some of the large areas in which we have laid down the outlines of a general scheme to be gradually worked to as staff and equipment can be organised and reliable estimates prepared. In South India where for many years the controversies regarding gauge and the paucity of funds have delayed development we have settled the outstanding questions about gauge and have laid down a complete programme for the construction of new important lines and branches. I need only mention the Villupuram Trichinopoly, the Trichinopoly Karaikudi Manamadura, the Virudupatti Tenkasi and the Dindigal Pollachi line amongst others.

Then as regards Burma, during my recent visit I was able to settle with the Agent and to discuss with the Local Government the outlines of the future development in the Province, and we hope that work will now proceed on a well ordered programme over a series of years. In all the parts of India I have visited I feel safe in saying that there are no areas which afford greater promise of successful railway development to the advantage alike of the public and of railway finances than Burma and South India.

Another large area to be given railway facilities in the early future is the country in the Central Provinces and Bihar and Orissa lying between the East Indian and Bengal Nagpur main lines. Here the Central Indian Coalfields Railway is making rapid progress and will not only give access to new coal deposits, but will provide a stimulus to local trade and industry which is much needed.

And lastly, I may mention the proposed new line from Raipur to Vizianagaram which is closely connected with the development of the port of Vizagapatam, and will open up country at present entirely devoid of communications and will also assist in future mineral development. It is hoped that sanction will shortly be given to commence this line.

[Mr. C. D. M. Hindley.]

New policy in regard to Branch and Feeder Railways.

What I have just said about our proposals for new construction leads on to a reference to the new policy which we have formulated, in consultation with the Central Advisory Council, in regard to Branch and Feeder Lines. The House is no doubt aware that 30 years ago when the Government of India themselves were in difficulties for money for new capital expenditure, a system was originated of financing the construction of Branch and Feeder Lines through Branch Line Companies guaranteed by Government. For the encouragement of such Companies, Government were prepared to give certain terms to private Companies for money required for the construction of Feeder lines. This system undoubtedly enabled lines to be built which otherwise would not have been built, but in other respects it came in for severe criticism from the Acworth Committee which indeed thought that the aim should be rather to reduce the number of existing private Companies than to create new ones. We have recently had the whole subject under our consideration. The existing Branch Line terms are quite out of date. If they are to serve the purpose for which they were originally intended, we should have to revise them on much more liberal lines, and with the approval of the Central Advisory Council we do not propose to undertake the revision. We think that the more economical and better course is for us to construct ourselves remunerative new lines. I do not think that there need be any fear that this policy will lead to a slowing down of new construction. In the Railway Board we have new projects under constant examination, and the capital expenditure on the new projects included in Demand No. 7 is four times as great as all the capital raised in the last 30 years by Branch Line Companies: Nor do we propose to neglect projects which though they cannot be classed as remunerative may be required by Local Governments for administrative or other reasons. We are quite prepared to consider any such project, provided that the Local Government is prepared to guarantee it from provincial revenues. Local Governments thoroughly approve of this new policy, and we are already constructing the Shoranur-Nilambur line on the basis of a guarantee from the Government of Madras and another in Burma—the Moulmein-Ye line—now approaching completion, and other projects are under examination.

Training of Staff.

From the above survey of the activities of the railways both in improvement and development it will be apparent that the conduct of the railway business of the country will require in an increasing measure the services of a well trained and experienced staff possessed of technical knowledge and working ability. In fact the future success of railways in this country is bound up with the standard reached by railway staff of all grades in the performance of their duties. This is a matter which has given the Railway Board much anxious consideration, and we are now elaborating proposals for training railway staff in their current duties with a view to improving their efficiency and giving them the opportunity of rising to higher positions. This is a task which railways in other countries have not had to undertake, and although spasmodic efforts have been made in some countries to introduce improved and co-ordinated schemes of training, so far as I am aware no comprehensive scheme of training such as we are now contemplating has been put into force in any other country.

Briefly, we are aiming at having on each of the State-managed railways a school at which all subordinate staff will receive courses of practical and theoretical training in their current duties of working trains. One such school is already in existence at Asansol and is equipped with models and instructing staff for the purpose. A very large number of the staff have already received instruction there. We hope eventually to have another such school on the Great Indian Peninsula Railway and possibly one on the North-Western Railway. At the moment we are opening a school at Chandausi which will deal in the same way with the subordinate staff of the Oudh and Rohilkhand Railway and North-Western Railway. It has been equipped with up-to-date models and appliances for teaching train working and with staff for instruction in transportation and other allied problems. Work will be commenced there on the 1st March when the first batch of staff will commence their instruction.

This school at Chandausi is, however, to have wider functions than the local schools on each railway. It will be the central school for the co-ordination of the work of the other schools and will also give course of training and refresher courses for officers of State railways and to some extent of Companies railways also. In addition it will take charge of the training of young probationary Traffic Officers whose practical training on the railways will be supplemented by courses of study at this school. The importance of giving these young officers a thorough grounding in the subject of transportation to enable them to make the best use of their time while under training is fully recognised, and we look for good results from this scheme.

As I have said we attach the greatest importance to the proper training of our staff in all branches and believe that only by carefully co-ordinated schemes of this nature we can ensure that our railway work with its manifold and complex problems can be properly handled in the future. The business of transportation and all that it carries with it on the technical side is becoming more and more complex as time goes on, and it will be difficult to keep up with modern developments unless our staff are better equipped in knowledge and experience than they are at present.

Organisation and decentralisation.

Another aspect of the matter of railway management which arises out of the growing complexity of the problems of moving traffic is the necessity for improving our organisation for administrative and executive work. I will not enter into details of the changes which we have made and are making in the internal organisation on State-managed railways, but would only indicate that as with the case of the organisation of the Railway Board our object is to achieve such measure of decentralization as is compatible with the preservation of responsibility. Both the Acworth and the Inchcape Committees urged us to decentralize power and responsibility to the Agents of the railways and thus enable them to carry on their work with freedom from interference from headquarters. This policy we are steadily pursuing and have already made considerable delegation of power over and above the powers delegated previously. As far as possible all the details of management must be left to the Agents. It is only in this way that we can hope to be free to deal with the larger problems of financial and technical importance associated with the conduct of this huge business.

If we fail in our task of maintaining the railways on a solvent footing while developing and improving them to the utmost extent possible, it will be because we are forced to deal with details at headquarters. So long

[Mr. C. D. M. Hindley.]

as we can relegate the details to the Agents we have a good chance of successfully solving the larger problems. The magnitude of the task needs no exaggeration. It is perhaps some excuse for the length of time I have taken in dealing with the budget and I must apologise to the House if I have perhaps strayed somewhat from the strictly financial character of the contents of the papers which are now to be circulated.

ELECTION TO THE PANEL FOR THE STANDING COMMITTEE ON EMIGRATION.

THE HONOURABLE THE PRESIDENT: I have to announce the nominations to the panel for the Standing Advisory Committee on Emigration in the Department of Education, Health and Lands. Eleven nominations have been received, namely:

The Honourable Mr. Haroon Jaffer,

The Honourable Mr. Karandikar,

The Honourable Sir Deva Prasad Sarvadhikary,

The Honourable Mr. Natesan,

The Honourable Rai Bahadur Lala Ram Saran Das,

The Honourable Mr. Vedamurti,

The Honourable Mr. Ali Baksh Muhammad Hussain,

The Honourable Saiyid Raza Ali,

The Honourable Colonel Nawab Sir Umar Hayat Khan,

The Honourable Mr. Phiroze C. Sethna, and

The Honourable Nawab Sir Amirudeen Ahmad.

As there are eleven candidates for 8 places an election is necessitated. I propose that the elections should take place at the meeting next Wednesday, the 25th February, after the disposal of the non-official business set down for that date.

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, as passed by the Legislative Assembly, be taken into consideration."

The House will observe that this Bill is one of very limited scope. It deals simply with the procedure for levying super-tax on the partners of registered firms. I would explain that a registered firm is defined by the Income-tax Act as a firm constituted with an instrument of partnership in which the shares of the partners are defined and which has been registered with the income-tax authorities. These firms are not liable to super-tax as such, but the partners are liable to super-tax individually. Our practice hitherto has been to levy super-tax on the partners of registered firms according to their shares in the year of assessment, but as the House is aware the profits both for income-tax and super-tax are the profits of the preceding year. This procedure was one which has always been well understood by the commercial public and no exception

has ever been taken to it; but a recent decision of the Bombay High Court has thrown doubt upon its legality, and, if that decision of the Bombay High Court is to be followed, we shall have to levy super-tax on partners in accordance with their shares in the year in which the profits have accrued.

It will be obvious that this at once raises a serious practical difficulty because, if the shares of partners are changed at the end of the year in which the profits are earned, and in particular if a retiring partner leaves India, it is impossible to obtain from him the share of the super-tax which is due. So far as the Government of India's finances are concerned it is a matter of indifference whether we legalise the existing procedure or whether we adopt some other method of obtaining the super-tax which is due. The only alternative method which has been suggested is that the firm itself should be made liable to pay to Government the amount of the super-tax due from the retiring partner. This would involve legislation making the firm liable and also providing that a refund should be given to the retiring partner if the amount set aside by the firm proves to be excessive. This procedure has one obvious inconvenience, because at the time the partner retires the amount of super-tax due from him is not known. Therefore there would frequently be questions of refund arising.

The whole question was discussed by the Government of India with commercial bodies in this country, and the majority of them are definitely of opinion that the existing procedure is the best and should be continued, and it is with this object that the present legislation has been brought forward. I do not think I need say anything more about the Bill. It provides quite a simple procedure which is well understood by the commercial public and in which substantial justice is done because at the time an incoming partner enters into the firm, so long as the procedure is known to everybody, he is at no disadvantage and is able to make his own arrangements with the outgoing partner.

I beg to move the motion in my name.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Income-tax Act, 1922, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were 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.

INDIAN PORTS (AMENDMENT) BILL.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): I beg to move:

"That the Bill further to amend the Indian Ports Act, 1908, be taken into consideration."

[Mr. D. T. Chadwick.]

It is hardly necessary for me to say much more than what I said a day ago when introducing this small Bill. The Council will recollect that the necessity for this Bill arises from the fact that liquid fuel is becoming widely used on ships and that therefore arrangements have to be made for bunkering these ships with such liquid fuel within port limits. Under the Indian Ports Act, which was passed in 1908, there is no provision by which rules can be framed for regulating such bunkering. The object of this Bill is to permit Local Governments to issue such rules. I commend the motion for the consideration of the Council.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Ports Act, 1908, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. D. T. CHADWICK: I beg to move that the Bill be passed.

The motion was adopted.

AMENDMENT OF THE STANDING ORDERS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, I beg to move: 12 NOON.

"That the Report of the Select Committee on the proposed amendment of the Standing Orders be taken into consideration."

Honourable Members have had the Report of the Select Committee before them for some time and I need hardly say that this amendment has been introduced at the instance of the Department chiefly interested in it in order to give that Department a wide latitude as to the person who is to have the right of reply. At the risk of a little overlapping it was considered that the Standing Order should be framed in very wide terms so as to enable any Member of the Executive Government, whether he be a Member of the Council or not, or any other Member of the Council to exercise this right of reply. Inasmuch as that will have to be settled by some authority, the Governor General has been empowered to settle who is to have the right of reply. I think, Sir, that this amendment is one which will appeal to the Members of this House and I hope that it will be accepted.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): I would like to make one observation in connection with the modification of the Standing Order made by this amendment. The speech which my Honourable friend the Leader of the House made the other day when referring this amendment to the Select Committee has caused me some anxiety. It was a very brief speech but a passage in that speech was of great significance. I will read that passage. He said:

"Though the rule has been modified in a general form it is proposed to limit its scope at present to the presentation of the railway budget separately from the general budget and in advance of it."

Of the two implications conveyed in this sentence, one of course is that there has been effected a modification of the general form of the rule; and secondly, as the Honourable the Leader said, it is proposed to confine the scope of it at present only to the railway budget. Sir, so far as the separation of railway budget is concerned there has been ample discussion on that subject. The modification of the convention was sanctioned by the Assembly though it was not brought up before this Council, and in connection with that I shall have something to say next Tuesday. But at present I do not see any objection to the presentation of the railway budget separately, but I would certainly deprecate the introduction of any practice of presenting the general budget piecemeal under other heads in this Council.

THE HONOURABLE SIR NARASIMHA SARMA: May I give a word of explanation? The Government have absolutely no idea of separating any other portion of the budget from the general budget, and if I used the words "at present" it was only out of caution. The Honourable Member therefore may rest assured that Government have no intention whatsoever of making any further separation of any item of the budget from the general budget.

THE HONOURABLE SIR MANECKJI DADABHOY: Thank you very much. This relieves me of my anxiety, because I do believe and seriously believe that it is the comprehensive and integral presentation of the budget under its various parts, and a comprehensive study and grasp of the whole which enables Honourable Members to take a proper perspective of the whole financial situation and see what adjustments are possible and should be made. The speech which was made by the Honourable Member lent a different complexion to it. However, I am glad of this definite assurance and I will say nothing further on the matter.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Report of the Select Committee on the proposed amendment of the Standing Orders, be taken into consideration."

The motion was adopted.

THE HONOURABLE SIR NARASIMHA SARMA: Sir, I beg to move:

"That the Standing Order, as amended, be passed."

The motion was adopted.

ELECTION OF PANELS FOR STANDING COMMITTEES.

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

"That this Council do proceed to elect in the manner described in the rules published in the Home Department notification No. F.-49, dated the 22nd August, 1922, as amended by the Home Department notification No. D.-794-C., dated the 30th January, 1924, 4 panels consisting of 6 Members each, from which the Members of the 4 Standing Committees to advise on subjects in the Home Department, the Department of Commerce, the Department of Education, Health and Lands, and the Department of Industries and Labour, respectively, will be nominated."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: With reference to the motion just adopted by the House, I appoint Monday at noon as the hour up to which nominations will be received in the office of the Council for the 4 panels referred to in the motion. At that time, if necessary, an announcement will be made as to when the elections will take place.

The Council then adjourned till Eleven of the Clock, on Monday, the 23rd of February, 1925.

COUNCIL OF STATE.

Monday, 23rd February, 1925.

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

QUESTIONS AND ANSWERS.

EXAMINATION BY TWO JUDGES OF THE CASES OF PERSONS DETAINED UNDER THE BENGAL ORDINANCE.

97. THE HONOURABLE CHOWDHRY MUHAMMAD ISMAIL KHAN: (*a*) Is it a fact that the cases of the persons arrested under Ordinance I of 1924 were placed before two judges for being examined?

(*b*) If so, will the Government be pleased to state whether any of these were Indian and to state also the ranks and the number of years' standing of those judges as such?

THE HONOURABLE MR. J. CRERAR: (*a*) Yes: I invite the Honourable Member's attention to the provisions of section 19 of the Ordinance.

(*b*) Government are not prepared to give this information.

REVISION OF PAY IN THE CURRENCY OFFICES.

98. THE HONOURABLE CHOWDHRY MUHAMMAD ISMAIL KHAN: (*a*) Has the attention of Government been drawn to the letter published in the "Forward" dated the 28th January 1925, headed "Revision of pay in the Currency Offices"?

(*b*) Is it a fact that the recent revision of pay in the Currency Offices has adversely affected the senior clerks of those offices?

(*c*) If so, will the Government please state what action, if any, is proposed to be taken to redress their grievances?

THE HONOURABLE MR. A. C. McWATTERS: (*a*) Yes.

(*b*) No.

(*c*) Does not arise.

EXPORT OF WHEAT.

99. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please lay on the table a statement showing the acreage for wheat in British India for the last 5 years and also showing:

(*a*) the annual product of wheat for the same period;

(*b*) the quantity of wheat exported from British India during the same period;

(*c*) the prices obtaining in India during this period; and

(*d*) the export prices during this period?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The information asked for in this and the two following questions is being collected and will be laid on the table in due course.

EXPORT OF RICE.

*100. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please lay on the table a statement giving similar figures for the same period in regard to rice?

CONTROL BY GOVERNMENT OF THE PRICE OF WHEAT FOR EXPORT.

*101. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Is it not a fact that there has been a considerable advance in the value of wheat exported from India during the last 12 months over the figures for the previous 12 months?

(*b*) If so, would the Government please state whether they propose to take any steps to control such advance?

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: Sir, a Message has been received from the Legislative Assembly. The Message runs as follows:

"I am directed to inform you that the Bill to give effect to certain articles of the International Convention for the suppression of the circulation of, and traffic in, obscene publications, which was passed by the Council of State at their meeting of the 10th September, 1924, was passed by the Legislative Assembly at their meeting on the 20th February, 1925, with the amendments indicated in the attached statement.

The Legislative Assembly request the concurrence of the Council of State in the amendments."

The statement of amendments and a copy of the Bill as amended are laid on the table.

RESOLUTION *RE* MENTAL DEFECTIVES.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): Sir, I beg to move the following Resolution:

"This Council recommends to the Governor General in Council that the Provincial Governments be asked to investigate the best means of dealing quickly and adequately with cases of mental defectives, particularly of the minor and curable kind."

Sir, in moving this Resolution, I feel that we are at last commencing an attack on what is perhaps one of the most insidious and demoralising enemies of our country, and an enemy, moreover, which has been permitted to have all its own way for many a long time now. There is no need for me to labour the fact, as an introduction to the subject, that scattered all over India at this very minute are thousands of mentally defective people, mostly uncertified and uncontrolled, who, doddering about the villages with no check on their unnatural passions, desires, and habits, constitute not only a very serious problem but also a very grave danger to the future of this country and its people. We know that certified lunatics who are a direct danger to themselves and to the public are in

* For answer to these, *see* reply given to Question No. 99.

many cases put under lock and key at the several mental hospitals in the different State centres, but these incarcerated lunatics are not a tithe, nay, not even a hundredth, of the number that are at large, working havoc on the social and moral life of the community. In European lands there is gradually growing the impression that, after all, the presence of a mentally-afflicted member is not such a degradation as was believed a generation ago; but in India this obstacle has yet to be overcome, although it exists in different forms according to the various religious persuasions of the people concerned. But the fact that we are not so advanced in India as they are in other countries in this matter must not make us think that we are up against a problem which can never be solved and a series of obstacles which can never be surmounted, for as a matter of fact, we are now in no worse a position than the social reformers of England were barely two decades ago. And as we have their experience to work upon and to guide us away from pitfalls, we should enter upon this fight with free hearts, and with the greatest freedom from doubts.

In this Resolution I have purposely left out of reckoning the institutions which are existent at the present time to deal with the really bad cases of dangerous lunatics. What I want to get at is the root of the situation, namely, the thousands of unfortunates who were apparently harmless imbeciles and manifesting feeble-mindedness. These are, as medical science has so dramatically demonstrated recently, not nearly so harmless as they appear and as they have always been considered, neither is their mental condition so hopeless as it has been considered up to the present time. More than seventy-five per cent. of these mental defectives and ordinary imbeciles can be cured if they are treated and trained in the right manner, and if they are taken in time. Their malady is often the result of environment as well as of heredity, and can be remedied by a change of environment and an antidotal treatment by skilled mental disease specialists. We are tackling the venereal problem in most countries in very much the same way, and having good success too; and if we in India are to keep in line with the progress of western and some eastern lands in this matter of health, then we must also make a move towards giving the unfortunate mental defective his dues. This is a matter for the State to deal with, assisted, of course, by private agencies; although it is so important a matter that I have no hesitation in asserting that the larger part of the responsibility must fall upon the Government, as to organising, guiding, financing and controlling. I am also of the opinion that the Government of India should lead in the matter and take the bigger burden instead of leaving it to the Provincial Governments, because the results of any neglect to deal with the matter are national rather provincial.

Without going into this very important matter in too much detail, it might perhaps be fitting to refer briefly to the two most important results of failure to deal with the problem of the mentally defective, reminding you, of course, that I am still talking of those who are at large, being uncertified and uncontrolled. It has now been definitely established that crime has a physical basis, being caused by a physical defect of the brain which renders its victim so far below normal in emotion that he has little or no conscience, or makes him so far above normal in emotion as to make him hysterically irresponsible. By absolutely ignoring, therefore, the mentally defective people who are roaming the country at their own free will, we are automatically and virtually encouraging the increase of crime

[Mr. Haroon Jaffer.]

in the country, for, astounding as it may seem, nearly all crime can now be put down to a derangement of the brain. This statement will probably cause surprise, but it is the latest "discovery" of science, and has yet to be refuted. All the crime in the world is the work of less than two per cent. of the population, and as about fifty per cent. of the expenditure of Government in all countries is incurred to prevent and punish crime, it becomes evident that an attempt to solve this problem of the imbecile promises to be a paying proposition.

On the other hand, there is the heritage of moral and physical degradation, which is being transmitted from generation to generation among the defectives who are allowed to act as they like and to marry whom and as often as they like. At the present time there is no power to restrain them from any social activities. A feeble-minded man is often a source of danger to those with whom he comes in contact day after day; but the dangers which beset the feeble-minded girl are especially acute. The history of disease and mental and physical degeneracy which can be traced to its source in the life-history of one such woman is appalling, and from the point of view of social life and health this constitutes perhaps the strongest argument for a powerful authority to control this class of mental defective. Figures have been collected showing that families in which the mental defect is found, appear to be increasing far more rapidly than the normal, the ratio of children being 7 or 8 in the former to 3 or 4 in the latter. The abnormal families also exhibit histories of family drunkenness, epilepsy, consumption, insanity, and suicide in a far higher proportion than the normal families. The only cure for this evil, this uncontrolled mass of people feeble in will, in mind, and in morals,—is the establishment of an authority with power to certify for treatment all classes of feeble-minded persons. We have our clinics for venereal diseases in most large towns and there are plans on foot among different municipalities for the starting of more such clinics in the districts. It is clinics for treatment of partial and temporary insanity that we need as well, and I suggest that the Provincial Governments investigate this matter in order to meet the need and to solve this great problem.

I would point out just here that I would much prefer the problem to be tackled by the Government of India, but I have put my Resolution in the above form, recognising that the subject is really a transferred subject. If, however, the Government, which I am sure, are in sympathy with my efforts in this direction, can adopt the principle of my Resolution and undertake to go into the matter themselves and then issue instructions to the Provincial Governments to be passed on to the municipalities or other local bodies as decided, then that will fully satisfy me, provided that the plan retains the sole idea of something being done for the hordes of mentally defectives scattered all over the land. In this matter there is a very clear advantage in consolidating the administrations of public residential and treatment institutions under one body specially equipped for such a duty, for such procedure maintains both the personal interest of those responsible and the financial control of the Central Government. The Feeble Minded Act of July, 1913, passed by the House of Commons centralised the work of registering and caring for the defectives of England, and by its provisions ensured that all main classes of mental defective people were brought under one control. It also provided for the compulsory segregation of certain classes who, since they could not be dealt with under the Lunacy and Idiots Acts, had not hitherto been dealt with. But even this did not bring all mental defectives under the operation of the Act, and now efforts are being made to establish clinics for the treatment of those who are curable and who could be made an asset instead of a burden to the nation.

Before closing, I would like to point out that a great deal could be done towards solving this problem by attacking it at its very source, namely, by beginning with the children. It has been well said that the childhood and schooling of defective children cannot rightly be treated apart from their after-life. No age, therefore, can be set for separating the school time from the period of supervision and after-treatment if needed, although in many cases proper treatment during the school period would completely cure the slightly deranged brain of its disease. But if during that period no cure is achieved, then they must be watched and treated until they are cured or can be properly cared for, and not set at liberty to roam about at will over the land and become a menace to the community. But perhaps I have said enough to show that this is an important subject.

A chain of clinics stretching around India would work miracles of social service in the matter under consideration, and I, therefore, trust that some scheme can be devised whereby we can undertake this stupendous but very necessary work.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, we are grateful to the Honourable Member for bringing up this question for the consideration of the House. It has important educational and medical aspects the responsibility for which, I would submit, Sir, still remains with the Government of India. The way that my Honourable friend has framed his Resolution will probably disarm the criticism that the Central Government cannot deal with it, as it relates largely at all events to what are termed transferred subjects. I submit there is still a large residuum of responsibility in the Central Government, and one consideration that I would like to submit, is the necessity for co-ordinating research in regard to how these cases should be dealt with. In the West there are systems which have worked well and taking them as a basis we have to see how far they can be applied and adapted to Indian conditions. We have the Montessori system and other systems that have come later: how to adapt them to India and make them really suitable to Indian conditions is a great problem which must engage the earnest attention of a number of medical and educational researchers for a long time to come. From that point of view, I submit, Sir, that the Government of India have a responsibility in the matter which they will not be slow in recognising.

Provincial Governments have also their responsibility and we frankly and gladly admit that those Governments are, so far as possible, doing what they can within the limited resources at their disposal—resources both in men as well as in money. Honourable Members may have noticed the Bengal Resolution on the subject of mental hospitals which has just been published and which shows that considerable good work is being done in that province. I have no doubt that other provinces also are doing similar work, but I do not think the question has yet been attacked from the points of view that my Honourable friend has brought forward in the course of his speech in support of this Resolution. There are important social and economic considerations on account of

[Sir Deva Prasad Sarvadhikary.]

which I think this problem has to be considered anew as early as possible in the latest scientific way specially made adaptable to Indian conditions. Honourable Members will remember that under the Hindu law a certain class of lunatics and imbeciles are precluded from taking their inheritance. Well, in cases where a cure has been effected complications have arisen—complications that the law courts have not always been able to deal with. Under modern treatment there has been an increase in the number of those who started in life not as congenital imbeciles or lunatics but curable lunatics and who have been able to take their place in society and put forward rights to get their inheritance. That is an important point of view—it is an all-India question—which is apt to be overlooked. The question, therefore, from various points of view has very great claims upon the State and the representatives of the people.

Sir, my Honourable friend has aptly drawn attention to the prevalence of crime due to some of the causes to which he has referred. Those who are acquainted with the writings of Lombroso and similar writers know how the removal of a particular cell or the replacement of certain features of the anatomy has converted rank lunatics into estimable members of society. There have been occasionally cases where a worthy man owing to some accident had come by some injury which terminated in his turning into a hopeless imbecile or criminal and a particular operation in time has cured him and restored him to his former worth and value in life. All these considerations would tend to show that it is not too early to take up the question in right earnest from points of view, some of which have been indicated by the Honourable Member. It is a well known saying—more schools and less jails. The same thing may be said of hospitals of the kind we have in view. The more schools and hospitals the less jails is the latest western pronouncement, and from that point of view the question is well worthy of attention.

In regard to what are known as political cases, at least in some cases, the early premonitions that had been disregarded in this direction have led to very disastrous results, and if these cases had been taken up in time, it would have been possible to save those young men from ruin and the natural sequences of untoward developments. Sir, thanks to the exertions of Lady Reading, a chain of Baby Week and baby developing organisations has sprung up in the country, and if the departments concerned were to apply their minds to this problem in connection with these organisations that are coming in, a great deal may be done if adequate resources are at the disposal of the authorities in taking up the baby imbecile question at the proper time.

Then, there is another consideration which also may engage the attention of our medical friends, whose vision is, I am glad to say, broadening. In the Ayurvedic and Hakimi systems are known methods of treatment which yield very beneficial results if the treatment is taken up in time. I know Government are doing a great deal for the encouragement of research in these matters, and from this point of view also a powerful auxiliary may be found in our Ayurvedic and Hakimi professors of medicine whose help may be requisitioned in time, and they may be powerful auxiliaries to our allopathic and homœopathic friends who may be called upon to take up questions of this kind.

My friend has referred to the problem of venereal diseases. It is well known that these, as well as diseases to which habitual drunkards are prone, are largely responsible for increase in the number of lunatics and imbecile people, and if Government have thought fit to take up one part of the problem the other part of the problem comes in the natural sequence of things. For all these considerations, Sir, and without labouring the matter in detail, I have great pleasure in supporting this Resolution.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, so far as the humanitarian objective of this Resolution is concerned, I do not think there could be two opinions, and we are all grateful to the Honourable Mover of this Resolution for having brought this question prominently before this House. On the merits of the Resolution too, it would be difficult to controvert any proposition which has been asserted to-day by the Honourable Mover. Agreeing so far, I feel I cannot endorse the remark which has fallen from my Honourable friend Dr. Sir Deva Prasad Sarvadhikary that the residue of the responsibility in this matter falls on the Central Government. Now-a-days there is a great deal of tendency—and that tendency has been prominently noticed—of usurping the powers of the Provincial Governments by stating that somehow or other, directly or indirectly, the Resolution in question has some incidental or remote connection with the Government of India. The country steadily has been fighting for provincial autonomy, to make Provincial Governments independent of the dictation of the Central Government, and I think so far as all matters falling strictly within the purview of Provincial Governments are concerned, it is the duty of this Council to watch, supervise and see that the power and authority of those Governments are in no way affected. The manner in which this Resolution has been drafted, perhaps, makes it in a way easier for Government to accept, as my Honourable friend Dr. Sir Deva Prasad Sarvadhikary has pointed out. But after all if the language is a little bit carefully examined, it is no more than a mandate from this Council that we have come to the conclusion that this subject must be undertaken and "You do it." And what is the effect of that? The effect of that is that you deprive Provincial Governments and Members of Provincial Councils of their right of say in the matter. I think, Sir, from that point of view the Resolution as drafted is open to objection. Then, Sir, I quite realise that some sort of action should be taken in this matter and that Provincial Governments should wake up to their sense of responsibility. However, we are confronted with one serious fact that the matter is being now considered in England by a special conference which has been appointed for this purpose, and not only England but the entire world is awaiting the findings of that Commission. I do not know whether it would not be useful even for Provincial Governments or for any Government or even for the Central Government, if this Resolution is accepted, not to postpone the consideration of a matter of this kind till we are in possession of the findings of that Commission, which will be a sort of torchlight on this most difficult and important question. Everyone of us is in sympathy with the Resolution. There is no doubt about that. I know, and I quite realise, what my Honourable friend there has said about the disability of disinheritance attaching to lunacy, leprosy and such other diseases. It is a very very disheartening matter and that one feels that a man who has the legitimate right of inheritance should

[Sir Maneckji Dadabhoy.]

be deprived of his right by being afflicted with these diseases. Of course somebody would say "It is in the power of Hindus to modify their law." Probably, custom and convention and ancient usages would not permit of that being done, and there is much in it. But taking everything into consideration, it is a matter worth investigating. I have no doubt that the Government of India would show their deep sympathy with this matter, and I would suggest that, if the Government are not in a position to accept this Resolution in its entirety, they should send the proceedings of to-day's debate and distribute them among Provincial Governments with a sympathetic expression of opinion that they may consider the question from a broader and a more sympathetic point of view.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, it is quite clear that the House has listened to the arguments propounded by the Honourable Mover with the respect, the sympathy and the attention which they undoubtedly deserve, and I am glad to be able to assure the Honourable gentleman and his friends that the Government of India regard the matter in precisely the same light. Anyone who has the slightest sense of responsibility for the well-being of the community will feel in regard to this question of the treatment of mental defectives that it is one of the greatest dangers that confronts the community and one which most urgently clamours for some remedy. The Honourable Mover very rightly pointed out that it was only at a comparatively recent date that even those Western States, which pride themselves on being in the forefront of civilisation, treated the serious questions of lunacy and mental deficiency in any enlightened and humane spirit. There were not lacking pioneers in philanthropy who, in their generation, devoted lives of self-sacrifice with very limited resources, both material and scientific, at their disposal and who did something to alleviate the hard lot of those afflicted in this manner. Nevertheless, it is hardly more than a century ago since Bedlam, one of the few national institutions in England—I will not say for the care but, at any rate, for the incarceration of lunatics—was one of the common tourists' sights in the city of London. And there were few people who in those days realised what a degrading and significant fact that was. Much progress has no doubt been made since then. My Honourable and learned friend from Nagpur has pointed out that even in England, though a great deal of progress has been made, the authorities are not satisfied that the question does not require a thorough investigation. Much advance is being made not only in the material and administrative remedies for dealing with this problem, but, as Honourable Members are aware, a very great advance has been made in scientific investigation. The science of psychiatry that had been in vogue could till recently, hardly claim to be a science at all. We are getting, at any rate, nearer to the scientific basis which must be the basis of any effective practical remedy. In India we certainly cannot claim even that degree of progress which is to be noticed in England, in America and in other Western States, and it certainly behoves us to give this question our most serious consideration. The afflictions which fall upon persons who suffer from mental disorder are of such a tragic character, that even if we should approach the question merely from the point of view of humanity, we could not deny its imperious claims on our sympathy. But, serious as this is, it is perhaps not the most serious aspect of the question. It has become more and more

realised as statistics of mental deficiency have become more reliable and accurate how very grave a menace this constitutes to the well-being of the community as a whole. Those who have studied the question—I regret I cannot claim to have studied it more profoundly than is to be expected from anyone who has any sense of civic duty—those who have studied the question are familiar with one very crucial case. There was a family of defectives in the United States of America, I think the name was Jukes, who some 20 or 30 years ago attracted the attention of persons at that time interested in this problem in the United States of America. Very elaborate statistics and very careful observations were made of the development, mental and otherwise, of that family, of their criminal propensities, and of the extent to which these were reproduced in subsequent generations. That well-known case may be regarded, I hope, as an extreme case. Nevertheless, the same causes must necessarily be in operation in every part of the world. They must necessarily be in operation in India. I am not therefore, disposed nor, I can assure the Honourable Mover, are the Government of India disposed, to take any but a very serious and sympathetic view of this question. I could have wished that the Honourable Mover, after the care and attention which he has devoted to his Resolution, might possibly have been in a position to give the House, what I regret I am not myself in a position to give them, some accurate, reliable and practical data relating to the problem. I should also have welcomed from the Honourable Member anything that he could have given us in the way of practical and constructive suggestions. The technical aspect of the case I shall leave to the very competent hands of the Honourable Major-General Sir Charles MacWatt, and I shall only touch, in the few remarks I have yet to make, upon its broader aspects. The Honourable Member has indicated that there has been a very large increase in cases of mental deficiency in India. Well, my own information does not entirely confirm that statement. At any rate, the case on that point has not as yet been clearly made out. It must be remembered that the census statistics relating to the question of mental deficiency are naturally neither complete nor reliable. It is perfectly obvious that, without attributing anything in the nature of dishonesty or deliberate deceit to those responsible for making these returns, but remembering how painful a matter it is, when you are giving the census returns relating to your family to give details of this nature, our statistics on this matter cannot be complete and trustworthy. That, however, does not make the problem less serious. It is a problem which must be attacked and must be attacked seriously. The question then arises as to what authority ought to have the immediate charge of the measures to be taken. I need hardly add anything on that point to what has fallen from my Honourable friend Sir Maneckji Dadabhoy. The constitutional situation is perfectly clear. All matters relating to lunacy and mental deficiency are matters which have been deliberately committed to the charge of the Local Governments, and by Devolution Rule 49 the Governor General in Council is precluded from exercising those powers of superintendence, direction and control which he may exercise in central subjects.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Medical research is still a Central subject.

THE HONOURABLE MR. J. CRERAR: But I do not urge that as any reason why the Government of India should wash their hands of this matter. Any matter which is of national importance and of national dimensions must

[Mr. J. Crerar.]

necessarily be a close concern of the Government of India. But I should be reluctant to commit myself to any proposition which would imply a reflection upon the Local Governments in this matter, or any disparagement of the efforts which they have made in the past and the measures they are taking now to deal with the situation. I must endorse the appeal made by the Honourable Sir Maneckji Dadabhoy on that point. It is no doubt the duty of the Indian Legislature to exercise vigilance in these matters; but we should certainly be departing from our duties; we should certainly be exceeding our province if we did anything likely to impair the initiative or the responsibility of the Local Governments in these matters. Therefore the attitude of the Government of India towards this Resolution is a perfectly simple one. We fully recognise the gravity of the evil; we fully recognise the necessity for taking every possible step to remedy it, but while we are prepared to give every possible encouragement, we are not prepared to embark upon any direct interference with the initiative and responsibility of Local Governments. The course suggested by my Honourable and learned friend appears to me the course which is proper, and on behalf of the Government of India I am prepared to undertake that the results of the discussion in this House will be communicated to the Local Governments, with a strong intimation of the deep sympathy felt by the Government of India towards the objects propounded by the Mover in his Resolution.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, it is a matter for congratulation to the Honourable Mover of this Resolution that it has been received with such great attention and sympathy by Government. I have no doubt, whatever the fate of this Resolution, that the remarks that fell from the Government side sufficiently indicate the depth of feeling which this Resolution has evoked. Very recently there was a Triennial Report issued by the Bombay Government, as there are others by other Governments also, and I find in the last paragraph of that report the name "lunatic asylum" changed to "mental hospital." That in itself shows the change which the several Governments are contemplating in the treatment which this subject deserves. I do not think for a moment that the Honourable Mover ever intended to cast any reflection on any Local Government, or for the matter of that to suggest any indifference on the part of the Central Government, but it is all the same desirable to appreciate that it should be principally the function of the Central Government to direct the attention of the Local Governments to the necessities of the case. It is a pitiful situation that in the whole of India many people are driven insane by conditions and circumstances over which they have no control, and it is from that point of view that the matter should be given more direct treatment than what is suggested in the reply from the other side to the Resolution. Looking at the statistics supplied by this small report, which is limited undoubtedly to very acute cases which are taken to the lunatic asylum, I find it is people between the ages of 20 and 40 who suffer most from this sort of disease. It is easy to understand that despair in life, mishaps, shocks from family circumstances and several other causes combine to affect the mental state of mankind generally. How to improve the situation then is a task which must essentially belong to the Central Government. There should be co-ordination between the several Governments, and it is necessary that some joint action should be taken in this matter for the whole of India. It is suggested in the Resolution that some such

attention has to be paid and must be paid by the Central Government to the matter, and I do hope and trust that this Resolution which is up for discussion, will be better treated than by a mere assurance which we will have to depend upon, and which we gladly depend upon, and that it will be given effect to, as far as possible, with any amendments suggested from the Government side, so that there may be no mandate from this Government to any Government whatsoever. It is merely an indication of what the general public feeling is which is voiced through this Council and is recommended to His Excellency the Governor General.

THE HONOURABLE MAJOR-GENERAL SIR CHARLES MACWATT (Director General, Indian Medical Service): Sir, before dealing with the points raised by the Honourable Mover I must point out that the term "mental defective" as used in the Resolution is not quite correct and is, in fact, misleading. This term applies to the type of individual who is dealt with in England under the Mental Deficiency Act of 1913, that is in the various grades of Amentia, classed as moral imbeciles, feeble-minded persons, imbeciles and idiots for whom no special legislation exists in India: and under present conditions any such Act as that in force in England would be neither desirable nor workable. The Resolution is evidently not intended to apply to such cases, but to cases of definite insanity in their earlier stages when there is more prospect of cure than later on in the course of the disease.

As my Honourable friend Sir Maneckji Dadabhoy has told us, a Royal Commission on Lunacy and Mental Disorder has been sitting in England recently, the findings of which in due course may be of use in connection with the question of mental diseases in India.

The Resolution covers an enormous field beset with many difficulties and complications: and the introduction of new rules and regulations involving restriction of the liberty of individuals of defective mind or incipient mental unsoundness would require to be approached with extreme caution in India.

My remarks refer more especially to the Punjab of which I was Inspector-General of Civil Hospitals for more than 4 years, but are no doubt applicable to the other provinces. A study of the Census Reports and Asylum Reports, 1911 and 1921, indicates no actual increase of insanity in the Punjab, whereas for the preceding forty years there was one insane per 3,058 of the population, in 1921 the number was 3,571—or a decrease of 16·4 per cent. but grave doubts exist as to the accuracy of these returns. An infinitesimal proportion of the mentally disordered come for admission to the mental hospital.

According to Cole, in 1919 there were only 267 sane persons in the United Kingdom for every one certified insane: and when the uncertified mentally deficient—estimated at about the same number as the certified insane—are segregated from the general population and added to the total, a state of alarm might be excusable.

In London the number of beds in mental hospitals, excluding the large number of private hospitals and homes for such patients, works out at one for every 200 of the population, or upwards of 32,000 beds for the insane and mentally deficient. Since 1859 there has been a considerable apparent increase in the proportion of insanes to the population of the United Kingdom according to the figures given. It is rational to suggest that, with the advent of compulsory education, the school authorities would have an enormously increased opportunity of judging the intelligence

[Maj.-Genl. Sir Charles MacWatt.]

and mental capacity of each individual child taught, the natural result being that a greater number of cases of mental defect would be detected and brought to the notice of the authorities concerned in making the census returns.

According to statistics available the proportion of sane to insane in India is 14 times as great as the proportion of sane to insane in Europe if we consider the uncertified cases in India. If we take only those certified and under treatment in the Punjab Mental Hospital, the number is 114 times as many. But the facilities for obtaining accurate census returns do not exist in this country where an enormous number of insanes are able to till the land, look after animals, hew wood and draw water—so that they can take their place comparatively easily in a community where the average degree of intelligence is only very slightly above their own. In India there is an even greater prejudice than in England to admit the existence of insanity in one's family.

British asylums, now-a-days, are extremely well equipped, comfortable, even luxurious hospitals, so as to be positively attractive: the Indian asylums, though now called hospitals, are structurally little better than the modified jails or—at best—barracks. In England modern enlightenment as to the true nature of insanity, coupled with the improvement in the mental hospitals themselves, has done more to fill these institutions than any actual increase of mental disease among the population.

To cope with the problem of India's uncertified insanes some of the following measures are applicable:

(1) Teaching of the general public by public lectures at health centres and in the adult schools which have been established in villages, the true nature of insanity.

(2) Three or four compulsory lectures by an expert to students who are being trained as teachers at the training colleges.

(3) Emphasising the fact that the earlier a case of mental disease is brought for treatment the greater is the chance for recovery: and discouragement of resorting to quacks and charlatans.

(4) Improvement of Indian mental hospitals to make them hospitals in more than name.

(5) Complete separation of criminal lunatics from non-criminal insanes.

(6) Establishment of mental clinics in general hospitals and the reservation in them of separate ward accommodation for borderline and early cases of mental disorder. Such wards have been instituted in many of the British general hospitals with great success. Thousands of suitable and specially selected patients have been treated in them without "certification" and therefore, without being hall-marked as "lunatics".

One general hospital in Scotland reports a recovery of early cases of about 40 to 60 per cent.

The Indian Lunacy Act legislates for the compulsory certification and seclusion of wandering insanes who are unable to care for themselves or are unkindly treated. But only a comparatively small number of these are

brought by the police. Not merely the dangerous and violent maniacs but also the harmless imbecile should be gathered in—for the latter class, if necessary, separate institutions may be built in which the insane or imbecile deaf mutes should also find accommodation, where they could be educated up to the level of their intelligence and mental capacity by skilled and specially trained teachers.

One of the most important questions is that of ways and means. In the Punjab, at the present time, I am informed, the erection of institutions for the insane works out at Rs. 1,200 to Rs. 1,500 per head of the total accommodation, while the maintenance of patients in the Punjab mental hospital is Rs. 20 per mensem.

One difficulty in dealing with mental disorders is the great variety of conditions which they present. Thus, the most lasting and grave forms of mental unsoundness may at their onset present only a mild type of mental disturbance. On the other hand, some of the most acute forms may be of only temporary duration, almost sure to recover and possibly unlikely to recur. Again, other forms are marked by a natural tendency to remission and recurrence with intervals of apparent mental health. Still others, and these perhaps the most dangerous forms of mental disorder, are very difficult to detect and are carefully concealed by the patient for long periods; there are also chronic forms which present no dangerous or conspicuously objectionable characters.

The proposals I have outlined may appear somewhat utopian, but some may be found practical and practicable. And I am confident that all will hope to see a radical improvement in the care and treatment of the mentally unsound, the mentally ailing, and the mentally defective in India in the near future.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, I do not think that this Resolution brought forward by my Honourable friend Mr. Haroon Jaffer has done any harm. In fact, perhaps it has done some good, because it has given Honourable Members of this Council an opportunity of listening to a very interesting statement of statistics from my Honourable friend Major General Sir Charles MacWatt. But what I would like to remind Honourable Members is that, as was pointed out by my Honourable friend Sir Maneckji Dadabhoy and again by the Honourable the Home Secretary, this question is one to be dealt with by Provincial Governments. A short time ago I appealed to the Honourable Members of this Council not to take on the part of a schoolmaster, nor to ask the Government of India to take on the part of a schoolmaster to Provincial Governments. The Honourable the Home Secretary has assured the Mover of this Resolution that the report of this debate will be sent to Provincial Governments. I take it that Provincial Governments always have an opportunity of reading the debates of this Honourable Council. Whether they always avail themselves of it I cannot say; but as on this occasion the Honourable the Home Secretary has said that he will cause the report to be sent specially to Local Governments, possibly with a blue pencil mark on it, I think the Honourable the Mover of this Resolution might very well leave it at that.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Speaking for the Government of Madras I would like to draw particular attention to the fact that this question has already been receiving their attention. There is now a mental hospital in Madras and if my memory does not fail me the Madras Government specially deputed an

[Mr. G. A. Natesan.]

officer to go to England to study this subject and that officer is now in charge of the mental hospital.

I was very much interested in the valuable observations made by the Honourable Director General Sir Charles MacWatt who just spoke and I may add that on the last occasion—that is during Christmas—when there was held some sports celebration by the South Indian Athletic Association I found a batch of people from the Madras Mental Hospital taking part in the races and some of them had evidently been so well looked after that before the officer in charge and the judges (I was one of them) were able to finish counting 1, 2, 3, two or three of these men began to run. That shows that these institutions—at least so far as the Madras Mental Hospital is concerned and I do not pretend to have any personal knowledge of others—can do a lot for their patients. I really feel that it is not proper for a Central Legislature like this even to communicate a Resolution of this kind to local Councils. After all, what is the wording of the Resolution of my Honourable friend the Mover? It says:

"That Provincial Governments be asked to investigate the best means of dealing quickly and adequately with cases of mental defectives, particularly of the minor and curable kind."

My Honourable friend Mr. Karandikar himself said that the Bombay Government was quite alive to its responsibility and that it has changed the name of lunatic hospitals into mental hospitals. So far as the Madras Government is concerned, I have given you a few facts. Certainly some of these Provincial Governments are quite alive to their responsibilities. If the Government of India, particularly after what has been said by the Home Secretary, in view of the provisions of the Government of India Act and the Devolution Rules, are to interfere at all, it must be on a matter in which they must be honestly and strongly convinced that Provincial Governments are not giving to a particular matter a sufficient amount of attention which can reasonably be expected from them, and I do not think in this case we can say that Provincial Governments are not alive to their responsibilities. If a Resolution of this character is to be communicated, it may not be considered as a slur, but surely the Local Governments may say "What is the meaning of the Government of India communicating Resolutions of this character," and the Government of India will not be justified in telling them that sufficient attention was not being bestowed by the Provincial Governments. I say therefore no purpose is served by asking this House to pass this Resolution but the object which the Honourable Mover has in mind will be abundantly achieved by the proceedings of this Council being circulated to the various Local Governments, and the Home Secretary has assured us that the attention of members of the Provincial Governments who are interested in the subject will be called to it, and no doubt if in any particular province it was not properly attended to, they would do so. There are Ministers specially in charge of these subjects and I really think it is neither proper nor consistent with the dignity of this House to draw the attention of Local Governments to this matter, when obviously most of them are paying attention to the question. I therefore request my Honourable friend not to press this matter but be content with the assurance that the proceedings will be circulated to the Local Governments.

THE HONOURABLE MR. HAROON JAFFER: Sir, I thank the Honourable Members who have supported my Resolution. I have listened to the speech

of the Honourable Mr. Crerar with interest. I have no intention of casting any reflection on any Provincial Government. If the Government of India do not wish to interfere in Provincial matters then I do not understand why they should not take joint action with them with regard to the object of this Resolution. However, Sir, in view of the assurance given by the Home Secretary on behalf of the Government of India, I do not wish to press my Resolution and beg permission to withdraw it.

THE HONOURABLE THE PRESIDENT: Is it your pleasure that the Honourable Member be given leave to withdraw his Resolution?

(*Honourable Members*: "Yes.")

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

THE HONOURABLE HAJI CHOWDHRY MUHAMMAD ISMAIL KHAN (West Bengal: Muhammadan): Sir, in view of the fact that the Financial Statement is to be presented very shortly, with your permission I do not wish to move my Resolution* at present.

THE HONOURABLE THE PRESIDENT: It is not sufficient for the Honourable Member to say that he does not wish to move it; I must ask him to withdraw it.

THE HONOURABLE HAJI CHOWDHRY MUHAMMAD ISMAIL KHAN: Yes, Sir.

INDIAN CRIMINAL LAW AMENDMENT (REPEALING) BILL.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I rise to move:

"That the Bill to repeal certain provisions of the Indian Criminal Law Amendment Act, 1908, as passed by the Legislative Assembly, be taken into consideration."

Before I refer to more particulars about this Bill, I have to allude to a circumstance or two. I welcome in this Honourable House the presence of two Honourable Members, whose presence would lighten my task. I know that there has been much of literature before this Honourable House and no particular effort is needed on my part to acquaint this House with what has passed in connection with the Act which I want to repeal—the passage of that Act through the first Council of 1908 and the other Councils that dealt with the same measure. I am glad that at least one Member who was a Member of the Imperial Legislative Council in 1908, is present here to testify to what I am going to say in connection with the present Bill. Honourable Members will easily understand that I allude to no less a personage than my Honourable friend Sir Maneckji Dadabhoy. On the 11th of December 1908, the very day the Bill was passed, he had just entered the Imperial Council. That lightens my task. Sir, as far as the proceedings of 1908 are concerned, and I may have occasion to refer to what my Honourable friend said on that occasion. I am also relieved in a very great measure by the fact—and I am appealing to the Chair, I cannot allude to the personality that occupies the Chair—that you, Sir, when in the other House considered the matter the result of the appeal in that House. You have had ample opportunity of judging the merits and demerits of the question that was before the Legislative Assembly. I am not in the least affected by what was done by you

* "This Council recommends to the Governor General in Council that immediate steps be taken to reduce the price of post-cards from half anna to quarter anna."

[Mr. R. P. Karandikar.]

in that Assembly, but I have no doubt if a contingency arises at all and if there is a chance of any casting vote, you will forget in what way you have voted there, and I have not the smallest doubt that you will support the right cause. Permit me, Sir, on this occasion to welcome among us in a different capacity one who was so largely admired by us and who so fittingly occupied our Chair. I allude to the presence of the Home Member, who, I have not the smallest doubt, will throw much more light in this matter, which has been fully discussed in the other place as he did in answering the torrent of arguments that were hurled against the measure in the Assembly. I proceed further to point out, Sir, to this Honourable House, that Act XIV of 1908 appears before it in a mutilated form, one of its legs having already been amputated by Act V of 1922, passed by this Honourable House in February 1922. The Act I am referring to is Act XIV of 1908 and it consisted of two parts, as Honourable Members are aware. The first part dealt with the procedure which was to be adopted in dealing with certain criminals or alleged criminals; the second part of it dealt and deals with associations. The first part has been deleted by Act V of 1922. Very few sections were contained in that Act, about 18 I think, of which five are in force; a large number of them are *non est*. It is the smaller portion that is being dealt with by the present Bill. In 1908 at least there was one Member who is present here to-day who added considerably to the deliberations of that Council of 1908. I am put in mind of what the Honourable Sir Maneckji Dadabhoy then said. When the Bill was proposed and passed in one and the same day, the Honourable Sir Maneckji Dadabhoy, while lending his support to this measure, said:

"But, my Lord, though I support this legislation I must most distinctly state that I should not like to see it permanently placed on the Statute-book of our country and that I would urge that as soon as a normal state of things is restored in Bengal and I trust that may not be far distant, Your Excellency's Government will set itself to repeal this measure. I think it would be advisable and more popularly acceptable if the Honourable Mover of the Bill could see his way to insert a provision limiting the operation of the Act for a stated period only."

I am emphasising the last few words that fell from the Honourable Member. No doubt, Bengal is yet the theme before us all and it is Bengal that is going to affect India. But I am referring to what occurred in 1908. It was then suggested and hoped that a period should be stated. The other Indian Member, the Maharaja Sahib of Darbhanga, wanted to know in what manner the Government were in a position to find out that certain associations were criminal. The third Member, Dr. Sir Rash Bihari Ghosh, as a lawyer, pleaded for the inclusion of the element of knowledge in the provisions of the Act, thus indicating that it should be for the prosecution to prove, in the first instance, that a certain association was criminal and that it was improper to lay the burden of proof on the associations simply for the reason that Government wanted to declare certain associations as criminal. Those were the three Members who took part in the discussion. As regards the period, of course, no promise could be held out, but the Honourable Member in charge of the Bill probably had an eye on a year or two within which it was possible, according to the then circumstances, to repeal the Act, but he added that it would be quite easy to repeal the enactment as soon as the circumstances indicated that there was no fear whatever and therefore no need to retain the enactment. Now, those were the circumstances which enabled the passage of this Bill in the Council of 1908. It is enough to point out that no doubt then

existed that it was going to stand on the Statute-book not for a very long time and everybody looked forward to an improvement in the circumstances of the country. Soon after that, about 1910 I think, some Local Governments asked for permission to extend the enactment to their own provinces. Bombay was one of them, and I know that there was an effort made on my side to declare an institution as coming under the enactment. But I am happy to tell the Honourable Members here that that particular institution which was the subject of governmental attention has since emerged under another name and has been supported on all hands as being a laudable institution. Barring that solitary instance, there was nothing which came from the Bombay side. And, indeed, when the Bill came to be discussed later on it was accepted on the side of Government that since 1911 no instance could be traced in which the Act was made applicable up to a certain point of time to which I will come presently. In this connection the date of 11th December 1908 forces itself on my attention. While just the night before (10th December 1908) I was listening to the admirable discourse on the Reforms in London which the late Honourable Mr. Gokhale was giving before he left for India with such a jubilance, hope and trust that, when he went back to India, he would find that the Reforms could do all that was necessary under those circumstances, little did he think that on the very next day (11th December 1908) there should have been passed in the Indian Legislative Council an enactment which dealt with the liberties of the people. Dr. Rash Bihari Ghosh pleaded for not passing the enactment as quickly as that and asked the Government to wait for a fortnight or so in the hope that the Reforms might possibly come and there might be no occasion thereafter to introduce any such repressive measure. But it seems to me that there is some irony of fate connected with the Reforms. I think these three R.'s go together —Reforms, Recrudescence of Anarchy and Repression. There are two schools of thought in this matter. Both of them undoubtedly desire to produce a state of atmosphere acceptable for the Reforms to come in, but they have their different methods as some of those who want to have Swaraj have their different methods. One school of thought always considered that it was much better so to have the back-ground by repression that the Reforms, if they were flimsy at all, might be accepted and that the irritation caused by repression may vanish. Others said: "No, we must not do that. If you want to have any Reforms, create an atmosphere of goodwill, so that the Reforms as a whole may contribute to the safety of the British Empire in India." There has been a struggle of this kind. Honourable Members who have had an occasion to go through "Morley's Recollections" will find it depicted in the correspondence that passed, a portion of which only is available to the public, indicating how zealously Morley corresponded with the man on the spot and indicated that in spite of the trust that was to be reposed in the man on the spot advantage should be taken of the advice coming from the other side. There has been this struggle, and for some time in 1908 one school was opposed to the Reforms. But the Reforms did come. It was soon after (on the 17th December 1908) that the papers connected with the Reforms were laid before Parliament. After all, the Reforms of 1908 did succeed in a manner, so much so that India was found to be much quieter and, indeed when Their Imperial Majesties graced India with a visit, the time was considered to be as quiet and as peaceful as anything can be. I was a personal witness, in 1911-12 at Delhi and I can say from personal knowledge that the whole of India cheered their Imperial Majesties in Delhi. The times were peaceful. If the promise held out in 1908 by the Mover

[Mr. R. P. Karandikar.]

of the Bill was to be put into operation, that was the time in 1912. But it appears that everybody was oblivious to what had been done with reference to this matter, and no one ever thought of bringing it before the public again. No steps were taken. That was really the time for repeal, but it was not done. Later on however, in order that such cases might be dealt with by the ordinary law of the country, some sections were introduced into the Penal Code that dealt with conspiracy. Important sections were added. The purpose was served and nobody needed to revert to the Act of 1908. Further, from 1914 onwards until 1918, all India was quiet, not because you had the repressive laws here, but there was peace reigning in India with a view to sustain the Imperial declaration that England's difficulty was India's opportunity. All India joined for the purpose of defeating the common enemy. With 15,000 men on the spot here the whole of India responded to the call and supported His Imperial Majesty's Government in the country. That peace was not due to any repressive measures whatsoever. Again, on another occasion on the 11th November 1918, I accidentally happened to be in London and I found the whole of London had poured out into the streets and I with my head-dress on was acknowledged to be an Indian and everybody came up to me and said "India has saved us." Such was the loyalty of the people then. That being so, I thought really there was no occasion whatsoever to maintain this enactment of 1908. It should have disappeared altogether. Then came certain occurrences in certain other parts of the country, and then came the Repressive Laws Committee. The report of that Committee makes it perfectly clear that the Repressive Laws Committee depended on the observations of the Bihar and Orissa Government. The Bihar Government had much to do with Champaran and the activities of non-co-operators, but the Repressive Laws Committee looked forward to an opportunity to repeal this enactment as early as possible and expedite its repeal. That was the wording that appears in the report. Now if this was done because of the observations of the Repressive Laws Committee, which depended entirely upon the view taken by the Bihar Government of the situation then existing, I think the time has come when this enactment, which casts a slur on the administration of justice, should be removed. When I say it casts a slur upon the administration of justice and violates essential principles of law, I allude to the criticism to which this has been subjected by one of whose name Honourable Members are aware, Sir Chimanlal Setalvad. In dealing with this enactment he pointed out how it affects the principles of justice and procedure as they are observed under British rule. Not for a moment could it be sustained that it gives any opportunity to the associations concerned to prove that they are not disloyal; that they are not unlawful. That is the most effective criticism that could be levelled at it. And Sir Chimanlal pleaded that if Government were prepared to do anything with reference to that defect in the law, he was going to reconsider the situation. I am not going to impress on this House which way he voted; that does not concern us. It may be a matter of history of legislation that he voted against the Government side, but at any rate that was his view. Under those circumstances there is no justification for this law to continue. Part I has gone. It is the second Part which is being dealt with by this Bill, and when I am on the principle of the Bill I will only at this stage refer to the principle of the Bill being rectified. It was a mistake which appears to have been

committed under the exigencies of the situation in 1908 and there is no justification to continue the Act hereafter.

Now, before I sit down, let me assure Honourable Members that if it is supposed that it is these repressive measures that contribute to the peace of the country they are very much mistaken. No repressive measure for the matter of that could convert anybody to loyalty. The burden is cast upon us, the educated people, to maintain the dignity of the British Empire and the peace of the country. We are the people to maintain it, and when therefore we are charged with a certain duty of maintaining the dignity of British rule, we are charged equally with the duty of maintaining peace, and when we in the name of the nation plead that such repressive laws will not do, our word may be taken. Of course I cannot stand security for each and every one, but I do stand security, so far as lies in my power, for those whom I represent and for those for whom I speak. Instances may be quoted against me here and there. But for the matter of that who can say that a country 16 times as large as Great Britain, with a population seven times as large, instances may not happen here and there which show that repression is necessary? But we are looking to the generality of the cases. However we may account for the existence of these instances, the continuance of a law which disgraces the Indian Statute-book is most repulsive, and I appeal to this House not to maintain this on the Statute-book. Do not in this way give a handle to Bolshevism; do not let other people know that India is seething with sedition and disturbance of the peace and tranquillity, and hold forth India to the whole civilized world as being beyond and incapable of reform in any sense. It will be a handle to these people to declare from the house tops that this is just the time to arm Government with this thing and that thing. What for? For the purpose of putting down anarchy. There has in fact been no such anarchy. Anarchy against whom? There are methods and methods of looking at anarchy. When for instance you are under the Government of India Act, section 41, going to trust India later on, it may be 10 years or it may be 5 years hence, and to find out for yourselves whether India is fit for more reforms, agitation of that kind is no anarchy. It is not anarchy to prove to the world that India can get on without the aid of the bureaucracy. It is nothing of the kind. And consequently, unless you remove the causes of anarchy, it will be absurd to deal with anarchy from that point of view and to stigmatise the whole nation by continuing upon the Statute-book a law which is not required. I appeal to this House to accept this motion. I have put it briefly because as I said before most of the literature touching upon the subject has been before Honourable Members for some time and repetition is pointless; I never give myself to repetition. I therefore move that this Bill be taken into consideration.

THE HONOURABLE SIR ALEXANDER MUDDIMAN (Home Member): Sir, I regret very much that up to the present time I have not been able to revisit the House in which I spent so many happy days and when I listened to so many interesting discussions. I regret even more that my first appearance in this House should be to oppose a motion brought forward by an Honourable Member of this House who is also a friend of mine; but, Sir, those pleasant recollections must in no way deter me from doing what is my duty on this occasion.

My Honourable friend has told the House a good deal of the early history of this legislation. He has not said much about what transpired

[Sir Alexander Muddiman.]

thereafter. He has told us how people voted in 1908. He referred to the action of the Minto-Morley Council in connection with this Act, but he has not mentioned—and possibly it was not a strong argument in favour of his own proposition—he has not mentioned that in the first Legislative Assembly a motion was brought forward for the repeal of this Act. The motion was thrown out at the very earliest stage. The House refused leave to introduce the Bill. It is perfectly true that that House has changed its opinion, but I am at any rate entitled to use that as an argument that not only was this legislation approved by the Legislature as it existed in 1908 but also that it was approved, or at any rate its repeal was contemptuously rejected, by the Assembly in July 1923. I think I am justified in using the argument to this extent.

Now let us before we stray into generalities consider exactly what this law is which it is sought to repeal. We are told that this is a law that is so intolerable that it should be removed as a blot from the Statute-book. Now I am not prepared to contend—and I do not put my case on that at all—that this is not a special law. It is a special law, and I myself from my own training and my own instincts am opposed to special laws. But that is a proposition which like all propositions is subject to reservations and exceptions. If you have special circumstances you have got to have special laws. If Government cannot maintain the peace and order which is the fundamental duty of all Governments, for a Government which does not perform that duty is not fit to be a Government—if, as I say, Government cannot maintain peace and order by ordinary measures, it must maintain them by extraordinary measures. I was told in another place when I used that argument "Quite true, do so by extraordinary measures but don't use special laws. Wait till the country is in such a position that it requires martial law and then declare martial law." That, Sir, is a doctrine which I am quite sure there is nobody in this House who will not repudiate. Because you have not got a fire engine therefore you are not to put a bucket of water on the fire but let the fire grow till you have to pull down the house. Is that an argument that appeals to you? No, Sir, I am sure this House will reject it.

Let us now look at the actual provisions of the law. As my Honourable friend has pointed out Part I of the Act has gone. Part II that remains deals with unlawful associations. I do not know whether it is contended that an unlawful association is a thing which should be encouraged or whether this House regards unlawful associations, as I am sure it does, as a form of association that may be a very great danger to the State. That I think everybody will accept. What may be done by one man with comparatively little danger to the State may not be done by bodies of men, for, as has often been pointed out by political thinkers, a new spirit is engendered by the mere fact of association. The law we are considering, in its first section, defines an unlawful association (*a*) as "an association which encourages or aids persons to commit acts of violence or intimidation or of which the members habitually commit such acts." As regards that section can there be any doubt in the mind of any Member of this House that an association of that class is an association which must be stamped out? What does it do? It "aids persons to commit acts of violence or intimidation or of which the members habitually commit such acts." That obviously is an association which will get no sympathy here. Then I turn to what I know is the gravamen of the charge against this law—(*b*)

which says "or which has been declared to be unlawful by the Local Government under the powers hereby conferred on it." It has been argued that that is a very great power to give an executive body. I admit it. That is not a point that need be laboured. But let us go a little further and see under what circumstances the Local Government may act. The Local Government, in order that it may be able to declare an association to be unlawful, must form the opinion that the Association interferes or has for its object interference with the administration of the law or the maintenance of law and order, or that it constitutes a danger to the public peace. Now you may argue that the Local Government may form an incorrect opinion on these points; but assuming that the Local Government forms a correct opinion on it, then I submit this House can have no sympathy whatever with an association of the character I have named. That is really the whole gist of this Act. It enables us to deal with these unlawful associations which I specified.

As regards section 17(*1*) I think there can be no reasonable attack on the provisions of the Act. Section 17 (*2*) is of a more contentious character, and to justify it I think I have to show the House that there are existing in India at present circumstances which render it necessary for me to ask you to support us in retaining the law as it stands. My Honourable friend referred to the fact that India is an enormous continent and that disorder naturally from time to time breaks out over territory of that extent with a population of so many millions. I am entirely at one with him in that. But surely that is all the more ground for arguing that an executive Government which controls a continent of that extent and a population so large must have rather more powers than are necessary in a homogeneous and comparatively small country. I merely make that point in passing. But the vastness of our Indian Empire is curiously illustrated by the fact that, when the Legislative Assembly was discussing this Bill, almost simultaneously there had arisen in a remote part of the Indian Empire a condition of things which made it necessary for the Local Government almost at that very moment to put this Act, which is very rarely used, into force. A dangerous movement characterised by intimidation and boycott suddenly arose in certain districts in Burma, and the Government of His Excellency Sir Harcourt Butler, a Government which, I think all those who know the head of it will agree, is not likely to act rashly, felt it necessary to use these very powers. It happened almost at the same time that the Assembly was saying that it was unnecessary to retain the Act, that the Government should not have these powers, that they are no good against anarchists, and there was no other use for them; and a few days later the need arises and the power was wanted in Burma.

Now, Sir, my Honourable friend in surveying the previous history of this Act referred to the report of the Repressive Laws Committee. I need not remind this House, for there must be many Members fully familiar with that Committee, that they did consider the question of the amendment of this Act and other so-called repressive laws—an unfortunate term, because all laws must be repressive, else they are not laws. But I will read to the House what the Repressive Laws Committee said in connection with the Act which we are now asked to repeal. The reference is to paragraph 24, and if the House will bear with me for a minute or two, I will read a portion of that paragraph:

"As regards the Indian Criminal Law Amendment Act, 1908, it has been suggested that sections of the Indian Penal Code are sufficient to cope with any situation that is now likely to arise."

[Sir Alexander Muddiman.]

That I think was an argument also put forward by my Honourable friend.

"It is generally accepted that Part I of this Act has failed to achieve in Bengal the purpose for which it was designed. As regards Part II, the conspiracy sections of the Indian Penal Code might meet the case if, but only if, evidence were forthcoming. It was in no small measure the impossibility of obtaining evidence owing to the intimidation of witnesses that led to this enactment. As we have already seen, there is definite evidence of certain organisations encouraging acts of violence or resorting to intimidation. Recently . . . "

And this is one of the instances which must be well within the personal experience of many Members of this House; the Committee I presume quote this particular instance, because it must have impressed anybody here living in Delhi at the time. They say:

"Recently in Delhi it has been necessary to declare certain Associations of Volunteers unlawful under section 16 of this Act."

That is the very section to which the real attack on this Bill has been directed:

"We have carefully examined the circumstances which led to this action. The Volunteer movement began with 'social service,' but the adherents soon developed a definite tendency to interfere with the duties of the police and the liberty of the public. They then began to intimidate and terrorise the general body of the population. There was a tendency towards hooliganism. It has been proved that some of these Associations resorted to violence, that their behaviour at railway stations and public meetings was objectionable and rowdy, that they obstructed the funeral of an honoured citizen and held a most undesirable demonstration at the house of another."

I do not propose to weary the House by reading the remainder of the statement of events in Delhi which were not then singular in Delhi, though I am glad to feel that such occurrences have ceased in the greater part of India, we hope, for good. They then went on to say:

"Actually Part II of this Act has been sparingly used. Its object is not only to break down existing unlawful associations, but to deter young and comparatively guiltless persons from joining these bodies and to discourage the supply of pecuniary assistance. We regret that we cannot at this juncture recommend the immediate repeal of Part II of this Act."

That was the opinion of the Committee, of which the President was a very distinguished Indian, the Law Member of the Government of India, a man well known for his sympathy with every liberal movement in India. It was Sir Tej Bahadur Sapru who signed that report as President.

Now, I may be told that since that report was signed there has come over India a great change, that we are now in a better position. I have admitted it in one respect. A certain form of agitation leading to breaches of the peace has now diminished. But what is the position? Let us look at the rest of the country. When I was arguing this matter in another place, I laid stress on the condition of Bengal. I gave the House fair warning that matters were coming to a head in that province; they have come to a head in that province as this House well knows. I do not think it will be necessary for me to do more than state what is now an admitted fact, admitted by all sections of political thought, that there is a dangerous revolutionary conspiracy in Bengal. Well, Sir, I am one of those who think that when conspiracies are in the air, it is not the time for Government to deprive itself of its weapons. If the House wishes it, I will go through the tiny record of crimes in Bengal. Well it seems that the House does not wish me to do that. Then I take it Honourable Members accept the position. I have shown you how in Burma within two or three

days of the Bill being passed in the other House it was necessary to resort to the Act for the very purpose for which it had been used before. I have here an account of the usual terrorism, intimidation and boycott which took place, purely for the purpose of embarrassing the authorities in dealing with a matter which can be raised in a perfectly constitutional and harmless manner. Unfortunately, there is another part of India which is in a condition that we at any rate can hardly regard as desirable. I refer to the Punjab. There have been grave troubles. Things look better I am glad to say, but there is a condition of affairs in which we certainly are not in a position to give up any legitimate weapon which may be available for checking the forces of disorder. Sir, in dealing with this question the Repressive Laws Committee referred to organisations outside India which are occupied in trying to create revolution within India. It was thus a menace as far back as the date of the Committee's report. It has been referred to by my predecessor on several occasions in dealing with Bills of this character. I used to feel myself that there was some difficulty in Government making statements of that kind; they seemed to be dealing with something rather intangible. One said to oneself, "an Indian is a person to whom the methods of those agencies from outside will not appeal". One did not regard the soil of this country as a likely soil for the propagation of their ideas. Well, Sir, unfortunately, we have had judicial findings of the existence of organisations of that kind. The Government, reluctant as they always are to prosecute, were forced to institute proceedings at Cawnpore, which finally came before the Judges of the Allahabad High Court. And I should like to read to the House an extract from the concluding words of their judgment. They came to a judicial finding, a finding that the House cannot afford to disregard when it comes to consider the repeal of a measure such as is now proposed. They said:

"Absurd and unbelievable as their aspirations were, the fact remains that each of these men entered into and carried on this conspiracy with each other with Roy in the most serious spirit. Whilst the conspiracy had for its principal object the overthrow of British rule in this country, the conspirators looked even beyond this. Exhibits 9, 9*a*, 11, 12 the pamphlet 'What do we want', and many other documents set out clearly what they aimed at achieving and how they hoped to achieve it. British rule, government by upper and middle class Indians alike, were to be swept away, the confiscation of property was to be wholesale. A 'People's Party' was to be the initial step,"—*and this is very interesting*—"having a public programme designed for their betterment which in no way offended against the law. Within that apparently harmless body 'illegal' activities were to be prosecuted by an inner party consisting of 'all the revolutionary nationalists'. Violence and destruction of property were to be encouraged and conflicts to be precipitated. At the propitious moment, resources and armed help were to come from 'the universal revolutionary party, *i.e.*, the Communist International'."

Now, this is not a statement made by an executive officer. It is the considered judgment of two Judges of the Allahabad High Court, one of whom was the Chief Justice himself. I think I can safely rely on it to establish the proposition that there is real danger from outside to India. I am perfectly sure that there is not only no one in this House but no reasoning Indian who desires that kind of interference. Whatever there may be between us, they do not desire, I am sure, that terrorists from other countries should bring bloodshed and loot into a land which, on the whole, is peaceful and contented. In dealing with a Bill of this kind one cannot refrain from asking whether you intend to allow any organisation or association to usurp the power of Government. That is the question I have to ask this House. There comes a time when, if associations are not dealt with, they will replace the Government.

[Sir Alexander Muddiman.]

And what does that mean? It means that you and I, the peaceful citizens, will not be able to go about our lawful avocations. We shall be prevented from doing what we are entitled to do. It is said that laws of this kind are repressive and that they are a blot on the right of the liberty of the subject. I deny it entirely, if stated in that form. They prevent the tyranny which must necessarily arise if any individual association establishes its own will as against the Government. Just as the liberty of speech is limited by the law of libel, so must the liberty of association be limited by the right of the individual to carry on his ordinary social life. I do not think that in a body constituted as the Council of State is I need discuss that point at greater length. The points I make are these. This law is admittedly a special law. I agree. I do not like special laws any more than you do. I agree that Government should resort to special laws rarely and in exceptional circumstances. I have been told that we should enact a law on each occasion when it is necessary. Now, Sir, that argument is not valid. It is disproved by what happened in Burma. If the Government of Burma had, from the absence of this law on the Statute-book, been unable to have dealt with the situation at once legislation would have been necessary, and in the meantime the situation might have got out of hand. I have mentioned that argument because I have heard it very often put forward, and it is at first sight a very plausible argument, that you should deal with a special situation by special legislation. I have already pointed out that there is the danger of delay in that. Now, this law, as you know, only extends to Bengal, *proprio vigore*. No Government is willing to extend the law like this except it is forced to do so. Unless the Government does extend the law, it is not in force. After what I have said, I think I may with every confidence invite this House not to take away a weapon from the hands of the Government at a time when the hands of the Government ought to be strengthened, and to reject a Bill brought in by a private Member who is not responsible for law and order. This Bill has been brought in against the wishes of Government who are responsible for law and order and who tell you with all the emphasis that they can command that they regard this as a law which they desire to retain in the interest of peace and order and which they ask you, therefore, not to repeal.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): Sir, I wish to move that this Bill be referred to a Select Committee.

The necessity for this arises from the circumstances that only to-day we heard it stated by the Honourable Mover that all the literature is here and again the same minute the Honourable the Home Member was able to show that there is a great portion of it to which no reference has been made. So you see from these statements that there is great room for an inquiry. I have myself always felt that in regard to legislation of this character reference has to be made to the mid-Victorian literature on the subject. There used to be what are known as coercion laws which were introduced in Ireland. Those laws, though they were not exactly the same laws as are introduced here, were very much on these lines and those laws there used to be opposed on the score that the Government had exceeded what were called emergency powers. At the

end of those laws, however, there used to be a clause to the effect that within a certain period after the use of those laws, Government was under a necessity to justify the initiation of proceedings under those laws in a court. I believe in Ireland it used to be a court. I think if that provision was kept in view we might induce the Government to justify their action, before the Council and not before a court, that is before the Committee that we elect here annually to advise the Home Department. Every year we elect an advisory committee to the Home Department. The other House also does the same, and if Government, after taking emergency powers and exercising those powers whenever they think necessary within six months have to satisfy us, and secure the concurrence of these Committees which we annually elect, then the matter would be all right. It would not be open to the objection of Government having to disclose their hand, or produce evidence which they are unable to produce. It is not also open to the objection that the criminals would get information of what the Government are going to do, and therefore take measures to disappear or conceal their tracks. It is not also open to the objection that has been taken before that it unduly limits the powers of the executive Government to stop anarchy. My proposal gives Government all the powers necessary to suppress that. It gives them full liberty to use these exceptional powers; it does not give any notice to the criminals, and yet it utilises an institution which exists here, namely, the few Members which this House appoints here and I believe the other House also appoints to act as an advisory body to the Home Department. It is from the Home Department that measures of this kind arise, and if that Department could satisfy the Committee that has been appointed to advise them, the matter would be all right. That is all I wish to introduce. I want to substitute that for the Bill which is sought to be passed here. Instead of that Bill we shall have this clause that, after exercising these powers for a certain number of months, the Home Department will satisfy the Committee which we elect annually, and if they do so, then the matter will be all right. This cannot be done at once, and I propose that this Bill be referred to a Select Committee, and before that Select Committee it will be possible to show Government the legislation on this subject as it exists. The new Treason Bill that has now been introduced in Ireland contains provisions somewhat similar to this, and I shall be in a position to put that literature before the Committee, and then the Committee would be in a position to decide what to do. In common with every one else, I also dislike this legislation, but in common with many others, I feel that it is necessary that Government should be armed with the power to put down anarchical movements, and even to nip them in the bud, but I think that Government, although given these powers, should at the end of a certain time, be under the necessity of justifying what they did before a certain body of persons. In Ireland they do it before the judiciary. But we have a Committee whom we appoint to advise the Home Government and, if this Committee are satisfied, it will be enough for our purpose. This would secure, I think, all the advantages which the present law gives, and also conciliate that section of the public which says it wants to have information about the matter not in detail but to this extent that there are other persons independent of Government who are satisfied that this legislation is necessary. So my proposal has all the advantages both for the people as well as for the Government executive, and for that purpose I ask this House to send this Bill to Select Committee where all these matters will be threshed out, and

[Mr. G. S. Khaparde.]

I believe we shall come here with a proposal which will be acceptable both to Government and to us.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I am afraid I must oppose both the original motion and the amendment. I understand that our rules of debate will permit me to deal with the question as a whole now, and I shall therefore proceed with observations both on the Bill itself and on the motion. Sir, my Honourable friend Mr. Karandikar was quite correct in stating that, on the first day that I joined the Imperial Legislature and on the first occasion of making my maiden speech I had the misfortune to support this Act. I own that I took some part in the enactment of the measure of 1908 which is now sought to be repealed. My Honourable friend the Mover in this House is a clever lawyer. He has adopted this morning a most tactical, or rather a strategic, move. He thought the best policy would be to beard the lion in his den and to silence my adverse vote on this occasion by a reference to the statement which I then made, rather by a reference to the appeal which I made to His Lordship in 1908, and on the basis of that appeal my Honourable friend has laid the foundation of his case this afternoon and has wished for my support. I honestly wish, and I assure my Honourable friend so, that I could give him my support on this occasion. He has rightly said that I then made a deliberate appeal that no sooner were normal conditions restored, and I hoped that day would not be distant, the Government would see the advisability of repealing this measure. Sir, if I could lay my hand on my heart to-day and say that normal conditions have been restored, I would be guilty of hypocrisy. I would be a fraud, if I did not support my Honourable friend. It therefore becomes necessary to deal at some length with this Bill in order to convince this Council that the attitude I am adopting upon this occasion is not opposed to the statement which I deliberately made on the previous occasion and is compatible with the existing state of affairs. Sir, this Act originally was doubtlessly enacted under exceptional circumstances. This Act was enacted for the purpose of putting down a revolutionary revolt. The original idea was to stem the tide of sedition, and, if possible, stifle it by the adoption of a measure which gave the executive the power of appointing special tribunals to deal with cases falling within the Act with speed and severity It is equally true, and there is some ground of legitimate complaint on the other hand, that the original purpose of this Act was not strictly adhered to, because Government at a later date applied the provisions of this Act to political associations and did not restrict it to anarchical bodies and associations. But the language of the Act itself was incapable of that construction, and I am even very doubtful if it was not the original intention of the framers of the Act when it was put forward by Sir Harvey Adamson in Council. I do not believe he intended to restrict its scope and its applicability to anarchical associations only, and not to extend the same to political bodies. Now, Sir, one important question before the House is that the normality to which my Honourable friend rightly referred has not yet arrived. If that normal position has been reached, it is the duty of this Council to-day to support my Honourable colleague there and to repeal this measure. My Honourable friend the Home Member stated that by tradition and instinct he is against special legislation. My Honourable friend belongs to the Civil Service, and I say

that the remark which he has so appropriately made applies in a greater degree to a man like myself who has been nurtured in law, who for a period of 30 years has been at the Bar daily and constantly fighting Judges against their interpretation of certain laws, and demanding generally an interpretation always in favour of the subject. Sir, on this occasion I may say that no sane man could honestly say that he approves or is in favour of special laws. My Honourable friend there has made a great point of the repressive character of this legislation. My friend forgets that all criminal laws, all laws that are framed for the purpose of suppressing crime, are repressive in character. There is no criminal law which is not of a repressive character. Every criminal law is repressive in its nature, in its character, and as such it exercises a sort of terror over the culprits and prevents them from perpetrating offences. Laws are either of a punitive or of a preventive character. I do not see any valid objection to any State adopting in a moment of emergency special laws to meet special circumstances, and it would I say be the height of folly to urge that Government should not be armed with special weapons to deal with special conditions and a special state of affairs. All European countries have done so, and so have most of the Eastern countries including Japan, which is one of the most rising and conspicuous of Eastern nations. She has also adopted punitive measures for the purpose of suppressing crime. Sir, this disposes of the question as to the repressive character of the legislation of 1908.

Now on the existence of normality my vote in this Council will depend. As I said, if I could honestly believe that circumstances are normal I must vote with my Honourable friend there. As my Honourable friend remarked the literature on the subject is copious and ample, but let me in chronological order give my Honourable friend over there a brief resumé of the catalogue of crimes. I call it advisedly a catalogue—crimes which have taken place during the last 18 months. I will not deal with the details of each of these offences as I have no time at my disposal. I will only just mention them for the purpose of showing this Council whether this is the opportune time for repealing a measure of this kind.

1. On the 14th December, 1923, the Chittagong dacoity took place when Rs. 17,000 was robbed. This offence was traceable to an unlawful association.

2. On the 24th December 1923, pistols and cartridges were recovered by the police in a private scuffle. It was presumed that these pistols were the property of unlawful parties.

3. On the 11th July, 1924, Mr. Day was shot in Calcutta, he being mistaken for the Commissioner of Police. The man admitted before he went to the gallows that he wanted to shoot the Commissioner of Police and that he was a member of a particular party.

4. On the 15th March, 1924, the police discovered dangerous bombs in searching a particular house. It was then discovered that that house belonged to an association formed for the purpose of subverting law and order.

5. On the 30th March, 1924, Mauser pistols stolen in 1924 were discovered, and their existence was traced to an unlawful association.

6. On 13th April a cowardly attempt was made to shoot Mr. Bruce.

[Sir Maneckji Dadabhoy.]

7. On the 25th May a Sub-Inspector of Police was shot down in a Calcutta street. His only offence, as Honourable Members will see, was that he was discharging his duty and was true to his salt.

8. On the 13th June, 1924, an arrest was made of a person possessing a loaded revolver with a large number of cartridges. He could not account for their possession, and it was ascertained that he belonged to an unlawful association.

9. On the 23rd August, 1924, a dastardly bomb outrage was committed in Mirzapur Street in which an innocent man lost his life. It was also then found out that this was caused by the tenets and the preachings of unlawful political associations.

Sir, this is the catalogue of crimes during the period covered by the last few months. If my Honourable friend thinks that these are not circumstances of an abnormal character, I may refer him to a few of the bigger riots since 1921: The Malagaon riot; the Sitapur affair; the Rae Bareli affair; the Chauri Chaura affair; all these events or incidents have taken place since 1921. I submit that such a catalogue of crimes is a sufficient answer on this question of normality, and I think it will convince the most obdurate of politicians here that it is not a right and proper thing, when Government have to cope with a trouble of this magnitude, that we should deprive them of one of the most important and effective weapons in their hands to deal with crime. Sir, I know of the common-place objections to this. I know it might be validly urged that most of the prosecutions have not taken place in Bengal under this Act. But pray do not forget the other aspect of the case. It is not always the punitive aspect of crime you have to take into consideration, but also how to prevent crime. The preventive aspect of legislation does a great deal more service than the merely punitive aspect, and as such I do seriously believe that the Act of 1908 has played a most conspicuous part in the execution of that service. Many of the conspiracies, many of the seditious movements have been nipped in the bud by the mere existence of this piece of legislation on the Statute-book; and whether it will be fair and right, whether it will be judicious action on the part of this Council to implement its approval on a measure of this sort at this time is a question which should give every Member of this House food for serious reflection. Sir, my Honourable friend has stated that our ordinary law is quite sufficient, because since the passing of this measure in 1908, two sections have been added to the Indian Penal Code, sections 120 and 121A and that those provisions are adequate to meet cases of the character which the Honourable the Home Member has described. I demur from that proposition. As a lawyer my friend the Honourable Mr. Karandikar knows better than anybody else that in cases of conspiracy you want tangible proof, you want substantial concrete evidence, to justify a conviction, and it is the difficulty of obtaining substantial concrete evidence that makes the task of Judges difficult, as he is perfectly aware. The provisions, the new provisions, of the Indian Penal Code are good in themselves; when a conspiracy is proved, or detected, and there is sufficient evidence, a particular case can be dealt with under those provisions; but in many cases it is not possible to bring the offenders within the scope of those provisions. My friend has also spoken with some feeling, with some vehemence, regarding the blot as he calls it on our Statute-book by the existence of legislation of this character. Sir, I am not a sentimentalist. I shall not be carried away and I know this Council

will not be carried away by shibboleths of this nature. They are all right to catch the vote in a public street, not in a body like this House, which is accustomed to deal with important questions, a body like this, with its culture and experience which is fully conversant with law, many of the Members being lawyers themselves. Then, Sir, it is a somewhat anomalous proposition to assert that a law, because it is of a repressive character, because it is intended to reach a certain class of offenders, is a stain on the Statute-book, or it is a stain on Government. All laws will excite controversy. All repressive laws are unpleasant. No repressive law will be received with favour by any section in the country. It is for this reason that I do not think it would be either just or proper to assert that the repressive laws are a stain on the Statute-book. We should rise above those petty considerations. The Council should not be guided by such sentimental consideration, should look and face the situation straight and deal with the baneful character of crime which unfortunately still largely exists in this country.

Sir, the justification for moving this Bill in this Council, the justification which its learned author had in introducing the Bill in the Assembly, was that it was founded on the recommendation of the Repressive Laws Committee. The Honourable the Home Member has dealt with that subject and I will not detain the House at length on that point. The Honourable the Home Member has quoted a passage from the report of the Repressive Laws Committee which makes it abundantly clear that no unconditional recommendation was made by that body. They did *not* make an unconditional recommendation that Part II, the remaining portion of the Act of 1908, should be repealed in the Delhi Session. There is one other passage which I shall quote from their report and it has been unfortunately overlooked both here and in the other House. It was distinctly stated in paragraph 26 of their report, and I shall read that sentence which is very significant:

"But it is impossible for us to make any definite recommendation on this point at present. We hope that the repeal of these Acts may be expedited by a healthy change in the character of the agitation going on at present. The duration of the retention rests in other hands than ours."

No truer words were ever said.

"The duration of the retention rests in other hands than ours."

It rests not in the hands of this Legislature, it rests in the hands of those unlawful associations and those leaders of the public who encourage either actively or indirectly those unlawful associations. The repeal of the Act is in the hands of a great many of our countrymen. No healthy change has yet taken place, as pointed out by the Repressive Laws Committee. That change has not been expedited yet. Nobody will be more pleased than I to see that change is brought about at an early date, and if I feel convinced hereafter that the political situation has improved in this country, I should be the first to give my support to the repeal of this measure. I feel, Sir, that we are bound to look after the interests of the large masses of the country. We are bound to protect the industrial classes and the great industrial works that are steadily and gradually rising in this country. I maintain that we are bound to see that peace and order prevail and every man is able to carry on his ordinary avocation without being harassed and troubled. It is the rightful liberty of an individual to live freely, unmolested by other people; it is that great liberty which is the main object of the law to promote; it is that great liberty which every individual is bound to

[Sir Maneckji Dadabhoy.]

maintain. It is that great liberty which my Honourable friend there has referred to, and if liberty of that character is maintained and does not degenerate into unbridled license, there will be no necessity for the maintenance of legislation of this character on the Statute-book. It is because I feel that a Statute of this character is urgently necessary in the interests of the industrial classes, it is because I feel that we are bound to protect our agriculturists and our big zemindars, it is because I feel that we should see that law and order are scrupulously maintained and the people are allowed to do their business without interference and molestation, that I do not wish to give my support to this Bill. Sir, I now give my full and cordial support to the measure of 1908 which is sought to be repealed by this Bill.

But before I sit down, I wish to refer to one important aspect of the case. I oppose this Bill *in toto*. But let me make one final appeal to Government in an important matter. Sir, when the Act of 1908 was framed all the powers under Part II were confined and were kept in the hands of the Governor General in Council. The Devolution Act (XXXVIII of 1920) has transferred all those powers to the hands of Provincial Governments. As it existed originally, there was a safeguard. That safeguard was that when a case was submitted by the Provincial Government the Government of India went through it and consulted their legal advisers and came to a decision. There was the concurrent judgment of two different administrative bodies, if I may say so, two sets of tribunals, the Provincial Government and the Government of India. That safeguard has now ceased to exist by the Devolution Rules. I hope that the *status quo ante* will be restored and the Government at a not distant date may see the advisability of making an alteration in the Act.

THE HONOURABLE THE PRESIDENT: The original question was:

"That the Bill to repeal certain provisions of the Indian Criminal Law Amendment Act, 1908, as passed by the Legislative Assembly, be taken into consideration."

Since which an amendment has been moved.

"That the Bill be referred to a Select Committee."

The question I have to put is:

"That the Bill be referred to a Select Committee."

The motion was negatived.

THE HONOURABLE THE PRESIDENT: The question then is:

"That the Bill, as passed by the Legislative Assembly, be taken into consideration."

THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): I rise on a point of order, Sir. Before this question is put, there are some other speakers who would like to speak on the subject.

THE HONOURABLE THE PRESIDENT: Before I put this question I waited for Honourable Members to rise in their places. It is not possible for me to see inside Honourable Members' minds and to know that they want to speak if they remain in their seats. If the Honourable Member wants to speak and there are other Honourable Members who want to speak, then the Council must adjourn and resume discussion later, on the main motion.

THE HONOURABLE MR. YAMIN KHAN: I would like to speak on the motion, Sir, and I think there are other Honourable Members also who wish to speak on it.

The Council then adjourned for Lunch till Twenty-five Minutes to Three of the Clock.

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

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal Non-Muhammadan): Sir, more than ordinary responsibility rests on Members of this Council when measures passed by the other House are brought up here, either by the Government or any private member, certainly more responsibility than when we are initiating any measure, which unfortunately we rarely do. That responsibility becomes all the greater when the measure happens to have been passed by a large majority like 71 against 39 and when the division list shows that men of the character and standing of Mr. Abul Kasem, Sir Sivaswamy Aiyer, Dr. S. K. Datta, Mr. Jinnah, Mr. Neogy, Sir Purshotamdas Thakurdas, Mr. Ramachandra Rao and Mr. Rangachariar—to name only a few out of many—who are as keen in the interest of law and order as any that we know of, who are as staunchly devoted and loyal to the Crown and the Throne as any that we know of, voted for it.

This measure comes up, it is true, not on the direct and immediate recommendation of the Repressive Laws Committee's Report, but as arising out of it. Extracts from that Report have been read and emphasis has been laid upon what the Committee said about the impossibility of their making at that particular juncture an immediate recommendation for the repeal of Part II of the Act that we are now considering. Sir Maneckji Dadabhoy did not, however, when reading that portion of the Report, read what preceded, and I shall do so with the leave of the Council:

"Our recommendation follows that made by the Bihar and Orissa Government (*and then that Government is quoted*)—subject, however, to the reservation temporarily made in favour of the Seditious Meetings Act and Part II of the Criminal Law Amendment Act, which cannot be abandoned until the present tension (*and I call the attention of Honourable Members to what follows*) created by the non-co-operation movement has been relieved by the action of its leading promoters. His Excellency in Council desires again to emphasise the importance of removing from the Statute-book as far as possible all special laws of this character, so that the Government of India under the reformed constitution may proceed with a clean slate. At the same time, however, His Excellency in Council is conscious that in the future the need for special powers may again arise."

And in view of that appeal and that statement of the Bihar Government, the Committee thought that that was not a suitable occasion for recommending the immediate repeal of the Act. Well, that was, I believe, in 1922, and the appeal of the Bihar Government was before the Reforms. Since then matters have changed. They have improved, as has been admitted, in some directions; in other directions it has unfortunately been anything but improvement. If one is to wait for absolute and entire normal conditions throughout the country before the repeal of objectionable and unnecessary special Acts of this kind was to be undertaken, I am afraid it can never be done in the history of any extensive country like ours. Let us go back to what Lord Dalhousie said not very long ago:

"No prudent man would venture to predict a long continuance of peace in India. Insurrection may arise like an exhalation from the earth."

[Dr. Sir Deva Prasad Sarvadhikary.]

If this is correct, special laws have to be normal laws of the country. If you want that, be frank about the matter and do not call them special laws. India is a continent, Sir, and exhalations may arise according to this dictum at any time—distressing exhalations about which one is not only not proud, but about which one has grave apprehensions. But to deal with these is a normal Government duty, for which constant special treatment should not be necessary nor permissible. Is that any reason why those that are admittedly special laws should, after a length of time like 1908 to 1925, not be abolished? One has a right to ask this question, especially in view of the modified recommendation of the Repressive Laws Committee which was merely endorsing a statement of the Government of Bihar and Orissa, which itself hoped for a clean slate and for the early abolition of special laws.

Sir, I share Sir Alexander Muddiman's regret that his appearance in our midst for the first time since he left the Chair, is to oppose a measure like this; but we are gratified to have his repeated testimony and assurance, as to how he himself disliked these special laws by tradition, by inclination and by mental habits, if I may add. Well, that is for my purpose enough basis to ask him to consider whether the time has not come, even having regard to what he has stated, for the repeal of the second Part of this Act. Sir, Honourable Members will remember that on the eve of the reforms, as Mr Karandikar has reminded the House, this drastic special enactment had to be undertaken, and no one was more unhappy about it than Lord Minto himself, who said that he would insist upon every use being made of the ordinary law and discourage demands for exceptional procedure. As to whether the exceptional procedure should continue for seventeen years or not is a matter which this House has been invited to consider. A long catalogue of crimes has been quoted to us, largely by the Honourable Sir Maneckji Dadabhoy, and less by the Honourable the Home Member. But what do they signify in this particular matter and how do they help us?

THE HONOURABLE SIR ALEXANDER MUDDIMAN: I should like to explain one point. I did not repeat the lengthy list—I shall certainly do so at a later stage, if necessary—because I understood the House did not wish to listen to it.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, I am not questioning the accuracy of that list; I am not questioning that these crimes unfortunately do exist and sully the good name and fame of my province and of other provinces; we do not feel proud about it; we do not feel happy about it; but there they are and we are miserable about it. As Lord Minto himself however on one occasion said, according to his biographer:

"As he looked around him he saw two currents of unrest, one of inevitable desire of men whom we (the British) had educated on western lines to share in the government, the other the dark stream of anarchy and rebellion which had its spring as much in Europe as in India; If both were suffered to overflow there might be a cataclysmic disaster; but the two were different in kind; and if the second was to be restrained there was the more need for canalising and regulating the first; otherwise the currents might join in tragic inundation. He was incapable of taking a melodramatic view and in reading anarchy into what was natural and reasonable. There was a type of unrest which might fairly be called 'loyal'. In Lord Minto's own words, he said that 'beneath a seemingly calm surface there existed a mass of smothered political discontent much of which was thoroughly justifiable and due to causes which we were bound to examine'. He desired to check the revolutionary by preventing his alliance with the moderate reformer."

That is exactly what we have often pressed Government to do and not mistake reasonable unrest for anarchy and not to drive the former into the arms of the latter.

Sir, when I was making the statement which necessitated the Honourable the Home Member interposing with a gratuitous promise to go further into the list of crimes, the point that I was trying to make was that, whatever other measures you might think it necessary to take,—and no sensible man, no law-abiding man, will deprecate any measures, however strong, which are needed for the upholding of law and order and securing freedom of people and peace in the country. . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: But a Bill has been brought into the Legislative Assembly to do away with all repressive laws.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: That may be, but let us not cloud the issues here; let us keep to the particular matter that we are considering. All that I was trying to establish was that in regard to crimes of the kind mentioned, the Act we are considering is inapplicable and was not applied. In fact it could not be applied.

I shall now, if time permits, examine in detail the provisions of the Act, that we are seeking to repeal in comparison with the sections of the Indian Penal Code that have been referred to and have not been fully dealt with. The point I was going to make was that on very few occasions in connection with these crimes that have been referred to have Government thought it fit or possible to invoke the assistance of Part II of the Act that you are dealing with? That is my point. And there were innate difficulties and objections to that Act being used for the purpose of meeting the situations that have been referred to in quoting that catalogue of crimes. They will have to be dealt with in other ways and by the normal laws of the country so far as possible. So far as Bengal is concerned, Sir, the whole matter is out of court because Bengal has now an Ordinance which gives much larger powers to the Local Government instead of the Imperial Government as before and in a manner that is not acceptable. As has been pointed out by the Honourable Sir Maneckji Dadabhoy, the Act we are considering also gives power to the Local Government and not the Imperial. That Ordinance is there, certified by His Excellency the Governor of Bengal in consequence of the Council failing to pass it. And lesser laws like that which we are considering have no function there. That is a portion of the controversy into which I shall not now go for obvious reasons and also because it is unnecessary for my present purpose. If Bengal incidents are to be made the reason for this Act, I say those reasons do not exist. They do not exist in connection with the crimes that have been referred to, and they do not exist in regard to other matters now that the Ordinance has taken the form of a Statute of the Province. That was a point I was going to make in referring to the catalogue of crimes, which reference for this purpose is not very pertinent.

Sir, I have referred to Lord Minto's feelings in the matter, and I shall give one or two more extracts to show what was at the back of the mind of that statesman, who gave us the first instalment of Reforms, for which

[Dr. Sir Deva Prasad Sarvadhikary.]

the country can never be too grateful to him and should cherish his memory. He was, according to his biographer:

"never enamoured of what had been done the previous winter (*passing of strong measures*) and he was always doubting their advisability, and he said :—'We may repress sedition; we *will* repress it with a strong hand, but the restlessness of the new-born and advancing thought, we cannot repress. 'We must be prepared to lead it with help and guidance. We must seek for its cause'."

Well, we wish that to be done by the Government. We are waiting to see what the Reforms Committee will give us in the matter of help and guidance. In the meantime we want a "clean slate" in the words of the Bihar Government, so that the further measure of reforms that comes may have proper chances of working.

Sir, Lord Minto was so emphatic with regard to these things that another quotation from his speech may well be made. He said:

"I believe the situation to be better than it was 5 years ago. We must not allow the immediate dangers to blind us to the evidence of future promise. I believe that the broadening of political representation has saved India from far greater troubles than those we have now to face. I am convinced that the enlargement of our administrative machinery has enormously strengthened the hands of the Viceroy and the Government of India and has brought factors to our aid which would otherwise have had no sympathy with us. I believe above all that the fellow-services of British and Indian Administrators under a supreme British Government is the key to the future political happiness of this country."

Never were those words truer than they are to-day, especially on the eve of the second instalment of reforms, which we are confidently awaiting, and we appeal to those in authority not to mar the prospects in view. Unless therefore there be a very strong case, and honestly, Sir, I have failed to be convinced that there is a strong case of that magnitude so far as this Act is concerned, it is up to Government to help the people and the leaders, call them Moderates or Liberals or call them representatives of the loyal section, in trying to work smoothly what is coming as the second instalment of reforms. Sir, the reason why I do not attach the importance to this enactment with reference to what the Government has to do for upholding law and order has been indicated already. Government know at all events that on very few occasions in connection with these crimes they have not thought fit or possible to apply this law for the purpose of putting down crime or even preparations for crime and they have taken much larger powers. In 1913, for reasons that have not been challenged, Government added to the Penal Code two sections, 120-A and 120-B. If Honourable Members will please refer to these sections, as well as to sections 15 and 16 of Part II of the Act that we are considering, they will find that excepting as regards section 15 (*b*) of the latter Act it gives the Local Government now (it was the Imperial Government before) the power to declare an association to be unlawful. There is nothing in the Indian Penal Code, sections 120-A and 120-B, which would not abundantly meet the situation which these other sections are intended to cover.

Under the Penal Code as well as under this Act overt acts must be proved. There must be a prosecution; there must be the complete paraphernalia of the normal legal procedure before conviction under either set of sections can be secured. And the punishment is, in the case of convictions under this Act, limited to six months, whereas the punishment under the Penal Code is six months in normal cases, but may be much more in cases of abetment of crimes which carry greater punishment.

My submission to the Council, therefore, is, that, excepting the point of view of the Imperial Government or the Local Government, as the case may be, having unrestricted power to declare as unlawful an association, this Act has ceased to be at all necessary. It is a redundant piece of legislation, and a redundant piece of legislation ought not to be allowed to stand on the Statute-book, apart from its being what is called a "slur and a blot." I am free to confess that I am not interested so much in the slur and blot aspect of the question, if there is real necessity for the retention of the law.

I show, however, and I believe I show abundantly, that, excepting so far as power of the Government to declare associations illegal is concerned —sections 120-A and 120-B of the Penal Code are a part of our normal law, about which we have no quarrel,—there is absolutely no reason why this Act should continue to burden our Statute-book. That is a proposition that cannot be challenged.

Then, Sir, is left the question of the power of the Local Government to declare any association unlawful. Well, Sir, it goes against the first juridical principles that any Government should have this right of declaring as final without any right of appeal on the part of the accused or the suspected. A declaration like that may be good as an initial measure now and again in an emergency but is apt to be mischievous also if uncontrolled. We are aware of cases in which such mischief has been demonstrated. I shall not refer to a certain so-called volunteer movement in Calcutta which was sought to be regulated by this enactment, and quite unsuccessfully. But one case I may refer to, the case of an institution in the district of my friend Mr. Karandikar—a Poona institution which while Sir Mahadeo Chaubal was its executive member was declared as unlawful under this section. It is an institution which to-day claims.....

THE HONOURABLE MR. J. CRERAR (Home Secretary): May I ask in what year that declaration was made?

THE HONOURABLE MR. R. P. KARANDIKAR: In 1910.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Well, be it in 1910. Things move fast or slow as the case may be, but I am giving an instance in which the sagacity of the Government or the information of those that bring them information was at fault; such information cannot always be counted upon. I do not refer to the volunteer movement in Bengal, because that is now covered by other enactments and it will serve no useful purpose to refer to those matters now. But where a Local Government, devoid of the safeguards likely to be afforded by the Imperial Government, is authorised to exercise powers like this without any sort of appeal, the position becomes very difficult indeed and it is impossible to continue to support any law that unless an unmistakably strong case can be made out would have that effect.

Reference has been made to what Sir Chimanlal Setalvad said elsewhere. He was I believe the Law Member in one of the Provincial Governments at one time; he is a practitioner of great eminence and a lawyer of unquestioned soundness. He indicated in that speech of his in the other place that if there was a right of appeal even if the Government were allowed to take the initiative in an emergency, one could have understood the necessity of allowing such a law to be continued; but in the absence of those safeguards it is impossible to support it unless there is a very strong and clear case, which I believe is wanting on this occasion.

[Dr. Sir Deva Prasad Sarvadhikary.]

Reference has been made to the fairly clean slate from 1911 to I believe 1922, when the Bengal cases and the Burma case referred to occurred. The reference to the Burma case is very peculiar. It took place after the Assembly had enacted this piece of legislation, and if immediately thereafter this House had been invited to give its sanction to that Bill this question would not have arisen. What happens and must happen in these cases is that if there is such a power, an easy authority handy, which will be useful and nobody says that these powers may not sometimes be useful, the tendency is to use those powers instead of adopting normal and arduous proceedings that would be involved by invoking sections like 120A. Well, every juridical mind and every legislative assembly has always deprecated the use of exceptional and special powers unless there be a strong case for it; and exercise of such powers has always been limited to the time being. If after 17 years it is not possible for us to do without that which the Government of the day and those who assisted in the passing of that measure looked upon as purely temporary—and my Honourable friend Sir Maneckji Dadabhoy, was one of those who appealed for limiting the powers under that section—well, if Government after 17 years still require exceptional powers like these, it is time frankly to make them part of the normal law of the country. I could have understood that position but I cannot understand prolonged retention of special laws, particularly an unnecessary piece of law like this—unnecessary in most vital and important respects as I have shown.

Sir, the Honourable the Home Member has not made much of the rejection of the present Bill in July 1923. Of course it was a different Assembly. Another Assembly gave judgment in favour of repeal possibly on better materials and the mover for repeal got a very strong judgment in his favour. Except for very strong and cogent reasons, except for an exceptionally strong case, which has not been made out more than in the other House, this House should endorse what has been done there, this House should be party to no arrangements by which heavy artillery and Gatling guns have to be brought into action every time in the every-day work of administration for which the ordinary law dealing with even the worst form of crime should suffice.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, in opposing this motion I should like to acknowledge the moderation and the sobriety which characterised the speeches of the Honourable the Mover and of the Honourable and learned gentleman who preceded me. Indeed from the vein of airy and graceful compliment in which the Honourable Mover began his motion it would have been difficult to infer that he was conscious that he was embarking upon the formidable enterprise of impairing the power of the criminal law and of endangering the security of the country. Both the Honourable gentlemen relied almost entirely in the course of their arguments on what I may call purely theoretical considerations. It has already been admitted, and admitted in the frankest terms, that the specific power given to the Executive by this Act is undoubtedly a grave power to commit to them. That is frankly admitted, but that admission hardly warrants the Honourable gentlemen who have supported this motion in proceeding on the assumption that considerations of a juridical character must completely and entirely condemn the maintenance of this power. To anyone who has examined as a comprehensive whole the criminal law of any country whatsoever, it will become evident that the executive is entrusted with discretionary powers of a very comprehensive character. The Honourable and learned gentleman from Nagpur pointed out the elementary fact that all criminal law is in a certain sense repressive law; but beyond that every code of criminal law necessarily gives the Executive certain preventive powers. The power granted by the Act now under our consideration is really analogous and complementary to the other preventive powers which are granted to the Executive Government and to the officers subordinate to them for preventive purposes. That however is not a point on which I propose to weary the House. I think that dealing with an important legislative enactment of this kind we should do well to appeal to that reasonable attitude, that reasonable attitude of common sense which is so distrustful of purely theoretical considerations and which requires a discussion of this character to be brought into the closest relation with facts. Now, Sir, I intend to make a few remarks to endeavour to bring this discussion more closely into relation with facts. I must as a preliminary demur very strongly to the doctrine expounded by the Honourable and learned gentleman opposite, who gave us to understand that because deliberations in another place had resulted in a certain division, we were not at liberty to exercise our own judgment on the matter on its merits.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I did not say that. I claimed more sense of responsibility than when initiating a measure.

THE HONOURABLE MR. J. CRERAR: The Honourable gentleman did not perhaps in so many words say so but it was the inevitable consequence of his argument. I demur to his arguments not to his general proposition. It is true that we have a great responsibility in this matter, but our greatest responsibility is that we are a revising chamber.

Now, Sir, one objection which was taken *prima facie* was an objection of some substance—it was implied rather than taken, but it was nevertheless inherent in the substance of the Honourable Member's argument—and it was this, that the powers granted by the Criminal Law Amendment Act, 1908, were granted with a specific object, that the Act contemplated primarily and exclusively the suppression, the punishment *expost facti*, of anarchical crime in Bengal. Now, Sir, I take strong exception to that statement. Even supposing it were true that the Legislature at that time legislated more wisely than it knew and made provisions applicable to conditions different from but equally dangerous, with those at the time particularly contemplated, I do not think that we should be wise in regarding ourselves as precluded from taking advantage of the wisdom and the foresight of our predecessors. That, I think, is a fair reply to that argument. It is as a matter of fact unnecessary for me to rely upon it. It was intimated by my Honourable and learned friend from Nagpur—and we could not have a better authority on the matter—that when this measure was under consideration, the framers of that legislation did not take that narrow and restricted view of what they were proposing to do. I can entirely confirm the impression of my Honourable friend Sir Maneckji Dadabhoy on that point. I will make a brief quotation from the speech of the Honourable Sir Harvey Adamson in moving the motion. After dealing in some detail with anarchical crime proper in Bengal, he proceeded as follows:

"Associations, known as Samitis, and consisting of what are called volunteers were formed in 1902, but they did not come much into evidence till 1910. They have developed with the most surprising rapidity, almost all districts in East Bengal have their volunteer organisations. Outwardly professing to be devoted to such laudable objects as keeping order at meetings and helping pilgrims at festivals, they have been largely used for the forcible boycott of foreign goods and for terrorising the community."

[Mr. J. Crerar.]

Now, Sir, if Honourable Members recollect the events of 1921-22, when volunteer organisations again came into prominence they will be struck by the remarkable appositeness of the words used by Sir Harvey Adamson. Precisely those conditions which he then said the Government had under contemplation as among the dangers against which it was necessary to take adequate safeguards were reproduced with the most extraordinary accuracy. On that aspect of the case this is, I submit, conclusive.

I will now go very briefly to another. The gravamen of the objection to section 15 (*b*) of this Act is that it is liable to abuse. Now, the Honourable Members who support this Bill would be in a very much stronger position if they were able to give any single instance of the abuse of those powers. The Honourable Mover, as a matter of fact, did not allege any single instance of abuse. (*The Honourable Mr. R. P. Karandikar*: "None occurred.") I understood the Honourable Member opposite to instance as a case of the abuse of this Act the declaration by the Government of Bombay of Samarth Vidyalaya as an unlawful association. What are the facts? An institution nominally educational, but one of whose real objects was to inculcate into its pupils sedition and doctrines of revolutionary violence was declared an unlawful association by the Government of Bombay in 1910. Ten years later another institution of the same name but with very different objects was projected, and received the patronage of Sir M. Chaubal, a former member of the Executive Council of the Governor of Bombay. So far from proscribing this institution, the Government of Bombay were willing, provided that its governing body and curriculum were placed on an approved basis, to give it their countenance. That, Sir, is the only single abuse of the Act which has so far been brought before us, and I think I have shown to the House that the contention is entirely baseless. What were, then, the main features of the circumstances in which this Act was put into force in recent years? It was put into force during the years 1921 and 1922 for the most part in Bengal and in the United Provinces. Perhaps I may be permitted to quote to the House a very brief summary of some of the circumstances which induced the United Provinces Government to have recourse to this Act. Early in November 1922, shortly before the landing of the Prince of Wales in Bombay, a date of unhappy memory, the formation of these associations began on a very large scale in the United Provinces:

"There were illegal activities of the volunteer associations which had been engaged in a systematic campaign of violence, intimidation and obstruction. In the United Provinces these volunteer associations had had a somewhat irregular and uncontrolled growth. Their members had been used to provide escorts for extremist leaders, to keep order at political meetings, to enforce *hartals* and to assist the temperance and *swadeshi* campaigns by picketing shops. Several districts had reported the drilling of volunteers from time to time and many of the associations were in possession of semi-military uniforms, swords and spears which they carried on ceremonial occasions. In Saharanpore it had been found necessary to withdraw exemptions under the Arms Act in consequence of the danger involved by military displays in inflammable centres. In places also volunteers had tried to usurp the functions of the police, whose place they were intended to fill if ever a parallel administration were set up. In the Aligarh riots, already described, a Khilafat volunteer was reported to have led the mob and in September a bodyguard of Khilafat volunteers armed with spears had tried to prevent the arrest of a prominent agitator. There were at this time about 5,000 Khilafat volunteers and 11,000 Congress volunteers in the United Provinces."

I will not weary the House with details. I will merely mention that in the course of a few months the number of enrolled volunteers in that province alone amounted to 110,000. After serious scenes of violence in which murder was committed and on several occasions the police had to fire and which were mainly due to the activities of these so-called volunteers, the whole movement culminated in two very tragic incidents. One was the incident at Chauri Chaura. In case Honourable Members have forgotten the details of that unhappy affair I will very briefly recite them:

"On the 4th of February a mob of some three or four thousand men headed by several hundred volunteers marched about two miles to the police station of Chauri Chaura in the Gorakhpur district. It reached the police station in a state of high excitement and after an altercation with the police, the incidents of which it is unnecessary to detail and an attempt by the police to disperse a portion of the mob, a massed attack was made on the police, in the course of which the police station was burnt down and 23 policemen beaten to death with savage cruelty. When all was over the members of the crowd dispersed to their homes in a spirit of exultation, boasting of their achievements with which they coupled the name of Mr. Gandhi whom they had invoked from the outset."

On the following day an affair which might have been of equal gravity occurred at Rai Bareilly, but on this occasion the police were able to hold their own. These are the two culminating incidents of that lamentable history. I venture to say that none of the Honourable Members who have supported this motion can allege that the action taken by the Government of the United Provinces was anything but the minimum required from any Government which had not abdicated its authority and its responsibilities. Very similar were the circumstances which led to the application of the Act in Bengal. As for the circumstances which led to the application of the Act later in the Punjab, it is not my present purpose to say much. Conditions there are happily now very much improved, and I am unwilling to say anything which might recall unhappy memories and possibly prejudice the movements which are now well on foot towards a happier state of affairs. I will only say this that it was not till late in the year 1923 when the Shiromani Gurdwara Prabhandak Committee had incited organised bands to invade the territory of Nabha that the Government of the Punjab, after a long period of extreme patience and forbearance, felt themselves under the necessity of invoking the provisions of this Act. If I were to mention one more instance of the gravity of the dangers which this Act enables Government to some extent at least to control, I would mention the tragic incidents at Malegaon. On that occasion, as the result of the arrest of a certain number of volunteers who had violated the order of the District Magistrate forbidding them to carry *lathis* in public, the House will remember that a Hindu temple was burnt and that 4 policemen who had taken refuge in the police station were brutally massacred in the streets. It was judicially proved that the volunteer association was the proximate cause of the outbreak. It is necessary for me, Sir, to dwell more on these lamentable series of tragedies in order to prove the two points which I wish to make. Firstly, in no single instance has it been shown that the power of declaring a lawful association to be unlawful has been abused by any Local Government in the period to which I am referring. In the second place, I would ask the House to remember that, if you want to enable the Local Governments to avert tragedies of this character and not merely to punish the offenders, you must hesitate before you deprive them of this power. This is really the most important issue in the case. The amendments of the Indian Penal Code, to which my Honourable friend has referred, are not provisions which enable you to take precautionary measures. It is essential that Government should be equipped to prevent as well as to punish. This Act enables them very frequently by the timely use of such powers to avoid the use of much more drastic powers.

[Mr. J. Crerar.]

I do not intend to detain the House any longer; but as the two Honourable Members who have supported this motion have argued on legal grounds, I would venture to remind them of one legal maxim which is "*cessante ratione, cessa ipsa lex.*" This is stated in a negative form but it has obviously a positive converse proposition implicit in it. So long as the necessity for a law continues the law ought to continue.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, this is a very serious matter and should be discussed from the practical standpoint. I have given it my most careful consideration and I ask the House to believe me when I say that this is not the first time that I have been called upon to consider Part II of the Criminal Law Amendment Act. In 1921 I had the honour of being summoned by the Government of India as Secretary of the Madras Liberal League—the President of which was Sir Sivaswamy Aiyer, who I find has taken part in the division on this subject in another place, and I then gave evidence that this law should be repealed. It so happened two years later that the National Liberal Federation held at Allahabad had to give this matter its most serious consideration, and we came to the conclusion that this was a temptation in the hands of certain officials and the use of which had to some extent aggravated the political difficulties with which the Government had been confronted in those days. After listening to the debate here if the Honourable Mr. Crerar will permit me to join with him in saying so—in which the case for and against has been put so fairly,—there is no use ignoring the obvious facts. I am willing to confess since this Bill was debated in another place that a very serious set of facts has been placed before us; and with all due deference to people who make any statement to the contrary, there is no doubt that an anarchist conspiracy does exist in Bengal; there is no doubt it has been met and there is no doubt that Government's powers are ample. I have stated it not once, not here alone, not only in speech, but also in other places where I have written, that if the ordinary law is not enough—and I can understand the position that it is not—some other powers ought to be given. The whole question now resolves itself into this, and I think the Honourable the Home Member stated it very fairly that clause (*b*) of Part II of this Act is the gravamen of the charge; and it is on that and after considering that and with a full sense of responsibility that many people of the party to which I have the honour to belong and under whom I have worked thought it fit to advise Government that it is desirable that this Part II ought to go. I can quite understand the absolute necessity which any Government might have, and which as a private employer I should like to arm myself with, for powers which are not conferred by the Act and afterwards justify the use of the powers in an emergency; but the whole question is this: if you declare an association unlawful, and if, as it is but fair to concede and as Honourable Members have conceded, there might be a case in which the head of a district or even the head of a province might unfortunately come to the conclusion that a certain association which might prove itself very inconvenient, very embarrassing to Government, and not only to Government but to private individuals also, ought to come under this law even granting that they are embarrassing and inconvenient, will you be justified in bringing them under the operation of a law which really was not intended for that purpose ? . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: Is there no miscarriage of justice in cases where the ordinary law is applied?

THE HONOURABLE MR. G. A. NATESAN: My Honourable friend, Sir Maneckji Dadabhoy will pardon me; but if there is a miscarriage of justice in such cases there is a court to which there is an appeal; but in a case where an unfortunate young man or group of young men are believed to be in an unlawful association, which might even be lawful, and they are brought under the operation of this law, you do not even give those young men an opportunity to clear their character before a court of law; and does my Honourable friend think that that is anything but a miscarriage of justice? If some boys were to be inveigled into an association which might be politically unlawful and which might even have a sinister purpose, these young men are not even given an opportunity to prove their innocence. If the House will permit me to sound a personal note, I had the honour of very close and intimate personal friendship with Lord Carmichael when he was Governor of Madras; and when he was Governor of Bengal I had the honour of calling on him, and then I asked him how it was that such a tactful ruler as he was had made use of these provisions and interned people. He said he had found the situation very difficult and he also admitted this, that it was intensely distressing to find cases of young men who had been inveigled as it were by other people and who, on the evidence being very carefully gone into, afterwards had to be discharged on the recommendation of people. It so happened in one case that a man belonging to an anarchist conspiracy had simply asked a boy, a friend of his, a very innocent chap, on a certain evening to take a little bundle at a certain hour in the evening, and bring it back again to a particular place the next day. Now it was clear that the man who had asked this boy to take the bundle or bring it the next day had really a sinister purpose, but this unfortunate boy was caught by the police and interned; and a personal representation was made to His Excellency Lord Carmichael and on the assurance that this boy was really innocent he was afterwards released. I am only giving a case, where powers are given to the police, of people who are sometimes arrested on insufficient information and on inaccurate data. All people are liable to err; we are liable to err and Governments are liable to err; and it is proper therefore that some opportunity should be given to vindicate character. I find that an appeal was made at that time to the Government by such a strong and loyal supporter of Government as Sir Chimanlal Setalvad and I happened to be present in the gallery at the time—whether they would not even consider the question of giving a right of appeal to the individual. That opportunity was even denied; and when I find that such eminent leaders of the party to which I belong, men like Sir Sivaswamy Aiyer and Sir Chimanlal Setalvad and others whose names have been mentioned here, have thought fit to vote for this proposition, I feel I shall not be discharging my duty properly here if I did not vote for it.

There is one observation which I wish to make. I think undue stress has been laid upon what we are doing. What is really happening? In another place a certain set of people by a majority have thought fit to recommend to Government that this provision in Part II of the Criminal Law Amendment Act ought to go. What are we doing here? Those of us here who are of that opinion are making this recommendation to Government that in our opinion this law ought to go. The ultimate responsibility is for the Government. Some Members—it may be a very small number—are stating it from their experience and knowledge of the political conditions of our country that they are of opinion that this particular part of the Act might safely go. It must also be remembered that the Repressive Laws Committee while certainly they did not state that it ought to be repealed

[Mr. G. A. Natesan.]

also said that they looked forward to the time when a healthy change in the atmosphere of the country would take place; and whatever may be the difficulties with regard to Bengal—and I may say with regard to Bengal that you have already got the Regulations about deportation and the Bengal Ordinance—you have quite enough powers to meet the situation before you there. The task of a wise Government should be to heal wounds which have been at least regarded by the people as wounds; and I do not think anything should be done to ulcertate wounds which ought to be healed. I think that if this clause is repealed and if Government think it is their duty to accede to the wishes of the Legislature, if they did it, no serious harm will be done. I feel convinced too, that while I am feeling the necessity for supporting Government in all measures for law and order, that the passing of this proposition will not in the least deprive Government of a weapon which any reasonable Government ought to have. I think Government have plenty of powers; I do not pretend to be a lawyer, but if I read the debates aright, it has been pointed out by more than one lawyer who is eminently loyal and belongs to the party to which I have the honour to belong, namely, the Liberal or Moderate Party, that the Conspiracy Act and the other sections of the Penal Code are enough for Government to meet any contingency. I may also state at once that I am not at all oblivious of the facts—I will not dispute the facts that have been given by many Members here and by the Honourable the Home Secretary. I am willing to say publicly that I have myself been the victim at the hands of a party of people who prevented me from paying my respects to His Royal Highness the Prince of Wales. I took a great risk, but these are inconveniences which I think some people have to undergo. If this law were really intended to put down anarchist conspiracy and to bring these people to judgment swiftly and surely, I should undoubtedly give it my best support; but after weighing the pros and cons of the question, having regard to the view that I took in 1921 and to the debates in which I have been an active participator in the councils of the Liberal Party to which I belong and to the fact that such people as Sir Sivaswamy Aiyer and Sir Chimanlal Setalvad and others have thought it desirable to advise Government that this clause ought to go, I feel I have no alternative but to support this Bill.

THE HONOURABLE SARDAR CHARANJIT SINGH (Punjab: Nominated Non-Official): Sir, the speech of the Honourable the Home Member was so exhaustive that I did not think any further arguments were required to convince this House that the time has not come to repeal the Criminal Law Amendment Act. The speeches which have been made in favour of the motion have not, I submit, controverted any one of the points which have been so clearly made out by the Honourable Sir Alexander Muddiman. The original Mover of this Bill in the other place puts down in his Statement of Objects and Reasons that the repeal of this part was to be expedited with the change in the political situation. Now, the only point to determine is whether there is any change for the better. The Honourable Mr. Karandikar himself said that things were quieter some years ago; in other words, he admits that the atmosphere is not so peaceful now as it was a few years ago. The "catalogue" of crimes which the Honourable Sir Maneckji Dadabhoy has read to this House merely proves that the situation if anything is worse at least in some parts of India. This view seems to be shared by many public men. I strongly oppose this motion.

THE HONOURABLE NAWAB SIR AMIRUDDEEN AHMAD (Punjab: Nominated Non-Official): Sir, I beg to say that I cannot support the motion on the ground that the Bill to repeal certain provisions of the Criminal Law Amendment Act of 1908, has been passed by the other House on the uncertain belief that there has been a change in the political situation of the country. Since 1908, there have been changes, and it is due to the forbearance, sagacity, and firmness of the present Viceroy that the situation looks as if changed, but it is not totally peaceful. We may be hopeful for the normal situation in the near future, but, unless that near future is reached, where is the advisability of disarming the executive to the point of helplessness in times of emergency? The necessity of enforcing the Bengal Ordinance is a clear proof of no change in the situation, and the "Akali" movement in the Punjab is another proof of the presence of dangerous elements.

All enactments on the point are so many weapons for maintaining the peace of the country and at a time when the elimination of sedition and agitation is not assured those weapons should be left *intact*. To my mind it appears that the good government of a country and the surety of safe life to a peaceful citizen rests to a very large extent on a good executive having complete powers to deal competently and effectively with various difficult situations as they arise.

THE HONOURABLE RAJA SIR RAMPAL SINGH (United Provinces Central: Non-Muhammadan): Sir, I do not wish to add much to this debate. In fact when I entered the House I had no mind to take part in the debate at all, because I was in a fix whether I should support the motion of my Honourable friend Mr. Karandikar or oppose it. I am not a lawyer who can bring to bear the high principles of jurisprudence and their knowledge upon the decision of this question. I can apply common sense, but after reading all the literature on the subject I began to waver as to whether one side who were supporting the measure or the opposite side were right. But having heard the speeches made in this House, I am definitely of opinion now that the motion of my Honourable friend Mr. Karandikar should not be accepted. Those who have had experience of 1922 and who had witnessed the great terrorism and the atrocities committed by certain persons would very readily agree that the Government should have certain powers in order to protect the peaceful people who might be harassed under those circumstances. Sir, although we have hedged and circumscribed the powers and the discretion even of the judicial courts, we have given certain powers which they do exercise, but with all the restrictions and with all the law that exists, I can say that it is not always the case that they administer real justice. Sometimes they do fail simply because the material that comes before them is not sufficient, or is not of the kind which can lead them to administer real justice. In the same way it is quite possible that sometimes the executive Government may commit mistakes. Well, Sir, it can be urged that in judicial decisions, appeals lie to higher courts. In my opinion the decisions of the executive are also very much scrutinised by the public. Government have some fear that if they act wrongly, if they apply any Act wrongly, public opinion will go against them, and that will be a cause of unpopularity. As far as my knowledge goes, this Criminal Law Amendment Act was never misused or abused, at least so far as I know of my own Province: I can say that it was very rightly applied there, and had it not been applied there, there would have been very great

[Sir Rampal Singh.]

trouble. Sir, I am very strongly of opinion that our progress towards the goal of Swaraj should be peaceful and should not be brought about by creating disturbances and causing anarchy in the country. My friend the Honourable Sir Maneckji Dadabhoy has referred to the fact that this Act was passed for the purpose of suppressing anarchical crimes, and it was not meant for political associations. But when political associations degenerate into anarchical associations, I think the Act ought to be applied in order to suppress such associations. My friends who support the motion have very great solicitude for the members of certain associations, but I would appeal to them that they ought to have sympathy with the people who are not members of these associations and who have to bear trouble and to face all sorts of atrocities at the hands of those whose object is something else than the welfare of the country.

THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): Sir, to my mind as a lawyer this Act XIV of 1908 is very prejudicial to the public interests, because as a lawyer I do not like the powers of the judiciary to be transferred to the executive, and the giving of so many powers to the executive as this Act gives will never be liked by anybody who has got anything to do with law. At the same time, Sir, to my mind as a citizen it creates great awe that such powers, if misused by the executive, might be applied against associations against whom this Act has never been meant to be applied. To my mind as a legislator this Act seems to be not a good law because it is a bad law. It is ambiguously worded; it gives power to the executive which the Legislature probably never meant to give. But, Sir, at the same time as a representative of a constituency which has got responsible people, I think this measure is absolutely necessary to be kept on for some time. Sir, it has been rightly pointed out by the Honourable the Home Member that sub-section (2) of clause (b) of section 15 is a clause which is so ambiguous and gives so many powers which are open to great objection. At the same time I may point out to the Honourable the Home Member that it is not only sub-clause (b) which is objectionable but also section 16 where it goes on to say that if the Local Government is of opinion that any association, etc. "Is of opinion"; the words are such that the Local Government may form any kind of opinion about any association whatsoever. We must have cut and dried powers given to the Executive to be applied under certain circumstances and it must not only be left to them to form an opinion without any guidance. That is undoubtedly the law. This law is one which is open to great objection; but the point is absolutely a different one to what we have to consider—whether this Part II of the Act of 1908 should be repealed altogether or not. That is the only motion before us. We are not dealing with the question whether there should be an amendment of this law. What the Honourable Mover in the other House ought to have done, the proper course for him to have taken, which would have found greater support both in this House as well as in the other House, would have been to bring about an amendment of this Act, and I think this House and probably the other House as well might have accepted the amendment in that form, which would have removed the objectionable portion of this Act. But we are not dealing with any amendment just now; we are dealing with the question whether associations which are unlawful associations should be made punishable and whether this law should remain on the Statute-book

or not. I am not going to detain the House with a long history of the cases although I do not agree with the long catalogue which has been referred to by my Honourable friend Sir Maneckji Dadabhoy because most of the cases to which he referred were not dealt with under this Act (*The Honourable Sir Maneckji Dadabhoy*: "Nobody said they were".) So when we are discussing the present Act they are absolutely irrelevant to my mind. But I quite agree with the remarks which have been made by my Honourable friend Raja Sir Rampal Singh. It was rightly pointed out by the Honourable Mr. Crerar and I am myself aware of it that in one Province, the United Provinces of Agra and Oudh, in 1921, Sir Harcourt Butler was very reluctant to use any special law in repressing the different acts of aggression by different associations. As a wise ruler he did not like at that time, just on the eve of the Reforms, those were the words he himself used, to use any special law which might take away from the popularity of the Reforms; but Sir he was obliged to. The man who always dealt with people by tact and invited the co-operation of people by calling influential people round him and taking their help—even he was obliged to have recourse to this law. I do not agree with my Honourable friend Mr. Natesan when he said that the whole of the Liberal Party was opposed to this Act and that they wanted the repeal of this Act.

THE HONOURABLE MR. G. A. NATESAN: Sir, I never said so. I said the National Liberal Federation passed resolutions disapproving of this Act.

THE HONOURABLE MR. YAMIN KHAN: I know, Sir, that in the United Provinces Government had recourse to this Act after consulting the Minister or Ministers. My Honourable friend knows who were the Ministers at that time—Mr. Chintamani and Pandit Jagat Narayan, who were the leaders of that party and who were prominent members of that party. Mr. Chintamani in 1920 presided over the Liberal Conference before he became Minister and he had the full confidence of the Liberal Party, and it was with his full support that Sir Harcourt Butler made use of this law in the United Provinces. The other Minister Pandit Jagat Narayan is also a well known lawyer in the United Provinces, and the Honourable Member knows very well that he also gave his full consent to having recourse to this law. Of course we cannot shut our eyes to what was actually happening in 1921 and 1922. I will refer to a single instance which occurred here in Delhi when a prominent gentleman died and his corpse was taken to the burial ground but was sent back by the volunteers of a certain association. They would not allow him to be buried in the public ground. Well many instances could be cited where insults were offered not only to the living but even to the dead. Then what else could be done except to use this law and this power which was the only weapon in the hands of the Executive? The ordinary law was not sufficient to deal with situations created by such kinds of political activities of these associations. It has been quite rightly pointed out by the Honourable Mr. Crerar that at the time of His Royal Highness the Prince of Wales' visit to this country, we found all of a sudden groups of men mostly *ex*-convicts coming in the name of non-co-operation telling responsible people, threatening them not to go and not to give a welcome to His Royal Highness the Heir to the Throne. That was the condition. If you remove this kind of law, peaceful citizens who want to perform their peaceful duties are intimidated, are threatened by people of this type, who come in the name of non-co-operation, while not possessing the slightest notion of what non-co-operation is. The people who posed to be the

[Mr. Yamin Khan.]

followers of Mahatma Gandhi have not the slightest touch of his high ideals. People who said that they were not violent had been absolutely nothing but violent in their actions. This was the condition which was prevailing in 1921 and in most parts of India in 1922. This was the reason really which guided the last Legislative Assembly to let this remain on the Statute-book. I was myself a member of that House, Sir, at that time. In 1923 when this measure came before the Legislative Assembly, the majority of the Members realised at that time that the situation in the country was such as did not warrant the taking away of the powers from the executive to deal with the situation created by the agitators. Now, Sir, some Honourable Members have said that the situation has not changed. Well, I doubt that; the situation has changed; the situation has improved and I am glad to say for the better, not for the worse—just as was pointed out by my Honourable and respected friend, Nawab Sir Amiruddeen Ahmad Khan—by the wise and prompt action of His Excellency the Governor General and of the heads of the Local Governments.

Now, Sir, one point which might be urged against this law is that it may be abused and of course it might be rightly urged against this, because there have been certain instances when it had been misused. When we were discussing the question last time in the Assembly, just in the beginning of 1922, we knew that people who were fit to adorn the treasury benches were arrested under this Act; we were aware, Sir, at that time that Pandit Motilal Nehru had been arrested; we knew, Sir, that several other prominent persons had been arrested— some persons although they are non-co-operators and I never agreed with them in their political views, but for whom I have got great respect. They are very good people whatever their political ideas may be. They suffered under this Act, when they should not have suffered as they did. That is what always happens; when the executive finds that they have to bring about peace and order, with 100 bad people 2 or 3 good people also have to suffer, through certain mistakes, through their own fault, through the fault of the officer who has to act promptly and at once without having the slightest time to think about the matter. That, Sir, is natural; that will always happen everywhere, in every country; and I would even say that in most of the instances it was through the actions of Indians and Indian officers that there was ground for complaint; the blame will be thrown only on Indians. This Act has got a safeguard now. In 1908 whatever there may have been against this Act, the constitution of Local Governments is immensely changed now. There is no Local Government to whom this power is given under this Act, which has not got an Indian Member as an Executive Councillor. If the Governor acts constitutionally and wants to have his power strengthened, then he usually consults his Ministers as well; and Ministers who are representatives of the people, who come as elected Members to the Council know the feelings of the country; they know the whole situation; when they speak, they speak on behalf of the majority of the Council, that means, the majority of the province, the people of the province. Under those circumstances, there is ample safeguard under this Act, and there is not so much fear, unless my friend the Mover says that the Executive Councillors of the Local Governments are such persons in whom he or the country puts no faith at all. But he cannot say such a thing about the Ministers. Generally the members of a Government are really responsible persons, who have to see to the responsibility which is put on their shoulders. They have not only to see the popular side, . . .

THE HONOURABLE SIR MANECKJI DADABHOY: Is my Honourable friend arguing on the Bill, Sir, or on other matters which have no apparent connection with this question?

THE HONOURABLE THE PRESIDENT: The Honourable Member seems to be arguing on the lines which the debate has followed all day.

THE HONOURABLE MR. YAMIN KHAN: The members of the Government realise that they are responsible for keeping peace and order, not the representatives of the people who have got no responsibility; they are only to voice the feelings of their constituency. In these circumstances, Sir, having regard to the safeguard in the law, and realising this that the situation has not totally—I use the word totally—changed, though it has changed for the better, it is necessary that a special measure must remain for a certain period in the hands of the executive, although I would much desire that it should merely be in an amended form.

Now, Sir, under these circumstances I would suggest to my Honourable friend the Mover to withdraw his motion and advise the Member in the other House to bring in an amendment of the Act if he so desires. I may further suggest that as the Honourable the Home Member has himself pointed out that he also realises that certain provisions in Part II of this Act are open to objection, he may bring about legislation to that effect himself on his own motion if he likes. His Excellency the Governor General in his opening speech to the Legislature said that it was absolutely essential for the maintenance of law and order that he had to introduce an Ordinance in Bengal. So, although in other provinces the situation has changed, there are certain provinces where it is still necessary to have special laws This shows that the country as a whole has not totally changed. Of course, it would have been much better for my Honourable friend the Mover to have left this measure as passed by the Legislative Assembly to be considered by the next Council of State and to have kept quiet for another year to see whether the situation still changes next year or not. With these few words, Sir, I make my speech

THE HONOURABLE RAJA PRAMADA NATH RAY OF DIGHAPATIA (East Bengal: Non-Muhammadan): Sir, I beg to support this motion not because I am in any way opposed to the suppression of unlawful associations, but because the method of declaring an association unlawful is so undesirable; as there is no appeal against such an order I am afraid I cannot but support this motion. If the Government could find some way to amend this portion of the Act, I believe no one will be eager for the repeal of this Act but would completely support it. I am as anxious to suppress the unlawful associations as anybody else here. But as long as the present method of declaring associations unlawful remains, it is difficult to give my support to this Act as an elected representative of the people, whatever my personal inclinations in this matter may be. Just now we heard from the Honourable the Home Secretary that only one occasion arose where an association was declared unlawful that should not have been so declared. It only shows that mistakes do take place.

THE HONOURABLE MR. J. CRERAR: On a personal explanation, Sir, I said the only instance produced in this House was an instance in which the contention was not justified.

THE HONOURABLE RAJA PRAMADA NATH RAY: I am sorry I did not hear the Home Secretary properly. So I will not say anything about it. Even if there had not been a single case, where such associations were declared unlawful which should not have been declared as such, I should say that the law is rather autocratic and at least the power of appeal should be given to these associations, so that the whole matter may be threshed out in a court of law. However, that is another matter. As for Bengal, I do not think this Act would be at all necessary for that province at the present moment, as we have got such fine Acts as the Bengal Ordinance and Regulation III of 1818 in force there. With these few remarks, I beg to support this Bill.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-Official): Sir, I shall be very brief. The Honourable Sir Deva Prasad Sarvadhikary has referred to the responsibilities of this House as far as this question is concerned. I am perfectly alive to my own responsibilities. Because in another House some distinguished gentlemen have perhaps voted one way, it is no reason why this House should do the same. Of course, each Member of the House has his own responsibility and I speak on my own responsibility and believe that this motion moved by my Honourable friend Mr. Karandikar is rather premature. I say premature for this reason that, under the present circumstances of the country, none who has eyes to see and ears to hear as to what is happening in the country can, with an unbiassed mind, say that this part of the Criminal Law Amendment Act should be repealed at this very juncture. At this juncture I ask anybody here whether there is quiet in the land or whether there are not mischievous elements going about here, there and everywhere in different parts of the provinces. It is only a match which is required to kindle the fire which will burst into a flame, and when the flame is burning what will happen? The very people who now loudly agitate for the repeal will turn round and say that the Government of India should have taken this step and that, and that they were very careless and negligent, with the result that the whole country is again put into this kind of unrest, dislocating trade and everything else and raising one man's hand against another. That would be the state of things. Sir, it may be that some Honourable Members will think otherwise. But considering the reports of mischief that are appearing in the press every day and also what have not infrequently come to the ears of people generally, I cannot but assert that the tranquillity of the country is greatly disturbed. A year ago it was better, but now it is worse. And, therefore, no Government with any sense of responsibility and anxious for the preservation of law and order would do anything so unwise as to repeal at such a time this Act. I, for one, Sir, do believe that the Government are wise in continuing this Act so far and this motion seems to me to be wholly premature. If it is repealed, it is certain to prove exceedingly mischievous. I said, Sir, in the beginning that I was speaking on my own responsibility and I repeat that, if the masses of the country are to be afforded rest and tranquillity and are to follow their peaceful avocations, and if the trade and the present economic conditions of the country are not to be disturbed, I am emphatically of opinion that this law ought not to be repealed for the time being. The time for its repeal has not yet arrived. Here we have a Viceroy who had occupied before his arrival here the highest seat of justice in England and whose learned disquisitions and judgments are well known. We may be trusted to know the laws of this land and to take occasion when

some could be repealed. We can fully rely on his judgment and experience when to repeal the section. On him and him alone lies the ultimate responsibility when a section of the nature we are discussing ought to be repealed after hearing all sides and ascertaining the true state of the country. Have we not in this House often said that we have a great regard for the soundness, the wisdom and the statesmanship of the great Viceroy, he who was once the Lord Chief Justice of England? Is it not the fact that we have every confidence in his judgment? Shall we not rely on him if he considers that in the present circumstances of the country the ordinary law is not sufficient and therefore this special law should be continued? The disease is there and a remedy is required for it. If the disease is to be cured, it cannot be cured by the repeal of this law. Desperate diseases require desperate remedies. Those remedies must be taken in hand until the country is once more at rest and tranquillity fully restored. Under these circumstances, I consider it a short-sighted and most unstatesmanlike policy on the part of those who in this House or in the other or outside both agitate for the repeal of the section and say that this law is autocratic and talk all sorts of nonsense about it. The whole problem lies in a nutshell. The question is whether at this moment there is tranquillity in the land or not; and I challenge anybody in this House or outside it to say that there is tranquillity and peace in the country and to say unhesitatingly that if this law is repealed there will be no rebellion. Sir, I consider it a very serious thing to have a rebellion at this juncture. Everything seems to be converging to that event. Those who are watching the trend of those movements which are going on here and there know well enough that there are people who remain behind the screen and put forward volunteers and other secret emissaries to bring about that end. Sir, this is not a situation to be tolerated with equanimity in this country. If India is to have peace, if India is to have tranquillity and to see that the reforms already introduced go on smoothly, then I do say, and most emphatically say, that this law should be continued till such time as the Viceroy himself, as a sound lawyer and as the one authority who is ultimately responsible for the tranquillity of the country, thinks that this part of the Criminal Law Amendment Act should go. With these words I take my seat.

THE HONOURABLE MR. R. P. KARANDIKAR: Sir, after what has fallen from our much venerated friend, the Honourable Sir Dinshaw Wacha, it would be futile indeed to add any further words unless one was convinced that he had a righteous cause. I rise here also on my own personal responsibility; I never yield to the proposition that because one House has satisfied itself one way therefore the other House must follow as a matter of course and must not go the other way; nobody ever thought of that at all. I have always been for Reforms such as have been adumbrated in that noble Imperial Message, which ran as follows:

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

It is that after which we are, every one of us. I do not distinguish between a Bill brought in by a private Member and another brought in by a Government Member in the least. I am as much a part of the Government of the country as the other Government officers may be. I speak with a sense

[Mr. R. P. Karandikar.]

of responsibility. I move among the people; I know their pulse and I am not to be hurried like that with an overdrawn picture like the one drawn by the Honourable Sir Dinshaw Wacha. . . . . .

THE HONOURABLE SIR DINSHAW WACHA: That may be your idea; it is not my idea; I also move in the country like you.

THE HONOURABLE MR. R. P. KARANDIKAR: Opinions differ as watches; but I should really think that nobody ought to yield to the proposition that India is verging on rebellion. I have been pained to note that Honourable Members are giving a lever to those outside India by tomtoming that India is seething with sedition and at any moment there may be a conflagration. I shall leave it at that, and, with your permission, Sir, I proceed. I do deprecate the idea that political organisations and associations are degenerating into anarchical associations; and any Swaraj brought about by political associations degenerating into anarchical associations is as much to be deprecated as that Swaraj which is to be brought in by repressive measures. Both have to be judged on their own merits, and it is therefore that we are seeking to correct the law as it is. In the opinion of some my point of view may be theoretical; I speak with a practical responsibility that if we are to maintain British prestige—and it is the prestige of the British institutions that it is known to hear the other side whenever anything has to be said against them—it is that thing which has to be aimed at by all legislation. This is our central Legislature. I am anxious that nothing should go out which will give any impression to any Indian whatsoever that the executive has got the widest power to work out any scheme *in camera* and yet the persons or associations against whom the executive order is working can have no insight into the evidence adduced. I know the executive have been managing their own affairs in the past. We perfectly sympathise with them and we are ready to give them all logical, legitimate and legal powers. But a law which arms the executive with a power which they can use without any restraint—I do not want to comment upon the kind of assertion made that it is public opinion which will bring round Government—I do not think such a power ought to be vested in the executive. Public opinion ceases if based upon ignorance; we do not know anything about a measure; we do not hear anything about it; if the information in the possession of the executive is to be made available to the public, then only public opinion can have any weight. Why not supply to the associations concerned this information about these associations which have been brought into the clutches of the law? It is there the difference lies. There is no difference whatever between us as to the methods to be adopted with reference to that kind of association. I appeal to this House to rectify the mistake committed by this Act of 1908 at a time perhaps when it was most expedient in the interests of the country that this Legislature should pass that legislation. It is time now for the corrective. I am told that it is now premature, that this is not the time and that I should wait till the next Council of State, six months hence; and the Bill to survive? I doubt it. Then there were two courses open to me to move the Bill, as I do or to allow this Bill passed by the other House to die a death—some say it would be natural; I would say it would be most unnatural, a most ignominious death. I shall have at least the satisfaction of putting the Bill before this House so that ample testimony may go out that the people concerned in this House did have an opportunity

of considering the matter before they decided one way or the other. But I shall not take the discredit of withdrawing this piece of legislation, as I do think that it is for this House to declare one way or the other. I appeal to the House that there is no serious trouble; and to declare now that the country is seething with that trouble is, I think, suicidal. I submit, Sir, the course which the House will wish to adopt, is to consider the Bill.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: Sir, I listened with great interest to the speeches that have been delivered from various sides of this House and I must say that having heard them and listened to them with attention I do not understand how any speaker can vote for the motion which is now being put to this House. It is necessary that I should bring the House to the fact that a complete repeal is the only question for its decision—the complete repeal of Part II of the Act in question. No speaker, not even the Honourable Mover, has brought forward one circumstance, which would justify that. My Honourable friend, Mr. Natesan, has said that this is a very light matter and it is only a recommendation which Government could accept or not accept. Sir, let me remind the House that this is a question of legislation. If this House passes this measure, the only thing which stands between the repeal and the retention of the measure is the veto of His Excellency the Viceroy. You have the gravest responsibility in coming to a conclusion of that nature. You are not here making a recommendation; you are not here offering terms; you are saying, "We will take this power away." We have told you as an executive government that we consider it necessary. You say that you are practically making a recommendation; but do not for a second imagine that you are taking any light decision; do not for a second imagine that it is a mere gesture. This is an Act, the consequence of the repeal of which I personally cannot foresee. The power of veto is not with the executive government. The veto is vested in His Excellency the Governor General alone, and his discretion is the sole test of its use. There is no remedy in my hand or in the hands of my Honourable Colleagues. If this House passes this Bill, the Government of India have no power whatever in the matter. I desire to make that clear. My Honourable friend the oldest member in this House, Sir Dinshaw Wacha, in very moving terms, has drawn your attention to the state of affairs in this country. I trust the remarks of a man, a persistent promoter of liberal ideas in India through a long period, will not escape the attention of the House. Then, Sir, we have the Members from Bengal, my own Province. What have they said that would justify them in voting for this measure? They have said they do not like it. They have said the state of things in Bengal is very bad. We know the charge that those unfriendly to Indian aspirations frequently make is that under no conditions will open support be given to the maintenance of law and order. My friends say, "We will not vote against this measure; we will vote for some other measure that is not brought forward, something that is not before the House. But now, Sir, Members have to vote quite definitely on a very definite issue, the repeal or the failure to repeal this Act, and I am very confident that, and I trust sincerely that there is no Member in this House who will register a vote so detrimental to the future of India as to support a motion for the repeal of this Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to repeal certain provisions of the Indian Criminal Law Amendment Act, 1908, as passed by the Legislative Assembly, be taken into consideration."

[The President.]

(A division was claimed.)

A division will be taken. Before it is taken, before the Secretary reads the names, I wish to remind Honourable Members of the practice established in this House since its inauguration under the orders of one of my distinguished predecessors as to the method of taking divisions. It is simply that when an Honourable Member's name is called by the Secretary, he will rise in his place to record his vote, and he will say "aye" or "no" or "not voting", as the case may be. I observed on the last occasion when a division was taken that practice was not scrupulously followed by Honourable Members. I hope it will not be overlooked.

The Council divided:

AYES—6.

Ayyangar, Mr. K. V. R.
Karandikar, Mr. R. P.
Natesan, Mr. G. A.
Ray, Raja P. N.
Sarvadhikary, Sir Deva Prasad.
Vedamurti, Mr. S.

NOES—26.

Amiruddeen Ahmad Khan Nawab Sir.
Bell, Mr. J. W. A.
Berthoud, Mr. E. H.
Chadwick, Mr. D. T.
Crerar, Mr. J.
Dadabhoy, Sir Maneckji.
Dawn, Mr. W. A. W.
Froom, Sir Arthur.
Habibullah, Sir Muhammad.
Harnam Singh, Raja Sir.
Hindley, Mr. C. D. M.
Ismail Khan, Mr. Muhammad.
Ley, Mr. A. H.
MacWatt, Major-General Sir Charles.
McWatters, Mr. A. C.
Misra, Pandit S. B.
Mitter, Mr. K. N.
Patterson, Lieut.-Col. S. B. A.
Rampal Singh, Raja Sir.
Sarma, Sir Narasimha.
Singh, Mr. Charanjit.
Tek Chand, Diwan.
Wacha, Sir Dinshaw.
Wild, Mr. A. C.
Yamin Khan, Mr.
Zahir-ud-din, Mr.

The motion was negatived.

ELECTIONS OF PANELS FOR STANDING ADVISORY COMMITTEES.

THE HONOURABLE THE PRESIDENT: I have to announce to the House the nominations to the various panels for the Standing Advisory Committees to the Departments of the Government of India. There have been nominated for the panel for the Standing Advisory Committee for the Home Department:

The Honourable Nawab Sir Amiruddeen Ahmed Khan,
The Honourable Mr. Muhammad Yamin Khan,
The Honourable Sir Maneckji Dadabhoy,
The Honourable Dr. Dwarkanath Mitter,
The Honourable Dr. Sir Deva Prasad Sarvadhikary,
The Honourable Sir Zulfiqar Ali Khan,
The Honourable Mr. Lalubhai Samaldas,
The Honourable Nawab Sir Umar Hayat Khan,
The Honourable Mr. Phiroze C. Sethna,
The Honourable Sir Arthur Froom, and
The Honourable Mr. J. W. A. Bell.

For the panel for the Standing Advisory Committee for the Department of Education, Health and Lands;

The Honourable Nawab Sir Umar Hayat Khan,
The Honourable Haji Chowdhri Muhammad Ismail Khan,
The Honourable Mr. R. P. Karandikar,
The Honourable Mr. G. A. Natesan,
The Honourable Lala Sukhbir Sinha,
The Honourable Saiyid Raza Ali,
The Honourable Dr. Sir Deva Prasad Sarvadhikary,
The Honourable Mr. Lalubhai Samaldas,
The Honourable Sardar Charanjit Singh,
The Honourable Maharaja Soshi Kanta Acharya Chaudhri of Muktagacha, and
The Honourable Mr. Haroon Jaffer.

For the panel for the Standing Advisory Committee in the Department of Industries and Labour:

The Honourable Mr. Muhammad Yamin Khan,
The Honourable Rai Bahadur Lala Ram Saran Das,
The Honourable Sir Arthur Froom,
The Honourable Mr. J. W. A. Bell,
The Honourable Sir Maneckji Dadabhoy,
The Honourable Mr. Phiroze C. Sethna,
The Honourable Saiyid Raza Ali,
The Honourable Dr. Dwarkanath Mitter,
The Honourable Mr. W. A. W. Dawn,
The Honourable Sir Deva Prasad Sarvadhikary, and
The Honourable Mr. Lalubhai Samaldas.

For the panel for the Standing Advisory Committee in the Commerce Department:

The Honourable Mr. R. P. Karandikar,
The Honourable Mr. Phiroze C. Sethna,
The Honourable Sir Arthur Froom,
The Honourable Mr. J. W. A. Bell,
The Honourable Sir Maneckji Dadabhoy,
The Honourable Haji Chowdhri Muhammad Ismail Khan,
The Honourable Rai Bahadur Lala Ram Saran Das,
The Honourable Sardar Jogendra Singh,
The Honourable Mr. Yamin Khan, and
The Honourable Sardar Charanjit Singh.

As in every case the number of Honourable Members nominated exceeds the number to be elected, it will be necessary to hold an election. I propose that the elections should take place on Thursday next, the 26th instant.

STATEMENT OF BUSINESS.

THE HONOURABLE THE PRESIDENT: Has the Honourable the Leader of the House any statement to make in regard to the business of the House?

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): The Council is aware, Sir, that to-morrow has been appointed for the discussion of the Railway Budget. On Wednesday the Honourable Mr. Haroon Jaffer's Resolution regarding the reshaping of India's water-roads, which in the ordinary course would have been moved last week, will be put down after the Resolutions ballotted for that day have been disposed of. On Thursday I shall move that the Bill to determine the salary of the President of the Legislative Assembly, as passed by the Legislative Assembly, be taken into consideration and passed, and on the conclusion of Government business time will be given to the Honourable Sir Deva Prasad Sarvadhikary to move similar motions with reference to the Bill further to amend the Indian Railways Act, 1890, as passed by the Legislative Assembly.

The Council then adjourned till Eleven of the Clock on Tuesday, the 24th February, 1925.

COUNCIL OF STATE.

Tuesday, 24th February, 1925.

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

QUESTIONS AND ANSWERS.

SEPARATION OF JUDICIAL AND EXECUTIVE FUNCTIONS IN THE UNITED PROVINCES.

102. THE HONOURABLE RAJA SIR RAMPAL SINGH: Will the Government be pleased—

(a) to state when and with what recommendations the Local Government of the United Provinces submitted the report of the Committee appointed by that Government on the question of separation of executive and judicial functions;

(b) to lay the said recommendations of the Governor in Council on the table; and

(c) to state what orders the Government of India have been pleased to pass on the report and the recommendations?

THE HONOURABLE MR. J. CRERAR: (a) and (b). The views of the Government of the United Provinces were received in February, 1923. The Government of India are not prepared to lay the papers on the table.

(c) These as well as the opinions of the Governments of Bengal, Bihar and Orissa and Madras are under the consideration of the Government of India, but no decision has yet been arrived at.

LAND REVENUE SETTLEMENT IN THE UNITED PROVINCES.

103. THE HONOURABLE RAJA SIR RAMPAL SINGH: (a) Will the Government be pleased to state if it has received the report of the Land Revenue Settlement Committee appointed by the United Provinces Government? If so, when and with what recommendations by the Government?

(b) Will the Government be pleased to lay these recommendations on the table and state what orders have been passed on them by the Government of India?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: (a) and (b). The report of the Land Revenue Settlement Committee appointed by the United Provinces Government has been received by the Government of India, and copies were placed in the Library of the House last September in compliance with a request made by the Honourable Sardar Jogendra Singh. The recommendations of the United Provinces Government in regard to the subject-matter of the report are still under consideration by the Government of India, and I regret I cannot place them on the table of the House.

LAND REVENUE SETTLEMENT IN THE UNITED PROVINCES.

104. THE HONOURABLE RAJA SIR RAMPAL SINGH: Are the Government aware that a Resolution was passed by the Local Council United Provinces for postponing the Land Revenue Settlement work for ten years in those Districts of that province where the term of settlement was about to expire, and will they be pleased to state the decision arrived at by the Government of India on that question?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: No Resolution in these terms can be traced.

TRIBAL AND CASTE COMPOSITION OF THE 5TH KING EDWARD'S OWN PROBYN HORSE AND KING EDWARD'S OWN REGIMENT 57TH INFANTRY.

105. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly state what is the tribal and caste composition of the Probyn Horse of the Indian Cavalry and the King Edward's Own Regiment 57th Infantry?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: The 5th King Edward's Own Probyn Horse is composed of the following: One squadron of Punjabi Muhammadans, one of Sikhs and one of Dogras. The composition of the late 57th Wilde's Rifles (Frontier Force)—now known as the 4th Battalion, 13th Frontier Force Rifles—is as follows: One company of Punjabi Muhammadans, one company of Sikhs, one of Dogras and one of Pathans. This information is published in the Indian Army List.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: May I know, Sir, what particular company or troop was sent to quell the riots?

THE HONOURABLE THE PRESIDENT: Will the Honourable Member kindly repeat his supplementary question?

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: What particular company or what particular troop out of these two military forces were sent to quell the riots?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I think the answer is contained in the reply to the subsequent questions.

TRIBAL AND CASTE COMPOSITION OF MILITARY FORCES EMPLOYED TO QUELL THE RIOTS IN KOHAT.

106. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government also kindly state what was the tribal and caste composition of the companies of King Edward's Own Regiment and the composition of the squadrons of the Probyn Horse, sent to quell the riots in Kohat on the 9th and 10th September 1924?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Detachments from all the squadrons and companies mentioned in the answer which I have just given to the Honourable Member were employed.

TRIBAL AND CASTE COMPOSITION OF MILITARY FORCES STATIONED IN OR NEAR KOHAT DURING THE RECENT KOHAT RIOTS.

107. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will Government kindly state what other forces were stationed in or near Kohat at the time of the recent Kohat riots and what was their tribal and caste composition?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I lay on the table a statement giving the names of the other regular forces stationed in the vicinity of Kohat. For the class composition of these units, I would refer the Honourable Member to the Indian Army List.

Detachments from nearly all these units also were employed in connection with the suppression of the Kohat riots.

Statement showing the units stationed at, and in the vicinity of, Kohat at the time of the Kohat riots, 1924.

At Kohat.

118th Pack Battery.
Frontier Brigade, Royal Artillery (less detachments).
G. Divisional Signals (less detachments).
½ 19th Company, Sappers and Miners.
3rd Battalion 6th Rajputana Rifles.
½ Battalion 9th Jat Regiment.
3rd Battalion 12th Frontier Force Regiment.
1 sub-section armoured cars (Royal Tank Corps).

At Thal.

Detachment of the Frontier Brigade, Royal Artillery.
½ Battalion 2/9th Jat Regiment.

At Parachinar

2/8th Gurkha Rifles.

At Hangu and Samana.

1/5th Gurkha Rifles.

SUPPLY OF ONE ANNA SQUARE POSTAL ENVELOPES TO THE PUBLIC.

108. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Would the Government please state why people who require them are not supplied with the one anna square postal envelopes and are asked to take half the requisite quantity in square envelopes and half in the old oblong envelopes?

(*b*) If the reason of such procedure be the need of getting rid of the old stock of oblong envelopes would the Government please state what stock they still have and when it is expected to be finished?

(*c*) Would the Government please state what the stock of oblong envelopes was when the square envelope was reintroduced, and why the square envelope was introduced at all without getting rid of the old stock in the first instance?

(*d*) What would be the loss involved by cancelling the two pice envelopes instead of changing the face value into four pice?

THE HONOURABLE MR. A. H. LEY: (*a*) In order to sell off the old stock.

(*b*) There is still a stock of 11,350 reams in the Bombay, Madras and Rangoon Central Depôts which is likely to be exhausted by September next. The stock in other Depôts has been exhausted.

(*c*) 163,633 reams. I am informed that the square envelope was introduced before the old stock was exhausted upon the suggestion of the Honourable Member himself, in order to meet the convenience of the public.

(d) Approximately Rs. 13,000 taking into account the stocks held by the Central Depôts only; the loss would be considerably greater if the stocks in the treasuries, sub-treasuries and post offices were cancelled at the same time.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is it not a fact, Sir, that the two pice oblong envelope is much in demand for book post purposes, and if so, would there be anything to prevent the remaining stock of these envelopes being used for that purpose and square envelopes being made available to the general public which, as the Honourable Member was good enough to say, was introduced at my instance?

THE HONOURABLE MR. A. H. LEY: I am not aware that the oblong envelope is in demand for book post purposes, but if the Honourable Member will put his question down on paper, I will have inquiries made.

AMENDMENT OF STANDING ORDERS.

THE HONOURABLE THE PRESIDENT: I have to inform the House that His Excellency the Governor General under sub-section (6) of section 67 of the Government of India Act has consented to the amendment recently made by the Council of State in the Standing Orders. The amendment in question, as the House will remember, was that which provided for a general discussion of the Budget in parts.

GENERAL DISCUSSION ON THE RAILWAY BUDGET.

THE HONOURABLE THE PRESIDENT: I may also inform the House that, in exercise of the power conferred on him by the proviso to the new Standing Order, His Excellency the Governor General has appointed the Honourable Sir Charles Innes to exercise the general right of reply at the end of the discussion on Part I of the Budget.

The House will now proceed to the general discussion of Part I of the Budget.

THE HONOURABLE MR. J. W. A. BELL (Bengal Chamber of Commerce): Sir, I agree with my Honourable friend Mr. Hindley that his submission of a separate Railway Budget is an important event in the history of Indian Railways. For the first time it is possible for railway administration to be dealt with on its own merits, free from any political or general economic consideration. In other words, it is now possible for the Railways to be dealt with as a commercial department, run on purely commercial lines.

I warmly congratulate my Honourable friend on his excellent and interesting budget speech, and also on the fact that the first Budget which he has an opportunity of submitting to this House is such a favourable one. It is quite true that the estimates for the coming year are not so favourable as the results for the past year. It is estimated that the contribution to general revenue and also, which is perhaps more important, the allocation to reserve, will be smaller in the coming year, but this has been fully explained.

In studying the Budget one is often tempted to endeavour to find points in it to which objection can be taken. But I venture to think that any one approaching my Honourable friend's Budget in this spirit will find very little to take exception to. There will be differences of opinion, of course, with regard to the allocation of capital expenditure. Each Honourable Member will naturally be most impressed by the needs of his own province, of his own constituency. But I think that each item appears to have been examined with care and with due and fair regard to the needs of the country generally.

With regard to income there is very little to say. The income for the present year has far exceeded expectations, and the estimate for the coming year is a very moderate one and there is little to be said about it.

With regard to the expenditure for the current year, there are two points to which I would like to refer. The first is the fact that out of a sanctioned capital expenditure of 30 crores only 12·85 crores has been expended, or, if 1·55 crores recovered from customs revenue be added, a total of 14·40 crores out of a sanctioned amount of 30 crores. In explanation we are referred to the Railway report of 1923-24, to the causes mentioned in that report. But I think my Honourable friend will agree with me that this explanation is not entirely satisfactory, because from it two facts emerge. In the first place, in examining proposals for new projects it was found that there was room for improvement in the method of estimating that had been employed, and, in the second place, it was discovered that in the past insufficient attention had been paid to the important question of additional work and equipment. I do not, however, wish to dwell on this point, as it is with the future rather than with the past that we are most concerned.

The second point to which I wish to refer is the reduction of 4 crores in the value of stores which is said to have increased the capital expenditure to that extent. I should be very much indebted to my Honourable friend, and I think the House would be also, if he were to give some further explanation of this item which is a somewhat unusual one. If the amount falls to be added to expenditure, it means either that the stores have been found short to that extent or that it has been necessary to write off as obsolete certain stores to that very large value or some such explanation, and I should be very much grateful to my Honourable friend if he would deal with this point.

Coming to the expenditure for the coming year, Honourable Members will note with approval the proposed expenditure on additional rolling stock and marshalling yards, and particularly the expenditure on marshalling yards. These two items are closely related to each other in railway administration. I don't know whether any Honourable Members have cared to read in the newspapers the evidence given before the Indian Coal Committee but, if so, they may have noticed that there were frequent complaints that one important factor contributing to the shortage of the wagon supply was the inadequacy of the present marshalling yards. It was in fact suggested that it would do little good to increase the supply of wagons, as, looking to the present facilities in the way of marshalling yards, the Railways had as many wagons as they could conveniently handle. In view of the position of the coalfields of the provinces of Bengal and Bihar and Orissa, I regret that it has not been possible to make greater provision in the Budget for the remodelling of marshalling yards in these provinces. I know, of course, that the coalfields must take their chance

[Mr. J. W. A. Bell.]

with other districts, but I hope that their claim to consideration will not, in future, be overlooked by the Railway Board. I am glad to observe that in the matter of doubling the lines on the East Indian Railway and the Bengal Nagpur Railway the Railway Board have dealt generously with the requirements of the coal industry.

The announcement that an expenditure of something like 13 crores is contemplated on remodelling railway workshops is one that has more significance than appears at first sight. With regard to the workshops at Trichinopoly, Dohad, Parel and Perambur, the budget memorandum shows how deplorably inadequate and how far behind the times workshop accommodation is in these important railway centres. These statements explain what has been a cause of complaint by the public in the past, and in fact, in view of the disclosures made, it is surprising not that there have been so many complaints, but that there have been so few. No system of transport, whether it be railways or steamers or any other, can be efficiently run and can be run without a great waste of tonnage, unless it has at its disposal efficient well-equipped workshops in which repairs can be promptly and economically effected.

I listened with great pleasure to my Honourable friend's remarks as to the advance that had been made in the electrification of railways, and I am glad to know that the position of Calcutta suburban traffic is receiving the attention of the Railway Board. This is an urgent matter, and the completion of the scheme to which my Honourable friend refers will be awaited with some anxiety, as also will be the result of the promised examination of terminal facilities of Calcutta. It is always a source of surprise to visitors from abroad, more particularly from America, that Calcutta, which was once the capital of India, and which, rightly or wrongly, some of them consider should still be the capital of India, is so far behind the times in respect of its suburban traffic and its terminal facilities.

There is one paragraph in my Honourable friend's speech which may arouse a certain amount of criticism, and that is the paragraph in which he announced the new policy of the Railway Board under which they will refrain in future from sanctioning the construction of branch and feeder lines by private enterprise. My first feeling was that this was a mistaken policy, and that for three reasons. In the first place, under the old policy, it had been possible for Government to raise funds from the public at a time when they themselves had not funds available. In the second place, this had enabled railways to be built which would certainly not otherwise have been built, and in the third place, the new policy seemed to close a desirable and attractive opening for the investment of Indian capital which had, in fact, been taken advantage of to a large extent by Indian investors. But I must admit that there is a very great deal of force in the objections to the old system put forward by the Railway Board, and I think it is right that the new policy should be given a fair trial, and if it be found not to be successful the question can be re-opened at a later time.

I think the last paragraph of my friend's speech on the subject of organisation and decentralisation is one of outstanding importance, because it indicates that the policy of the Railway Board is, as far as possible, to be one of non-interference in matters of detail with the Managers and Agents of the different railways. If the Railways of India are to be run successfully by the State, it can only be on that principle. Nothing could be more harmful, nothing could more certainly impair the efficiency than interference by the Legislature and by the Railway Board in the internal domestic details of the management of the Railways. If you are to insist, as you must insist, on the Managers and Agents of the Railways being responsible for an efficient railway service, it is essential that you should refrain from interfering with them in matters of domestic detail, and that you should allow them to carry on with,—as my Honourable friend put it,—"freedom from interference from headquarters."

Before I sit down I should like to protest against the attack on the citizens of Calcutta which was made by my Honourable friend in that part of his speech in which he referred to the Howrah Bridge. He charged them with having failed to wake up to a sense of their responsibilities, and it was not only what he said but the bitter tone in which he said it that hurt the representatives of Calcutta in this House. As he spoke he glanced angrily across the floor of the House at my Honourable friend Sir Deva Prasad Sarvadhikary and myself, as if we had been personally responsible for the fact that the new Howrah Bridge had not been erected. I do not think that this attack on the citizens of Calcutta was deserved, or that they have failed to wake up to a sense of their responsibilities in the matter of the Howrah Bridge. They know quite well what they want, and they know quite well what they ought to have. But they have not got the money to get it. I do not know whether my Honourable friend Mr. Hindley has ever been in that position. I know that I have, and that is a very difficult and uncomfortable one. Calcutta is anxious to have a bridge worthy of the second city in the Empire.

THE HONOURABLE MR. LALUBHAI SAMALDAS: No.

THE HONOURABLE MR. J. W. A. BELL: But the cost of a bridge of what they have been told is the most suitable type is so enormous, and the annual charges for upkeep are likely to be so great, that, already over-taxed, they are unable to face it. To add to their difficulties, they have been bombarded by advice from eminent engineers and committees of engineers—I think my Honourable friend was a member of one of these committees,—I am not sure. I stand open to correction. . . .

THE HONOURABLE MR. C. D. M. HINDLEY: Quite right.

THE HONOURABLE MR. J. W. A. BELL: .....as to the particular type of bridge which they should have. Each of these engineers recommends a different type of bridge, and each asserts that all the others are entirely wrong. That is another difficulty which Calcutta has to meet. In spite of what my Honourable friend has said, I trust that the Honourable Members of this House will realise that in the Howrah Bridge Calcutta is faced with a problem of unusual difficulty, and that what she ought to receive from the Railway Board is practical sympathy and not undeserved and somewhat unfriendly criticism.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, this is a memorable occasion, the occasion of the first presentation of a separate Budget, and I rise to speak on this occasion with a feeling of sorrow and with a sense of deep disappointment. Sir, I have not much to quarrel with the details of the Budget. On the details I shall presently congratulate the Honourable Member and Mr. Hindley for the great service they have rendered to the country. My quarrel just now is of a different nature. Mr. Hindley in his very interesting, very lucid and

[Sir Maneckji Dadabhoy.]

very able speech remarked with just pride that this is an outstanding event of historic importance to the Railways of India, and yet, Sir, on this historic occasion it is a matter of regret that this Council was not even consulted or its opinion asked for at all. I will just briefly describe what the situation is. The Honourable the Finance Member in his budget speech last year pointed out the advisability of separating the Railway finance from general finance. This question was taken up in the Assembly. It was brought first by way of a Resolution so far back as March, 1924. It was subsequently rediscussed with great force and vigour there and a certain Resolution embodying the specific details of the new scheme or convention was presented to the Assembly for its consideration. The Assembly became nervous, thought that it was an invasion of their powers of control and asked for time to consider, and also asked that the Resolution that was placed before that body should be remitted for the consideration of a special committee. The special committee was appointed, matters were threshed out there and a new Resolution somewhat differing from the one which had been previously proposed by the Honourable the Commerce Member was introduced in the Assembly by you, Sir. That Resolution was again fully discussed, and the sanction and approbation of the Assembly was obtained. I will refer to a significant passage in the speech of my Honourable friend, Sir Charles Innes, on that occasion. He said:

"I regret very much that it was not a unanimous report in all respects and I regret it the more because it is likely to make my task to-day somewhat harder. But, Sir, the matter is of vital importance to Railways. The Resolution represents the considered policy of the Government of India and it is clear that we can accept a decision in this matter only from the Assembly itself. You will all agree I think that it is only right that the Government should submit to this Assembly a reasoned statement of their reasons why they think that the House ought to adopt this policy."

The Honourable the Commerce Member admitted that his proposals involved a change in the policy of the Government of India. It was a new policy inaugurated by Government and I assert that this Council had a right to be consulted and had a right to discuss that Resolution and express its opinion. Sir, if the matter lay exclusively within the jurisdiction of the Assembly, I for one would never take any objection to it. I fully recognise the powers and privileges, the financial obligations placed on that body. At the same time, I think it is the duty of every Member of this Council to see that the rights and privileges of the Council of State are in no way restricted or affected. Sir, what is the question? Here Government make a change, a vital change, in their Railway policy. Crores of rupees are separated from the general finances under a new convention to be dealt with by the railway administration. True, it is an administrative problem, it is a railway problem. Do you think it was right and proper that this Council was not given even an opportunity to discuss the principle of that Resolution embodying the terms of a convention which according to Mr. Hindley was the new charter of Indian Railways? And the details of the specific scheme of contribution which was approved by the Assembly was not even officially brought to the knowledge of the Council. I submit, in this matter, I depend on my Honourable colleagues to support me. I depend upon you as President of this Council to support us and to see that the rights and privileges of this supreme revising body are never again so unceremoniously curtailed or restricted.

But my observations on the spirit in which this question has been treated will not detract from my tribute of admiration for the scheme as a whole. This scheme of separation of the railway finances from the general finances has distinct advantages. It will help to improve the railway resources and railway finance, and prevent its violent fluctuations. It will afford a valuable incentive to Railways to economise and to work with a well considered and deliberate policy that they may get back the surpluses for the development of Railways. It will enable them to lay out a depreciation fund for their ever wasting assets and of all commercial concerns the Railways may be regarded as a concern in which the speed and progress of depreciation is greater than in any other concern of an industrial character. It will enable them to lay by a certain sum annually towards depreciation and to go in more rapidly for making up the wastage of their assets. The reserve fund will also be of incalculable assistance to Railways in times of trouble and distress. The former policy of the Government of India was to rob the Railways of their legitimate earnings. When the Railways gave to general revenues large surpluses those surpluses were given back grudgingly to the Railways with a pusillanimity which cannot but be condemned. There was always opposition in the Council that spending of money on Railways was undesirable and unnecessary, and that more ought to be spent on education, sanitation and other nation-building works. That was the position constantly taken up by Honourable Members here. That controversy will now be at an end. This scheme of separation of the railway finance from the general finance will for all time to come put an end to that great controversy. It will enable the Railways to retain to their credit their unspent balances which were ear-marked for purposes of railway development and renewals and other miscellaneous improvements, and it will lead to the general prosperity of the Railway Department and will indirectly conduce to the prosperity of the country.

Speaking on the Budget itself, it gives me infinite pleasure to remark that the whole scheme of capital and expenditure programme has been well thought out, well conceived and executed to perfection. I am very pleased to note that a large sum of money is to be spent on the development of the railway lines in this country. As one deeply interested in the commerce of the country, I welcome this feature of the new railway programme and I have no doubt that the Railway Department have adopted a most judicious and correct policy. 40 projects are now under contemplation involving a total new mileage of 2,135 and an expenditure of Rs. 40 crores. These figures may sound very big, they may appear even alarming, but there is no doubt that the Railways in India must be vigorously developed. If Railways are developed, the trade of the country will develop and expand and the position of the individual tax-payer will be improved. My Honourable friend over there has referred to the new policy in regard to the branch and feeder lines. He stated that he was disposed first of all to a feeling of objection, but on further consideration he has come to the conclusion that the policy after all is a sound one. I beg to differ from him in that respect. Sir, I quite understand the present position of Government, that they are able to float their loans for railway purposes easily, that they are able to float loans cheaply for general purposes. It has been pointed out that the real object of this policy, which was inaugurated 30 years ago, was that the Government then were unable to obtain large loans generally and more particularly for small feeder

[Sir Maneckji Dadabhoy.]

lines. Much of their attention had to be diverted to bigger lines and main projects and they could not find money for branch and feeder lines. I am afraid the Railway Administration is counting rather too much upon getting or upon succeeding in obtaining in future years large loans. It is true that the Government of India have during the last few years been in a position to raise large loans very successfully. Our borrowing policy before the war was a stinted one, and the loans that we borrowed were generally of a smaller magnitude. Later on, calls in connection with the war and other post-war circumstances which required the rehabilitation of the Railways and the general administrative exigencies of the country necessitated the floating of bigger loans, and the Government succeeded in raising loans to a great extent, but there was reason for that success. During the last few years the confidence of the investing public in industrial concerns was a little bit weakened and latterly considerably shaken. It was that policy of nervousness of the public investor that made him run to the Government investments as a safer form of investments, but once there is a revival in trade and business, once the industrial growth of this country is accelerated, I think, I will not say it will be very difficult, but Government will not be able to float and obtain large sums of money on easier terms as they have been in the past. This is not my isolated opinion on the subject. This opinion is shared by large commercial bodies both in Bombay and elsewhere. Sir, I deprecate, therefore, this departure from the existing policy on the ground that it will take away a safe and useful form of investment for the public. It will prevent the construction of smaller lines to which Government have neither time nor money to direct their energy, and it will lead to a sense of disappointment among a certain class of people who regarded this as a safe, legitimate and sound investment. I trust the Government will reconsider their policy. It has also been pointed out that the Government have no objection to support the idea provided the Provincial Governments can look after these feeder lines and give guarantees for the loans. I cannot understand why this obligation has been thrown on the Provincial Governments. Railways are a reserve subject. Railways are a subject which appertains to the Central Government. The Central Government have a dominating voice in the management and running of these Railways and in shaping generally railway policy. Why such a departure should be made on such slender grounds I am afraid I am unable to follow. I am however very pleased and it is a very gratifying feature of this Budget that the Railway Administration have awakened to the necessity of standardisation of their locomotives, their rolling stock and their standard coaching underframes. This difficulty has been severely felt in many a business quarter, particularly coal mines and other mining concerns. Often wagons of various description are sent to certain collieries and they have not been able to take advantage and use them. The general system which is much appreciated is the open wagon system. Some sort of standardisation is very necessary and I am glad that a movement has been made in this direction. This will have the effect also of effecting economy in railway expenditure and will also avoid the necessity for the Railways of keeping a large number of spare parts.

Sir, there are one or two other matters to which I should like to refer before I bring my remarks to a close. I am glad the Government of India, I mean the Railway Administration, have seen the necessity of doing their

best towards Indianising the railway services. I am very pleased to notice from the explanatory memorandum annexed to the Railway Budget that in the twelve months ending October, 1924, the number of Indians in superior appointments rose from 280 to 310, and of upper subordinates from 1,821 to 1,929. This is a very gratifying feature and we are grateful to Sir Charles Innes for fulfilling the pledge which he gave to the Assembly some time ago to see that a rapid progress towards Indianisation will be made. I do not for a moment wish to assert that in this process of Indianisation efficiency should be neglected and all considerations of safety should be discarded. I am a great believer in efficiency. If the progress is a little bit slower, I welcome it provided it is accompanied by the attainment of efficiency. Further, I fully appreciate the difficulties of Government in this matter. It is impossible to move at a rapid pace. You have got men on the existing cadre in the service. You have got men who rightfully look upon their claims to obtain promotions in time. You cannot arbitrarily dispense with their services. It is equally true that the problem is a much bigger one than one ordinarily imagines. I fully appreciate the fact that it is no longer a racial but a communal question. It is necessary that all communities should have a share in these railway appointments. The money is that of the Indian tax-payers generally, and when I use the word Indian I do not refer only to natives of this country, but I refer to all men living and domiciled in India and paying taxes. I cannot in this matter overlook the rights of the Anglo-Indian community, who have in the past rendered very useful services and who have been the mainstay of the Railways in this country and through whose emergy, capacity and enterprise the Railways have been brought to their present advanced condition. In the distribution of all these appointments the rights of the minorities must be carefully considered and given weight to, and I am therefore very glad to observe that a substantial progress in the direction of promoting this policy of cautious Indianisation has also been made. Sir, it is equally gratifying to notice that a start has been made in the matter of electrifying the Railways, and this is the first fruit of an enterprising railway policy. I trust that this policy of electrification of the Railways will be rapidly extended as the finances of the Railways permit, and that especially in big congested towns like Bombay and Calcutta all suburban railways will be put on an electric system.

Sir, I shall not detain the Council with any further remarks. I join with my Honourable Colleague Mr. Bell in expressing the country's indebtedness to the Honourable Sir Charles Innes for placing before the country such a gratifying and encouraging Budget, a Budget which shows a substantial profit, a Budget which holds out hope of future development, a Budget which is in all ways worthy of the Government Department and its former traditions. Sir, the scheme of separation was conceived by the Acworth Committee. It was brought into operation with the consent of the Assembly by the Government of India, but the brunt of the battle has fallen on men who have to perfect the scheme and put into execution the various details of this difficult and technical scheme. Our gratitude is particularly due to our friend the Honourable Mr. Hindley to whose industry and exertion this well thought out Budget is in a great measure due.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, I congratulate the Honourable Mr. Hindley on the excellent speech he made in presenting the Railway Budget for next year I congratulate him specially because he gave us not merely the substance

[Mr. Lalubhai Samaldas.]

of what the Honourable the Railway Member was saying about the same time in the other House, but because he gave us certain additional information on the technical side which was not included in the speech of the Honourable the Railway Member. The two speeches were complementary and when read together gave one a clear insight not only into the working of the Railways for the last few years, but they gave also an idea of their programme for the future.

Sir, before I go into the details of the Budget, I join with my Honourable friend Sir Maneckji Dadabhoy in expressing my regret at the attitude which the Government have adopted towards this House in connection with the subject of the separation of railway and general finance. That their attitude is of a stepmotherly kind towards this House is a settled fact. This House has no power over the purse, and hence, the Government of India do not attach much importance to this House; the Government do not attach even one quarter of the importance which they attach to the other House from whom they have to get money grants. But I may here sound a note of warning, that if the Government of India are going to treat this House in the way in which they have been doing in the past, then at the time of the next general election, many of us may not care to come in merely to be ignored as we usually have been till now.

Sir, as this is the first occasion when this Council takes official cognisance of the fact that the Railway Budget and the General Budget are separated, I think I shall be considered to be in order if I go into the merits of the convention that has been arrived at in the Legislative Assembly. The Honourable the Railway Member in his speech compared himself to a Chairman of a Board of Directors addressing the shareholders. I want to amplify on this analogy. If the general tax-payer is the shareholder then all profits must go to him, *i.e.*, the tax-payer. If a new entity, the entity of railway companies, is created,—an imaginary entity I grant,—then the general tax-payer instead of becoming a shareholder becomes merely a guarantor. If he is a guarantor and the companies are to be run as independent concerns, then the question arises as to what the guarantor is entitled to get out of the profit as a remuneration for the risk he is taking in guaranteeing the liabilities of the concern. In the Banking world in this country and specially in the Bombay Bazar and, perhaps in Calcutta also, the usual charges made by well known guarantors or shroffs are about 1 per cent. If the general tax-payer was to be paid only one per cent. out of the profits of the Railways, then we ought to be satisfied, as a guarantor. If the guarantor is a money grabber, he may want more, and I believe the general tax-payer as representing the Assembly has asked for and taken more than what a good reasonable guarantor is entitled to. He does not only get the one per cent., but he gets one-fifth of the surplus profits. This share in the surplus profit, which we in Bombay are now learning to call surplus sharing certificates, ought to have been considered sufficient, but the Assembly representing the general tax-payer was not even satisfied with that much. They have decided that when the surplus exceeds 3 crores, one-third of this excess should go to the general tax-payer. The guarantor therefore gets one per cent. of the capital for the risk that he is taking, he also takes what a money grabber might do, that is about one-fifth of the surplus profits. Even with that he is not satisfied and wants one-third of the excess profits over three crores.

THE HONOURABLE SIR DINSHAW WACHA: Very naturally.

THE HONOURABLE MR. LALUBHAI SAMALDAS: If the general tax-payer wants all these things, the result will be that the Railways cannot carry on item 4 of the convention to which the Honourable the Railway Member refers in his speech at page 4. The Honourable the Railway Member says:

"As regards the Railway Reserves, under the terms of the convention these Railway Reserves are to be used (1) to secure the payment of the annual contribution to general revenues, (2) to provide, if necessary, for arrears of depreciation and for writing down and for writing off capital (*here I lay stress on the third point*)—and (3) to strengthen the financial position of Railways in order that the services rendered to the public may be improved and rates reduced."

Now in spite of the fact that the Honourable the Railway Member has 4 crores 10 lakhs at his disposal this year and will have 3 crores and 28 lakhs in the next year, he is not able to use any portion of that money for item 3 of clause 4 of the convention. The reason he gives for his inability to spend this money, or a portion of it is, as he puts it:

"We have to bear in mind that in 1926-27 we have to pay a contribution based on the current year's working of approximately 735 lakhs from commercial lines."

Now, Sir, I want to impress upon the Honourable the Railway Member and the Railway Board the fact that in agreeing to the convention as they did, they have given away the rights of the Railways to a certain extent and reduced their own power of using the reserve in the best way that they can. I hope that when the convention is revised next time. (*The Honourable Sir Maneckji Dadabhoy*: "Five years hence.") I am not quite sure of the time, but I know—it was three in the first period—whenever it is revised, the Honourable the Railway Member, whoever he may be,—because I heard the Honourable Sir Charles Innes saying that he was going to shake off the dust of this country from his feet in a year and a half, whoever the Honourable the Railway Member may be, he will, I hope, see to it that the Railways get the fullest possible advantage out of the profits earned by them. For after all, Sir, if you go to the root question, the fare paid by the travelling public is a sort of taxation also. If commercial concerns are to be made a success, the freights and the rates will have to be manipulated in such a manner that they give them a sufficient return to enable them (1) to pay off interest, (2) to make allowance for depreciation, and (3) to have some reserve for bad or lean years. I do not think a sinking fund is necessary for such concerns where the assets are kept up to the same value as the amount that has been spent on them. (*The Honourable Sir Dinshaw Wacha*: "Don't Railways rust?") Sir, Railways do rust but the depreciation fund if properly used for renewals and replacements ought to be able to keep them quite up to the mark. (*The Honourable Sir Dinshaw Wacha*: "That is begging the question.")

We have been supplied with all the papers, including the blue book on demand for grants, that were given to the Members of the Assembly. The demands for grants will not, however, come to this House as we have no power on the money, and consequently I want to take this opportunity to refer to some of the grants, to congratulate the Honourable Member and the Railway Board where a definite line of improvement has been made, and also to criticise them if I find that they have not done all that they ought to have done or where there has been some sins of omission if not of commission. In the first place, I will take up item (*c*) of Demand No. 4, referring to the amount of 3 lakhs that has to be spent on the training of railway officers at Chandausi and for a technical school for apprentices at Jamalpur, etc. I refer to this item in the beginning as it has a

[Mr. Lalubhai Samaldas.]

direct effect on the greater Indianisation of the Services. We all want more and more Indians employed in the Railways. My friend, Sir Maneckji Dadabhoy said he was quite satisfied with the progress made. Speaking for myself, Sir, I fear I must say that I am not satisfied with it and I will give my reasons to show that the rate of progress could have been much greater. We have been supplied with a statement of higher paid subordinate staffs employed on railways and companies for the year 1923-24, and there I find that the Bombay, Baroda and Central India Railway has a much larger percentage of the total number of Indians, namely, Anglo-Indians, Muslims and non-Muslims, than in any other Railway. Incidentally I may say that I see no reason for dividing Indians into so many sub-divisions. The Bombay, Baroda and Central India Railway are employing the largest number of Indians, because from very early days, from the days when Mr. Hanson, who was once a Member of the Railway Board, was the General Traffic Manager,—from those days, the management of the company made an honest effort to secure the services of Indians, local Indians, whether Hindus, Parsis or Muhammadans and it succeeded. The Honourable the Railway Member has said in one part of his speech:

"It is a noticeable fact that in all important stations almost every railway official in a position of authority that one sees is a European or an Anglo-Indian."

If the Railway Member has troubled as much on the Bombay, Baroda and Central India line, as he has on other lines, he would have found that even station masters at the largest stations are mostly Indians. This shows that it is the spirit that pervades the management at the top that is responsible for the larger or the smaller number of Indians employed in the various Departments. It is true that an improvement has now set in on other Railways as regards Indianzation, whether it has set in of its own accord or on account of the pressure exerted by the Assembly is another question. What we now want to see is that the progress in this direction will be more rapid and on correct lines. It is because the Chandausi and Jamalpur Schools will lead to greater Indianization that I congratulate the Railway Board for giving special facilities for the training of officers at these places. I also congratulate them on the provision made under the miscellaneous head for employing a forest officer to select the right kind of timber for sleepers, not only for sleepers but of all the timber that they require. That is also a movement in the right direction. Although it is late one remembers the old adage "it is never too late to mend", and we hope that the report of this special officer will prove useful and will lead to the greater utilisation of indigenous products on our Railways.

Referring to grants, about depreciation, I want to make one suggestion to the Honourable the Railway Member. It has been said in the note that they have worked out the lives of locomotives, wagons, buildings, etc., and then worked out the depreciation on those lines. To show clearly the basis on which this scheme is worked out, I shall quote one sentence from the note:

"An appropriation of Rs. 3,000 a year to the depreciation fund will ordinarily be sufficient for a locomotive costing Rs. 1,05,000".

The appropriation *to* depreciation fund is Rs. 10,73,000 while the appropriation *from* depreciation fund is Rs. 9,50,000, leaving a balance of one lakh 23 thousand. That amount will remain utilised and will be earning interest, and in calculating the number of years over which the whole cost of the 'block account' should be spread, no allowance has been made for the interest that would be earned on the balance between the provision for appropriation to depreciation fund and the appropriation from depreciation fund.

The Honourable the Railway Member in his speech referred to the passenger fares and gave his reasons why it was thought necessary to reduce in some cases fares for the first and second class passengers and not to reduce the fares for the third class passengers. In this connection, Sir, I would like to draw the attention of the Honourable the Railway Member to the figures given on page 22 of the Annual Report. For some reason, not easy to understand, no reference was made by the Honourable the Railway Member to the intermediate class. But leaving that aside I want him to look up the figures for third class passengers and he will find that the increase in their number from 1922-23 to 1923-24 is not more than what it was from 1910 to 1911. That is, the increase is not in any way more than the normal. If we refer to the increase in the number of third class passengers from 1921-22 to 1922-23 the increase was only 2,000, much smaller than in the preceding years. It is not quite fair to say that the increase in the third class fares has not led to the slowing down of the normal income. I am at present not pressing for reduction of third class fares, but I do want the Railway Board to provide more accommodation for third class passengers. This year provision has been made for 822 coaches out of which some 67 are first and second class and the others are third class. Figures have been supplied to us regarding the Railways where this additional provision has been made. Without exactly knowing the upper class requirements of individual Railways, it is very difficult to say offhand whether it is absolutely necessary or not. If they are not absolutely necessary I suggest that instead of having 67 more upper class coaching vehicles it will be more advisable to have a larger number of lower class coaching vehicles.

Coming to the figures of income and expenditure I desire to refer to the remark of the Honourable Mr. Hindley in his speech that they had only to spend 2 crores and odd to earn 5 crores. I do not think, Sir, that that is the correct way in which the question should be examined. The correct way to examine it is to find out whether the five crores could not have been earned by spending less than 2 crores; and I do not think that the management is entitled to get all the credit for this reduction in expenditure. The explanatory memorandum and the other papers show that there have been reductions in fuel charges. There is likely to be reduction in the loss for compensation, and there will be a reduction on account of the reorganisation of the North Western Railway. This reduction cannot be all attributed to more efficient management. However, as there have been reductions in various directions, congratulations may well be given to the Department concerned with the hope that the good work that has been begun will be continued.

I congratulate the Honourable the Railway Member and the Railway Board on the greater activity that they show as regards the quadrupling of the railway from Bandra to Borivali and for the arrangements for extensions at the Grant Road station. We have long felt the necessity of these improvements, and I am glad, Sir, that the Government of India recognise that Bombay suburban development depends to a large extent on these improvements being carried out.

[Mr. Lalubhai Samaldas.]

Reference has been made to the electrification of the Great Indian Peninsula and the Bombay, Baroda and Central India Railways. My Honourable friend Mr. Hindley was present when the first electric train was started from the Victoria Terminus and he perhaps remembers that His Excellency the Governor paid a deserved compliment to the Tata-Hydro Companies which supplied the electric power. Such a compliment coming from the Railway Member would have been very welcome, for it would have shown the appreciation by Government of India of the Bombay enterprising spirit which is still absent from Calcutta, which the Honourable Mr. Bell says is the second city in the Empire. Bombay started this enterprize on its own, not necessarily for electrifying the railway, but for electrifying the mills. I am one of those who have been intimately connected with the Hydro Companies from the very beginning and I know that as soon as we found that the Railways wanted more power, first a third company was started and then a fourth one, which will be complete in June 1926. If the Railways join hands with these Hydro Companies and work together, there is no reason why in the near future there should not be electrification up to Igatpuri from Kalyan on the one side and up to Poona on the other side. Later on, further electrification may be carried out. I do not know whether the existing Hydro-Electric Companies will be able to supply the power for further extensions, but I want this House and the Railway Member to keep in mind the fact that that co-ordination between the Hydro-Electric Companies and the Railways is absolutely necessary if further electrification is to be carried out.

I join my Honourable friend Mr. Bell in showing my appreciation and in congratulating the Government on the right lines on which they are increasing and remodelling the workshops, because, after all, a great deal of good work will depend upon improving the workshop practice. The Honourable Mr. Hindley has also referred to improving the workshop practice and he has given such full details. That any one carefully studying these figures will see that this improvement by itself will lead to a great reduction in capital and revenue expenditure and also that it would lead to better and efficient management.

As regards the management of the various Railways, I entirely agree with the view that the details of the management should be in the hands of the men on the spot, of course under the control of the Railway Board, and that the general policy should be laid down by the Legislature. If there is as little interference as possible with the management as regards details, and the policy is correctly laid down by the Railway Board and the Legislature, I do not see any reason why the future of the Railways in India should not be what we expect it to be.

In conclusion, I desire to congratulate both the Railway Member and the Honourable Mr. Hindley on the splendid Budget that they have presented to the House.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to congratulate the Honourable the Commerce Member, the Honourable Mr. Hindley and the Railway Department for the Budget which they have presented to this House, and it is a great pleasure to see that in the short time which was at their disposal they have done so well. The separation of railway finance from the general finance

is a matter of gratification. It will give a chance to the railway management and the Railway Board to run the railways on a commercial basis. It is however a pity to find, Sir, that on the Railway Board we have not got a single Indian Member. The Honourable the Commerce Member in his speech said that as generally the selection to the Railway Board is made from the ranks of Chief Engineers and other experienced officers of the Railways, it has not been possible to select one. Sir, I know it as a fact, that the then Railway Board had a very high opinion of Rai Bahadur Ralla Ram, who retired as Chief Engineer of the Eastern Bengal State Railway, and as far as the Indian public were concerned, he was quite suited for appointment to the Railway Board. It is a great pity to see that the colour bar has been brought into effect in accepting the recommendations of the Lee Commission, and consequently there is a great discontent amongst a certain section of railway officers. Why should Government be a party to this? I hope Government will duly consider this very important question as a discontented servant does not put in a good day's work.

It is a matter of great gratification to find in the present Budget a sum of Rs. 174 lakhs provided for the amenities of lower class passengers. I hope, Sir, that this amount will be fully spent, and that at the end of the year we shall find no lapse. In the speech of the Honourable Member we find that the sum of Rs. 30 crores which was allotted last year for the rehabilitation and improvement of Railways could not all be spent because approved schemes were not before the Railway Board. In this connection might I say that little attention was paid to raised platforms and waiting sheds which did not require intricate technical projects for approval. A great number of roadside stations have not even now raised platforms at all and the travelling public, particularly the womenfolk, find it very inconvenient and sometimes risky to get down from the railway carriages. I hope that the small sum of Rs. 4,30,000 which has been provided for the purpose will be fully spent. Arrangements for drinking water used to be good some time back, but after retrenchments came into effect a great number of water porters were reduced and one finds on the roadside stations on the North Western Railway and the East Indian Railway great difficulty to get drinking water. As regards the betterment of carriages I would suggest that so far as upper class carriages are concerned *coupe* compartments have proved of great value to the travelling public, and in case the Railway Board will extend and adopt the *coupe* carriages in all classes it will solve the question of reservation of compartments for certain communities, and it will be a great boon to the travelling public. I welcome the decision of Government to revert to new constructions programme on a large scale. This is a thing which we greatly need and it will help the development of our commerce and industries a great deal. Thefts on railway trains have, I am sorry to say, greatly increased, but adequate measures have not been taken to guard the public against thefts. At present what we see is that only two travelling police constables are posted to each night train and when we have long trains now, two constables are not quite sufficient for the purpose. I know a good many cases in which bags of rupees have been stolen in the night from various trains, and I wish to urge on the Railway Department the provision of more travelling police constables on each passenger train during the night time. Another thing which I wish to bring to the notice of Government is that the lighting arrangements on the roadside

[Lala Ram Saran Das.]

stations since retrenchment was brought into effect have become very bad. On such stations only one lamp is lighted and particularly on dark nights a number of thefts take place even on the railway platforms.

I find in the note of the Honourable the Commerce Member that as a business proposition third class fares cannot be reduced. He has seen his way to justify the decrease in the upper class fares. In that connection I wish to endorse what my Honourable friend Mr. Lalubhai Samaldas has said that the increase in third class passengers is the result of the normal yearly increase. The decrease in the upper class passengers is certainly due to the high fares. Some time ago reserved compartments were available to the public by paying 5 fares and four-wheeler carriages used to run through to branch lines, the other compartment being put for public use. But one has to pay 10 fares now in case one wants one reserved compartment in a four-wheeler carriage to run through. If a reversion is made to the old method I think the receipts from reserved carriages will greatly increase. In the case of industries in the north of India in particular and especially those in which coal is carried over long distances reduction in coal freights ought to receive the attention of Government. The heavy coal freight is a difficulty which the industries in the north particularly feel in the successful working of their concerns.

My Honourable friend, Mr. Bell, said that the Council should not interfere in the internal control of the Railways. I beg to differ from him and wish to say that healthy criticism should always be welcome. In these days autocracy ought to come to an end. In certain railways certain officers have done much better than others because they had different feelings and different sympathies, and if we do not criticise their action in the Council and bring the grievances of the public to the notice of the Government we shall be failing in our duty. I consider that Government ought not to discourage us from doing the useful service which we do to the public as well as to Government.

From the note it appears that the Railway Department has done well as far as Indianisation is concerned. I do not know about the other Railways, but as far as the North-Western Railway is concerned, nothing substantial has been done; particularly in the upper subordinate service in the traffic branch and in the Loco and Carriage Department very little has been done. In this Council a Resolution was carried which Government accepted, and which aimed to increase the number of traffic inspectors on the traffic transportation side on the State Railways. I am sorry to find that on the North-Western Railway in particular practically no increase has been made since then. As far as the subordinate traffic staff is concerned I find that out of the two Station Superintendents on the line there is not a single Indian occupying that post. In the station masters of the F class out of 10 posts only one is Indian. Out of 25 station masters of the E class we have no Indian. In assistant station masters and yard masters of the E class out of 78 there is not a single Indian. Out of the four Chief Controllers there is not a single Indian. In the 6 Deputy Controllers we find no Indians and out of 46 Assistant Controllers there is only one Indian. This state of affairs needs attention. It is a matter of pleasure to find that the Government are establishing a training school for transportation officers at Chandausi. I should very much like the Government to put before this House a scheme as to the recruitment of the various classes to that school, I mean the rules for admission of graduates, under-graduates or matriculates who may wish to join the school to secure the higher or upper subordinate appointments in the traffic service. The Honourable the Commerce Member in his note says that when the railways started Indians did not come forward to take up the traffic appointments. With due deference to him I wish to say that from the very beginning, as far as the Punjab is concerned, Indians have put themselves forward and they have retired after 30 to 40 years' meritorious service on a comparatively poor pay. In case the Chandausi School does not serve the purpose of helping the Indianisation of the services I do not think the school will fulfil one of its great functions.

Increase in rates for tourist cars is discouraging their use on a large scale. The present rates are too high and private persons who wish to take advantage of the use of the tourist cars have now to revert to reserving ordinary carriages. That is also a point which needs consideration at the hands of the Government. In these days agricultural manures are greatly needed, and in case the Railway Department is prepared to carry manures at the same rate as coal or stone, they will be doing a great service to the country and the indirect advantage which will accrue in increase of traffic by bettering the yield of the crops will repay Railways in the end. As my friend the Honourable Mr. Bell pointed out I agree that the item of 4 crores in the matter of stores is one which requires explanation from the Railway Department. Another thing that I find in the memorandum is that the recommendations of the Lee Commission will apply to the officers of the Company Railways. This is a matter which cannot be understood. Why should the State extend this advantage to company lines? This is a matter on which I wish some light should be thrown. As far as the inauguration of the new branch line policy is concerned I welcome the measure, but I endorse what the other Members have said that in case experience shows that this change in policy is not suited it may be reconsidered. As far as the introduction of the divisional system on various railways is concerned we expect a great saving therefrom, but there is some apprehension in the public mind that in this new scheme Indians will not have a sufficient hand in the direct control of the various railways. I do not know how far that misapprehension is right or wrong but I hope attention will be paid to this by the Railway Department. I welcome the Budget and I offer my congratulations to all concerned for their increased activities.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): I rise to join the previous speakers in offering my congratulations to the Railway Board so ably presided over by the Honourable Mr. Hindley and, may I call him, his referee, the Honourable Sir Charles Innes.

I was very interested to read one portion of the speech of the Honourable the Commerce Member where he referred to the Inchcape Committee. When that committee published its conclusions about a couple of years ago, I think I am right in remembering that the Railway Department, especially, felt that it had a grievance at the amount of cut recommended by that committee. Well, Sir, the Railways have shouldered the recommendations of that committee and I cannot help feeling that in the satisfactory budget which has been presented to us the recommendations of that committee are in some degree reflected. I was especially interested to read the remark of the Honourable Sir Charles Innes in the other place when he referred to the standard set by the Inchcape Committee of earning 5½ per cent. on the capital charge of the Railways. He went on to say that this had nearly been realised because the commercial railways had earned 5·46

[Sir Arthur Froom.]

per cent.,—which Honourable Members will recognise is very nearly 5½ per cent.,—on the capital entrusted to them by Government. That, Sir, I think, is an extraordinarily satisfactory position of affairs. I take it that these earnings are not subjected, as the earnings of ordinary commercial affairs are, to income-tax!

Well, Sir, I have been connected with the transport of people and goods for many years, and like my Honourable friend Mr. Bell, my mind turns to certain very necessary adjuncts which are required in carrying passengers and goods. Looking to that part of the Honourable Mr. Hindley's speech where he makes a reference, though it is brief it is none the less satisfactory, to improving the capacity of yards and lines; that, Sir, to my mind, is one of the greatest features of railway control. If the marshalling yards are not up to standard, you will have the greatest wastage of your wagons and coaches. It is no use having on paper what might appear to be a satisfactory number of wagons and a satisfactory number of passenger coaches if they are held up at big junctions of the Railways to an extent which renders their efficiency very low.

Again *Workshops*. Well, Sir, I claim to have some knowledge of workshops and if repairs cannot be rapidly and efficiently done, you upset the running of your steamers, and I am sure, in a similar way, you would upset the efficient running of your Railways. What would be the use again of having on paper what might appear to be an adequate number of locomotives if for some minor repairs that have to be carried out, they remain in the workshops for two months when one month should suffice? That would certainly affect the efficient running of your Railways.

Standardization. I quite agree that standardization is a satisfactory system. I also agree with what has been expressed by the Honourable Mr. Hindley that there is some danger in standardization becoming stagnation. But if that is carefully looked after, I do not think that danger need really be feared. Standardization is necessary when you get a new type of wagon, a new standard wagon. I think standardization should be applied to all the lines so that the Railways can get their renewals cheaper and their upkeep also may be cheaper. But that does not mean that when a better class of wagon is introduced two or three years later they again should not be standardized. The first class wagon might be called Standard A and the second might be called Standard B if the standardization is properly looked after.

Branch lines. This is an old subject of controversy, and I do not propose to dwell on it very long or hardly at all. We have a statement before us in which the Railway Board state that they propose to take on the construction of feeder lines and do this more economically than can be done by minor managements. They also undertake to see that there will be no slowing down of new construction. I should have accepted that statement with a very large pinch of salt some twenty years ago, but I do recognise that the present Railway Board is an entirely different body to the Railway Board of some years ago, some considerable number of years ago. I do recognise that they are a more live body, and without making perhaps invidious comparisons, I think we may recognise that they are a more efficient body. At the same time, I would like the Railway Board to keep clearly before them that, if they find for some reason or other, they cannot proceed with new works of small lines, if they find that the money is not really forthcoming, they will again consider this important matter.

Electrification of suburban lines has a peculiar interest to me, as it has to my Honourable friend Mr. Lalubhai Samaldas, because we have started it in Bombay. As most Honourable Members know, the Harbour Branch line, which is an electric one, has recently been opened in Bombay. Within 18 months it is hoped to open a suburban line on the Great Indian Peninsula, also electrified, and also it is proposed to electrify the Bombay, Baroda and Central India suburban line. The railway administration part of the Railway Board in Bombay is not merely contemplating the progress I have mentioned on the Great Indian Peninsula, and they propose to extend the electrification up to Igatpuri and Poona. The advantage of that, of course, is that the lines run up to the ghats. I do not mean to suggest that it would be possible to run electric lines over the main lines for long distances, but the advantage up the ghats is recognised, and I think Honourable Members will be rather astonished when they hear how distance has been annihilated between Poona and Bombay. In the old days when the journey had to be accomplished by road, it was a most uncomfortable journey,—before I came out to India,—it took about 24 hours. Then after the railway was introduced, the journey was gradually improved until at the present time it takes about 6 hours, and when the electrification between Bombay and Poona is complete, it is estimated that the journey should be accomplished in about three hours. That shows, Sir, in one direction what Railways are doing for us in India.

As I said, my mind having been associated with steamship companies and therefore with the carrying of passengers and goods, it works on somewhat similar lines to that of Mr. Bell, but it does not accompany him to the Howrah Bridge, my chief recollection of which, is some years ago sitting on it in a carriage in a block of traffic and wondering whether I was going to catch my train.

There is one other important matter to which I should like to refer, and that is decentralization. I lay very great stress on decentralisation, I lay very great stress on the relinquishment of control from headquarters as far as it is possible to do so. Control overdone must only cramp the heads of your various Railways, the Agents. Now the Agents of the various Railways are without doubt most competent men, and if they are constantly interfered with in matters of detail, I am quite sure they will feel inclined to say "You had better come and run the line yourself". That is what I should do. And I would remind Honourable Members who have spoken and who have all advocated that there should be decentralisation to ensure to greater efficiency,—I would remind Honourable Members that some of them themselves cramp the staff of the Agents of Railways, by asking innumerable questions on railway matters on the floor of this House. What happens? Certain statistics are called for regarding the number of Indians employed on Railways. Questions are asked why so and so has been dismissed. What has the Honourable Member in charge got to do? He has to send these questions to the Agents of the various Railways for a reply. As I said, if I were the Agent of a Railway, and if I were asked why so and so was dismissed, I should be inclined to say that I dismissed him for good reason and that I am managing this Railway. Honourable Members say they agree with decentralisation with the absence of undue control. And I should like them to refrain from imperilling it. It is the big man who does not exercise undue control. It is the small man that does. Our Railway Board consists of big men, and I feel sure that they

[Sir Arthur Froom.]

will not exercise undue control. You have your Agents, you should trust them, and it is a big man who trusts the men beneath him.

Sir, I have no more to add except that this Budget presented on the first occasion of the separation of railway finance from central finance can only be regarded as a highly satisfactory one, and I wish the Railway Board all good luck in their future Budgets, which I have no doubt will be the case next year provided we have a prosperous monsoon.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, as we had reason to learn yesterday, complimenting and congratulating is a somewhat risky avocation in this House for it is supposed to carry imaginary obligations. That will, however, not deter me from paying a deserved compliment to Mr. Hindley and Sir Charles Innes for the admirable work that they and those associated with them have done in the short time since railway re-arrangements were made, and I desire to assure them that my compliments and congratulations are not mere conventionalities.

I am personally very glad to see Mr. Hindley here. He is an old Calcutta friend who has risen rung by rung to the topmost rung of the ladder and who has justified himself in every inch of space that he has traversed in the course of his remarkable career. According to a newspaper correspondent, his advent here has been helpful to this House because he has been good enough to come down to our level and present the statement of the Railway case in a manner suited to our capacities by making it devoid of angularities about stores, Indianization and third class passenger fares and other intricate questions, which engaged Sir Charles Innes' attention elsewhere. I am very glad to see Sir Charles Innes here and if he and Mr. Hindley will help us, we shall try to understand something of these difficult subjects. Sir, for one who had been so thoroughly identified with company management as Mr. Hindley it is apt to be somewhat of a strain to him to have to take up Government methods of work, and the way that he has been working shows that Mr. Hindley is fully equal to his new task. And that task has been simplified in a large measure by the claim put forward by the Department and endorsed here by several Members of what practically amounts to autocracy, independent of any criticism that this House or the other House may venture to make regarding what are called questions of detail. It is very difficult, Sir, to separate in some matters questions of details and policy. I am entirely at one with those who claim that as much decentralisation as possible ought to be allowed in regard not merely to Railway Administration but to all administrations. But we ought to remember the terms under which separation of railway finance from general finance came about and also the terms on which State management of the East Indian Railway was decided upon, against, as I understood, the views of the better mind in the official world. One of these terms was that the Houses of Legislature were to be allowed a reasonable control regarding not merely questions of general policy but with regard also to other questions that could not really amount to questions of policy. I myself would deprecate unnecessary details burdening the proceedings of the Council in departments of public activity. When Honourable Members make themselves responsible for questions in this House, I cannot imagine that they do not act under a proper sense of responsibility. When there are in their judgment suitable cases for interference the House will listen to representations about them and the Department ought not to debar information that

would be helpful in understanding the situation and at all events in clearing up misunderstandings. Take, for instance, cases about promotions and dismissals and about ignoring the claims of individuals or sets of individuals and of supersession of claims, in which justice is denied. Is there to be no appeal and no interference on proper materials? That would not be justice. We have had questions of that description sometimes and I deny that they are not proper questions. Conceivably again there would be cases in which this House or the other House ought to hear something more of a particular matter which may be considered a mere detail. At all events information about them would help to disabuse Honourable Members' minds and the public also would be disabused. Go down the list of minor matters further and take, for example, questions that sometimes appear in newspapers, in connection with complaints about, say extortion, by porters and other undue demands due to exactions by monopolist contractors or their supervisors or of those in charge of cooly arrangements. Take, again for example, the seemingly simple question of supply of drinking water in railway stations or of pure foodstuffs and refreshments for orthodox passengers at reasonable rates by responsible people. I am purposely selecting seemingly insignificant matters. But these are questions from the passenger and public points of view of very great importance. They are constantly reaching Honourable Members through newspapers and by direct complaint because the authorities concerned are indifferent and appeals to them are useless. In spite of such indifference these matters have to be looked into. I remember to have taken up some of these questions myself with the authorities but in vain. Are we to understand it is not right for Members to bring up those questions in the House or in the Central Advisory Committees or in the Local Committees, as the case may be? Grievances, however minor, must be remedied whether by high authorities or low.

Talking of the Central Advisory Committee, Sir, Members have felt and short as my experience is I think I should voice the opinion here, that they have really no power or duties and are merely called upon to look into questions that they are invited to do by courtesy or as a matter of convenience and that is about all they can do. If these Central Committees are given more power, if they are given opportunities of initiative, if the local committees are similarly armed and if the members of the Central Committees are asked to take their places in the local committees of the Provinces with which they are concerned, these questions of detail which in themselves are of great importance to the parties concerned, but which may not be deemed to be of sufficient importance to the Railway Board, or the Houses of the Legislature, need not, in future, trouble the Legislature or the Railway Board.

But we are in the beginning of things and of a new era of Railway History, as we have been told, and so long as matters do not properly settle down, decentralisation ought not to be done to death. It should be possible for Honourable Members to bring up questions which they think fit either to the Members of the Railway Board or to the Legislature, as the case may be, so that what may appear minor questions of detail but are really questions of importance, if not downright large questions of policy, may be satisfactorily dealt with.

Sir, speaking of the question of passenger comfort, reference has been made to the difficulty of getting reserved accommodation, and I desire to endorse what has fallen from the Honourable Lala Ram Saran Das—about

[Sir Deva Prasad Sarvadhikary.]

coupes—a proposition which I have myself several times put forward before the railway authorities. It would be a real help to passenger traffic in general if the smaller *coupe* type of reserved accommodation on reasonable terms could be provided. It would mean less congestion of traffic at large and it would certainly be a great comfort, at least for those who can pay for it, and much of the complaint about reserved accommodation that we hear of would disappear. I would strongly urge upon the Railways to adopt the *coupe* system in all classes. It has been worked with success on some railways to a partial extent; they might well be adopted in the other railways and extended on railways which already have them.

And I should like in this connection to add my voice in support of the plea for reducing third class railway fares. We hear now-a-days that the railway administration have more money than they know what to do with and it is their grievance that they cannot spend it quickly enough. Some of that plethora might well go towards giving some redress to the large class of passengers who bring them the largest revenue, and in securing larger and better accommodation and facilities for them.

Sir, in connection with the question of separation of railway finance from general finance I desire very strongly to associate myself with what has fallen from Sir Maneckji Dadabhoy and other Members. I do not want to go into the details. They have been referred to already. Nor do I care to join in the protests and claims in the interest of the dignity and usefulness of this House. I have raised these questions in other concerns. If Government will not help us in getting facilities for working up to the rightful status, trouble will soon come and this House will ignominiously suffer. The sooner Government realise the matter, the better it is for all concerned. We want this House to do its duty in a dignified manner and do not want to have to complain every time when occasion arises that we have been neglected and that we want to be better treated. If I may just for one moment refer to an extraneous matter, I have heard that the Assembly is to have an opportunity of discussing the Reforms Committee's Report after the 9th of March next when the Report will be published. We have not heard any announcement yet by the Leader of the House that this House is to have an opportunity like that. These are little things which in their cumulative effect must derogate the House in a manner that make Members feel and make people outside the House refer to it slightingly. Government get a large support from this House in spite of the recalcitrant dozen or half-a-dozen, on all occasions and should see the House better treated.

I shall now, Sir, turn to some provincial matters. Some of them have been referred to by the Honourable Mr. Bell. I shall give a prominent place to what has long been almost a hobby with me and which is not willing to leave me. Mr. Hindley has outlined a very large construction programme of nearly 2,000 miles benefiting mostly Madras, Burma and possibly Bihar. I wish these provinces all joy and luck in their construction programme, because they need it all. But may I ask why the old Howrah-Vishnupur chord, which used at one time to occupy so prominent and honourable a place in the programme of construction, has been assigned a fairly ignominious place that makes it impossible for it to be a practical proposition for a long series of years to come. It is expected, I believe, Sir, to tap a very important part of Bengal and to be a great relief to the coal trade so far at least as the Calcutta market and docks were concerned, and it was

expected that it will shorten the route between Bombay and Calcutta by a good few minutes, which by itself is a recommendation in its favour. It will also help, I believe, in dealing with the question of flood and inundation in the parts of the country concerned by a judicious system of open work left in the course of construction. The East Coast harbour is now to be taken up and there is to be a railway connecting the coalfields with the harbour. I have been informed as a result of inquiry that till that line is constructed and it is experimented as to how the coal traffic is going to converge and how the thing is going to end financially the Howrah-Vishnupur Chord about which there has been long and painstaking survey, which was to have been taken up quite a long time ago, is likely to be practically abandoned. I do not see, Sir, why we should have to wait for this experiment. Apart from everything else, apart from help to the outside coal traffic by the proposed line connecting the coalfields with the East Coast harbour, I think this line stands on its own merits. It is quite a short line which can without any inconvenience be taken up. The Government have practically committed themselves to it some time ago and it has quite good points which I should like to urge upon the Railway Member for his careful and sympathetic consideration. 100 miles or so added to 2,000 miles will not make much of a difference and it is a line that is fully worthy of being taken up.

Then, Sir, as regards district and local railways, we have had two sets of opinion expressed here and I am not prepared to identify myself with the Honourable Mr. Bell's revised opinion regarding them. I do not know what influences have been at work. I know my commercial friends from Bengal were at one with me in the earlier stages of the question and I do not think that Bengal as a whole will be prepared to give up the contest in a hurry. I have been looking at the Bengal Budget, which if the provincial contributions are remitted, may still have a silver lining. But a very careful examination of the Budget does not show me the slightest provision, or possibility of provision, for guarantees, without which necessary local and provincial railways cannot be taken up if the mighty and busy Railway Board chooses to scrap any of them. It will be an ideal state of things for the Government and the Railway Board to be able to take up all commercial ventures. But Government have not so far been able to show much of a success in that direction, and feeder lines that did so admirable work when nobody was coming to their help, except with the small guarantee that the Government had provided, should not be so summarily laid on one side because one committee or another has said one thing or the other to their derogation. It reminds me of the homely Bengali adage about the potter bringing in the earth with all reverence on his head and then kneading it with his feet for his own purpose. This state of things does not appeal to me. Let us give these lines more time and more opportunities of course under proper supervision and under proper terms. Government and the Railway Board and the whole country are under very large obligations, to the pioneers in this field. Honourable Members will remember that almost immediately after the Honourable Mr. Hindley adumbrated the scheme here in this House, rules regarding the matter were published. The public and those concerned have not had time to consider the matter and realize the situation.

The Honourable Mr. Bell has spoken of the rebuke to Calcutta that Mr. Hindley has felt obliged, I am afraid, to administer with regard to our bridge accommodation. The contest that has been going on in and about

[Sir Deva Prasad Sarvadhikary.]

Calcutta for some time past between the Government, the representatives of trade and commerce, the representatives of the people, the Municipality and the Port Trust as to who could get away with the least contribution towards the problem has not been very edifying or profitable. I hope they will be able to settle their differences soon and decide on a practical scheme. The real trouble about the matter has been, Sir, the expensiveness of the scheme put forward. Although Government have not committed themselves to that scheme in the Bill that they brought before the Provincial Council and which was rather summarily thrown out, grave objections have been taken to it all round. Other and less expensive schemes have been canvassed in the press and I am told that there are still less expensive schemes which are no less sound. The Local Government have their grand canal problems. They have their bridge problems, so far as ordinary traffic is concerned and we not have the requisite money. What I should like to say however on this occasion is that the Railway, which has an obligation in the matter, all its own, might disregard the foot passenger and conveyance traffic problem and have its own bridge purely for railway purposes, somewhere up the river between Calcutta and the present railway bridge near Hooghly. The neighbourhood of Calcutta will easily require more than one bridge. I am very glad, Sir, and I congratulate the Railway Board that some of the terminal arrangements about East Indian Railway trains are about to be undertaken in Sealdah. That is the natural site for a central railway station for Calcutta, as against the Dalhousie Square scheme which some wiseacres have been long insisting on. The Dalhousie Square neighbourhood would be far too expensive. It must be in the neighbourhood of Sealdah that whatever central station ideas the Railway Board may ultimately decide on will have to materialise. I hope it will soon be possible to be run more East Indian Railway trains from Sealdah than have been announced even with the scanty bridge accommodation near Hooghly. But the point that I should like to submit and press for consideration of the Railway Board is their own railway bridge, independent and apart from any bridge that may be constructed in the near future for dealing with the passenger and conveyance traffic of Calcutta and Howrah. Calcutta has only half a bridge or a quarter of a bridge, none too safe. And this reminds me of the professor who went in the olden times in one of those old coal tubs down a colliery. When going up he asked the man in charge as to what he thought of the safety of the rope. "If we get up safe this time the rope will be changed to-morrow," was the answer. That has been the answer about the Howrah Bridge for long and one does not feel comfortable. Missing a train is not the worst of disasters that might have befallen my Honourable friend, Sir Arthur Froom. If the Bengal people and the Bengal Government are not up to their duty in the matter, the Railway Board at all events ought to do its duty and have its own railway bridge and finally deal with the question of terminal arrangements in Sealdah; that would be one of the solutions of our congestion problems. In that connection I welcome the prospect of an electrification of the Calcutta suburban railways and I hope tubes will also come in time. My Honourable friends from Bombay have taken an understandable pride in having started electric works which have enabled them to begin the work of electrification of more than their suburban railways. There is no reason why our coalfields should not afford abundant electric power from a central powerhouse and why some of the river powers that my Honourable friend Mr. Haroon Jaffer is going to tell us about soon should also not be utilised.

One does not know why in the Darjeeling heights or somewhere at a more eastern point electric works could not be established that would be the salvation of Bengal—salvation not only as regards the railway question but also in regard to other big problems. Bengal stands well rebuked, indeed, but may yet improve.

Before I get away from the question of central railway station arrangements, I should like to ask the railway management as to what they propose to do regarding the central railway accommodation at Delhi. It ought not to be long in settling. The not unreasonable enthusiasm, which for the time being, threw out proposals on a previous occasion regarding central railway accommodation in Delhi no longer exists. Things have changed and the authorities should be getting along. I think Raisina has come to stay however much one may dislike it. A journey of 14 miles a day along dusty and congested roads is killing all of us and we want something better than the existing arrangements. But until Raisina has better railway accommodation the evil will continue. It must be recognised that the centre of gravity, both as regards railway and other matters, must be in Raisina and not citywards. I think the solution of the question should not be long in coming and I invite the railway management to decide and inform the public at a very early date as to when the central railway question of Delhi is going to be solved.

Sir, Members have welcomed and rightly welcomed the prospect of very large industrial undertakings in connection with the railway management, and I particularly welcome the prospect of standardisation of locomotives. I believe one of the arguments urged against giving contracts to the new locomotive concern in Tatanagar was the difficulty about standards and types. The difficulty was said to be one of giving adequate work except of any particular standard and that would not keep the concern going. I am informed that by giving this firm wagon work the immediate grievances of that particular concern have been redressed. I am not concerned with the redress of shareholders' grievances or anything of that kind. To my mind, the locomotive industry as a very highly specialised industry is one of the great needs of this country, and that need cannot be adequately dealt with till a certain amount of standardisation such as is proposed is effected. I have heard criticisms about it, but the pronouncement of a technical expert like Mr. Hindley is quite enough to assure me that standardisation is possible and desirable. Until that standardisation is a reality it will be difficult for any concern in India to exist that will not be able to take up locomotives of different standards and different types —it will be very difficult for any single company in India to adequately provide itself with work that will keep it going. From that point of view as well as from the railway point of view that has been mentioned in the course of Mr. Hindley's speech, I welcome this idea of standardisation.

So do I welcome the recognition of the need of improved appliances against accidents, such as have been mentioned about automatic couplings and things of that kind. No money spent even on experiments regarding appliances that will save lives of railway employees and passengers should be grudged. Honourable Members have no doubt heard of a very sad accident only the other day at the Delhi railway station itself, many like which might have been avoided if we had improved appliances. We heard in connection with the Sind disaster not long ago regarding which questions were asked in this House as to whether a certain Great Indian Peninsula Railway appliance that had been invented by a Great Indian Penin-

[Sir Deva Prasad Sarvadhikary.]

sula Railway official could not have prevented that disaster. The Honourable Member who was then in charge had not even heard of such an appliance and we have heard nothing further about it since. Anything that will help in preventing these accidents and making the management more efficient and safe will warrant ungrudging expenditure.

Enlargement on the spot of the industrial side of the railway management opens out wide prospects of training Indian apprentices on a generous scale and on generous terms. That alone will solve the question of Indianisation, on the technical and engineering side. I am at one with some of my Honourable friends that Indianisation for the sake of Indianisation without sufficient training cannot be insisted on in these departments. It is not merely a question of efficiency. It is a question of life and property that has to be carefully considered. At the same time one cannot expect to sit down quietly in the words of the well-worn-out phrase about an expert swimmer without opportunities of swimming. Opportunities in the past have been few and far between and we are suffering a great deal on account of the past remissness of the railway management. Now with these large possibilities opening out, specially in the technical departments, I hope the training of Indian apprentices on suitable terms and on a wide scale will be possible, and that that alone will solve the question of Indianisation in these departments more than anything else. This expenditure on industrial arrangements of the Railways will also reduce expenditure in time.

While on the question of Indianisation I desire to draw the attention of the Honourable Member in charge as well as Mr. Hindley to complaints, which I hope are not well founded, of some officers in the East Indian Railway who have grave apprehensions regarding the terms of their employment. The same form of notice was I believe used in their case as well as in the case of menials, in fact of everybody, which did not give the officers concerned sufficient notice as to what change in terms might come afterwards. A copy of a bond which some of these subordinates have been asked to sign has been placed in my hands. It provides amongst other things that they are to be debarred from benefits and privileges which the ordinary State railway official has. I have been informed, I hope not credibly, that men in the traffic department have also misunderstandings and misapprehensions which are creating a great deal of flutter. I shall be glad to be assured that there is nothing in all this. But if there is, I hope the grievances will be carefully looked into and I trust that the prospects of Indianisation will not be jeopardised by any careless or thoughtless action on the part of the Railway Board after the Government has taken up the East Indian Railway. These men have entered Government service in full hope that all the benefits and privileges that Government servants on the Railways are allowed will be theirs, and there is no reason why anything should be taken away from them in the manner apprehended.

Well, Sir, the Railways now have as much finance at their command as almost the Government of India themselves, and claim and will have more power. The great possibilities that they thus have will also add to their duties and obligations. The vista of usefulness is long and wide and a new era of development and progress has been promised. We want to take a long view of things and shall patiently watch what is claimed as the making of history. I therefore wish the Railway Board God-speed and all success in their new ventures and undertakings. I hope that when the next

Council of State assembles, to which my Honourable friend Mr. Lalubhai Samaldas does not want to return, the Railway Board will have to their credit a record of better doings and better success than has been vouchsafed to them in the short time that the new arrangements have been in existence. But even in that short time a great deal has been achieved, and our thanks are due to Sir Charles Innes and Mr. Hindley and others in the department who have so loyally assisted in the whole venture.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): I think that a few Members of this House and perhaps a few more in the other place and elsewhere who doubted the wisdom of the proposal to separate the Railway from the General Budget will now feel convinced that their apprehensions were groundless. We are now in a decidedly very advantageous position in regard to the method and the manner in which the Railway Budget has been presented to us and particularly the way in which even dry-as-dust figures have been presented to us. I am glad that the Honourable Sir Charles Innes has given expression to the long felt grievances of Madras. I read from his own speech where he said "that Madras has always complained that she has been starved of railway development." Sir, it is so not only in this matter but also in other matters as well. The new Budget has at it were started under new auspices, and I am glad that some of the Madras projects which have long been delayed find a place in the programme, and I think that it is only proper that I, being the solitary Member from Madras adorning the empty-benches, should state that we feel grateful that after all some of these long delayed projects have been taken up. I am glad that in the south of the Presidency some 300 miles of railway, namely, the Villupuram-Trichinopoly, Virudupatti-Thenkasi, the Dindigul-Pollachi and Trichinopoly-Karaikudi lines are to be taken up.

I must confess that I read with certainly a great deal of gratification about the electrification scheme and the account of the proceedings of the opening of the recent electric railway in Bombay. I am glad to find from the statement presented by the Honourable Member of the Railway Board that it is in contemplation to start an electric train service between Igatpuri and Poona and that they are examining the problem of the suburban traffic in Calcutta with particular reference to starting an electrification scheme, but I find no mention in the speech of the Honourable the Railway Member of anything about Madras. In the statement presented to us in the book which is entitled the South Indian Railway in page 3, under Open Lines, I would draw the special attention of the Honourable Mr. Hindley to the reference to the improvement of facilities and development of traffic in the Madras suburban area. The necessity for some relief in the congestion of traffic in the Madras suburban area which is served by a single line of railway has been long felt in Madras and facilities have frequently been recommended by local interests. Being connected with the Madras Corporation for over 16 years and knowing full well the terrible congestion to which we are subject and the high rate of mortality, especially infant mortality, I may point out that everybody who knows Madras is struck by the very obvious fact that many a large family, particularly of poor people, are obliged to dwell in rooms which are not more than 8 feet by 6 feet in such lamentable conditions that it is essential in the interests of the city of Madras and of the growth of a healthy population, more particularly to prevent infant mortality that suburban traffic should be encouraged as far as possible. The Government of Madras, which has been

[Mr. G. A. Natesan.]

fully alive, to this very serious difficulty, has taken upon itself the responsibility of forming a town planning trust and it has lately added to the municipal administration a suburb called the Mambalam area. It has been a cry for a long time that people who live in some of these suburbs only five or six miles away from the town of Madras could not avail themselves sufficiently of the train service because they will have to spend at least one hour to cover the five or six miles to the city of Madras to pursue their avocations. If, therefore, something is done, it will not only help the people in Madras with facilities which they are undoubtedly entitled to have but also help the city of Madras to solve the problem of congestion and infant mortality. I should like to ask the Honourable Mr. Hindley what exactly has become of this project about which something was heard in the newspapers about the Tambaram project of electrification. If you cannot have the money next year for starting the electrification scheme surely it lies within your resources to double the line so that trains can run from one end of this suburban area to the other without interruption, without stopping at every station on the way. For I may tell you that, if I am not mistaken, there are as many as 8 or 9 stations in which a man has to wait if he starts from Chingleput to arrive in the city of Madras. In Calcutta and Bombay many people who are pursuing their avocations in the city come from long distances. The train service there is very quick, and it must be quicker and better with the electrification scheme. Surely my province should not be neglected and I hope the fact that it is situated thousands of miles away and that it is not nearer the seat of the gods does not prejudice very much its claims in this direction. I am expecting very anxiously some statement from the Honourable Mr. Hindley. I find here a statement made by the South Indian Railway authorities that the acquisition of the necessary land would cost approximately 7 lakhs and it has been sanctioned. If you cannot find enough resources to start the electrification scheme, and if some difficulty stands in the way, I do hope in the interests of the province for which it is my privilege to plead before you in this House that you will make earnest endeavours to double the line, so as to enable the trains to run more quickly.

I happen to be an elected member of the Madras and Southern Mahratta Railway Board and of the Southern Indian Chamber of Commerce, and I was particularly glad to notice here a provision made for the improvement of the workshops at Perambur. My committee was taken on inspection to this workshop and we were very much struck by the fact that the arrangements, to use the words used by my Honourable friend Mr. Bell, were deplorably inadequate and far behind the times, in the matter of making bolts, nuts and other things which one would expect in a big workshop to be turned out by thousands with the aid of up-to-date machinery. I do hope that some more money will be provided than what has been already given for the improvement and proper equipment of this workshop and also the one at Trichinopoly. I do not look at this question purely from the point of view of the improvement of Railways. I look at it from the point of view of unemployment, particularly of finding suitable avocations for a number of young fellows who have gone in for a few years study at school and find it difficult to get employment. I do know that in the Perambur workshops and also in the Trichinopoly workshops young fellows of good families, who had a strong aversion to manual work, are now taking to working in the workshops. It therefore behoves Government to recognise that young lads of good families who had for years a strong aversion to manual work are now taking up this work. More than anything else, I think that the employment of some of these young lads who have had a little bit of education, even though it was not quite up to the mark, will enable labour to become more skilful and useful, an ideal to which many an employer of labour, big and small, always cheerfully looks.

I am afraid, Sir, that the Honourable the Railway Member does not give much hope for the reduction of third class passenger fares. Confining my observations purely to the working of the Madras Railway and the South Indian Railway—I think it is a point on which I should lay stress—I find that 98·7 per cent. of the total passenger traffic is among the third class passengers, and 92 per cent. of your revenue, of the total receipts, is drawn from the third class passenger. From the Madras and Southern Mahratta Railway, 96 per cent. of the total passenger traffic comes from the third class and 90 per cent. of the revenue is from the third class passenger traffic. With these facts so obviously staring one in the face, I think it is very difficult for one like me to reconcile myself to the statement made by the Honourable Sir Charles Innes that it is difficult to consider any reduction of the rate for third class passengers. There is this very obvious fact that the largest amount of revenue and the greatest amount of traffic is from the bulk of the people who travel by third class, and I think a very strong responsibility rests upon the shoulders of the Honourable Member in charge of the Railways to see that something is done to reduce the rates for third class passengers.

I do not propose to take up the question of Indianization, nor do I think it desirable to discuss the claims of individuals who have been dismissed. I am very pleased to see that the railway authorities have recognised the necessity and the value of a school for training people in the art of railway administration. The Government for years took up this question of providing facilities for training men for their own services, but unfortunately people in this country have suffered a great deal owing to the fact that the Railways have been chiefly under Companies and that they did not bestow adequate attention to their part of their obligations which Government from the very beginning, from the days of the East Indian Company, thought it desirable to bestow in regard to that matter, that is, Government took special care to provide special facilities for teaching people by starting schools and colleges and prepared young men for Government service. Now that a new era has been begun by the Railway Department, and Government are getting more and more control in regard to these matters, I do hope that every effort will be made to see that more schools of the kind which it is proposed to start at Chandausi are started. I am particularly glad to see that adequate facilities will be provided at the Chandausi School for training men who are in railway service, and while I recognise the difficulties which the Honourable the Railway Member has pointed out in regard to speedy Indianization, and the fact that it is only very recently that Indianization at the top has begun, I would make one suggestion, and I hope it will receive favourable consideration at the hands of the Honourable the Railway Member and also at the hands of the Honourable Mr. Hindley who is here. My suggestion is this. In all other departments like the Department of Education, Medicine, Forests and in several other Departments, Government pick out young men of a certain amount of capacity who have proved themselves useful for service

[Mr. G. A. Natesan.]

and send them to England and other foreign countries to equip themselves in the latest institutions, and I think it is only right that the Government should consider the desirability of setting apart a certain sum of money to select a few promising young Indians who have got the necessary capacity and the adaptability and sending them to England to train themselves in the latest schools. If the problem of Indianization is to be solved and if the difficulties mentioned by the Honourable Member for Railways with regard to the rapid Indianization are to be remedied I think the suggestion that I have made will help the solution of that problem. It will, more than anything else, infuse a considerable amount of confidence in the public at large for whose good and for whose benefit the railway administration is conducted.

The Council then adjourned for Lunch till Twenty-five Minutes to Three of the Clock.

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

THE HONOURABLE MR. C. D. M. HINDLEY (Chief Commissioner of Railways): Sir, I should like first of all to thank Honourable Members of this Council who have already spoken for the very kind words of appreciation which they have spoken about the efforts of the Railway Board and myself in connection with the Railway Budget. I should also like to express my great thanks to this Council for the extremely kind and sympathetic way in which they have listened to the remarks which I had to make in presenting the Railway Budget to this House. I feel particularly appreciative of that kindness because I am unfortunately only a bird of passage here and I was making my maiden speech. I hope I did not say anything in that speech which gave real foundation for what my old friend, the Honourable Sir Deva Prasad Sarvadhikary, described as speaking down the level of my listeners. I am sure—I have looked through my speech—there was nothing in the words which I used which could possibly have given rise to such an idea and my feeling at the time that I was making that speech was that I was endeavouring to live up to the atmosphere of the House. (*The Honourable Sir Deva Prasad Sarvadhikary*: "I was speaking, Sir, of Mr. Hindley's newspaper friend.") Oh, well, I am afraid I am not responsible for him. It was probably very kind of him but it was not very tactful. What I did feel, when I was preparing my speech, was that in this case perhaps I had an opportunity of dealing with railway matters in a practical way and allowing myself to indulge in technical matters, which, perhaps Honourable Members will understand, me when I say, is at times a great relief to a practical man like myself. It is a very great advantage to me to be able to take Members of this Council into my confidence to some extent and to let myself go on technical railway matters for which I very rarely have proper opportunities of expression. And for that reason I am very grateful to this Council for listening patiently and so kindly receiving the matter which we have placed before them.

I would like to make just a few remarks about some of the matters which have been mentioned by Honourable Members when speaking on the Railway Budget. In the first place, the Honourable Mr. Bell regretted the fact that we had been unsuccessful during the current year in spending the capital grant which had been allotted. That regret of the Honourable

Mr. Bell's we fully share. We agree that the position is not altogether satisfactory and we are making special efforts to improve the speed at which approved works are being carried out. The position is perhaps not quite so bad as would appear and in that respect I would like to elucidate a remark which was made in our budget memorandum and also in my speech relating to real expenditure on capital works. Although the figure shown is only 12·85 crores, that represents the actual expenditure, we have really done considerably more because we have received a credit from the refund of the customs duty, an expected credit which reduces the appearance of the amount that we have spent. Further, we expect our stores balance to be reduced by 4 crores and that strictly speaking should be added to the figure of 12·85 in order to get at what we have really spent. I am aware that Honourable Members have not clearly understood this point because it was raised in more than one speech. There is nothing out of the ordinary in this transaction. I might go back to the question of stores balances as referred to by the Inchcape Committee in which we were strenuously urged to reduce our stores balances. Now, it will be understood that these stores balances consist very largely of serviceable railway stores, waiting to be used in railway works, waiting to be put into the lines, into the bridges and into workshops and so on. If during this year we are successful in reducing our stores balances by 4 crores it means that 4 crores worth of materials have been put into our works and therefore added to the actual outlay on these works. That is not, therefore, an unsatisfactory feature but a satisfactory feature. The only unsatisfactory feature is that it might have been a larger figure. If I could say that we were reducing our stores balance by 10 crores, I should be more pleased.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Does it mean that if we had not these 4 crores of stores in hand we would have to spend the same amount in ordering stores to put everything in order?

THE HONOURABLE MR. C. D. M. HINDLEY: That is correct. That is to say, we had our stores available for these works to that extent and therefore we were able to use them. That means a definite reduction of the amount of stores in hand and it comes to our credit in the capital grant. That is the practical interpretation of it.

The Honourable Mr. Bell said that he did not think that our explanations in the Administration Report regarding the short spending were altogether satisfactory. I can only tell him that we have been through an immense amount of revision work during the last two years and I maintain, to use an expression which I used in the Administration Report, that much of the money not spent has been wisely saved. That is to say, when the 30 crore grant was given, it would have been possible for an unscientific and uneconomical management to have rushed into works and gone ahead with them regardless of their probable return. We have during the last two years thoroughly overhauled all the projects on which it was proposed to spend money and that has inevitably caused the slowing down of the rate at which works could be carried out. The Honourable Mr. Bell, while expressing appreciation of the amount which we are spending on improving facilities and remodelling our marshalling yards regretted that we could not do more for the marshalling yards in the coalfields. Well, Sir, this particular Budget perhaps does not show a very large expenditure under such a description, but I must explain that during the last few years—I think I am right in saying that during the last eight years—we have spent altogether something like 9 crores in

[Mr. C. D. M. Hindley.]

improving facilities in the coalfields. The first practical step which was necessary there to improve matters—matters as perhaps Honourable Members will remember were in a serious state about the year 1912-13—was to improve the coal marshalling yards in the coalfields, where the coal wagons are dealt with at first after coming in from the collieries. That stage has been strenuously dealt with and a very large improvement has been made in those marshalling yards in the collieries. Following on that, we had to make improvement in the routes leading to and from the coalfields and further still to the large marshalling yards which govern these routes themselves. The process of improving those routes will be found dealt with in the Budget in the provision that has been made for doubling the Grand Chord of the East Indian Railway and certain sections of the Bengal Nagpur Railway. Further, we have just completed a few months ago a very large marshalling yard at Mogal Sarai, which, although some 200 miles from the coalfields themselves, is a governing factor in dealing with the transportation of coal wagons at the coalfields. These perhaps are technical matters, but I wish to explain that we have been carrying out a definite scheme for a good many years past now of steady improvement in the coalfieds and we can point to results already achieved, because, during the last few months, the loading of coal wagons has, as the Honourable Mr. Bell probably knows, been at a higher level than ever before in the history of the coal industry. That, I think, is one definite result from the money which has been spent for the benefit of the coal industry.

With regard to the unsatisfactory position which our Budget reveals in workshop facilities, that is to say, we are faced with a large expenditure, the Honourable Mr. Bell made a criticism that this should have been remedied before. I am quite prepared to admit that a great deal might have been done before. But under the old financial system it was impossible for my predecessors to obtain the necessary funds for this purpose. That is one factor. The other factor is that whatever had been done 10 years ago would have had to be entirely revised now as a result of experience and development in workshop organisation which has taken place since the war. I make no excuse for the necessity for wholesale revision of workshop organisation because, as I have shown in the Budget memorandum and in my speech in this House, there is ample justification for a complete revision of our arrangements even at the cost of a good many crores of rupees.

Now, Sir, I am not going to enlarge on the subject of what I have briefly noted down as the subject of interference with Agents. The Honourable the Railway Member will deal with that matter later. But I should like just to mention that the whole key-note of the organisation which we have devised for the work of the Railway Board and our relations with the Agents is decentralisation and again decentralisation. That is the key-note of all our work, the key-note of the changes we have made in our headquarters organisation and in the organisation of the Railways themselves, in the course of making changes of that kind in a transition period such as we are going through now, there must be a considerable amount of what perhaps a man down below calls interference. Starting with the premise that our object is decentralisation and that we are only working towards decentralisation, I am not prepared to abate the amount of interference which the introduction of such a decentralisation scheme involves. We propose to put it through and the people below, if they do not like it to start with,

will find out the benefits of it sooner or later. I constantly meet every Agent of every Railway and during the last year I have visited the headquarters of every Railway and discussed matters freely with the Agents. I have a half yearly meeting of the Agents here at headquarters and the first question I always put to the Agents at that meeting is "Now, gentlemen, I want to know what your complaints are. I give you a free hand to tell me exactly what you want done and how you would like me to revise my methods." I sit down and I listen to the 15 of them giving their complaints. Sir, on the last occasion when I asked this question there was hardly a complaint from one of them. That is my answer to the Honourable Mr. Bell.

Now, Sir, I come to a matter which the Honourable Mr. Bell and the Honourable Sir Deva Prasad Sarvadhikary have referred to, and the Honourable Sir Arthur Froom has also added to the discussion, namely, the old subject of the Howrah Bridge. As an old Calcutta man, one cannot help smiling of course when this question comes up, because it is an ancient subject which has been discussed for a great many years. I shall not go into details of the Howrah Bridge controversy. The Honourable Mr. Bell says that the public of Calcutta have been perplexed by the number of opinions that have been given to them. They have also been faced with an enormous expenditure which they cannot meet and therefore the bridge remains as it is. As regards the opinions I modestly say as a member of the Engineers Committee which has given the only real technical opinion of value, that there is only one solution of this problem. That solution I penned myself for the Committee. I do not mean to say that it was my idea, but I penned the report, a considerable number of years ago, and so far Calcutta has not had the courage to carry out the only practical scheme possible. Calcutta says that it is faced with this enormous expenditure. Calcutta is unable to find funds for this bridge amounting probably at the outside to 6 crores, while Bombay has spent—I do not know how many crores—and is now spending—I do not know how many crores—in possibly unremunerative development. Bombay has had the faith to come forward with this large expenditure in the face of the risk of its being unremunerative while Calcutta sits down and waits, because it cannot face this expenditure of 6 crores, for a vital necessity to her traffic in the heart of the city. My only message to Calcutta in addition to what I have already said is, "How long halt ye between two opinions?" I deny that I have made any threat to Calcutta. It will be far from me to threaten a powerful city like Calcutta.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: And a poor city.

THE HONOURABLE MR. C. D. M. HINDLEY: I made no threat to Calcutta. I have only said that if this disability to Calcutta continues the Railways will have to take measures of their own to provide adequate terminal facilities for the public. What those measures are I am unable to say at the moment, because, as I have indicated, we are about to make a special investigation of the problem. But I may say that Sir Deva Prasad Sarvadhikary was not far wrong when he suggested that the Railways will probably build a bridge of their own a few miles up the river. I do not know how Calcutta will then deal with the problem of the Howrah Bridge. But Sir Arthur Froom put his finger on the spot when he said he sat in his carriage on the Howrah Bridge and wondered whether he could catch his train. That is the whole crux of the matter. We have our terminal station at Howrah dealing with the whole of the goods traffic

[Mr. C. D. M. Hindley.]

on that side of Calcutta and the whole of the passenger traffic and that bridge makes it almost impossible to work the traffic economically. Bullock carts wait there for hours on end and lines of them, a mile long, wait and wait and wait to get across the bridge owing to the congestion, and I think Calcutta ought not to put up with that disability to one of its trunk routes for traffic. We shall do our best to assist Calcutta but our assistance will not go to the extent of providing financial relief for the cost of the Howrah Bridge. I think, Sir, that I need not refer to this matter any further. I wish entirely to disabuse the representatives here from Calcutta and this Honourable Council of any idea that I was holding out a threat. I merely stated the facts, I merely stated our intentions, and if the Honourable Mr. Bell will only read the words of my speech he will see that I did not hold out any threat of any kind except perhaps a kindly one.

The Honourable Sir Maneckji Dadabhoy was very kindly appreciative of our efforts towards the standardisation of rolling stock and locomotives and he mentioned the subject of provision of open wagons for collieries. That is a matter, of course, connected to some extent with standardisation, but I should like to tell him that the question of providing better supplies of open wagons to collieries is under consideration and we shall have to take special steps, if they are possible, to provide those collieries which need open wagons owing to their having screening plants, with regular supplies of open wagons. I imagine this is one of the matters which the present Coal Committee is dealing with and we shall have their recommendations before long.

The Honourable Mr. Lalubhai Samaldas referred to a matter connected with the depreciation fund. That is a somewhat complicated one, but I think I can clear up his difficulty. He asked why we had made no provision for interest on the depreciation fund. I think perhaps he had in his mind the idea that if we were starting a depreciation fund on the basis of the cost of the wasting assets we should do that on a sinking fund basis, that is to say, allow for the interest to be added to the depreciation fund as it went on. We have not adopted that system. We have adopted the simpler system for the purpose of our accounts of contributing every year a proper proportion of the original cost of the wasting assets. Thus, ...

THE HONOURABLE MR. LALUBHAI SAMALDAS: What I wanted to know was this. The difference between the appropriation to depreciation and appropriation from depreciation is Rs. 125 lakhs—I am speaking from memory. Interest will be earned on that. You take 1,075 lakhs to depreciation on a certain basis from which you draw Rs. 950 lakhs this year. The balance of Rs. 125 lakhs will earn interest. That is not taken into consideration.

THE HONOURABLE MR. C. D. M. HINDLEY: I see the Honourable Member's point. The balance will certainly earn interest when we get it. At present we are making only estimates. We shall certainly go more fully into this matter of depreciation fund, but we should not like to credit it with interest that has not yet been earned on any possible saving which has not yet accrued. The Honourable Mr. Lalubhai Samaldas also referred to the question of the provision we are making for coaching stock. In that connection I can perhaps answer the remarks made by certain other Honourable Members. We are providing as shown in the budget memorandum for, I think, 67 upper class stock and 755 lower class stock. The

lower class stock include third class stock. Now, we are going into that matter again and what we have provided for in the Budget this year represents what we consider to be essential. In the matter of provision of additional rolling stock we are very much handicapped at the present time by the capacity of our workshops to build coaching stock, and, as I have already explained, we are making some progress in improving the workshops, but it must take some time before they are capable of dealing with a large outturn of rolling stock. The necessity for providing a certain number of upper class stock as well as lower class stock arises partly out of the fact that we have obligations to run on each train at least one upper class coach. I do not say that that is a definite obligation that we should run one on every train, but as a matter of practice we have to, and I am sure Honourable Members of this House would be seriously annoyed with us if we did not provide at least one upper class coach on each train. A train normally consists of 10 or 11 coaches and therefore to preserve the proper proportion we must have somewhere in the neighbourhood of 10 per cent. of upper class stock to lower class stock. That is a very rough calculation. The requirements as we actually put them down are the requirements of individual lines added together. But that is the explanation why we have provided 67 upper class stock against 755 lower class stock. I think I need not go into any further details over that matter except that I should like to say that at present I am having a special investigation made of the possibility of revising certain of our workshop facilities on a temporary basis in order to enable us to construct coaching stock at a more rapid rate. If it is possible to do so, I hope that we may in the coming year be able to have a certain number more of lower class stock. We have arrangements in hand at the present moment in regard to this, and if it is possible to do so without seriously handicapping the necessary repairs to existing stock, for the two things are interdependent, we hope to be able to go forward a little faster than is actually shown in the Budget during the coming year.

The Honourable Mr. Lalubhai Samaldas referred to the tribute paid by His Excellency the Governor of Bombay to the firm of Tatas for their enterprise in having started hydro-electric schemes in Bombay. I should like to associate myself, of course, with that tribute and to explain that when I was in Bombay I did not actually mention myself the dependence of electric traction on the hydro-electric enterprises of Tatas because it appeared to me to be so obvious to every one that it did not need to be specially noticed. We do, of course, feel very grateful to the firm of Tatas for having started hydro-electric schemes and we sincerely hope that they will push on with them and enable us to get the necessary power in time for the opening of the Bombay, Baroda and Central India Railway suburban traffic when that is ready to be opened.

The Honourable Lala Ram Saran Das mentioned several matters with regard to practical railway working, but I think I will not follow him through them all. One matter which is of interest is that he recognises the value of provision of more *coupe* compartments in all classes of stock. That is a policy which we are gradually carrying out. Of course, it would not be a paying or a satisfactory proposition to call all our coaches into the shops at once and try to put *coupes* into them. It is a gradual process and is being carried out. *Coupes* are being provided not only in upper class stock but also in the third class stock as well. Several railways have already started with this and I hope they will prove satisfactory. My Honourable

[Mr. C. D. M. Hindley.]

friend also said that we were charging too high rates for the hiring of tourist cars. I do not understand how this has been arrived at by him, because if we were charging too high rates we should find our tourist cars standing idle and no one travelling in them. The facts are exactly opposite. The demand for these tourist cars is increasing steadily and we are now building several more to meet this demand. I am afraid I cannot agree that we are making too high charges for them.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: On a point of explanation, Sir. What I meant was that the rates were considerably raised during the last two years and the demand which the Honourable Mr. Hindley puts forward is either on behalf of Government officials or of globe-trotters.

THE HONOURABLE MR. C. D. M. HINDLEY: I do not know about Government officials. As for globe-trotters they pay us their fares and if they can afford to pay I do not know why we should not charge them.

The Honourable Rai Bahadur also referred to the necessity for better policing of running trains and he mentioned that he thought that two travelling constables were not sufficient to go with each train. This is the first time I have heard that two police constables habitually travel with every train. It may be so in the country to which the Honourable Rai Bahadur belongs and it must be obvious to other Honourable Members that this is perhaps a peculiarity of the locality which he inhabits. I have certainly not seen in other parts of India the necessity for carrying two police constables in every train nor have I ever heard a demand that this number should be doubled or trebled.

I should now like to make a few remarks about the Chandausi School which one or two members have mentioned. I have endeavoured to give in the Budget memorandum an idea of what we are trying to do at Chandausi. The school, I hope, will be opened in the course of the next few days. The Principal is at the moment in Delhi on a visit here to the Railway Board and we are making progress. We are meeting various difficulties and the school will be started. There seems to be perhaps some misapprehension as to the scope of the school in spite of the amount of publicity that we have tried to give it. What we are doing is this. The major portion of the organisation of this school will be for the training of the subordinate staff on the railways in their existing duties regarding running trains. They will be brought in in batches for training at the school lasting for ten days or a fortnight, and gradually the staff of the State Railways will have to go through the school either at Chandausi or at Asansol primarily with the object of improving their efficiency and giving them opportunities of understanding their work and of improving themselves generally. In addition to that, we have classes for officers, mainly junior officers, engaged in transportation work, who will similarly be instructed in all the aspects of train working and transportation work generally. The school is fitted up with models and we have there reproduced in a hall exactly the same conditions as station masters, signal men and others have to work under at their own stations. A track runs round the room and the model train will run round it and the students will be posted as station masters or assistant station masters and will have to go through a course of training in the work they have to do, with the train control, the train instruments and everything working. That will apply primarily to

the subordinate staff and to the officers on the State Railways. In addition to that Chandausi has a further function, that it will undertake the training of the probationary traffic officers who are engaged in practical training on our Railways. They will undergo courses at Chandausi coupled with courses of practical training on the Railways. These are the men who were appointed last year as probationers and are undergoing their practical training and our recruitment and training scheme for the Traffic Department will be based on the Chandausi School. We do not propose, we never have proposed, to take in large numbers of young lads for training there in the hope that one or two of them will turn out to be traffic officers and the rest sent away without jobs. What we do is we select our men, appoint them as probationers and then give them training. That is the scheme we have in hand.

Now, Sir, there are only one or two more remarks to be made regarding the speeches of Honourable Members. The Honourable Sir Deva Prasad Sarvadhikary has referred to the delay in constructing the Howrah-Vishenpur Chord. He is quite correct in saying that it does not appear at the moment as a project on which we are about to spend money. Now the history of that Chord as far as I know is this. It was to be part of a more direct route from the Bengal Nagpur coalfields to the docks. It was to cut across from Vishenpur to a point just above Howrah, at Bally and from there to cross the river and come down on the other side of the river to the docks. It was coupled with the scheme known as the Burdwan-Howrah Chord which is a similar chord from Burdwan to the same point—Bally. Both of those lines were intended to combine and form one line across the river Hooghly in the neighbourhood of Bally and come down to the docks, and it was intended to afford a shorter route from the coalfields to the docks. It depended for its completion on the building of the Bally Bridge and that bridge we have not yet seen our way to build, but we are now at the moment hoping to get a move on with that bridge and commence construction. At the same time the Howrah-Vishenpur Chord in so far as it affects through traffic is not a necessity of that scheme and it must probably wait until the Bengal Nagpur Railway can tackle it. The position of the Bengal Nagpur Railway is this: that they have been for the last few years spending a great deal of money on developing their railway for carrying mineral traffic, particularly in the neighbourhood of Tatanagar. They have spent large sums of money in connection with the traffic expected from Tatas and also in connection with the traffic expected from the other iron and steel industries in the neighbourhood of Asansol. Until that traffic materialises to the full extent and pays its way, all the money that has been spent already on those facilities by the Bengal Nagpur Railway will to some extent, as has been shown in our accounts, have to be unremunerative or not fully remunerative, and it is a matter for grave consideration whether a railway in that position should undertake a further extension such as the Howrah-Vishenpur Chord which cannot in itself be definitely remunerative for some years. That is the position.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: You can complete the system and make it remunerative.

THE HONOURABLE MR. C. D. M. HINDLEY: We have to make very careful estimates. Our view of the matter is that having regard to all the circumstances at the moment it would not be a remunerative proposition to start construction at once for the Howrah-Vishenpur Chord. The project

[Mr. C. D. M. Hindley.]

will not be lost sight of and we shall take it up again at a favourable opportunity. With regard to the question of a central station for Calcutta I mentioned in my speech that we hope to have a full investigation made as to the best method of improving terminal facilities in Calcutta and that investigation will also cover facilities for passenger traffic and goods traffic in order to arrive at the best solution of this problem. As regards the central station for Delhi we are providing the first and early stages of a very large scheme of development which was laid out in connection with the building of the new capital. Those stages will be ready to go on with as necessity for them arises and as traffic from New Delhi grows. But the policy we have adopted at the moment, it is a good policy I think, is not to be too previous with providing large facilities for traffic which does not yet exist. There is no intention to stop where we are at present in the matter of development of facilities for Raisina. We are providing a small station at Ajmiri Gate, which will eventually be developed into a large station to meet the needs of the new city, but there will be no justification for abandoning the present main station at Delhi which has carried the traffic for many years and can still carry it for many years to come. There will be no justification for abandoning that station at present and building an entirely new station at Raisina. The present main station is, I believe, in the centre of gravity of Delhi and deals with a very large number of the population. As and when the traffic at Raisina in New Delhi increases, we shall provide the necessary facilities for it.

Then the Honourable Sir Deva Prasad Sarvadhikary mentioned certain complaints which he had been made aware of in regard to the service of the East Indian Railway staff who have been now transferred to State management. I am not aware precisely of the complaints to which he refers, but I understand that a petition on the subject has been received, and of course it will be looked into. The essence of the arrangement under which the staff of the East Indian Railway was transferred was that they carried with them their own terms and conditions of service. There may be differences between their terms and conditions of service and those of Government railway service, but I am not prepared to say that they are differences which will affect their interests adversely. In any case, the matter will be very carefully considered.

The Honourable Mr. Natesan referred to the necessity of improving the Madras suburban traffic facilities. He asked me whether we were or whether we were not going to double the line from Madras to Tambaram. The position is that we had under consideration a definite proposal for doubling that line, but it was deferred while the question of electrification was being examined because with the scheme of electrification it was necessary to reconsider all the details of the proposed doubling scheme. The recommendation that has been made by the Consulting Engineers to whom this was referred is that two lines should be added to the existing line, making three in all. And there are certain good reasons for supposing that that would be in the long run perhaps the most economical method. That is to say, two new lines will be added alongside of the old line and the two new lines will be electrified. That of course would give very considerable facilities. At the moment we are awaiting the detailed estimates for this proposal, because we have to take a long view of this matter, we have to consider which will be the best method of dealing with it, whether we are to double the line and then electrify it or whether we

should put down two new electrified lines alongside of the old one and thus give additional facilities. The matter, I hope, will not be long delayed, because we are expecting the detailed estimates very shortly. But I think the Honourable Mr. Natesan must have started his speech before he had looked at the pink book in his hands, because the pink book of the South Indian Railway Budget shows very clearly that we have made a commencement on this work of improving the suburban lines on the South Indian Railway. We have clearly said there that this doubling or increasing the capacity of the line will necessitate the acquisition of additional land which will cost 7·8 lakhs, and we have made a provision in the Budget for the expenditure of 7·5 lakhs to cover the acquisition of the land. But the Honourable Mr. Natesan knows better than I do, how long it takes to acquire land in the Madras Presidency. If he can satisfy me that we are going to get that land in time to enable us to spend some money during the next budget year, I shall be very glad indeed, and I shall endeavour to place the money at the disposal of the South Indian Railway. But I am not very optimistic. The acquisition of land, particularly in the neighbourhood of Madras, is not a quick process, nor is it a cheap process. I hope that I have satisfied the Honourable Member that we are not sleeping over this matter. If others sleep, it is not our fault.

The Honourable Mr. Natesan, I am glad to see, has paid a visit to the Perambur workshops and has been able to endorse what I have said about their being antiquated. I am very glad, indeed, to find that the Railway Advisory Committee in Madras has been taken round on this practical excursion, and I hope that the Agents of other Railways will do the same with regard to their Advisory Committees. I should like to say that we acknowledge, that we feel very appreciative indeed of the work which has been done by these Advisory Committees, and when they take the form of practical support such as the Honourable Mr. Natesan has given us, I must say that we feel very glad that the matter was pushed through and that those Advisory Committees were formed.

There is one subject, Sir, which I notice I have not mentioned. The Honourable Rai Bahadur Lala Ram Saran Das said that there was a fear that the introduction of the divisional system on the North Western Railway would mean that Indian officers were not perhaps going to take the same part in railway management as they had done in the past. I don't understand why he should have brought in a matter of that sort into the consideration of practical measures such as that of introducing the divisional system. All that we are doing there is to re-arrange the duties of officers on a rather more clear basis of personal responsibility in which the Divisional Superintendent will be personally responsible for all the affairs in his division. We are there carrying out the same principle of decentralisation as we are doing with regard to Agents. If the Honourable Lala Ram Saran Das fears that Indian officers will not be selected for the post of Divisional Superintendents, which I suppose is what he means by his speech, I should like to inform him that an Indian officer is at present occupying one of those posts.

Now, Sir, I only wish once more to express my appreciation of the kind atmosphere I have encountered in this House and to assure Honourable Members here that it is a very great pleasure to be able to come up and explain these matters on a practical basis.

THE HONOURABLE RAJA PRAMADA NATH RAY (East Bengal: Non-Muhammadan): Sir, I have listened with great interest to what the Chief Commissioner for Railways has said about the various points that were raised by different Members in this House, and some of the points that I wanted to raise have been already referred to by him. Still I shall make a few remarks, with your permission.

Sir, it is a matter of great satisfaction that the current year has been a prosperous one for the Railway Administration, and I join with the other Members of this House in congratulating the Honourable Member for Railways. In view of this prosperity I hope it will not be quite out of place to ask the Railway Administration to devote some portions of the windfall that they had for the amelioration of the legitimate grievances of the third class passengers, either in the shape of reductions in fares, or if that be not possible, by raising the free allowance of luggage from 15 seers to ½ a maund. It has been said that the reduction of even ½ a pie per mile would cost the Railway Administration 4½ crores a year; as long as the Railways were under the company management, the question of profit and loss might have been the sole consideration, but the position is different now under the Government management, and it is expected that Government would not put too much stress on the question of profits alone, but also consider the fact that when public money has been spent on Railways from their very inception, the public have naturally a right to expect some sort of amelioration of their legitimate grievances specially in a year when the Railway Administration is putting forth what is called a prosperity budget. If in a year like this nothing is done in this direction, it would give the public an impression that the Government are unwilling to do anything for the benefit of the people. We have just heard that the Railway Administration wishes to have a bridge of its own to divert the trains to Sealdah which will be then, I take it, the central station for Calcutta. I am sure the Calcutta people will welcome such a change for various reasons, and I believe it will also to a certain extent no doubt lessen the importance of the Howrah Bridge and a smaller bridge probably will be necessary the construction of which will be within the competence perhaps of the local authorities there. The people of Bengal are grateful to the Railway Administration for taking up the work of the conversion of the metre gauge to broad gauge between Parbatipur and Siliguri as it has been one of the crying wants of the province inasmuch as all classes of people from the highest to the lowest who have to go up to Darjeeling, the summer capital of Bengal, are being greatly inconvenienced since last year when the Parbatipur section of the broad gauge was opened for passenger traffic. I hope it will be possible to accelerate the work and bring the project to completion within a very reasonable time and as early as possible.

There is, however, another great want, although not of the province as a whole, but of an important section, and that is the construction of a branch line connecting Nanchal-Rajshahi-Issurdi. It will not only open up a whole tract of rice-producing district, but will also have the advantage of connecting a district headquarter which is one of the three biggest educational centres in Bengal. Besides it will serve as a protective work as it will be along the banks of the Ganges and meet the main line near the Hardinge Bridge. It will be seen that at the present moment there are very few district headquarters which are not served by the Railways, and I believe that there is no such headquarters in Bengal at least, except Pabna and Rajshahi, the latter of which is 28 miles from the nearest railway station and the former is 16 miles. I therefore hope that the earliest opportunity may be taken to give effect to this long-standing project.

Sir, the Government are, I believe, aware that the town of Pabna in Bengal is gradually being eroded by the strong currents of the Padma or the Lower Ganges, and therefore stands badly in need of embankments and other protective works. This town not being very far from the Hardinge Bridge has to bear the brunt of the current which is much stronger now than what it was before the bridge was constructed. As in pre-bridge days there was no obstruction to the natural flow of water the erosion was much less. In the circumstances, I hope it will be possible for the Railway Administration to consider whether it should not come to the aid of the Local Government in its attempt to save the town by protective works, although I believe the Local Government is doing all that could be done in the matter. I understand that this contingency was to a certain extent foreseen when the construction of the bridge was decided upon. It is however a matter for the experts to investigate and decide.

Another matter which I hope will attract the attention of the Railway Administration is the inconvenience of the passengers of all classes owing to the island platforms and the overhead bridges not being covered and as a rule very badly lighted.

Sir, I am sorry to have brought some of the provincial grievances before this House, but as the Central Railway Administration can only deal with these I had no choice in the matter.

Sir, with these remarks I beg to resume my seat. I wish all good luck to the Railway Administration and hope that the Government will consider that at least some sort of consideration might be shown to the third class passengers.

THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): Sir, I don't wish to enter into the intricacies of the policies of the Railway Administration, neither do I wish to waste the time of the Council by ceremonial and formal congratulations, but I wish to draw the attention of the Honourable Member to a few things which strike my mind.

As far as the Budget is concerned and the speech of the Honourable Mr. Hindley is concerned, there is one point which is not quite clear to my mind. In the current year, he says, that by an extra expenditure of two crores and 14 lakhs he is going to have a gross income of five crores more. Then, Sir, when he is making a budget estimate for 1925 the gross expenditure from 86 crores 77 lakhs rises to 91 crores and the income is going from 98 crores to 101 crores. That is, the expenditure is rising to 4 crores and 23 lakhs, while the extra income which he estimates in the coming year is only 3 crores. I don't consider the advisability of paying this extra expenditure in order to gain this about half the income of the expenditure. At least this is not quite clear from the speech which the Honourable Member made the other day.

Then, Sir, in the Demands on No. 7, I have seen that the demands for 1925-26 are to be 8 crores 40 lakhs and 79 thousand rupees. They say that this whole sum will not be spent and they only think of

[Mr. Yamin Khan.]

spending about 6 crores 46 lakhs and 70 thousand rupees. In this House, Sir, to-day, I have heard most interesting speeches about improvements to the Howrah Bridge, about Bombay, Calcutta, Madras and other places, and the peculiar locality inhabited by my Honourable friend, Lala Ram Saran Das, and many other places. But I have heard nothing about the improvement of my province. The Honourable Member in charge of Railways is asking for Rs. 8,40,79,000 and by the Budget estimate he wants to spend only Rs. 6,46,00,000. I would suggest to him that the remaining portion might liberally be given to the most ignored province of mine, the United Provinces.

THE HONOURABLE SIR MANECKJI DADABHOY: You have got a bigger mileage than any other province.

THE HONOURABLE MR. YAMIN KHAN: My province is the biggest in India. Sir, if I remember correctly, on the 14th of October, 1923, an address was presented to His Excellency Sir William Marris at Etah by the citizens of the city. I happened to be present on the occasion. In that address a demand was put forward for the introduction of a new line. The headquarters of the district lie about 18 miles from the railway. There is a huge demand from the commercial point of view and from the traffic point of view for this new line. They have put up a very good case in that address. They have put up a scheme for a branch line starting from Aligarh passing through Sikandra Rao and going as far as Etah Town and then going to Mainpuri. In this line they will have about 4 or 5 big towns on a line of about 50 miles. Besides affording export facilities for grains it is greatly needed in that locality. I had put a question a few days ago about this and I got the reply that this scheme would not be paying. But the reply was based on a different scheme which was calculated some time ago for joining Etah Town with Kas Ganj on the Bombay Baroda and Central India Railway. That scheme of joining Kas Gânj to Etah Town may not be paying, but a branch line from Aligarh to Etah Town and to Mainpuri would certainly be a paying scheme.

Then, Sir, demands have been constantly made by the people of Bijnor district and other districts lying away from the railways. They put forward schemes for joining Bijnor from Meerut. Then there was a scheme of having a branch line to Bijnor from Nagina and there were several other schemes. But every time the reply came that it will not bring in an interest of more than 4 per cent. At that time you had to spend a larger capital than what you would have to spend in normal times. I do not mean to say that even if you are losing you must start a scheme. If the Government are going to borrow the money at 6 per cent. and to invest it in a concern which will give 4 or 4½ per cent., of course that will be a mad adventure to start such a scheme at once. But if you have got money in your hand, if you have got Rs. 8 crores and you are spending only 6 crores as you say in the Budget, you have got a surplus of 2 crores and this can safely be invested in all these schemes that may bring only 4½ per cent. I am not sure that the time has not changed and that the capital amount which you would have had to spend two years ago has not considerably gone down now. Prices have gone down and you can now spend on the same scheme 33 per cent. less than what you would have had to spend two years ago. In 1919 and 1920 the price of steel

was very high. I only draw the attention of the Honourable the Railway Member to the fact that he may not ignore my province and that he should investigate the problems which have been constantly before the Government for the improvement of branch lines. Another branch line which is mainly concerned with commerce and trade is the line which joins Shadara and Saharanpur. On this line many towns are situated and many places where there is a lot of sugar trade. But they have to come by a different route. If this branch line is taken from Baghput as far as Meerut, that will also join the North Western Railway, and on the other side of the river, the whole produce which remains without being exported or which does not arrive in proper time in the grain market or in the sugar market will be carried in time and a lot of time will be saved, and there will be an ample quantity in hand in both the places, Baghput and Meerut Mundy. These are only certain instances which I remembered offhand and I have put them before the Government.

There are, Sir, certain minor details which of course as an ordinary passenger I see and to which I would like to draw the attention of Government. We find that there is a search light used on the Oudh and Rohilkhand Railway. I do not notice the searchlight on the engines of all passenger trains, but I notice them on the mail trains and probably the fast passenger trains on the Oudh and Rohilkhand Railway. I would suggest that a searchlight at the head of the engine and one on the rear of the train should be used in order to avoid collisions. A searchlight would have been useful at Amroha when one engine and two carriages went down into the stream and they have not been dug out up to this time although three years have passed. A searchlight would be useful in avoiding dangers arising from broken bridges or on account of floods. We find in the North Western and East Indian Railways that there is no shed over the bridge which connects the main and the island platforms like what we have on the Oudh and Rohilkhand Railway. At Bareilly and Moradabad on the Oudh and Rohilkhand Railway there are sheds over the bridges as well as on the platforms up to the entrance to those bridges. When there is no shed people have to pass through the bridges with great difficulty on hot summer days, on rainy days and on chilly days during the winter. When the railways are now having surpluses I do not see why these comforts should be neglected. I suggest that speedy measures ought to be taken to remedy these defects.

Another point I wish to draw the attention of the Council to is that though there are waiting halls at junction stations for third class passengers they are not properly looked after and do not provide all the conveniences that are required. There are no waiting rooms provided for the intermediate class passengers. The waiting halls for the third class passengers require improvement, and at junctions where passengers have to change from one train to another waiting room for the intermediate class passengers should be provided. I have seen Indian ladies travelling in the intermediate class waiting for 2 or 3 hours on the platform in extreme weather for want of a proper waiting room on the station premises.

Another point that strikes me is this, that all the foreign purchases should be made on the rupee basis and not on the £ basis. When they are made on the £ basis exchange fluctuations cause a great deal of loss to the Indian finances. On a few occasions exchange may be favourable to India, but on most of them it is not and therefore causes a great deal of loss to the Indian revenue.

[Mr. Yamin Khan.]

These are some of the points to which I wish to draw the attention of the Railway Administration.

THE HONOURABLE MR. R. P. KARANDIKAR: (Bombay: Non-Muhammadan): In view of what has fallen from several Honourable Members I propose myself to be very short. I for one was opposed to the separation of the Railway Budget from the General Budget. I have been assured from time to time since then that it is for the benefit of a proper consideration of the whole question that the Railway Budget should be separate, and to-day I have been reminded by my Honourable friend Mr. Natesan that I was one of those who were wrong. I do not think I shall be very long in being wrong, but I do think that the separation of the Railway Budget has a tendency to oust the jurisdiction of Members who have a right to look into it. I am reminded of what has fallen from my Honourable friend Sir Maneckji Dadabhoy who very naturally resented that this House was not consulted on the point and that a sort of treaty was made with the Assembly there.

THE HONOURABLE SIR MANECKJI DADABHOY: My complaint was regarding the details of the specific proposals which were embodied in a special Resolution and placed before the Assembly—detailed proposals which were not even brought to the knowledge of this House.

THE HONOURABLE MR. R. P. KARANDIKAR: I for one think that I cannot call for the tune if I do not pay the piper. We do not sanction any money whatever. We have merely the right to criticise and offer certain remarks and I feel as if I am in the Bombay Legislative Council of 1911-12 when we had the right to pass remarks on the Budget but never to vote. We do the same thing here. But I do really feel that our remarks will be more appropriately conceived as coming from disinterested quarters. They will have more weight and it is in that sense that I rise to offer a few remarks.

This Budget which is offered for our consideration here has all the charm of novelty and no wonder that it may contain some defects. But after all it is an honest real endeavour to place us in possession of whatever is necessary to consider in connection with the railway business generally. I am only concerned with one or two aspects of the question, though I have no doubt a mind to air a grievance—a local grievance it may be considering the whole extent of India—connected with the district from which I come. I am inclined to call attention to the line that passes by the name of Southern Mahratta country line—the Madras and Southern Mahratta Railway. Those that chalked out the line I fear had only the map of India before them or an enlarged map of the locality through which the railway was to pass. It has avoided almost all important towns so much so that in these days of motor driving those principal towns are connected by motor service and that is, I fancy, in a manner responsible for the shortage which you find in the income of the railways concerned both from the second and first class passengers. As a matter of fact, 96 passengers out of 100 of these were third class passengers. At any rate it is this fact which accounts for the decline in the realisation of what was expected from first and second class passengers. I want to congratulate the Honourable Mr. Hindley and the Honourable the Mover. I do hope I shall have an opportunity of welcoming the Honourable Mr. Hindley when he is passing through the Satara district in spite of the fact that

Satara is ten miles from the nearest railway station and then congratulating him upon the excellent way in which he has brought out this Budget. I really look forward to an opportunity when the Honourable Mr. Hindley may find it convenient to travel over that line to see for himself personally how the carriage trucks are, the residential quarters of ill-paid station masters and what magnificent arrangements are made for third class or for the matter of that second class passengers. I would like him to see the dirty rejected carriages standing on this line. These are economic ways of dealing with Railways. In the course of a grave budget discussion I dare say that some time may be devoted for consideration of the grievances of railway passengers. I have no chance of knowing whether it would be made a subject of discussion here although the grievance of third class passengers has in fact been the real grievance. Looking up the Railway Act of 1890 I was reminded that those grievances are standing grievances. Those that took part in framing law in 1890 wanted to voice the grievances of those people but they had no chance. I have no doubt that with the separation of the Railway Budget greater regard will be paid to the conveniences of third class railway passengers.

As I said there are one or two topics that are depicted in this very admirable record that has been furnished to us. There is complete accord between the Honourable Mr. Hindley and the Honourable the Railway Member at least in one particular, and that is in regard to branch line terms. I am inclined to think that greater attention has to be paid to this question of the new policy in regard to branch and feeder lines. It may be thought that I am airing local grievances but I do have a grievance on that point. For years and years the Satara people have been ventilating this grievance before successive Governors and they were told that the time was coming when their grievances will be remedied. A bridge too has been constructed with a view to connect Satara city with the Koregan station which is about 10 miles away. There is another project which is also in view of joining the Konkon through the Western Ghats. These are feeder lines. But I have a different aspect of this subject before me. I look upon them as educative means. I have gathered from the replies given to me that the Railway Board consists of very eminent people who have had large experience of railway matters, persons who could get to the position of Agents. They must have a clearer notion of what these feeder lines are. They may not run on commercial lines. A Government resolution recently issued refers to the lines on which these feeder and branch lines have to be constructed. I think that that Resolution is capable of being reconsidered. I feel that, unless you have a feeder line, you cannot let people have that intimate knowledge of the working of the lines. District and Local Boards have certain enactments in regard to their own lines. These feeder lines have an educative element. It is there that you get intimate knowledge of the Railways. I do not look upon them as a sort of commercial proposition. It is from this point of view that I welcome this departure.

It is stated in a paragraph dealing with the training of staff:

> "This is a matter which has given the Railway Board very anxious consideration. We are now elaborating proposals for training railway staff in their current duties with a view to improving their efficiency and giving them an opportunity of rising to higher posts. This is a task which railways in other countries have not had to undertake."

So far as I am aware, says the Honourable Mr. Hindley, no comprehensive scheme such as is now contemplated has been put in force in any other country. I wish the railways all success in this matter. It is thus that

[Mr. R. P. Karandikar.]

people will realise what new sciences are. His Excellency the Governor of Bombay said that India is full of old knowledge and that it has learnt quite a lot from the new sciences. That is a welcome departure. I am still considering whether the separation of the Railway Budget from the General Budget is a good thing, because I apprehend just as the military Budget goes off, the Railway Budget also might go off. I therefore trust great consideration will be given to the whole scheme.

THE HONOURABLE SARDAR CHARANJIT SINGH (Punjab: Nominated Non-Official): Sir, I welcome this first Railway Budget which has been presented to this House since the separation of the railway finance from the general finance. The question of separating the railway finance from the general finance, I believe, has been under the consideration of the Government for a very long time, in fact it has been under the consideration of Government since Lord Curzon's time, and I am glad effect has now been given to the proposal. Sir, it is only right and proper that railway development should be conducted on commercial rather than on departmental lines, and I have no doubt that we shall get solid advantages from this procedure.

The Budget itself is an exceptionally good one, and I should like to congratulate the Honourable the Railway Member on it. The general finances will get a fixed sum of 560 lakhs and the reserve fund will be a gainer by 410 lakhs. Great credit is due to the Railway Board for this, and I am sure a large portion of that credit is due to the Honourable Sir Charles Innes, himself. As the Honourable Mr. Hindley pointed out the other day, one great feature about this is that it gives a promise of continuity for future improvements. As you know, Sir, it is hopeless to expect good administration without continuity. The total length of open lines at the present moment is 38,000 miles which, taking into consideration the size of India and its vast population, is not very much, but I am glad to find from the Budget that there will be an addition of 2,138 miles more before long.

Now regarding decentralisation, there is one sentence in the speech of the Honourable Mr. Hindley. He said that "if we fail in our task of maintaining the railways on a solvent footing while developing and improving them to the utmost extent possible, it will be because we are forced to deal with details at headquarters". Perhaps it implies, Sir, that the recommendations of the Acworth and the Inchcape Committees have not been so far fully carried out. If so, I would suggest that steps may be taken to carry them out as soon as possible so that the possibility of the danger which has been hinted at in the Honourable Mr. Hindley's speech may be effectively removed.

THE HONOURABLE HAJI CHOWDHURI ISMAIL KHAN (West Bengal: Muhammadan): Sir, I think the House is by this time aware that I intended to move a Resolution recommending the Government to take steps for improving the amenities of the third and intermediate class passengers and to take steps for the reduction of third and intermediate class fares as well. Owing to certain circumstances, before I could move the Resolution the Railway Budget has been presented. I take this opportunity of drawing the attention of the Government to the pitiable conditions of the third class passengers. I do admit that Government's attention has been drawn to this very important question, but I regret that the care and attention which this subject demands have not been paid to it.

Sir, the Honourable Mr. Hindley in presenting the Railway Budget has provided only 30 lacs for the improvement of the amenities of the lower class passengers, which is too trifling in comparison with the vastness of the subject. India is a vast country with thousands of miles of railways, with thousands of stations, and the provision of 30 lacs for erecting sheds, erecting raised platforms, better water supply arrangement, booking facilities and provision of refreshment rooms, is like a drop in the ocean. In past years the question of providing better facilities and conveniences to lower class passengers was totally neglected; even now the Government are coming forward with half-hearted measures. I would rather suggest that every railway station having refreshment rooms for the upper classes should also be provided with such rooms for lower class passengers. I think there is no gain-saying the fact that it is the third class passengers who bring the bulk of the income derived by Railways from passenger traffic. From the statement supplied by the Honourable Sir Charles Innes in the other House, it is conclusively proved that during the years 1921-22, 1922-23 and 1923-24, the number of first and second class passengers are decreasing and there has been a steady fall of income from them, whereas there is a steady increase in the number of third class passengers and an increase in the income from them as well. Now I come to the question of the proportion of passengers and the carriages of the two higher classes and the third class. Sir, I take only one year, *i.e.*, 1921. From all the available sources and materials I gathered that in that year over the Great Indian Peninsula Railway the average number of first class passengers is 4 in each train, while the number of first class carriages in terms of four wheelers, is 2 or in other words one carriage for every two passengers. Now let us see the space allowed for third class passengers. In each train on an average there used to be 8 carriages accommodating 224 passengers or in other words 15 passengers in each carriage. Now in coming to the budget proposals for this year we find that the number of first and second class passengers are decreasing whereas the third class passengers have considerably increased. That being so what is the justification of the Government in proposing to build another 67 four wheelers of first and second class carriages? I admit that they have provided for the construction of 755 third class coaching vehicles, but considering the number of third class passengers that are to be carried, I think that new vehicles will only be sufficient for carrying the increased traffic, thus leaving the former overcrowding at the stage where it was before. Further, I think the cost of building and furnishing a first class vehicle will be nearly 5 or 6 times the cost of a third class vehicle, though of course nothing is contained in the Honourable Member's speech as to the respective cost of the two classes of vehicles. Sir, even estimating in the lowest figure if the cost of a first class vehicle be twice the cost of a third class, then Government are spending approximately one-fifth of the budgeted sum for building coaching vehicles of the upper class, though the passenger traffic of the third class has increased during the years 1921-24, to the extent of 22 millions and the number of first and second class passengers have decreased to the extent of nearly 2½ millions during the same period. In this connection I may bring to the notice of the Railway Board that the refreshment rooms and the dining cars which are provided for passengers at present are totally unsuitable for the orthodox section of the Indian travelling public. I venture to say that the food supplied by the caterers and contractors consists of articles prohibited by the religion of either the Mussalmans or my Hindu friends. In order to avoid these difficulties the Railway Board should take immediate steps for providing separate Mussalman and Hindu refreshment rooms. I would

[Haji Chawdhuri Ismail Khan.]

further suggest that instructions be immediately conveyed to the contractors and caterers of dining cars not to use any prohibited article of food.

I believe that I have been able sufficiently to prove that the sum of 30 lakhs budgeted is too small for providing innumerable amenities to third class passengers, who have so long been totally neglected. I have also proved, I think, that the construction of 755 new coaching vehicles for the third class passengers is, compared with the enormity of the question of overcrowding, too small to cope with the problem. In the circumstances, I would appeal to Government to spend another crore of rupees, from the proposed reserve sum of 410 lakhs, for the construction of a larger number of third class coaching vehicles and for the increase of amenities for them. I hope Government and this House will see their way to support my proposals.

Sir, I come from the Backergunge District in East Bengal and it is a matter of great regret that the Backergunge District has not got any railways and the people of the said district have to travel a journey of 212 miles from Barisal to Sealdah in 18 hours which causes a great inconvenience to the travelling public of the said district, while the said journey by railway will not take more than 6 or 7 hours. In this connection this fact may be specially noted that, though a survey has been undertaken on certain occasions, the Railway authorities have not so far done anything in this direction. There is at present a network of railways throughout India but the only solitary district, the above-named district, lies quite forsaken and the people are experiencing a lot of inconvenience on account of the absence of railways. Sir, it will not be out of place for me to suggest that measures may be adopted to establish a railway system in the Backergunge District connecting the various towns of principal importance.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-Official): Sir, I don't know what I should say for myself—whether I am a parochial politician or a parochial patriot. I am conscious that I am neither the one nor the other. Embracing this opportunity of to-day when we are on the eve of taking a new departure in matters of railway administration, I consider that by far the wisest thing we should do is to take a broad imperial view of this new departure. Of course, my friend, Mr. Karandikar, holds a different opinion from the general body of the Members here by saying that this is not an opportunity for the separation of railway finance from general finance. That may be his opinion; but if he has been a student of railway finance, as he most probably is, he will perhaps agree with me, that after all this separation of railway finance from the general revenue is no new thing at all. The only new feature of it is this that we are belated in doing that which should have been done from the very first, that is, when India began to have its railway construction. At that time there was no money in the country and there was no enterprise. All the money needed to make a modest start had to be borrowed, and it was owing to that fact that, of course, the Government had to guarantee people who put their money in Indian railways for interest. That being so, of course, necessarily the general revenue had to be considered in the matter and that was the reason why for so long the separation that might have taken place at the very beginning was held in abeyance. We have only been able to separate the general revenue from railway finance

at this time of the day. Well, Sir, I have been a student of railway finance—an humble student I should say. But I am free to confess that I don't pretend to know much of the technicalities and details of the practical working of Railways as these engineers here on the front bench. But I do say this, that I myself some 15 years ago wrote a tract on railway finance when the Railway Committee was formed in England in 1907 and Sir James Mackay, now Lord Inchcape, and Lord Rothschild and others were members of that Committee. I criticised the financial recommendations made by the Committee on their report, and I wish to draw your attention to two broad facts, namely, that guaranteed railways were, in the first instance, an absolute necessity and that railways must be built in India for India's better interests from all points of view. They however from the financial point proved very unsatisfactory. They have cost the tax-payer crores on crores which could only be paid from the general revenues. I pointed out in my brochure that the time had come for discontinuing the practice of merging railway finance in general revenues for more than one solid reason. What were they? The same that 15 years later the Acworth Committee pointed out in their report. One of the greatest evils of the old method had been most instrumental in famishing the Railways for adequate rolling stock. That evil was greatly in evidence during the great war. The development of railways might have been infinitely better and greatly expedited had the separation now brought to a head been an accomplished fact somewhere in 1910. Thus we are entering on a new departure in railway finance fifteen years too late, all the same, better late than never. And so far I also join with my Honourable colleagues here in appreciating the step that the Government have now so wisely taken in this matter and cordially congratulate that authority. The Government have taken the right step and in the right direction. Let me, Sir, recall to the minds of this House the fact that it is now 80 years since Indian Railways were first started. That was in the year 1845. I was born a year earlier—I was born in 1844. So the Railways and I are coeval in point of age. I remember, when a boy of 9 years, going to Byculla to see the first inauguration ceremony of the Great Indian Peninsula Railway, the train running to Thana, a tiny affair with tiny carriages conveying a party of Government officials and some citizens. The distance then travelled was only 19 miles! The East Indian Railway soon followed suit. Now contrast the humble beginning of these two big railways and realise the gigantic progress of these two earliest railways to-day! There was first the guaranteed railways. Ten or fifteen years' experience informed the Government and the public that these were huge financial losses and the guaranteed interest a burden on the tax-payers. All the same it was unavoidable. But then without guarantee no Railways in India would have come into existence till perhaps 1880 or even later. But the interval afforded all the experience how the railways can be made successful. Even in England where the Railways were started in 1825 (and this year England is going to celebrate their centenary) they were acquiring valuable experience which stood them in good stead as years rolled on. Experience came and knowledge came by the practical working of the Railways. So that 25 years later it was fully realised that the Railways constructed in India till then were all very expensive besides entailing an annual burden by way of guaranteed interest. The 5½ feet broad gauge railway cost fully 1·30 lakhs per mile which was exceedingly heavy. So it happened that during the Viceroyalty of Sir John

[Sir Dinshaw Wacha.]

Lawrence and of Lord Mayo there were two distinguished servants of the Crown who started the campaign known as the "battle of the gauges". Those were Sir John Strachey who was a financier and civilian and the other Sir Richard Strachey, his brother (called Castor and Pollux) who was a great Public Works Engineer. Sir John's and their economic conscience (and I think it was a very good conscience) prompted them to think of another railway scheme whereby Railways could be constructed more cheaply and without a guarantee of the State. Why cannot India construct narrow gauge railways which might be every way cheaper, cheaper from the point of construction and cheaper from the point of view of the tax-payer, whereby the cost of construction might be considerably reduced? By a reduction of capital outlay every year loans borrowed will be *pro tanto* less. So the battle of the gauges began in right earnest—to build a broad gauge railway at a cost of 1·30 lakhs or a metre gauge at ¾ of a lakh per mile only. The broad gauge was 5½ feet and the metre gauge was 4½ feet. Very well, the battle was vigorously waged between the protagonists and antagonists for ten years or so until Sir Richard Strachey was able to win the day. Metre gauge railways began to be built. But a few years more proved the disadvantage of their construction. These railways were not equal to the conveyance of the volume of traffic offering. Moreover, the greatest inconvenience was experienced on account of break of gauge where the broad gauge railway had to be changed for a metre one. So a Committee sat in 1879 to reconsider the future construction of railways and how capital was to be raised. So in 1880 it was recommended that the guarantee of the East Indian Railway should cease in 25 years when the State should acquire it, and the policy of a moderate broad gauge all through was determined upon. In the meantime, financial arrangements were made for debentures and so on. So that, practically speaking, it was after 1880 that the first practical and permanent step was taken to make our Indian Railways paying and gradually relieving the burden of the guaranteed interest. They could only be made to pay if the cost of construction was low and there was no guaranteed interest to be paid in future. It may be said, therefore, that from the year 1845 when railways began to be built and worked to somewhere about 1904 every one of the Indian Railways was losing except the East Indian and the Rajputana-Indore Railways. We lost on an average during these 50 or 55 years something like 1¼ crores per annum. Gradually, it was found out that if our growing commerce and industries were to extend and develop, the Railways should prove to be the greatest benefactors of the country and its people. It was recognised that if India was to develop its commerce and industries we should cheapen and popularise our Railways. I must acknowledge that the Government took the right view from those days, particularly after the date of the report of the Welby Commission in 1901. The late Mr. Gokhale and myself together with Sir Surendra Nath Bannerjee were witnesses before that Commission, and we gave our evidence on Railways strongly urging how Railways can be made more popular and paying and advising at the same time that railways should not be constructed at a breathless pace involving a heavy burden on the tax-payers. Railways turned the corner from the year 1904 when they first began to show a net gain on the capital outlay. Before that year there was no net gain to speak of on the capital whatever. Of course, the net receipts over working expenses gave a profit averaging

about 5 per cent. But after deducting the annual interest and other charges there was a net gain on the capital of some 400 crores and upwards. That being so, the next important step that had to be taken was necessarily the popularisation of the Railways and making them really a financial success and giving relief to the tax-payers. This is really the origin of to-day's epoch-making departure in the matter of railway finance, namely, the separation of the Railway Budget from the general revenues. The Acworth Committee has done the greatest service to India by strongly urging this recommendation, and I believe it is not only the Acworth Committee. The merchants of Bengal, those who trade in jute, tea and coal, and the merchants of Bombay who are the greatest manufacturers of cotton and other big merchants of different presidencies and provinces had combined to see that their trades and industries were flourishing and they have been greatly instrumental in the new departure by the generous support they gave so far to the recommendations of the Acworth Committee. Every unit of the mercantile community knows that it is by means of cheap extended railway communications say, by a net work of railways, that India can extend and develop its commerce and industries and bring prosperity to its people. Unless commerce flourishes there can be no revenue, and if there be no revenue to speak of from this source you are nowhere. The Railways are our real benefactors. Mistakes have been made in the past, partly from inexperience and partly from insufficient knowledge, apart from the method of raising the needed capital. We are all making mistakes. All civilised Governments have made mistakes in railway matters. The United States have made mistakes in their railways which they were the first and foremost to correct. I think it is somewhat unfair and unjustifiable to criticise and even reproach the Government in the way some latter-day gentlemen have done in their conceit and ignorance. I congratulate the Government that on the whole we are now entering on a new sphere of railway finance. The broad features of that finance and what we are about to determine upon in this first Budget have been lucidly explained in the speeches of the Honourable Mr. Hindley and the Honourable Sir Charles Innes. Both are very lucid speakers and Sir Charles is a very vigorous debater too. That being so, what we have on this occasion to do is to welcome this new departure which is prolific of the largest good to the country. By all means urge grievances. Let each province urge its own. And let the merchants agitate for their own grievances as to the reduction of railway rates and rebates and damages. We are now taking a new departure. Let us loyally support the Government and encourage them by suggesting ways and means whereby the Railways can be made financially successful and highly popular. We must not grudge if the Government are able to get 5½ per cent. as interest on the capital outlay and something more for depreciation. That of course will come back to the tax-payer. The more the revenue from the Railways, the larger will be the ultimate benefit to the tax-payers. The general revenues will also benefit more and there will be greater prosperity in the country. There will be more economic prosperity. We are all talking of the comparative poverty of India. The poverty of India is no doubt partly due to physical causes, partly to political causes, and partly to the wrong economic policy in the past. But if the Railways are developed on the right lines, then, I repeat, our economic prosperity will be greater and will be maintained. The larger the mileage of paying railway, the greater the inter-provincial connection and the greater

[Sir Dinshaw Wacha.]

the prosperity of the people. Of course, railway rates must be reduced, in order to lighten the burden on the commercial and industrial classes who chiefly contribute to railway revenue. If we are to be a great manufacturing, industrial and commercial country, if we are to be "compact" like the United States and independent of all foreign countries for our food and clothing and many other things—then I say that India has a magnificent future before it. If these Railways are developed on the right lines as they are being done now, then the glory will all be our own. We all have grievances. But let us take heart. Let us rejoice in this new departure. Let us thank those who have been able to start this new ship of railway finance. I would also congratulate both Mr. Hindley and Sir Charles Innes because they have been the pioneers and the instruments of this new policy of Government. But above all let us never be parochial in railway matters. Let us think "imperially". With these observations I resume my seat.

THE HONOURABLE RAJA SIR RAMPAL SINGH (United Provinces Central: Non-Muhammadan): Sir, at the outset I desire to associate myself wholeheartedly with the strong protest made by my friend Sir Maneckji Dadabhoy against the slight which we have suffered in not being consulted on the question of separation of railway finance from general finance and also upon the convention. Sir, the Honourable the Chief Commissioner has said in his speech that he is very much gratified with the calm atmosphere that reigns in this House. It might be on account of that calmness and sobriety which always prevails here that this House might have been neglected at the time when this question was being discussed in the Assembly. I take this opportunity not only to congratulate but also to thank the Honourable the Chief Commissioner as well as the Commerce Member for the very successful and satisfactory working of the Railways in India during the year which is about to close. The account they have given of their stewardship and administration during the year is well worthy of praise. The lucid and clear statement presented to the House the other day had enabled me, a layman, to have a clear insight into the complicated figures with which it abounds. The separation of railway finance from the general Budget was wisely accepted by the Assembly and adopted. It has not only facilitated their task but has also put the working of the Railways on a firm and solid footing. By that reform a continuity of policy has been assured, the chances of wastage minimised and further they can at any moment know where they stand.

I yield to none in my sympathy and solicitude for the third class passengers, and it is my duty to press their claims for better accommodation, better conveniences and better treatment. At the same time I appreciate that great reform has taken place in that direction and I know that Government are always very solicitous of providing good comforts to the third class passengers. Without yielding in my sympathy for them to any one I may point out that if the Government be pleased to decrease the fares and provide only wagons for transport of these passengers, I think a very large number of passengers would travel in the wagons. I very strongly urge that some relief should be afforded to these third class passengers in the matter of fares, but I am afraid there may be too much spirit of commercialism in the department when this question may arise and no relief will be given to the third class passengers in order simply to earn good profits.

Sir, my Honourable colleagues have pressed for certain extensions of Railways in their own provinces. I simply want to point out that there is a small town in my own district which is called Dulmau and which is 18 miles from Rae Bareilly. There was a train service from Rae Bareilly through Dulmau to Cawnpore before the war. During the war the necessity arose to send rails to Mesopotamia and they were taken out and despatched to Mesopotamia. It it a wonder that up to this time those rails have not been put up again and the people are still deprived of their train service to Dulmau. It is a place where at least 10 lakhs of people assemble almost every three months and now they have to go by a round-about way and have to travel about twenty-four miles more to reach Dulmau. The stations are there, the bridges are there, the fencing is there, everything is in order, but there are no rails and therefore there is no train service. I simply wish to point out that with a very small outlay the train service can be reopened between Rae Bareilly and Cawnpore and it will prove very profitable and at the same time will add to the convenience of the people.

In my journeys I often wonder how it is that the land lying on both sides of the railroad often lies vacant and no trees or anything of the kind are grown on it. I know that it may not have struck the experts but I wish to tell the House that if the Railway Department takes upon itself to plant trees by the side of the railroads it will be very profitable to the State and at the same time add trees to the country.

THE HONOURABLE SIR CHARLES INNES (Commerce Member): Sir, the Honourable Mr. Lalubhai Samaldas referred to the fact that the Chief Commissioner in this Council and I in another place had made two different speeches in introducing the Railway Budget and he said that the two speeches were complementary to one another. That is perfectly true. The Honourable Mr. Hindley dealt more with technical matters and I dealt with matters of a more general character. I may remark parenthetically that I think the Honourable the Chief Commissioner has the better of the bargain. He stands up as the railway expert and explains to this Council all the great benefits the Railways are conferring upon the country. I in another place have to fight for my life on various controversial matters. But, Sir, I am referring to this remark of the Honourable Mr. Lalubhai Samaldas, because I wish to explain that my speech this evening is complementary to what Mr. Hindley has already said: in fact, it will be merely a short appendix, because I think that Mr. Hindley has dealt with most of the points which have been raised in to-day's debate.

The first point I wish to take up is a remark made by my Honourable friend, Sir Maneckji Dadabhoy which was endorsed by several Honourable Members of this Council. Sir Maneckji Dadabhoy complained that we had not placed the Resolution relating to the separation of railway finance from the general finance before this Council, and he stated that the Government had cast a slur upon the Council of State. Well, Sir, I hope that the Honourable Member will remove that impression from his mind once and for all. I can assure him and this Council that nothing was further from the thought of myself or the Government that it should show any disrespect whatsoever to this Council. I go further. I have said before, and I will say it again, that in a matter of this kind, in a matter which affects both business and financial interests this Council, composed as it is, is in a better position to give Government advice than the Legislative Assembly. If we did not consult the Council of State

[Sir Charles Innes.]

it was because we thought that we had already got the approval of the Council of State to the principle of the scheme of separation. We had consulted four members of the Council of State on the Central Advisory Council, and during the last budget debate almost every speaker I think in this Council referred to the question of separation and, as Sir Basil Blackett put it, every one but one referred to it with approval. The Honourable Sir Maneckji Dadabhoy also referred to it and I should like, Sir, with your permission, to read out what the Honourable Member said:

"Sir, I am glad that the recommendation of the Inchcape Committee in this direction is to be put into operation at an early date. I am glad that in anticipation of the sanction of the Assembly the Honourable the Finance Member has endeavoured to introduce the system into the current year's budget."

Then he went on to say that he hoped that the Council would give its unqualified support to this "just and businesslike suggestion". We thought, Sir, that we had the approval of the Council of State to the general principles of the scheme, and I must confess that I thought that the actual details of the scheme were more for the body which has the power over the purse. If I was wrong I here and now offer my apology to this Honourable Council and I should like to assure my Honourable friend again that we had no intention whatsoever of showing disrespect to this Council.

There are one or two other points to which I wish to refer. The first is this rather contentious matter of branch line policy. I wish first to correct what I think is a misapprehension on the part of my friend Sir Arthur Froom. From his speech I gathered that he considered that lines constructed on these branch line terms were worked by small companies and he was prepared to say that 20 years ago the Railway Board or the Railway Department of the Government would not have managed those lines so well as these small companies, but, Sir, I think that the Honourable Member is making a mistake. Most of these branch lines were worked and have always been worked by the parent line for the branch line company and the branch line company is merely what I may call a financing house. This question, I should like the Council to remember, is purely a practical question. Our branch line terms are out of date. Nobody would come forward to finance the construction of a branch line upon the terms contained in our existing branch line terms. If we are to have use made of those branch line terms we shall have to revise them in the direction of very much greater liberality. We shall have to offer not a guarantee of 3½ per cent. but probably a guarantee of 5½ per cent. or even 6 per cent., and we do not think it right to do that. For the moment we are in a position to put up the money ourselves for the construction of these lines and we are perfectly satisfied that by putting up the money ourselves we shall get the money cheaper than if we got the money through the agency of a branch line company; and therefore we think that we are on the right lines for the moment. The time may come, as the Honourable Sir Maneckji Dadabhoy pointed out, when Government will not find it possible to raise all the money that may be required for railway construction in India. If that time does come then we shall certainly be prepared to reconsider the matter. We are not putting forward our policy as a policy which is to be fixed like the laws of the Medes and the Persians for ever and ever. All we claim for it is that that is the policy which is best suited to

the circumstances of the moment, and it is always a policy which can be reviewed from time to time in the light of the experience gained.

Sir Maneckji Dadabhoy also said that he could not understand why we were laying an obligation on Local Governments to put up guarantees for lines which they require. He pointed out quite truly that Railways are a Central subject and ought to be financed from central revenues. But, Sir, just let me remind him of past history in this matter. Our records are full of applications from Local Governments asking us to consider particular lines in particular districts. In many cases those lines cannot be justified as business propositions. It cannot be shown that those lines will be remunerative. Consequently, the Government of India have not been able to take up those lines, and Local Governments have always complained that they have had no means of getting those lines constructed in spite of the fact that the lines, though they may not be remunerative, may be very urgently required for administrative or other reasons. Now the advantage of this suggestion which we have made to Local Governments is that we offer them a way out of that difficulty. If any Local Government has got a line in its province which it may not be able to justify as a business proposition but which it desires to construct for other reasons, then, if the Local Government is prepared to guarantee say the interest on our money, we, on our part, agree to construct that line. It seems to me that it is a simple and businesslike way out of a real difficulty, and Local Governments have already shown that they appreciate the offer that we have made them. They all approve in general terms of this new policy of ours. We have already begun constructing two lines on this basis and, as I have said before, we have got other applications from Local Governments under consideration now.

The next point of general interest that was raised was that of the question of decentralisation. I have very little to say on this point because it has been already dealt with by my Honourable friend on my right. Mr. Hindley has explained to you the policy which we in the Railway Board and in the Railway Department are trying to work up to, and I think that he has been able to satisfy the Honourable Sir Arthur Froom and the Honourable Mr. Bell that, as far as the Railway Department and the Railway Board are concerned, we are working upon lines which they as business men approve of. But it does raise a much more difficult question and that is the question to which some of my Honourable friends here present referred to-night. I should like to assure the Honourable Sir Deva Prasad Sarvadhikary and Mr. Ram Saran Das that we do not object in the Railway Department, and we have never objected, to what they call healthy criticism in the Legislative Assembly. That has never been our objection and I think it is sufficient answer to statements of that kind to point to this Budget which we have placed before this House and the Legislative Assembly. We are inviting criticism by putting this Budget before you. But what we do object to and what we deprecate is questions, Resolutions and the like which are likely to injure the discipline and the proper working of our Railways. In the other place we have had questions after questions inquiring why A has been passed over when B is senior to him, inquiring whether it was a fact that two booking clerk girls at Howrah station were rude to a passenger. That was followed up by a further question as to whether they were punished, followed by a further question as to what the punishment was. That is the sort of questions that we deprecate. We do not deprecate it because we resent the Legislature taking up questions of that kind, but because we see that.

[Sir Charles Innes.]

if the Legislature does take that line, it must inevitably tend to paralyse the initiative and efficiency of railway administration throughout, and that is the sole point that we have been trying to make in making our protest against questions of this kind.

I very much appreciate the remarks of my Honourable friend Sir Maneckji Dadabhoy on the question of Indianisation. He pointed out quite truly that it is a very difficult problem and it is a matter on which progress must be slow and that for two reasons. In the first place, as he said, we must maintain our standards of efficiency and, in the second place, we must remember that we have in the Railway Department now a number of officers whose legitimate claims to promotion cannot be overlooked. This is a question for the solution of which you must look to the future, and I do not think that either in the Legislative Assembly or in this place any one can quarrel from the Indianisation point of view with the policy which we have adopted. As regards the superior posts we announced that we are prepared to adopt the recommendations of the Lee Commission which means Indianisation at the rate of 75 per cent. of the total posts.

THE HONOURABLE SIR MANECKJI DADABHOY: Is it for the total or the engineering service only?

THE HONOURABLE SIR CHARLES INNES: All posts. In a generation, and what is a generation in the history of a nation, you will have the superior ranks of your Railways practically Indianised throughout and, when there is that prospect before the people of India, I do not think that it is right that we should be accused of going too slow at the moment. You must remember that my friend Mr. Hindley and I are responsible for the efficient management of the Indian Railways, and efficient management of the Railways does not merely mean good dividends. It means also the safety of the public, and the safety of the travelling public is no light responsibility. We always have got to bear these things in mind, and that is why I welcome so much the Honourable Sir Maneckji Dadabhoy's reference to the necessity of maintaining the standards of efficiency. I think myself, Sir, that occasionally Honourable Members are somewhat impatient. For instance, my Honourable friend Rai Bahadur Lala Ram Saran Das referred to the fact that, though this Council passed a Resolution in 1923 about the appointment of Indians as Traffic Inspectors on the North Western Railway, nothing has been done about it. Well, Sir, what are the facts? No permanent appointment has been made even by promotion to the class of Traffic Inspectors since February 1923 as no permanent vacancy has occurred, the cadre having been reduced by 4 posts, but out of ten temporary vacancies five have been given to Indians.

Then, Sir, the only other point, that I wish to refer to is the question of the reduction of third class fares. Here again, I must ask the Council to have patience. The Honourable Mr. Lalubhai Samaldas suggested in the course of his speech that the amount of our contribution to general revenues was too high. He suggested that because we had agreed to too high a contribution, therefore we were prevented from doing all that we should have liked to do for the improvement of our services and the reduction of fares. Well, Sir, it is a matter of opinion whether or not

our contribution was just high enough or whether it was too high, but we agreed to that contribution, because we were perfectly satisfied that, high though it was, it would pay us. And if you will only give us time, then I am perfectly sure that you will find that we shall not only keep your Railways in a prosperous condition, but, as time goes on, we shall be able to reduce both freights and fares. We realise that what we ought to aim at is exactly the same as any business man ought to aim at, namely, the largest possible turnover with a small margin of profit instead of a small turnover and a large profit. That, I am quite sure, is what we have got to aim at, but we cannot reduce these fares at present.

As I said the other day, the reduction of half a pie per mile in your third class fares would cost us 4½ crores of rupees. Now supposing having made that reduction, we went back to the same rate of increase as we used to have before the war, namely, an increase of 30 million passengers per year—the average distance a third class passenger travels is 34 miles a year—then all that we should gain by this increase of 30 million passengers a year will be comparatively a few lakhs. At any rate it would take us a long time before we could make up these 4½ crores. In any case, it will be no use making this reduction unless we can carry the increased traffic which we cannot do at the present time. That is our present difficulty. That is what we are working at in the Railway Board. That is all I have got to say.

I thank this House very much for their kindly references to the Honourable Mr. Hindley and to myself and for the welcome they have given to this Budget. I myself have no fears at all for the future of Indian Railways. I believe that, as regards dividends this year, we can stand comparison even now with any other country in the world. But, Sir, now the Indian Legislature has definitely agreed to the proposition that we should treat the Railways as a commercial proposition on a commercial basis. If the Indian Legislature will stand by that proposition, and if they will trust the Railway Board and the Government, then, Sir, I am perfectly sure that, as time goes on, we shall make your Railways a more and more efficient instrument of trade and commerce in India.

The Council then adjourned till Eleven of the Clock on Wednesday, the 25th, February, 1925.

COUNCIL OF STATE.

Wednesday, 25th February, 1925.

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

MEMBER SWORN:

The Honourable Mr. Evelyn Robins Abbott, C.I.E. (Delhi: Nominated Official).

QUESTIONS AND ANSWERS.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, may I be permitted to put all the questions, Nos. 109 to 115 together, as I understand the Honourable Member in charge would like to lay on the table written answers.

LOAN OF MEDICAL MEN TO THE RAJPUTANA STATES.

109. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please state whether and when medical men belonging to different cadres in British India were lent to the States of Rajputana for the opening and working of hospitals and dispensaries in these States?

QUALIFICATIONS AND CONDITIONS OF SERVICE OF MEDICAL MEN LENT TO THE RAJPUTANA STATES.

110. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please state the number and qualifications of these medical officers and the condition of service under which their service was lent by the Government from time to time?

COMPULSORY RETIREMENT OF MEDICAL MEN LENT TO THE RAJPUTANA STATES.

111. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would the Government please state if any of them have been ordered to be compulsorily retired on proportionate pension or otherwise, before they are due to retire under the rules of service by which they were originally governed?

GRIEVANCES OF MEDICAL MEN LENT TO THE RAJPUTANA STATES.

112. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is it a fact that these officers were subjected to various difficulties and hardships and that the increase of emoluments and promotion due to them under conditions of their service have not in all cases been accorded to them?

TRIBUTES PAID TO THE MEDICAL MEN LENT TO THE RAJPUTANA STATES.

113. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is it a fact that Chief Medical Officers have spoken of their work from time to time in terms of praise? In particular has the attention of Government been called to the tribute paid to certain of them by Lieutenant-Colonel Hunt in August, 1924?

COMPULSORY RETIREMENT OF MEDICAL MEN LENT TO THE RAJPUTANA STATES.

114. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is it a fact that in 1921 the Government of India expressed themselves averse to their compulsory retirement and considered that in view of the fact that the Sub-Assistant Surgeons were originally sent to Rajputana to meet the needs of various States concerned the States should continue to employ them until they were due to retire, or until they were absorbed elsewhere with their consent?

COMPULSORY RETIREMENT OF MEDICAL MEN LENT TO THE RAJPUTANA STATES.

115. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Is it a fact that the Government find themselves unable to reabsorb such as are not yet due to retire, in spite of which they have been or are about to be retired compulsorily on proportionate pension?

(*b*) If the answer to the above be in the affirmative, would the Government please state if they are prepared to compensate the officers concerned for their loss and if so, how?

THE HONOURABLE LIEUTENANT-COLONEL S. B. A. PATTERSON: A memorandum containing the information asked for by the Honourable Member in questions Nos. 109 to 115 is laid on the table.

109. Yes. Medical men of the hospital assistant (now called Sub-Assistant Surgeon) class have in the past been lent to Indian States in Rajputana for employment in hospitals and dispensaries in those States. Owing to shortness of time and the absence of old records in Calcutta, it has not been possible to ascertain exactly when, or in what circumstances, the practice originated. It is known, however, to have been in force as long ago as 1878 and was probably in existence earlier still. It was however in 1882 that it was placed on a regular footing. In that year Government accepted a recommendation of the Agent to the Governor General in Rajputana for the constitution of a regular cadre of Hospital Assistants to man the dispensaries maintained in various States. They were to be considered as Government servants lent to an Indian State, their pay at Government rates and the cost of educating them as medical students being borne by the States rateably according to the number of dispensaries established in each State.

110. The Government of India have no information as to the numbers and qualifications of the men who have been transferred to service in Indian States in Rajputana in this connection from time to time. Arrangements for the recruitment and distribution of this class of medical officer were made locally. The men were Government servants specially recruited for service in Rajputana and were lent on foreign service conditions to the various states concerned.

111. Yes. In 1910 the Agent to the Governor General reported that the majority of States concerned desired the discontinuance of the system under which Sub-Assistant Surgeons in their employ were recruited as Government servants and were under the control of the Chief Medical Officer, Rajputana. They desired to take their medical institutions under their own control and supervision. The question of providing for the existing staff of Sub-Assistant Surgeons was thus raised and was under consideration, for many years, the Agent to the Governor General being asked to endeavour to arrange for absorption in various ways. In 1921 he reported that though a large number of Sub-Assistant Surgeons had been satisfactorily provided for, there were 49 men whose cases remained undecided. There were no openings for them in Government service outside Rajputana and their continued service in States was not feasible, in some cases because they were not wanted by Darbars and in others because they were unwilling to adopt State service.

The Government of India were very reluctant to resort to the final alternative of compulsory retirement, but, after all other efforts to provide for these men had failed, they were constrained to authorize the Agent to the Governor General to take the necessary steps for discharging them under Article 426, etc., of the Civil Service Regulations.

112. The Government of India have no information on the subject.

113. The Government of India are not aware of the reports referred to, but it seems quite probable that such opinions have been locally expressed.

114. Yes. As already indicated in the reply to question No. 111 above, the Government of India were anxious that compulsory retirement should only be resorted to as the last resource.

115. (*a*) Yes. The circumstances have already been described in the reply to question No. 111 above.

(*b*) No. The Government of India are not prepared to compensate the men further than has already been done. They have been treated in the same way as other Government servants who may lose their employment through reduction of establishment; and, as all efforts to provide employment for them elsewhere have failed, the only course open was to retire them and grant them the compensation pension admissible under the rules just as has been done in innumerable recent cases occasioned by the policy of retrenchment. It was also considered that compulsory retirement involves less hardship for medical officers than for most other classes of Government servants since, if they are really efficient, they should have little difficulty in making a living by private practice.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, I would like to ask some supplementary questions, of which I have handed the Honourable Member a copy, and he tells me that he would like to have time to answer. May I just read out the supplementary questions and, with your leave, the answers may be given later?

THE HONOURABLE THE PRESIDENT: Will the Honourable Member read the questions.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: 1. Would the Government please place on the table (when found) the original terms of employment of these officers?

2. Is it not a fact that these cases are not covered by any of the retrenchment or reduction rules of Government, and that such rules did not exist when the loan of these officers was decided upon?

3. Would the Government in their Medical Department be pleased to state why the officers in question with their added experience cannot be absorbed in the service?

4. Would the Government please state the length of service to the credit of each officer about to be retired and the period for which they would have to serve before retirement in due course would be insisted on, and what the loss in pay and in pension in each case would be?

THE HONOURABLE LIEUTENANT-COLONEL S. B. A. PATTERSON: Sir. I will endeavour to obtain the information asked for by the Honourable Member in as short a time as possible. In some cases the archives in Calcutta dating back to the early Seventies will have to be examined and so it will take a little time.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: May I suggest that, if the answers are not available while the Council is yet in session, copies of the answers may be forwarded to me and published in due course?

THE HONOURABLE LIEUTENANT-COLONEL S. B. A. PATTERSON: Yes, Sir.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table the following Bills which were passed by the Legislative Assembly at their meeting held on the 24th February, 1925.

1. A Bill to amend the Prisons Act, 1894.

2. A Bill to amend the Cantonments Act, 1924.

RESOLUTION *RE* INCLUSION OF A REPRESENTATIVE OF THE TRAVELLING PUBLIC IN RAILWAY ADVISORY COMMITTEES.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): Sir, I beg to move:

"That this Council recommends to the Governor General in Council to direct Local Governments to include a representative of the travelling public, elected by recognized passenger associations, in the Railway Advisory Committees in the provincial headquarters."

The Resolution which I have just moved appears to me to be so vitally connected with public utility that I feel sure our far-seeing Government always anxious to know and administer to the needs of the masses will accept it in its entirety and give operation to its provisions at a very early date.

The appointment of Railway Advisory Committees was a very wise and commendable move undertaken in response to many requests from

different public bodies, and the proposal which I now beg to make is a necessary sequence to that action. Government have laid great stress on the work of these Advisory Committees, and there is no doubt but that they will form a very useful link between the travelling public and the Railway Administration. But to make them really useful it certainly is absolutely necessary to have a representative of the travelling public on these bodies. The political and educational awakening in the country has led to the formation during recent years of many Passengers' Associations, a large number of which are already representative bodies doing their best to promote and safeguard the comfort and convenience of the travelling public, and their work has earned and received the appreciation of Government and the Railway Department. Yet, despite this very evident success and usefulness, they have not as yet been granted representation on these Advisory Committees, not even the Passenger Protecting Society of India, which was the first association formed to carry out its work on behalf of the crores of people who travel up and down India every year. Surely at least a society like this could be given representation on those Committees, especially as the actual proposal for the establishment of those Advisory Committees found its birth in that Society. On several occasions it addressed Government drawing attention to the usefulness of a closer contact between the travellers and the Railway Board, which could be obtained by the formation of some such associations or committees. In 1920 a deputation of the old Council Members, of which I had the honour to be one alongside the Honourable Mr. Khaparde, Mr. Patel, Mr. Kamini Kumar Chanda, and a representative Secretary of the Society went to the Government with various suggestions, one of which was the formation of Advisory Committees, and although Government could not or did not accept the proposal at that time, Sir George Barnes expressed his sympathy with it and promised to give it his best consideration. But later, when the Acworth Committee was appointed by Government to consider the working of the Railways, this Society continued its agitation, and at last that Committee accepted the suggestion and recommended to Government the establishment of Advisory Committees. When stating the Government view on one of Mr. Joshi's Resolutions in the Legislative Assembly, the Honourable Sir Charles Innes commended the work of the Society. Yet its representative has been given no seat so far on any Advisory Committee.

The same anomalous position is to be seen in Madras, Bombay, and Bengal where there are excellent Passenger Associations doing most useful work on their own, without any voice whatever on the Advisory Committees. I need not here refer to the admirable work done by the Bombay society under the chairmanship of my friend the Honourable Mr. Lalubhai Samaldas. Surely the present state of affairs can and should be remedied, and so I earnestly request the Government to accept my Resolution and direct the Railways to nominate one representative of a recognised passenger association on all Advisory Committees.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, my name has been brought up by the Honourable the Mover of the Resolution in connection with the Bombay Passengers' Association. Sir, I was Chairman of that Association till the end of last year. I have now resigned the Presidentship both on account of the press of other work and for other reasons also. That Association did

[Mr. Lalubhai Samaldas.]

apply to the Bombay, Baroda and Central India and the Great Indian Peninsula Railways to allow them to elect one representative on the Railway Advisory Committees and the answer that they received from the Bombay, Baroda and Central India Railway and the Great Indian Peninsula Railway was that, when their Railway Advisory Committees met for the first time, this question would be discussed at the meeting, and if it was found desirable that this Association should be represented, then they would consider this question. I believe—I am speaking from memory—that at the first meeting this question was raised at both the Advisory Committees and both of them thought that the representation of public bodies was quite sufficient and that at present there was no reason why the Association need be given separate representation on any Advisory Committee. Later on when we found that the Madras Association which is affiliated to ours, had been given the opportunity of sending a representative to the South Indian Railway Advisory Committee, I wrote demi-officially to the Agent of the Great Indian Peninsula Railway. He however said that public interests were very well represented and that therefore it was unnecessary to give special representation to the Railway Passengers' Association. The Association did however feel that, if it was allowed to elect a representative, it would strengthen its hands and that it would then be able to do much more useful work than it is able to do at present. On the other hand, if I understand aright, the attitude of the Railways as well as of the Railway Board is that the Association was not strong enough, was not representative enough, to be given this right. What actually happens is this. Such an Association is not able to get the support of the public if it is not recognized by the railways or by Government. On the other hand, the Government and the Railways say, "Your Association is not strong enough, therefore we will not give you representation." That is the present position. I thought I had better make the whole position clear to the House. I have only to add that if Government see their way to allow these Associations to have representatives on the Railway Advisory Committees, the Associations would feel sincerely grateful.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, as my Honourable friend, the Mover, has referred to Madras, I feel it my duty to state that I know as a matter of fact that on the Railway Advisory Committee of the Madras and Southern Mahratta Railway of which I happen to be a member, there is a representative of the Madras Passengers' Association. I might further state what is but due to the officials that, generally speaking, the representations made to them are generally very carefully attended to. So far as Madras is concerned, I know that in Madras our Railway Advisory Committee contains a representative of the Madras Railway Passengers' Association.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to support the Resolution which has been so well moved by my Honourable friend, Mr. Haroon Jaffer; and, as I think the Bombay Railway Passengers' Association is a representative body, it ought to have one nominee on the Railway Advisory Committee of the Bombay, Baroda and Central India Railway and the Great Indian Peninsula Railway. The proposal is simply a modest one and is, I think, reasonable. I hope Government will kindly see their way to accept it.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, I value this Resolution because it shows the interest which the Council

of State takes in these new bodies, namely the local Advisory Committees which have been attached to the Railways. The object of these Committees is to bring representative local opinion into closer touch with the Railways and with the railway administration, to secure closer touch with public feeling and to obviate mutual misunderstandings. These Committees are not bodies for conducting debates; they are intended to be practical working bodies. They also form a new experiment in any case; they have only been in existence for a year or a little more than a year, and whether they succeed or not is a matter of very great interest to us in this Council of State and to the country as a whole. But at present they are very tender plants. Now, Sir, in order to have a good working body of that nature, I think everybody will agree that it ought to be small in numbers and that it ought to be as representative as possible and that it should not be a packed body. For these reasons, Government have refrained from laying down very tight restrictions upon how these Committees should be formed. They think it much better that a great latitude should be left to the local centres. Yesterday, we heard a great deal of the advantages of decentralization. We do not want to centralize or place in strait waistcoats these local Advisory Committees, which are essentially local by their name and in their objects. We do not want to lay down elaborate rules specifying who shall be on them and who shall not be on them, and whether representatives shall be nominated or elected, or how they should be elected, whether by the single transferable vote or by any of the other encumbrances or difficulties that hamper our own procedure here at times. I will read, if the Council will allow me, the instructions which the Government of India have sent about these Local Committees.

"*Constitution.*—A separate main Committee to be constituted for each administration."

that is for each railway administration,

"the number of members being decided by circumstances subject to a maximum of 12."

I think everybody will agree that 12 is a good working maximum.

"The Agent to be *ex-Officio* Chairman."

He is the only railway man on the Committee. There is thus no question of packing the Committee with railway officials.

"The remaining members to consist of—

two Local Government members nominated by the Local Government in whose jurisdiction the headquarters of the railway in question is situated;

three representatives of the Legislative Council of the Government in whose jurisdiction the headquarters of the railway in question is situated. These members should be selected to represent rural interests and the travelling public."

It is left to the local Legislative Council to select three representatives of rural interests and the travelling public. I draw attention to the words "rural interests and travelling public."

"one member from the local municipality or corporation at the railway headquarters;

five members representing industries, commerce and trade.

The method of selection of the non-official members to be left largely to local discretion."

[Mr. D. T. Chadwick.]

The House will see, Sir, that at least nine out of the twelve members are non-officials.

"The method of selection of the non-official members to be left largely to local discretion. The representatives of the Legislative Council need not necessarily be Members of the Council."

Therefore, it is perfectly competent for the Legislative Council to select representatives from powerful, strong, railway passenger associations in any of the headquarter towns, if they exist. It is perfectly open to them to recognise such associations and nominate one of its members as one of their representatives on the local Advisory Committee.

"Members of the Central Advisory Council are not debarred from membership of Local Advisory Committees. The five members representing industries, commerce and trade would ordinarily be drawn from important local bodies representing predominant trade interests; the actual selection of such bodies should be made in consultation with the Local Government, and once the selection is made it should be left to them to nominate or elect their representatives. The tenure of office of the members to be left to the electing or nominating bodies to decide."

I cannot conceive of any rules that could be framed more freely and which could give greater power and greater latitude to Local Governments and to local interests. Now, Sir, we are asked to insert some rigidity into these rules, to insist that recognised railway passengers' associations at headquarters should be given seats on these Committees, which seats are to be filled by election from among the members. That is, as you see, prescribing details to an extent hitherto not attempted.

Before I deal further with that I would examine on what this claim is based and would like to disabuse the Council from one or two misapprehensions. I am thankful for the support that I got from the Honourable Mr. Natesan. He showed that in Madras under this very constitution as framed, the Legislative Council, the Corporation or somebody else did find passenger associations at work and did appoint to the Advisory Committee as their representative men who were members of those passengers' associations. We could not have gathered that fact from the speech of the Honourable Mover. He gave us the impression that none of these Railway Passengers' Associations got a chance. I now turn to my friend the Honourable Mr. Lalubhai Samaldas. He referred to his letter to the Agent of the Great Indian Peninsula Railway. I have got a copy of that letter here. But he did not tell the Council that at the time that it was written that Mr. Nansey, the Secretary of that Association (*The Honourable Mr. Lalubhai Samaldas*: "Mr. Jivaraj Nansey") was in fact, under this constitution already framed, a member of the Local Advisory Committee of the Bombay, Baroda and Central India Railway appointed by the Bombay Municipal Corporation. If the Corporation appointed Mr. Nansey to the Advisory Committee attached to one Railway in Bombay and did not see it fit to appoint him to another Railway Committee whose headquarters is also in Bombay, that is a matter entirely for the Corporation and it is not a matter to be brought up by a Resolution in the Council of State. Presumably the Bombay Corporation have good reasons; perhaps they wanted that somebody else should be put on the Committee of the other Railway. I do not know their reasons and they are immaterial to us. The Council will see that the Secretary of this Passengers' Association has in fact already been nominated a member of the local Advisory Committee on one of these

Railways in Bombay by the Corporation of Bombay and that has taken place under the constitution as at present framed. Yet the Honourable Mover based his case on the implication that this Association, of which this gentleman is Secretary, is shut out from these Committees.

Then, again, we know that many of these associations are very small, some are one-man shows. This Resolution, as it stands, begs the question. It refers to election by recognised passenger associations. Recognised by whom? Are we here, the Government of India, to say what constitutes recognition? Is it not much better to leave that to the local authorities, the local people, amongst whom these men live? Is it not better to leave the matter to the local Legislative Council and to the Corporation, who know the standing of these bodies and who are free to send whom they will as their representatives? Therefore, Sir, I regret that I am not in a position to accept this Resolution as it stands.

I have forgotten a point, of which my Honourable Leader has reminded me and he, by so doing like a true leader, is keeping me up to the mark; I am indebted to him. If this Resolution is to be passed, are you going to increase the number of these local Advisory Committees? Does Bombay wish to have on its Council the unlucky number of thirteen to make room for one association? It would perhaps be an unlucky and unwelcome change. If they are to be provided for by additions how many of these associations are going to crop up? Or is it intended that they should be included at the cost of the representatives of the already established bodies of trade, commerce and industries, who are interested in Railways, or is it suggested that the discretion and patronage which has been given to the local Legislative Councils should be withdrawn from them? I do not think that either of such courses is likely to increase the popularity of the Railway Board with local institutions. These Railway Advisory Committees are very young bodies; we hope that they will become extremely useful. I do earnestly submit to this Council that they have been in existence only for 18 months and it is unnecessary and unwise to interfere with them or to alter the constitution. Passengers' Associations ought to be able to bring their influence to bear on their local Legislative Councils or the Corporations of the town in which they are situated.

THE HONOURABLE MR. HAROON JAFFER: Sir, I am sorry that the Government has not seen their way to accept even a Resolution which seeks to improve the administration of the Railways. If representatives of such associations are put on Advisory Committees, they would have before them true and complete knowledge of the grievances and the needs of the masses, whose interests, I know, are very dear to Government. I still hope that the Government will keep the matter in mind and give effect to it in some form or other on account of its great practical utility. Sir, I now leave it to the Council to decide the fate of my Resolution.

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

"This Council recommends to the Governor General in Council to direct Local Governments to include a representative of the travelling public, elected by recognised passenger associations, in the Railway Advisory Committees in the provincial headquarters."

The motion was negatived.

RESOLUTION *RE* REDUCTION OF INTERMEDIATE AND THIRD CLASS RAILWAY FARES.

THE HONOURABLE HAJI CHOWDHURI MUHAMMAD ISMAIL KHAN (West Bengal: Muhammadan): Sir, I do not wish to move my Resolution.*

THE HONOURABLE THE PRESIDENT: Will the Honourable Member withdraw his Resolution? There is a Standing Order which lays down that the Honourable Member called must either move or withdraw his motion.

THE HONOURABLE HAJI CHOWDHURI MUHAMMAD ISMAIL KHAN: Sir, I withdraw my Resolution.

RESOLUTION *RE* IMPROVEMENT OF WATERWAYS.

THE HONOURABLE MR. HAROON JAFFER: Sir, I beg to move my second Resolution which runs thus:

"This Council recommends to the Governor General in Council to appoint an expert Committee to consider the advisability of reshaping many of India's most important water-roads in order to provide heavy water transport to her innermost doors, security of land against erosion, reclamation of land, and tidal power for electric schemes."

In moving this important Resolution, I will at the very outset admit that I am broaching a very technical subject, and that is why I am bringing before this Honourable House that most unhappy of all visions, namely, the appointment of "an expert committee". For the same reason I am going to refrain from going into the subject with any degree of detail, because I realise that it is a matter for experts and for their investigation rather than for a gathering of politicians, no matter how far-seeing and how enthusiastic we may be. All I am asking for in this Resolution is a committee of inquiry who will bring in their recommendations for careful consideration in due course, although I hope that consideration will not be delayed for many months.

I think that all the Honourable Members present will agree with me that considering the size of its population India should be ashamed of the state of its rivers. If there be any, however, who do not agree with this statement, then I would inform them that they are disagreeing not only with what I think but with what the foremost engineers of the country think, and with what no less an authority than Engineer-Commander W. A. Williams thinks about it. Indeed, I say that my Resolution found its cue in a lecture given by this eminent engineer, although perhaps I should add that, as far as I know, he is absolutely unaware of my intentions in using his remarks as the foundation of my Resolution. But his remarks were so striking that they literally compelled the framing of this Resolution, as also I believe they will compel the passing of the Resolution.

Anyone who travels extensively over India and Burma will be forcibly impressed with the enormous extent of the yearly—and we might almost say daily—erosion and consequent alteration of the channels of the rivers. In fact, these channels have been found so shallow and so in-

* "This Council recommends to the Governor General in Council that immediate steps be taken for increase of the comforts and conveniences of the third class travelling public of India and to reduce the third and intermediate class railway fares to their pre-war level."

definite in their courses that it has actually been found undesirable, if not absolutely impracticable, to formulate rules for inland ship construction and navigation. In other lands, which possess rivers of much less width and natural depth than those in India, the fullest use is made of the inland waterways, and the Governments spare no pains to improve the existing waterways and to establish others if possible. It is a recognised fact that water conveyance is by far the cheapest of all traction; but here in India we find large rivers not only going to waste but actually diminishing in size or yearly becoming more shallow because of the lack of attention which is bestowed upon them.

According to those experts who have studied the question as it relates to India, the immediate requirements are measures for the prevention of erosion and the formation of channels of sufficient depth to enable a decent wave to proceed unhampered. This absence of river banks which are being demolished by erosion might almost be termed a river disease, and nearly every province is suffering from it. As a result the vast quantities of flowing water spread themselves over the land in the form of floods which have done such enormous damage in various parts of India recently, and I make bold to state in this very connection that a scientific treatment of this erosion question would go a very long way towards the prevention of such disastrous floods and of the consequent famines and misery. Bengal and Madras are great sufferers from this river disease. Moreover, the correct treatment of the trouble would have productive as well as preventive benefits. Wealth could be acquired from the sand-banks and shoals could be brought under cultivation by similar reclamation. Deep-sea communication would be possible from Europe and the rest of the world to Benares, Barisal, Khulna, Chandpur and a dozen other places on this side of the country, whilst on the Bombay side similar deep-sea navigation could be arranged. In this way it is not fantastic to believe that new towns would spring up all over the country, and the majority of our transport problems would vanish.

It may be that a small scheme may have been put up to Government for investigation, but I believe that the interests of India would be best served by a more careful investigation, by a special committee, of all the pros and cons. I could enlarge on some of the details and the difficulties here, but I think that I shall find more favour with the Honourable House if I leave those things alone and confine my remarks to the sphere of generalities. To my mind what is wanted is a careful study of the whole situation with the ultimate aim of so draining the rivers and so dredging and straightening their courses as to make navigation by large ships possible and easy. We are assured on very good authority that such a thing is very practical and would very materially lighten the burden of poverty and misery which India has to bear through flood havoc, and would at the same time result in inestimable benefits in the direction of water shortage, inadequate transport, insufficient fisheries, bad drainage, and disappearance of land from erosion, giving India in return extensive acquisitions of new land, improved public health, and above all unlimited tidal electric power over vast areas. Such a picture of results as this is, I would assure the House, not one whit overdrawn, but in order that the scene might be depicted in all its wealth of detail and the full balance sheet of profits placed before the

[Mr. Haroon Jaffer.]

Government and this House, I most earnestly request that my Resolution be accepted and put into operation at the earliest possible opportunity. America and Canada are just beginning to awake to the enormous possibilities of this kind of inland constructive work, and both countries are contemplating the expenditure of millions of dollars on such schemes in the near future. Shall India lag behind these other countries, especially when our need is not the mere acquisition of land, wealth, and mechanical power, but is the salvation of land that is being washed away, the prevention of floods which exact an appalling toll of life and money every year, and the solving of some of the most acute transport problems with which a nation has ever had to deal? Surely these bare facts coupled with my purposeful and probably most acceptable refusal to give columns of statistics, will urge you to appoint the suggested committee of investigation.

THE HONOURABLE MR. A. H. LEY (Secretary, Department of Industries and Labour): Sir, my Honourable friend's Resolution raises exceedingly large and also some exceedingly interesting questions, and if I have to oppose the Resolution it is not because I am not sensible of the interest of the subjects which he wishes to deal with and also of their importance in many aspects. I shall have to take a different line. The Resolution deals with four different subjects. It is one of the most comprehensive Resolutions I have seen for some time. It deals with four different and quite separate subjects, and the reason why I shall have to oppose it is because I believe that in respect of two at least of these subjects a special investigation such as he desires would serve no useful purpose at all, and because with respect to all four of them, if any investigation were required, it would not best be undertaken by the kind of committees which he suggests. Now, I will refer as briefly as I can to each of these subjects.

Take first the question of inland water transport which is in a way the most important, or at any rate the only one I think of the four subjects with which this Council is directly concerned. I think my Honourable friend said that he was drawing no fanciful picture when he contemplated steamers from all over the world travelling up to Benares. I venture to think that this Council will hardly endorse that opinion, and I venture to think also that he is under a little misapprehension as to the possibilities of inland water transport either in this country or in any other country in the world. Now, it seems to me in the first place obvious that it is no use discussing this question of inland water transport as a commercial proposition except in respect of those rivers—there are only four—which are snow-fed. We may leave out of account all the southern rivers for the very simple reason of course that, generally speaking, for a considerable period of each year they run practically dry and no amount of engineering skill of course can get over the difficulty of lack of water. Therefore, you need only consider the snow-fed rivers, four of them, the Indus, Ganges, the Brahmaputra and the Irrawaddy. Now I would just like to say one or two words about those rivers. Take the Indus first, because it illustrates two points which I wish to make. The first point is a common experience of all countries; such a common experience that I might almost call it a law, that is, that inland water transport on a large commercial scale cannot compete with railways. Time was when the Indus Flotilla Company ran its steamers up to

Ferozepur on the Sutlej, but now with the advent of the railway on both banks of the river, never a steamer plies. That has been the experience in this country, and I say it is also the experience of every country in the world. My Honourable friend referred to America and he said, if I heard him correctly, that America was just beginning to wake up to the possibilities of developing their inland water transport in this way. I do not know on what authority that statement was made by my Honourable friend. In point of fact America many years ago spent over 16 million pounds sterling in improving the courses of the Mississippi and Missouri, but later on with the advent of railway communication it was very quickly found that the steamers were unable to divert the traffic from the railways; and of course that is the experience not only with rivers but with artificial canals especially built for navigation purposes, and if it applies to artificial navigation canals it must *a fortiori* apply to rivers. Look at the canal system in England for instance. That was a flourishing system many years ago; now I might almost say it is dead as a door nail. We have an instance of that again in this country, the Buckingham Canal in Madras. That was a canal specially constructed for navigation purposes, 262 miles long, which carried a great deal of traffic when it was first constructed. With the advent of the East Coast Railway that canal has, I will not say ceased to exist, but practically ceased to function except within a few miles north and south of the city of Madras. That is the first point. It is an almost universal rule that inland water transport on a large commercial scale cannot compete with railways.

Now let me get back to the Indus, I have rather wandered from the Indus for a moment. There is another point about the Indus which illustrates my second point with regard to this question, and that is that on any kind of commercial scale navigation and irrigation cannot go hand in hand. That is obvious I think, and of course the construction of the Sukkur Barrage on the Indus obviously rules out that river from consideration. Now let me get to the other rivers I mentioned. The Ganges in its upper reaches is precisely in the same position as the Indus with regard to the second point I have mentioned, that is, the existence of large irrigation projects on the upper reaches of the Ganges renders that river quite impossible from the point of view of navigation purposes. I quite admit that when you get lower down to the middle reaches of the Ganges—my Honourable friend Sir Deva Prasad Sarvadhikary was referring to this point the other day when we were discussing rather a different question—it would possibly be feasible to run inland water transport on a large scale. But there again you get into the difficulty which I mentioned at first, my first law so to speak, namely, that there is no possible chance of it competing with the very excellent railway systems on both sides of the river. Now it might be supposed from what I have said that there is not much chance for inland water transport in this country. I do not mean to suggest that at all. I do not think so. I say this, that where the conditions are favourable, you will find, just as surely as night follows day, an efficient system of inland water transport and you will find that money is being spent and attention paid to the upkeep of the rivers. These conditions are fulfilled in the lower reaches of the Ganges and the Brahmaputra and in the Irrawaddy. What are they? They are these. You have got a perennial river, you have got abundant traffic offering, you have got little or no irrigation, and you have got little or no railway competition; and where you have those conditions you do have a flourishing system of

[Mr. A. H. Ley.]

inland water transport. Nor I think is there any reason to suppose that where those conditions are fulfilled the Local Governments are not alive to the importance of the question. Indeed the importance of the waterways to the provinces concerned is so great and so obvious that that in itself ensures all possible steps being taken to conserve and to improve the rivers. I have not heard anybody suggest, for instance, that navigation on the Irrawaddy is hampered by negligence on the part of the authorities responsible for the maintenance of that river. In Bengal again which is an important part of the country from this point of view, and as I think probably many Members of this Council are aware, the Government of Bengal have a special Department which does practically nothing else than attend to the conservation and improvement of the rivers in their charge, and lakhs of rupees are spent there every year. I need also hardly remind this Council that a great project estimated to cost three crores of rupees has been sanctioned by the Secretary of State for the provision of an easier and shorter route for steamers between Calcutta and parts of Eastern Bengal and Assam, and the commencement of that scheme only awaits the provision of funds. I would finally remind this Council with regard to this portion of the subject that to assist them in dealing with their waterways the Government of Bengal have appointed an advisory committee on which the three provinces concerned are represented, namely, Bengal, Bihar and Orissa and Assam, as well as the principal Chambers of Commerce, the steamer companies, the Railways and the Calcutta Port Commissioners, and I can assure the Council that no all-India Committee which the Government of India could hope to convene would be able to give opinions carrying half as much weight and authority as the Committee already in existence. That, Sir, is all that I have to say with regard to the first part of this Resolution. I say that the Committee is unnecessary and will serve no useful purpose.

I would like now to pass on to the second and the third parts—namely, security of land against erosion and the reclamation of land. Now my objections to the Resolution on these points is again two-fold. In the first place, these two subjects—I wish to make it perfectly clear—are purely local problems, purely local provincial problems. The matter is entirely a provincial concern, and these two problems have not even an interprovincial bearing as might be the case with the question of inland transport, and therefore I think that the Local Governments would justifiably resent any action by the Government of India in appointing a committee to go into affairs which are their peculiar concern. That is one objection. The second objection is a practical one. I cannot but feel that an all-India Committee appointed to go into this question of security of land against erosion and reclamation of land would be really incompetent to make any useful suggestions. And why I say that is this. Every river, I might almost say every reach of every river, has its own peculiar indiosyncracies and its own peculiar vagaries, and nothing is of any value except intimate local knowledge extending over a period of years of the particular river and its particular idiosyncracies. Therefore a committee of this kind could never obtain such intimate local knowledge, even to attempt to do so it would presumably have to judge over the banks of rivers for hundreds of miles to make those personal inspections, without which I think, their advice on any problem either of erosion or reclamation would not really be worth the paper it was written upon. Nor, again,

with regard to this part of the subject do I think that there is any reason to suggest that the Local Governments are not fully alive to the importance of the subject. I am quite sure they are. I do realize that the subject is important, but I do say this that Local Governments are fully alive to its importance. Let us take Bengal again. There has been a vast amount of money spent in recent years by the Bengal Government on this problem. Look at the Magrahat scheme in Bengal. That is a scheme which benefited nearly 300 square miles of previously water-logged country, which has recently been completed at a cost of Rs. 21 lakhs. (*The Honourable Dr. Sir Deva Prasad Sarvadhikary*: "That was largely a drainage scheme".) Well, reclamation I should call it. If you call it drainage, I will not object to it. It was really I think reclaiming the land, if I am not mistaken. My point is this. There is no reason to suppose that the Local Governments are not fully alive to the importance of this question, and that when any measures are necessary they are slow to come forward.

I pass now to the last question, the question of tidal power for electric schemes. Now I have a little difficulty in dealing with this, because it is an exceedingly technical and difficult subject, and I am sorry to say that I really have no expert knowledge of it, and I consequently may find it rather difficult to explain what the problem really is. I understand that the question of utilising the tides, the question of the possibility of utilising the tides for generating electricity is a problem which the highest expert opinion in the world is divided about even at the present time—that is to say the question whether it is possible even under the most favourable conditions to harness the tides in order to generate electricity as a commercial proposition. It is perfectly feasible of course to impound the rising waters of a tidal river by placing a dam across it and thus to obtain the benefit of a fall from which power can be generated. That is feasible. But then you have also got the difficulty, even if you can do that, that you cannot generate electricity continuously by that method, for the simple reason that there are certain periods, twice in every twenty-four hours, when the level of the water on either side of the dam is equal and obviously no power is available at all. That is a difficulty which possibly can be got over. I have only heard of one important scheme which has ever really been suggested—it is possible that some Members of the Council know a good deal more about it than I do—a scheme which has been propounded, which has not gone much further than the stage of proposition, namely to harness the tides for the purpose of generating electricity at the mouth of the Severn in England. That is the only scheme of the kind of which I have heard, and I know it is a question on which there is still very considerable difference of opinion between experts as to whether that scheme or any other scheme like that, given the most favourable conditions, is possible at all as a commercial proposition. This is, though interesting, a technical and difficult subject and I am sorry I cannot explain it in detail. Now, what are the conditions at the mouth of the Severn? You have got a tidal river, you have got a convenient bed of rock on which to construct your dam; you have got a high hill in the neighbourhood,—the relevancy of this is to meet the point which I just raised about a continuous supply of power; namely, that water should be pumped to the top of a neighbouring hill and so utilised to generate power when there is no power available when the waterlevels at the dam are equal. You have got a tidal river, a convenient bed of rock, a high hill; you have got almost unlimited demand for power in the neighbourhood; and you have got, what is more important than any of these, an exceedingly high tide. I believe the Severn

[Mr. A. H. Ley.]

tide is as high as almost anywhere in the world. It is 42 feet. The difference between high and low tide is 42 feet. Without conditions of that kind expert opinion, I understand, is generally to the effect that any schemes of this nature could not possibly be a commercial success. Now, how is it possible to duplicate those conditions in India? I will take only the last point, the height of the tide. Nowhere on the coast of India have you a tidal range anything like what it is at the mouth of the Severn. The highest tidal range, taken from tide tables which I have obtained from the Meteorological Department, amounts to 31 feet in the Gulf of Cambay. That is, incidentally, not a very suitable part of the country for any elaborate electric installations such as have been suggested. Nowhere else does it come anywhere near it, 14 feet at the mouth of the Hooghly, 16 feet Rangoon, 13 feet Chittagong, 13 feet Bombay, 9 feet Karachi, extending down to 2 and 3 feet for most of the rest of India; 3·5 in Madras so that, I say, it is almost inconceivable that you will be able to find conditions in this country where you can even begin to talk about the possibility of schemes of this nature. Nor do I think is there any necessity to consider such schemes. After all, there are, as we all know, numerous sites in India which it would be possible to develop by ordinary hydro-electric installations, and I do think that it would be better to develop what we have got at present before we start on considering any kind of scheme, which must be infinitely more expensive, even if you could find the best possible natural conditions.

That is all I have got to say on this subject of tidal power, except to emphasise the point, which applies to practically all the other subjects dealt with in this Resolution, namely, that they are purely provincial subjects, and any expenditure of money on a committee or anything else would have to come out of provincial revenues. I think it is perfectly obvious that the Local Government concerned would possibly regard the action suggested by my Honourable friend, though I quite realise the importance of the questions raised, as an undue trenching upon their authority and their responsibility. I entirely endorse what the Honourable Mr. Natesan said the other day on the undesirability of this Council endeavouring in any way to interfere with the freedom of action of Local Governments in a matter of this kind. Therefore I hope this Council will agree with me that the Resolution is one which should not be put into effect.

THE HONOURABLE MR. HAROON JAFFER: Sir, I am rather disappointed that a Resolution bearing so directly on trade facilities in the country and contemplating the provision of easy transport should not get the support of Government. It will be a pity if our rivers, full of great possibilities, do not receive the scientific handling to make them a factor of importance in the economic advance of the country. I have said enough on the subject and do not wish to take the time of the Council any longer. I appeal to the House to pass this useful Resolution.

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

"This Council recommends to the Governor General in Council to appoint an expert Committee to consider the advisability of reshaping many of India's most important water-roads in order to provide heavy water transport to her innermost doors, security of land against erosion, reclamation of land, and tidal power for electric schemes."

The motion was negatived.

ELECTION OF A PANEL FOR THE STANDING COMMITTEE ON EMIGRATION.

THE HONOURABLE THE PRESIDENT: The House has now to proceed to elect a panel of 8 members for the Standing Committee to advise on questions relating to Emigration. I read the nominations the other day and I will read them again. There are 11 Honourable Members nominated, of whom 8 have to be elected:

The Honourable Mr. Haroon Jaffer,
The Honourable Mr. R. P. Karandikar,
The Honourable Sir Deva Prasad Sarvadhikary,
The Honourable Mr. G. A. Natesan,
The Honourable Rai Bahadur Lala Ram Saran Das,
The Honourable Mr. S. Vedamurti,
The Honourable Mr. Ali Baksh Mohammad Hussain,
The Honourable Saiyid Raza Ali,
The Honourable Nawab Sir Umar Hayat Khan,
The Honourable Mr. Phiroze C. Sethna, and
The Honourable Nawab Sir Amiruddeen Ahmad Khan.

Ballot papers will be handed to Honourable Members who will record their votes in the usual manner.

(The ballot was then taken.)

THE HONOURABLE THE PRESIDENT: Have all Honourable Members recorded their votes?

HONOURABLE MEMBERS: Yes.

THE HONOURABLE THE PRESIDENT: The result naturally takes some time to work out. It will be communicated to the House in due course.

PROGRAMME OF BUSINESS DURING THE SECOND WEEK OF MARCH.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): With your permission, Sir, I should like to elicit the wishes of Honourable Members regarding the programme of business in this Council during the second week in March. Up to and including Thursday, the 5th March, we shall be fully occupied and there is likely to be no dearth of business from the 16th March onwards. The week opening on Monday, the 9th March, however, contains three holidays, Monday being the Holi and Tuesday the Dulandhi, while Wednesday is shown as a holiday for the Shab-i-barat. Members of the other House have indicated a desire to observe all these holidays and, in view of the possibility that in this respect the sentiments of Honourable Members of this Council would be identical, the Government have abstained from asking His Excellency the Governor General to allot the usual days for non-official business during the week in question. So far as can be foreseen at present, Government are likely to have enough business to give the House one normal day's work during the week in question, but a postponement of that business till after the 16th March would not materially prejudice the public interest. If,

[Sir Narasimha Sarma.]

therefore, Honourable Members would welcome an adjournment for some ten days after the Budget discussion on the 5th March, it would be possible to meet their wishes. On the other hand, should Honourable Members prefer to work during the interval, we shall have, as I have said, sufficient Government business for one day during the intervening week, and we should be prepared to invite His Excellency to allot another day in that week for non-official business. Should Honourable Members, while not desiring a prolonged adjournment, wish to observe the holidays to which I have referred, Thursday, the 12th, and Friday, the 13th March, suggest themselves as suitable days for Government and non-official business, respectively.

THE HONOURABLE THE PRESIDENT: I should like to ascertain the views of Honourable Members in this matter. Put briefly, the position appears to be that there will be business up to and including the 5th March, that is Thursday. It will be followed by Friday, Saturday and Sunday, days on which the Council does not usually sit, and the following Monday, Tuesday and Wednesday are holidays. Therefore, if these holidays are to be observed, the Council will have six consecutive days with no business. The question then really is: Would the Council prefer to have business on the following days, or would they like this six days break extended to 10 or 11 days?

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Since the Honourable the Leader of the House was good enough to speak to some of us, two important matters have been thought of that will have, if Government are pleased to agree, to be assigned some day. Yesterday the report of the Territorial and Auxiliary Committee was placed in the hands of Honourable Members. It has already been agreed that the deferred debate on the proposal of the Honourable Raja Sir Rampal Singh will be resumed some time after the publication of that report. Then, Sir, I referred to the approaching publication of the Reforms Committee's report. I understand from a newspaper announcement, a day is to be allowed in the Assembly for its consideration. Some of us would like to have similar opportunities here. Having regard to these items of business which I invite the Honourable the Leader of the House to fit in with due regard to the desire of Honourable Members to have as much holiday as possible, I should like to urge those two matters for the consideration of the Honourable the Leader of the House in dealing with the programme of the work ahead.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, we should very much like to have the Holi holidays and I would very much prefer that the Council should not sit for ten days. Holi is a religious festival and the Hindus wish to observe it.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): I think it will be a great pity if the Council adjourns for 10 days. I have no objection at all to the real Holi holidays being steadfastly observed. But many of us have come long distances and cannot afford to go back to our homes and return again in time for the Council work. On the other hand, to keep us here for 10 days doing nothing, I think is a little bit outrageous in my opinion. I am of opinion that five or six days holidays is quite enough and that we should meet as early as possible and assume our work in this Council.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): The Honourable Sir Maneckji Dadabhoy said that it was not possible for Members to go down to our place of business for 10 days. I think, I can go down to Bombay in that interval and I would very much prefer to have 10 full holidays so that I may attend to business instead of staying here and forcing Government to create work for us.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-official): I am prepared to sit *de die in diem*.

THE HONOURABLE SIR NARASIMHA SARMA: With regard to the question put to me by Sir Deva Prasad Sarvadhikary, I do not know that any promise has been given to the Legislative Assembly to find a day for the discussion of the Reforms report. The report is very likely to be published some time early in March, and I think if the Members evince a desire to discuss it during this Session Government will see if they can find time for that purpose. I think, if there is to be no discussion now, Government will very likely find some time certainly in September.

With regard to the other items of business, Government have already promised time and they will fit in those items of business when the work which is before the Council is concluded, I mean after the 16th March, Government are not anxious to have any holiday. They are perfectly willing to work on the 12th and 13th and it is entirely for the Members of the House, especially the non-official Members, to decide what is to be done. There seems to be a desire to work. So far as the Government are concerned, they would welcome such a desire on the part of Honourable Members to continue to work and help them with their advice and co-operation.

THE HONOURABLE THE PRESIDENT: I think it would be better if some definite announcement were made on the subject to-morrow morning. In the interval I will take the opportunity to consult with the Honourable the Leader of the House to see if it is possible to meet the wishes of the majority of Honourable Members.

The Council then adjourned till Eleven of the Clock on Thursday, the 26th February, 1925.

COUNCIL OF STATE.

Thursday, 26th February, 1925.

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

LEGISLATIVE ASSEMBLY (PRESIDENT'S SALARY) BILL.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, I beg to move:

"That the Bill to determine the salary of the President of the Legislative Assembly, as passed by the Legislative Assembly, be taken into consideration."

Honourable Members are aware that under section 63 of the Government of India Act the Legislative Assembly is entitled to elect its own President after a period of 4 years from the date of the constitution of the new Legislature. The Assembly will very soon be entitled to exercise that right, and in order to enable it to do so, the Government introduced a measure providing a salary of Rs. 4,000 per mensem for its elected President. The Members of the Assembly, after due deliberation, accepted the view suggested by the Government of India and have provided in the Bill, as ultimately passed by them, the salary of Rs. 4,000 per mensem. They have in addition enacted another provision, under which the elected President will not be entitled to exercise any other calling or profession for remuneration. The Members of the Assembly rightly insisted that they should provide for their President a salary which would enable them to exercise a very wide choice from the persons who would be eligible for that office. Secondly, they decided, and rightly, that that officer should be a full-time officer at the disposal of the Assembly and should not undertake any work for remuneration. I now ask, Sir, that that Bill, as passed by the Legislative Assembly, may be taken into consideration by this House.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, this is in the nature of a domestic Bill appertaining to the Legislative Assembly and, if this Bill has satisfied the Members of that body, certainly no objection will be taken in this House, or any opposition offered. I am glad to notice, however, that the Assembly has thought it necessary to fix the salary of its President at Rs. 4,000. This will be compatible with the maintenance of the dignity of the President. Any other course or putting the salary below the salaries of Presidents of Provincial Councils would have been an ill-advised act. There is one matter, however, in this Bill to which I should like to make a brief reference. I am sorry to find that the Assembly has thought fit to go in for a full-time officer and has limited the selection of the President to a full-time man. It is the Assembly's business, and, if the Members are of opinion that that is the proper course to adopt, they are welcome to adopt it, but I cannot restrain from making an observation that in doing so it appears to have adopted a mistaken policy, because it will be deprived of the services of many competent business men who adorn that

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[Sir Maneckji Dadabhoy.]

body and who could ill-afford to give up their time and business for the purpose of presiding over the Assembly. After all the President's duty requires three or four months' presence in Delhi during the winter months and a month in Simla, and I think the Assembly would have acted wisely if it had kept that question open, at any rate for the present.

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR NARASIMHA SARMA: Sir, I move:

"That the Bill, as passed by the Legislative Assembly, be passed."

The motion was adopted.

INDIAN RAILWAYS (AMENDMENT) BILL.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, I beg to move:

"That the Bill further to amend the Indian Railways Act, 1890, as passed by the Legislative Assembly, be taken into consideration."

Honourable Members will remember that this Bill was introduced in the Assembly in the September Session at Simla and there was no opposition on the part of the Government. It subsequently developed. I do not want to make much of that because I think it is right that on the first reading of a Bill opposition to it should be as little as possible, and opposition should be avoided as much as possible, in order that the principles of the Bill may be discussed at a later stage. From that point of view I regret, Sir, that on some occasions when it need not have been so, premature opposition came, for example, in connection with the recent Interest Bill in this House. From that point of view again I am free to confess—I always like to confess mistakes—the Assembly was wrong on a previous occasion in refusing to give leave for the introduction of the Princes' Protection Bill. A Bill should have all the chance that can be given to it if either Honourable Members or the Government make themselves responsible for its introduction after careful consideration. Therefore I say, Sir, when the Government decided not to oppose the introduction of the present Bill at Simla, they did not resign their right to oppose it either in principle or in detail at a later stage; and I myself do not desire to make much of that want of opposition on their part at the introduction of the measure.

As the Statement of Objects and Reasons, which is a short one, explains:

"This amending Bill is intended to prohibit reservation of compartments in railway trains for the exclusive use of persons belonging to any particular community, race or creed. In certain prosecutions under section 109 of the Indian Railways Act, 1890 (IX of 1890), the point at issue was whether such reservation amounted to undue preference within the meaning of section 42. The High Courts have variously interpreted section 42 in these cases, while agreeing that such reservation is not *ultra vires*. The present amendment will place the matter beyond doubt and bring the law into line with public opinion."

In moving for the leave of this House that the Bill be taken into consideration I do not desire to place matters any higher than that. Although,

Sir, as is apt to happen in these cases, unfortunate extraneous circumstances have been introduced, we here who are invited to legislate should keep those considerations out of mind as far as possible and proceed upon strictly legal lines.

I shall give to the House four cases from the different High Courts, which are different from one another in some essential respects. I do not wish to trouble Honourable Members with the details of those cases, although if it is necessary I shall do so later on. I shall for the moment make the barest possible reference to them. One of the earliest cases is to be found in the Indian Law Reports, 42 Allahabad, in which the Judges decided that it was not a question of reference at all, and they said that section 42 of the Railways Act, which I shall read presently, does not apply to ordinary passengers. Section 42 of the Railways Act, of which sub-section (*2*) is the pertinent portion, says:

"A railway administration shall not make or give any undue or unreasonable preference or advantage to or in favour of any particular person or railway administration or any particular description of traffic in any respect whatsoever or subject any particular person or railway administration or any particular description of traffic to any undue or unreasonable prejudice or disadvantage in any respect whatsoever."

Now, Sir, what is or what is not preference or undue preference has not been anywhere defined in the Railways Act. The nearest we have is in an English rule where the definition of the term is to be found. I refer to the English Act known as the Railway and Canal Traffic Act of 1888 on which the Indian Act was modelled as far as possible. Section 55 of that Act says:

"The term 'undue preference' includes an undue preference or an undue or unreasonable prejudice or disadvantage in any respect in favour of or against any person or class of persons or any particular description of traffic."

Questions have arisen, Sir, as to what "traffic" means and includes, and there the Railways Act definition is sufficient for the purpose. "Traffic," in sub-section (*11*) of section 3 of the Act, is said to "include rolling stock of every description as well as passengers, animals and goods." However, the Allahabad High Court held in that case to which I have referred that reservation of these compartments was not a question of preference at all, let alone a question of undue preference. Then, Sir, we have a case in the Indian Law Reports, 45 Madras, in which the Judges said a railway administration can reserve accommodation in accordance with its own views, and that such reservation does not countervail the provisions of section 42 of the Railways Act, which I have just read out. Although they did not deny the applicability of section 42 of the Act to the case, they went on to say that special treatment of a class need not involve preference or undue preference.

Sir, it would have been enough for purposes like this that so many differing High Court cases should have grown up round this apparently small question. For every High Court case reported one may assume that the number of cases that do not go up to the High Courts is larger and one may also assume that the number of cases that do not at all go up to any court must be still larger; they however help in adding to the volume of grievances or fancied grievances, call them so if you please, which in time becomes disagreeably and disproportionately large.

The issues might be considered simple, but what appears to be simple to the ordinary average lay mind is not necessarily simple to the legal mind or to the mind even of High Court Judges. Therefore we have the

[Sir Deva Prasad Sarvadhikary.]

spectacle in Bombay of two High Court Judges differing—including the then acting Chief Justice, Mr. Lalubhai Shah, now Sir Lalubhai Shah necessitating a reference to a third Judge. That case is reported in I. L. R. 47 Bombay, where the Judges agreed in the first instance that section 42 of the Act did apply, but went on to say that it was a question of fact in every case as to whether the circumstances constitute undue preference or not. One Judge, Mr. Justice Marten, said that the onus of proof rested on him who alleged undue preference. The Chief Justice, Mr. Justice Shah, however said that the onus was on the prosecution; and thereupon there was a reference to a third Judge and he decided the question according to his lights. I refer to it only to show that the matter is obscure, that it is not free from difficulties and the time has come for us to consider whether, having regard to this obscurity and this difficulty and this difference of opinion between Judges, we should not place matters on a footing by which this obscurity and difficulty will disappear. That is one of the functions of the Legislature and, leaving aside the racial question entirely, it would be necessary for the Legislature to interfere when questions are brought home somewhat acutely in the way in which it has been brought home to the Legislature in this case.

The difficulty was not lessened by a Calcutta judgment reported in I. L. R., 51 Calcutta, where also the learned Judges said that the preference was a question of fact in every case, which would amount to this, that the passenger who wanted to allege undue preference would have to prove it himself, according to Mr. Justice Marten of the Bombay High Court, and for that purpose would probably have to walk down the whole length of the train and find out whether there was any accommodation in the other compartments or not, and whether he was seriously inconvenienced on account of being kept out of this particular reserved accommodation. That, Sir, would not be conducive to passengers' convenience, which, as we have seen from reports of the Assembly, the railway administration and the Government claim as justification for the retenion of the present practice. The man does not come in time generally; if he did that, probably the question of want of accommodation would not arise at all; it is only the latest comer, the most unpunctual arrival, who rushes in and finds or fancies all the other compartments fully occupied, and he makes for the nearest free compartment where he thinks that he ought to have no difficulty in getting in and undertaking his journey but finds otherwise. It would be somewhat unreasonable to expect that he should, in the first instance, as I say, go down the whole train and make careful investigations, and not only that, but get reliable witnesses who would later on, if necessary, be able to prove that there was this case of inconvenience on the part of the passenger for which he could not undertake the journey. And therefore and thereupon a case of undue preference could be made out according to the Calcutta judgment I have referred to.

In this state of things, Sir, and also in view of the question having been brought up repeatedly in the Assembly by Resolutions and otherwise, this Bill was introduced in the Assembly, and they passed the Bill there. Clause 2 says:

"In section 42 of the Indian Railways Act, after sub-section (2) the following *Explanation* shall be inserted, namely:

'*Explanation.*—For the purposes of this sub-section reservation of any compartment in a railway train for the exclusive use of any passenger as belonging to any particular community, race or creed shall be deemed to be undue preference'."

I might once more invite the attention of the House to the wording of section 42 (2) of the Act which says:

"A railway administration shall not make or give any undue or unreasonable preference or advantage to or in favour of any particular person, and so on."

As I have shown, there are these differing judgments of the various High Courts—in fact almost all the provincial High Courts, Allahabad, Madras, Bombay and Calcutta have taken more or less different points of view, and have shown that there is decided difficulty and obscurity in the matter. What some Judges have considered to be undue preference others have not; and what some Judges declared ought to be a matter for proof on the part of the prosecution other Judges have declared to be a matter for proof on the part of the defence. Therefore the only way in which the matter can be cleared up, if it meets with the views of the Legislature, is to have it definitely, clearly and unequivocally stated that reservation of this particular kind is "undue preference" under section 42 of the Railways Act. Sir, I believe in present practice this is confined to Europeans. I remember the time—I believe it has been discontinued now—on the Oudh and Rohilkhand Railway in my younger days when there were compartments reserved entirely and absolutely for Indians. On the one hand we had reservation of that kind; on the other we had and still have reservation for Europeans, and there were certain compartments in which Europeans and Indians could go alike. Probably a continuance of that system might from certain points of view be ideal. That however has been discontinued; at least I have not recently seen any compartment as reserved for Indians.

In the course of the debate in the other House it appeared that this practice has now been reduced to very small proportions; the reservation is only in certain classes of trains in certain Railways and only to a limited extent. That is satisfactory so far, and it strengthens my hand all the more. I believe there is in the mind of the railway administration, although it has not been clearly stated, that in time it is proposed to do away with this. When that will be one does not know, but the question has been taken up in the Assembly by means of Resolutions as well as by this Bill that the rest of the practice should be done away with.

I should like again to dissociate myself absolutely, at least as far as possible, from all racial considerations, and to place my motion entirely from the point of view of legal difficulties. Well, Sir, the changing spirit of the times is supposed to require it, and if there is really no insuperable difficulty in the way, I do not see why the growing popular demand should not be met in the way proposed in this Bill. The railway has been responsible for a great deal of social change. The travelling public is not as mindful of caste rules as it used to be before. People who used to be oppressed with it are no longer handicapped to that extent by the *pardah* system, and I believe the time has come when the old prejudices of different sections of the community travelling together should give way to the new order of things. That, by itself, would not be an unhealthy thing to achieve. If there were not really insuperable difficulties in the way, and I have not been able to see that there are such difficulties unless of course one works up imaginary difficulties, which ought to disappear, the Bill ought to be accepted. I do not think that at this stage I need labour the point further, and I commend my motion to the House and move that this Bill be taken into consideration.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, the Council is under a deep debt of gratitude to the Honourable and learned Member for his speech. Most of us are laymen and have not the full legal knowledge of the Honourable Mover. The Honourable Member has in his learned speech alluded to some complexities that hamper the legal mind. He has read some arguments of or rather paraphrased some of the arguments of the High Courts. But, Sir, we have a greater duty than to try to reconcile the arguments of Judges. As part of a Legislature, we are not fortunately troubled with the workings of the legal mind, we are only concerned with the results, with the decisions they arrive at, and as the Statement of Objects and Reasons of this Bill says, not one of the High Courts has held that the mere fact that a third class compartment in a railway is labelled for Europeans and Anglo-Indians is an offence against the Railways Act or is undue preference. That is the clear decision of four High Courts. The result is that the law is clear. We are not troubled with the ratiocinations and the arguments by which they arrived at those results. The decisions are sufficient for us. Therefore, Sir, in the first place, this Bill is designed definitely to change the law. It is worded as an explanation, but it is not an elucidation of an obscure phrase to make the principle embodied in the law more clear. The underlying object is to alter the sense of the section. It seeks to make a substantive change in the law. This I oppose.

I shall now proceed to state the reasons as to how that change would work and the grounds upon which I oppose this motion. The change sought to be introduced by this *Explanation* places another restraint upon the freedom of the Railway Administrations in using its carriages and disposing of the railway stock which it uses. The principle embodied in the Railways Act has been well described in the following words by one of the Judges of the Calcutta High Court:

> "In the railway administration is vested the management of the railway and ordinarily they should be deemed to have the power, unless expressly curtailed by law, to make such arrangements as they consider necessary for the convenience of their customers and for their own interests."

The only restrictions, so far, placed by law are that the railways must provide one compartment of the lowest class to be reserved for women, and they must not exercise undue or unreasonable preference. Sir, if this Bill were passed, we would place another restraint upon the freedom of Railways to use their rolling stock as they saw best for the convenience of their passengers.

Sir, I fully endorse what the Honourable and learned Mover has said that in considering legislation we must be careful and critical that we should be certain that it is in accordance with the guiding principles of the Act, and that in considering a change in the law it behoves us to get our facts clear unobscured by the fumes of passion or the fogs of prejudice. We have not the freedom we possess in discussing a Resolution. We must not confuse the details of administration with the principles of the Act. I would now like to examine the principle which is embodied in our law to see if our position is satisfactory.

Now, Sir, what are the facts? They are these. In the first place, we are dealing with railway travel. And what does that connote? I have never yet met any one who sought and found happiness in an unending succession of railway journeys. Perhaps an engine driver's idea of bliss is to travel as a passenger, but I do not think travelling by railways as a passenger is really anybody's idea of happiness. There are many

religions in the world and there are many ideas of the future state of happiness. But I have never yet found any one whose idea of Heaven included a constant changing of trains in noisy railway stations in the middle of the night or in the early hours of the morning. It is not for such a fate as that, that we strive to live honest, sober, kindly lives on earth. And why is that so? Because railway travel connotes and is inevitably associated with a certain amount of discomfort to the individual. If we have a good journey, we rejoice over our good fortune. That discomfort arises partly from the noise and dust, but still more from the fact that we are necessarily cooped up with our fellow-human beings for varying lengths of time. That is one of the unavoidable concomitants of railway travel. And my Honourable and learned friend only two days ago alluded to it whilst speaking on the Railway Budget, when he expressed the desire that there should be more third class *coupes*, in other words, there should be more facilities offered to third class passengers to get away from their neighbours with whom they are bound to travel in the same train for long distances . . . .

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Without undue preference.

THE HONOURABLE MR. D. T. CHADWICK: Certainly, Sir, they desire to get away from their fellow passengers as far as possible. My Honourable and learned friend inserted "without undue preference", but I would point out to him that the law courts have held that the labelling of a compartment as reserved for a particular class is not necessarily undue preference. This close contact with strangers is an unavoidable concomitant of railway travel, and it is not peculiar to India. It is so in every country. There is also another human fact to be remembered, and that fact is that the habits and customs of a people change. What the travelling public wanted 40 years ago is not what they require to-day. In other words, Sir, human conditions are not fixed and static, they are fluid. The habits and customs of a people constantly change. My submission to this House is that the railway law, as it is at present constituted, recognises these two human facts. It leaves to the railway administration a wide power to make the best arrangements they can for the convenience of their customers. It does not hedge them round with restrictions. In fact, the legal restrictions are as few as possible.

Now, Sir, I maintain that it is desirable to leave the law flexible, and if that principle is a right principle as I have endeavoured to shew that it is, being founded on human nature, then we should be cautious in infringing it and we should leave it to the railway administrations to make the best arrangements that they can make from time to time for the convenience of their passengers and in their own interests. In fact the history of this case, as I will show in a few minutes, illustrates the wisdom of refraining from embodying in the law all manners or kinds of restrictions.

But for the moment I will turn aside to look at the railway aspect. As far as the railway administration is concerned, it is much simpler for them, it is much cheaper for them to have no distinction of classes nor to bother themselves with different rates of fares. In fact where you have quick, short journeys as on tube railways, etc., the whole tendency is to get rid of different classes altogether . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: They have all third class carriages.

THE HONOURABLE MR. D. T. CHADWICK: Yes, but on long journeys, passengers will not stand that. We are not all happy in third class accommodation and the railway, for the convenience of its customers, has to put up with different classes, first, second and third class carriages. The reason is that the habits, standards and customs of mankind vary. Now, Sir, I said this case illustrated itself the wisdom of the present law in leaving it flexible and only enshrining that general principle that the railway is free to make the best arrangements it can for the convenience of its passengers. As the House knows, this very case originated some 20 years ago from the Railway Conference at Lucknow in December 1903 to consider the question of the comfort and convenience of third class passengers on the Oudh and Rohilkhand Railway. At that date the request was that every train be provided with separate compartments for Europeans, partitioned by planks and not by iron bars, and that European third class passengers be restricted to that compartment. At that meeting the railway administration did not jump to this suggestion with alacrity. They had no desire to introduce another complication for their railway staff at the stations to cope with, and they said they would consider it. It was from that it started and the reason was obviously that the habits of different classes of the travelling public, namely, of Europeans and others who had to travel on the railways were different, and it was to the general convenience of the travelling public to endeavour to keep them separate. Well, Sir, in those days if we had such a rush as we have to-day to embody in legislation the passing phase of social conditions then I have no doubt there would have been a demand to have altered section 42 of the Railways Act in some way to make this recommendation of separate carriages the law of the land. That was the desire of the passengers at the time and of the people. But we are told that that is changed now and therefore some wish to alter section 42 to meet the opinions of my Honourable and learned friend and his friends. Well, if at the time, that separation was the prevalent opinion, if they had then followed the procedure we are asked to follow to-day, then those opinions of twenty years would have been enshrined in the Act. Fortunately it was not. The Act was left entirely alone. Railways were not compelled to mark off in every train a compartment for Europeans and Anglo-Indians, and in 20 years what has happened? Customs have changed and the railways have been able to meet the change because they were left free under the law to do so. They began many years ago to mark off these compartments for Europeans on every train. That is not the case to-day. To-day on two railways no compartments whatever are retained for Europeans. On slow trains on all railways no compartments are kept for Europeans. In the first and second class and intermediate on all railways no compartments are reserved for Europeans. It only remains to the extent of one small third class carriage on the fast long distance trains. In other words, Sir, the Act has been sufficiently flexible as it is worded at present, to meet both the strong demand of 1904 for separation and also the change which gradually came about with the changing opinions of the time. Why need we then go and introduce more restrictions into the Act? It has served us well. It has proved its worth. Our main consideration should be to keep that principle of the law clear and leave the Act flexible.

Now, Sir, I think the House will agree that in regard to this reservation for people of habits different from those of other travellers on the railways, there is some reason, some justification for it lingering longer in the trains to which it at present applies, that is on the express trains and fast trains on long journeys; in other words on those journeys in which passengers are unfortunately and necessarily cooped up together for long periods of time and even through the night. And in this connection, without any offence to anybody, I think we should all realise that in this matter of the habits of the people and their customs, it is a common fact throughout the world, a common human fact characteristic of all countries in the world that many of these habits and customs are most obtrusively marked amongst that class of the population which is in the habit of travelling in the third class; in other words it is amongst the poorest class of passengers that there are frequently different habits and customs of different sections of the travelling public which jar most acutely on each other. It is not a question of India; it is the same all over the world. Therefore the point I make here is that we are not dealing with the Resolution, we are dealing with a change in the law, and that the circumstances are not such as to demand a change in the law. The law has shown that it is adaptable to changing conditions, and there is no point in introducing a restraint upon the discretion of the railway companies.

Also, Sir, after all the third class European is a traveller like everybody else, and there is his convenience also to be considered. In some portions of the country he forms a greater proportion of the travelling public than in other parts. There may be on some portions more need than in others for the Hindu and Muhammadan portion of the travelling public desiring to continue this reservation. In other portions of the country he is a very small factor in the travelling public, and on these lines total reservation has gone, and as toleration and understanding spread reservation will gradually go.

It is also sometimes urged that this reservation ought to be abolished on the ground that if this reservation did not exist, there would be much more accommodation available for the ordinary public. Well, Sir, there is really nothing in that. The reservation that exists is almost invariably a reservation of one small third class compartment in one of these long-distance trains. You are not going to increase the accommodation of the travelling public appreciably by abolishing that reservation. The way you are going to increase the accommodation for the public is by providing more rolling stock and more trains. I am sorry I was deprived yesterday of the opportunity of going into the question of the conveniences for third class passengers. I will only mention to the House that in the last three years 5 million more passenger train miles have been run than three years ago. Last year alone 73 more trains were put on the railways. That is the way to tackle the problem of overcrowding.

My submission therefore to this House is that the law is sufficient as it is at present; that there is no obscurity in it; that it is wise that the law in the matter of railway travel should be flexible as in fact the law is at present, and I submit no more restraints or restrictions should be entered in it.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to support my Honourable friend Sir Deva Prasad Sarvadhikary. My object in supporting him is not only because there are legal difficulties in the matter of the interpretation of the Act, but because I am a believer in universal brotherhood and have always been its strong advocate. It is a fact, Sir, that in these days when communal feelings are increasing we ought not to allow any enactment to remain in force which adds to their bitterness. What we find is that all converts, whether they are in the lower ranks or in the higher,

[Rai Bahadur Lala Ram Saran Das.]

show enthusiasm and their spirit is always extremely bigotted, and if we allow such enactments to remain we shall be helping them to increase their bitterness towards each other. It is an admitted fact that in these days the minds of the people are greatly changed, especially during the last 5 years. Being a business man, I travel a lot and I see people talk when they find a special compartment reserved for Anglo-Indians and Europeans practically running empty while they themselves are packed up in all other compartments. They consider that they are not being well-treated by the Government. Whether they rightly understand the spirit in which this is done is another matter; but the feeling is there and that feeling cannot be ignored. Eurasians, Anglo-Indians and Europeans who travel in third class compartments get occasion to mix with the masses of the Indian people and it is they who are to put right any bitter feeling which may exist. I am a man who is always for peace and order, and my wish is that there should be contentment in the minds of all people, but when I find that some people do not care to travel with others or when they do travel do not like to sit by each other, I think that spirit should not be exhibited to the masses. It gives them a wrong impression and that impression we ought not to allow to be created. Sir, you find on the railways that there is always a great rush among the third class passengers. The figures which the Honourable Sir Charles Innes gave to us the other day show in what very great numbers these third class passengers travel, and the Railway Department itself admits that carriages to carry them are not sufficient. There is no reason whatsoever for the Railway Department to reserve any compartments. There was a time, as my Honourable friend Sir Deva Prasad Sarvadhikary said, when on the Oudh and Rohilkhand Railway there were different compartments for Europeans and Indians, even in the higher classes; that does not exist now and I welcome it because I feel that all, whether we be Europeans, Muhammadans, Hindus or Sikhs, should treat each other with great brotherly feeling and not show an offensive spirit. These reservations simply show people that in the case of a certain class of travelling public the railway administrations give preferential treatment. This creates an unhealthy feeling particularly in these days and for these reasons I would welcome a consideration of an amendment of the present law.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, the object of this Bill is to prohibit the railway administration from reserving certain compartments for a certain class of persons. The Bill as it stands is a simple one, but it is altogether a very delusive Bill. Few people in this Council realise what will be the logical consequence of our action if this Bill is passed, and I shall therefore ask your indulgence, Sir, and the indulgence of this House for a few minutes while I explain the real purport of section 42, clause (2), of the Railways Act, trace the history of this arrangement briefly and show the disastrous consequences to which we will be led by the passing of this Bill. Sir, I quite agree with my Honourable friend Lala Ram Saran Das that we should live in harmony and brotherhood. Nobody will deny that proposition and I know that it has the sympathy of every one of us. My Honourable friend Sir Deva Prasad Sarvadhikary in introducing this Bill in this Council has very prudently and very tactfully (*The Honourable Sir Deva Prasad Sarvadhikary*: "And very properly") and very properly, if you please—taken his stand on the obscurity of the existing law. He has wisely avoided the position taken by the author of the Bill himself and the various Members who supported him in the Legislative Assembly, because he probably thought that a position of that character if taken up here would not obtain the sympathy of this House. (*The Honourable Sir Deva Prasad Sarvadhikary*: "Am I my brother's keeper?") No, you are not your brother's keeper, but I shall show you how the position which you ask this Council to adopt will work out. Sir, my Honourable friend quoted from the Statement of Objects and Reasons of this Bill and stated that the law was obscure, and his only object in coming forward to-day is to clear that obscurity. I shall presently refer to that obscurity, but before I do so let me clear up any doubts, if they at all exist, on the subject by a brief reference to a significant passage in the speech of the author of this Bill. In answer to the speech of the Honourable Sir Charles Innes, Mr. Neogy said:

> "I find that the Railway Department has spoiled my Honourable friend. He has thoroughly identified himself with the narrow outlook of that department which stands for racial discrimination wherever it possibly can. Sir, my Honourable friend said that those Indians who travel in these compartments by virtue of their wearing European costume like this arrangement and so do the Anglo-Indians. Quite right. But we do not like it. That is exactly what this Bill intends to say to the Honourable Member. I believe we have lately had a good deal of sympathy in this House for the poor Anglo-Indians. My Honourable friend, Sir Campbell Rhodes, pleaded their cause in moving terms in this House the other day, and my Honourable friend Sir Charles Innes has followed suit. I make it quite clear here that I am not in favour of taking away any of the privileges enjoyed by the Anglo-Indians so long as those privileges can be enjoyed by the Indians alike. I am not in favour of discrimination against the Anglo-Indians, but I am absolutely opposed to any discrimination against the Indians."

Sir, that was the spirit in which this little bit of an innocent Bill was introduced in the other House. That is the spirit which underlies the principle of this Bill and it is in this connection that I shall say a few words. At present I shall leave the question of racial discrimination alone. Sir, if this Bill involved any great principle, any sublime principle against the continuance of all racial discrimination, I would be glad to support it. When the Racial Distinctions Bill came up before this Council I supported it with all the emphasis and vehemence at my command. I pointed out that those discriminations which were in the Criminal Procedure Code as it existed were unsuitable to the times and that the present conditions of our political situation required their immediate repeal. But here I find serious danger in this small little bit of a Bill which is presented to us to-day and I shall indicate my difficulties presently. My Honourable friend drew the attention of this Council to the rulings of the four High Courts of Allahabad, Madras, Bombay and Calcutta. I know there has been some difficulty about the interpretation of the words "undue preference", and the Judges were somewhat troubled in coming to a conclusion. There was no serious difference of opinion; there was no such great obscurity whether the original framers of the Act in defining "undue preference" meant to contemplate distinctions of this character or not. Sir, my Honourable friend has forgotten to tell the House one thing. How did all these cases which caused legal obscurity happen to take place? They were caused by a few men, three or four men, who deliberately broke the law and forced their way into third class compartments reserved for Europeans; and when they were prosecuted under the Railways Act their defence was that the words came within the purview of section 42(2)

[Sir Maneckji Dadabhoy.]

of the Act. Let me concede for a moment that this obscurity exists. Then make it clear. Why prohibit it? I shall be very pleased to accept my friend's Bill if he introduced the word "not" after the word "shall" in the last but one line of the clause, the legal obscurity will disappear and the whole clause would read thus:

"For the purposes of this sub-section reservation of any compartment in a railway train for the exclusive use of any passenger as belonging to any particular community, race or creed shall not be deemed to be undue preference."

This will avoid all the trouble. No, Sir. The plea of obscurity is a mere excuse, a mere pretext for interfering with the ordinary work of the railway administration. As such, Sir, I oppose this Bill.

Now, let us see the prospective consequences of this Bill. My friend knows like many of us that the railway administration have made many such discriminating arrangements for the comfort and convenience of third class passengers. My friend knows very well that there are separate rooms where accommodation is provided for drinking water for Hindus; I have seen many little places likewise reserved for Muhammadans; there are refreshment rooms for Hindus and there are also rooms marked refreshment rooms for Muhammadans. I ask my Honourable friend, where will you draw the line of demarcation? If you pass this Bill to-day and say merely that the principle of reservation of third class compartments for a particular community amounts to an undue preference, why should not I or any other Member to-morrow get up here and say that all refreshment rooms marked for Hindus or Muhammadans should also be brought within the purview of the section and brought within the definition of undue preference? That is the danger of a Bill like this. The Bill looks innocent, but it is not so. It will cause a lot of complication. Apart from the question of interfering with the work of the railway administration, it will cause a considerable amount of inconvenience to our own travelling fellow-subjects; it will put the railway administration in difficulty; it will make travelling unpopular, and our own countrymen will be the first to protest against this Bill if the existing suitable discriminations are removed. I therefore ask you to consider seriously about these questions from different standpoints. After all is there anything so pernicious, so wrong about the reservation of separate accommodation? I have been a traveller for many years and I know that many Indians who travel third class, the poorer third class passengers, would infinitely prefer that in their compartments Anglo-Indians should not enter and they should be left alone because they would feel uncomfortable with their wives and children if Anglo-Indians got into them. I have noticed often how very unwilling they are to see any Anglo-Indians entering their compartments. So instead of doing something for the benefit of the third class passengers, we are subjecting them to serious inconvenience, by passing a Bill of this nature. And therefore, I think that we ought not to go in for the acceptance of the principle involved in this Bill. Sir, my Honourable friend over there briefly referred to the history of this arrangement. This arrangement of reserving third class compartments was not started by the Railway Companies. It was introduced at the instance of Indians themselves. They themselves asked for this concession or privilege whatever you may call it.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab Non-Muhammadan): How?

THE HONOURABLE SIR MANECKJI DADABHOY: I do not know whether my Honourable friend has read the full debate on this Resolution, but perhaps it may interest him to know, Sir, that in the year 1904 a Railway Conference was held at Lucknow to consider the grievances of the third class passengers. At that conference the members present made a request that some special accommodation should be provided for Anglo-Indians and Europeans with whom our countrymen objected to travel on account of their different conditions of life. Now what are these different conditions of life? Now, I will just give only one instance. In an ordinary third class compartment the toilet accommodation is of a different character altogether. It is not the same as is provided in a third class compartment intended for Anglo-Indians or Europeans. It is this primitive condition of life that makes it necessary for the third class Indian travelling public to have special accommodation to suit their habits and their water closets are differently constructed. Then if you come to consider the class of people who mainly resort to these reserved compartments, you will see that they are all our own countrymen, they are either Anglo-Indians or Native Christians. It is this class of people who mostly avail themselves of the third class reserved compartment. Different conditions of life, different habits of life and different proclivities make such a distinction desirable And therefore why, unless there are some serious objections, should you disturb the continuance of the present arrangement which is conducive to the convenience of the travelling public.

My Honourable friend over there is anxious that the obscurity in the law should be cleared up. It is on that standpoint he has based the present motion. The obscurity of law is not at all appreciated by the travelling public; nobody has complained about it. It is the man who breaks the rule and obtains forcible admission into such reserved compartment that relies on the plea of obscurity for his acquittal. The people generally only look to their convenience and comfort, and I think that it would not be proper to introduce a departure from the existing principle in the administration of our railways.

After all, it has already been pointed out that there is no objection to Indians dressed in European costume travelling in the third class compartments labelled as reserved for Europeans or Anglo-Indians. In fact, we have dining cars attached to trains mainly intended for the comfort of Europeans but which are some times made use of by Indians, some of our Indian friends dressed in English costume enter those cars and have refreshments there. In fact, the other day there was a question and an answer given in the other House as to why a separate exclusive refreshment carriage for Indians and third class passengers should not be attached.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): We are trying to do it.

THE HONOURABLE SIR MANECKJI DADABHOY: In fact, we have constantly asked for reservation of third class refreshment rooms for purely Indian third class passengers. Therefore, can that object be gained by legislation of this character? I say that a proposal of this character is detrimental to the interests of the travelling public. The mere matter of the obscurity in law is put forward as an excuse to bring up this motion. Many of the Assembly Members on several occasions have made it perfectly clear that they want to insert this clause and enlarge the scope of the exception for the purpose of doing away with existing racial discrimination.

[Sir Maneckji Dadabhoy.]

Sir, as regards clause 42 (2), I say that it would be straining the language of the framers of the Bill to bring cases of this character within the category of the Bill. As I see this Bill, it is merely founded on sentiment. It is founded on a mere abhorrence of racial discrimination. This Bill is admittedly, according to the author's declaration which I have read to you just now, designed for the purpose of doing away with racial discrimination of this character, and I therefore cannot commend it. I refuse to become a party to such sickly sentimentality. If there was any good principle in it, I would have readily supported it. The Bill, in my opinion, unjustifiably seeks to interfere with the ordinary routine work of the railway administration, and if this state of things is allowed to continue, I do not know to what extent the work of the railway administration will be hereafter interfered with. I submit that it is far beneath the dignity of this House to bother itself with legislation of this character, and I hope that this Council will show its good sense by rejecting this Bill.

THE HONOURABLE HAJI CHOWDHURI MUHAMMAD ISMAIL KHAN (West Bengal: Muhammadan): Sir, I rise to speak on the subject before the House and I regret that I have to oppose the motion. In my humble opinion the question involved is so very trifling, as not to be brought before this House. I think to discuss such a petty affair like this, will be to lower the prestige of the House.

Setting apart the question of dignity, I come now to point out one or two patent facts to be taken into consideration in deciding the point at issue. Sir, I am not one of those to be carried away either by impulse or by emotion. The reservation of one ten or twelve-seated compartment in a whole train could not be taken to be the cause of overcrowding of other compartments. Is there anybody in this House who sincerely believes that by doing away with the reservation of the European compartment the whole problem of overcrowding of the third class passengers will be solved? I dare say not. I would rather appeal to Government and the House to bring forward some practical proposals which will really relieve the public who are at present suffering a good deal for want of accommodation in the ordinary express and passenger trains.

The other argument generally adduced by the supporters of the motion, is that it involves the question of racial superiority. But, Sir, I frankly admit that I do not see anything of the kind in the Railways Act as it stands at present. I make bold to say that the very day on which I will be convinced of that fact, I give my assurance to my Honourable and learned friend, the Mover of the motion, that I will be the first to join with him in denouncing such racial bias or superiority. I am not the person to admit of the superiority of any race or community, be it European, American or any one else. It is my sincere and firm belief that such powers of reservation are really required for the better railway administration of the country. It is for the convenience of all concerned that the European and the Anglo-Indian passengers should be completely separated from the rest of the passengers. I may warn the House that if we force the Indian masses and the Anglo-Indian passengers to travel together, violence and bloodshed will be of every-day occurrence. It is the poorest Anglo-Indian whose manners, customs and ways of living are so different from those of the Indians who avail

themselves of these compartments; and there are sufficient reasons and justifications not to grudge any petty advantage if there be any enjoyed by any minor community.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, on such a matter as this it is very difficult to explain away the whole situation. Sentiment there will be in the discussion of this small measure, but I shall try to take this measure out of the region of sentiment as much as possible, and if I do restrict it to the province of law, it is not because I do not wish to enter into the sentimental aspect, but because it would be much more reasonable to discuss the measure on its own merits. We have had a very intelligent discussion in this House and a very generous offer from my learned friend the Honourable Sir Maneckji Dadabhoy for the introduction of one little word "not" in the Bill itself which might adjust it to the requirements of this House and possibly it would meet the case. The Honourable Sir Maneckji Dadabhoy wanted to trace the history of this question. I will not venture on the whole history, but I place before the House the reasons why I am convinced that this Bill is in consonance with the original intentions of the framers of the Railways Act of 1890. What I understand by "undue preference" I may explain in a very few sentences. The railway companies are common carriers, as we all know, and it is well known that they derive a certain monopoly over other interests, over other concerns, and they have to confine themselves to the rules under which the railway system is brought into existence. The railways may be owned by the State as owner or as sharer or as guarantor. In any case there is a certain responsibility to the State which rests on the shoulders of common carriers. From that point of view anything which is added to the comfort of any particular individual, as distinguished from others is undue if unpaid for and discriminated from that of others in respect of the comforts they enjoy. Reservation also has a peculiar meaning. If, for instance, a European or an Anglo-Indian for whom a third class compartment, a smaller or it may be a bigger compartment, is reserved, were to enter into other carriages or compartments there would be no objection to his doing so. Just think for a while, would you prosecute him? Would you take him to the courts of law and sustain a conviction because certain other compartments are reserved for him? The railway company who reserve a third class compartment may as well say some compartments are for Indians, not statutory Indians, but Indians as such. And if there is a corresponding responsibility upon any European or Anglo-Indian not to enter the compartment so reserved for Indians and if a European or Anglo-Indian was prosecuted with success, as an Indian was prosecuted, for entering certain compartments there would be no idea of preference. The advantages would be common and in that case there could be no reservation. I know how this dispute has been started. Some people choose to call it political; others may call it a justifiable means of doing away with racial distinctions. I am not concerned with either of the motives. Common sense dictates that unless a law is broken it cannot be tested, and when it is tested, it is there the province of the Legislature begins. Therefore the Legislature has been invoked here to set matters right, and I think this is preeminently a matter for the Legislature to consider. What the High Courts and other law courts do is to look to the wording of the section. They are precluded by precedent after precedent from looking into the reasons which compel legislators to frame

[Mr. R. P. Karandikar.]

a particular Act. They cannot go into the proceedings of the Legislative Council. They cannot invoke the aid of remarks made either by this or that Member. They can only, according to their light, consider the Act as it is. Hence I think explanations are needed. Hence the framer of this Bill has acted wisely in putting it down as an explanation. This brings me to the consideration of why this should be looked upon as an explanation. I have glanced over the proceedings of the year 1888 and 1890 between which years the matter was discussed and considered by a Select Committee. The Bill was at that time discussed by Sir Andrew Scoble and a particular reference was made to what was looked upon as a concession. If Honourable Members will look into the discussion, they will see that he specified what a concession meant. He referred to the English law and other Acts on the point, and the Railways Act followed them in 1888 and 1890. The then Legislature while framing the enactment claimed a certain indulgence for introducing a fresh section, section 64, in the Railways Act. What it did do was to show a preference for reserving certain accommodation for females, which was not to be found in other countries. They justified the introduction of section 64 in the Act expressly on the ground that it was a small concession. The kind of reservation, even for females, was a concession. If it was possible for the railways to do that themselves the law would not have contained a specific provision for the purpose. The expression used there in section 64 shows that it was looked upon as a concession. The reservation therefore of a particular compartment is a matter which does not ordinarily lie within the power of the railway administration. They must be entitled to do it under some law and unless they were armed with the law everybody would be inclined to test it and to find out whether the railway can do this thing or that thing. I refuse to look upon it as merely an arrangement by the railway administration itself. If Honourable Members will look at the proceedings of 1890 from page 77 onwards, it will make it perfectly clear to them that this was looked upon as a concession, and therefore it is an undue preference.

When four High Courts of different provinces have had to deal with such cases, how can you say that it is a trifling matter? I know it has been said that we are so dignified here that to treat of such questions is below our dignity and that we should not bother about such petty matters. Call them pin-pricks or call them anything else you like, but these are just the things that test your law, and I appeal to the House not to throw out this measure or to treat it as beneath the dignity of the House. For if the dignity of the House were so raised as to make it incompatible with the dignity of the other House, we would lay ourselves open to peculiar charges and I should not like that. I do look upon this measure as well worthy of being considered.

Now I proceed further. In addition to those decisions to which reference has already been made, there was an additional one, also coming from Bombay—I refer to 45 Bombay in which on the civil side the question was considered. The Judges did not go into the question as to whether this was undue preference. It was a very knotty point and I assure this House if ever any endeavour was made by anybody to turn the present *Explanation* by adding a little "not" there it would move heaven and earth. No such concession can ever be possible in the case of a common carrier. Let anybody try to introduce the word "not". It would certainly be a reservation.

In fact the railway administration now reserve whenever they like. It may be only a matter of sentiment which I realise. There is no difficulty about that and whatever may have fallen from the benches opposite urging that it would be an advantage to the people concerned to have a separate compartment relying upon a reference to the Railway Conference of 1904. I do not believe that the separate compartment should be so separated by planks. If it was not to be separated by iron bars but by planks what does it mean? There may be claimed separate compartments for all but as long as there are no successful prosecutions against any European or Anglo-Indian for entering other compartments the arrangement is one-sided. I do realise that there is a great difficulty in enabling railways merely to have separate compartments for Europeans, even if only for decency's sake, or for the sake of convenience, but to make it a point of law that anybody going into the compartment shall be prosecuted is unjustifiable and the High Courts are in that matter helpless. The Assembly has moved in this matter because the Assembly represents the common people. I admit that the railways may reserve for the comfort of passengers generally, but there is no corresponding responsibility on non-Indians such as that if they went over to another compartment they are liable to similar treatment. There is nothing of that kind. If the third class carriages are all full up and there is room in this reserved compartment, I do not see any reason why it should not accommodate those people who would otherwise be left behind. In circumstances like that to say "This compartment is reserved for Europeans" is not right. When there is a compartment which is going empty, which travels for miles together with nobody inside it, there can be no harm if this compartment were utilised by non-Europeans or non-Anglo-Indians. It is just cases like these that bring up this question.

Now I turn to the question as to whether it is an *Explanation*. The arguments on the other side are all on one side, and I do not think Honourable Members should be satisfied with the line adopted by the other side which is inconsistent with the whole spirit of the Railways Act. Now this *Explanation* says that this is undue preference. Well without that *Explanation* the law may have been understood to mean anything. There is no particular object in stating it as an *Explanation;* but because there has been some difficulty in interpretation about it that this *Explanation* is added. There is nothing wrong in it, no slur is cast upon anybody We are indeed thankful to the railway companies for providing minor comforts and conveniences like drinking water, etc., stated by my Honourable friend Sir Maneckji Dadabhoy. It is not that the travelling public are not grateful to the companies for these things; but is it going to end there? Is it not a fact also that third class compartments are generally full up and that it is to the interest of the companies to increase their traffic by these and other means? The travelling public are not unmindful of the little things that are done for their comfort, but when the railway company say "You cannot enter this compartment or that compartment; we have the right to reserve compartments for certain people" then the public say "We also have a right in this matter" and they appeal to the Legislature through their representatives. It may be a small matter or a big matter. The conviction of a man under this section of the Railways Act as it is interpreted is a matter I should say of grave importance; and I appeal to this House not to reject the consideration of this Bill however it may be moved. The time may be a

[Mr. R. P. Karandikar.]

premature time or it may be a good time, but no time can ever be premature because somehow or other this subject has to come up. It can be taken up to higher quarters. For instance, there is another section in the Railways Act which allows people to take the matter to the Commissioner to approach the Government to appoint a Commission.

It would have been better for the railway companies to have placed the matter before the Commission and obtain weight to their opinion, but instead of doing that they are raising this sort of objection. Here is a clear case for the Legislature to decide one way or the other; the Bill should not be thrown out because it is a flimsy thing and a mere pin-prick and that therefore we are not concerned with it. I do appeal to the House not to throw out the motion on such flimsy grounds.

THE HONOURABLE RAJA PRAMADA NATH RAY (East Bengal: Non-Muhammadan): Sir, if the present day policy of the Government is to remove all racial distinctions, I do not see how it is compatible with that policy to have reservation of compartments for particular communities in any trains. If these reservations are to be kept up, as my friend, Mr. Karandikar said, why should not there also be reservations for Hindus, Muhammadans, Jews, Parsis and Sikhs and all other communities? It is difficult to see why only third class has been singled out for such reservations when no such reservations are made in the first, second and intermediate classes. If the Government are to adopt the principle of putting each community in different water-tight compartments in 3rd class the same thing can be done in the case of the higher classes also. It is inconceivable why this should be done in the case of the third class only.

Then there is the question of habits to which my Honourable friend, Mr. Chadwick referred. I think this difficulty can be easily obviated by introducing the *coupé* system and having certain *coupés* fitted with special fittings, without saying that it is intended for such and such people. Sir, what was considered good enough twenty-four years ago cannot, I am afraid, be considered good enough now; things have moved since then in every path and walk of life and there have been lots of changes. I cannot see why what was good twenty-four years ago should hold good now. The Honourable Chaudhri Muhammad Ismail has said that if Indians and Anglo-Indians and Europeans go in one compartment they will fight with each other like cats and dogs. I cannot think that at the present day that will happen; there may be one or two fights here and there, but that also happens at present. I am afraid my friend is taking too pessimistic a view. The people have more sense now than to fight with each other in trains. However, that is my opinion and I have nothing more to say on that.

In the other place, the Honourable Member in charge of the Commerce Department had said that now a days practically no distinction is made in these compartments, and Indians wearing European dress are admitted or at least have been admitted in certain cases into those compartments. If there is no distinction between a European and an Indian dressed in English clothes, where is then the necessity of there being reserved compartments labelled for particular communities? In that case I believe Government are unnecessarily courting unfavourable criticism from the public where there is practically no need to do so. It is also to be

regretted that stress is being laid more on the dress of an individual than on the individual himself. Such a situation, from the Indian point of view, should be regarded as degrading because whatever sort of dress an Indian might put on he has no right to pass as one who does not belong to the Indian community; and the sooner such a system is put a stop to the better it will be for the self-respect of the Indians.

I think, however, that it is not impossible to find a sort of half-way house in this matter and change the existing labels in such a way as to include both Indians and Europeans. But that is merely a suggestion; it is not an amendment by any means. I should much prefer that the reservation on a communal basis should be done away with altogether and a system of *coupé* compartments introduced with special fittings. On these grounds, Sir, I beg to support the motion that this Bill for the amendment of section 42 (2) of Act IX of 1890 introduced by my Honourable friend, Sir Deva Prasad Sarvadhikary, be taken into consideration.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-official): Sir, I wish to support this motion on a ground that has not yet been put forward. It is this that the railways are common carriers; but unlike other ordinary common carriers they are monopolists also. The railway is a monopoly concern and anybody wishing to start a line now from Bombay to Delhi in competition with the Great Indian Peninsula and the Bombay, Baroda and Central India Railways would not be permitted to do so. And why? because the concern is very great, it requires large capital and any amount of outlay to secure the comfort of passengers. For all these purposes the railways are monopolists and having monopolies granted to them by the State, I say they have no right to discriminate between one person and another. They must offer to carry so many persons and not show any preference to any person or community and they must provide for all equally, otherwise the State would be right in withdrawing the monopoly from them.

THE HONOURABLE SIR MANECKJI DADABHOY: Why did you ask for a monopoly for the coastal trade?

THE HONOURABLE MR. G. S. KHAPARDE: I have not applied for the coastal trade monopoly and so that is not a point for me to answer. The fact remains therefore that railways as monopolists cannot of their own motion or choice create any preference in favour of any person, and that was the meaning of section 42 and all that; and it was relying on that that these people felt the inconvenience so much that people of education purposely broke the law in order to make what is called a test case and took it to the highest tribunal to see whether this was or was not preference. Now, you do not mean to say that these people instituted these cases merely for the fun of the thing, that they were tired of sitting at home and said "We will now go to jail", or that they had so much money that they wanted to spend some of it on lawyers and so on; that is not so. There is real inconvenience and there is a feeling, perhaps not so vocal as it might have been, and perhaps there are poorer people who cannot afford to take it to courts; but still there is a real grievance, for it often happens that a train is overcrowded and in the middle of it there is one compartment travelling completely empty not because there is any lack of passengers, but because a label has been put upon it reserving it for a particular community and no other person can enter it. Sitting here in this cool atmosphere we may not recognise the inconvenience of it;

[Mr. G. S. Khaparde.]

but when there are fairs and when people are travelling, say to Pandharpur, and you see them put in cattletrucks to be carried to their destination and there in the middle of their train there is this empty compartment reserved for a particular community, into which otherwise one could get and travel more comfortably, that is where the irritation comes in; and that irritation having come in and having gone this distance, if at all no racial discrimination is intended and no favouritism is intended, then why this elaborate defence of it? Why do you not say "All right; you feel the inconvenience; we throw it open; anybody can travel by it." If it is such a small matter, then why should there have been any opposition at all? But because there is the opposition, there is something behind it; and what is that something behind I shall just explain. First of all, the railways by themselves have not the authority to grant preference to any particular community or race, they cannot show any kind of preference at all. The law prohibits them from doing so. Therefore, why do they label the compartments as reserved for a certain class? I therefore submit that it is a real grievance that the railway companies should be allowed to set apart a compartment for any particular section or race. This grievance is very keenly felt by the dumb millions, by those who are unable to complain, by people who do not know the arts of publicity, nor have they the power to put forward their grievances.

THE HONOURABLE SIR MANECKJI DADABHOY: Did the National Congress ever bring forward this proposition?

THE HONOURABLE MR. G. S. KHAPARDE: I have not read all the reports of the Indian National Congress sessions, and so I cannot tell my friend whether the Congress ever brought forward this subject for discussion, but if they have not, I think they have failed in their purpose. Had they done so, they would have done better.

THE HONOURABLE SIR MANECKJI DADABHOY: Thank you.

THE HONOURABLE MR. G. S. KHAPARDE: I therefore submit, Sir, that the people of this country have a real grievance and it is felt all over the country. If therefore we throw out this Bill, it will only show that we never care for the sufferings of the poor people and that we are attending more to the interests of the more influencial and monied classes than to the interests of the poorer classes. On these ground therefore, I submit that this Bill should be carefully considered and passed.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, at the present stage we are asked whether this Bill should be considered, and I think a very strong case has been made out for its consideration. I admire the sweet and reasonable manner in which my Honourable friend Sir Deva Prasad Sarvadhikary placed his case, and I also admire the very reasonable speech delivered by the Honourble Mr. Chadwick in opposing the motion. I really think that in this matter there is not much difference of opinion. I must state at once that I do not presume to say anything about the legal aspect of the question on which the Honourable Mover has rested his case. However, I must say one thing quite frankly. When I got notice of this Bill, I really thought that it was a very small matter and that this House need not trouble itself with it. However, I must again say frankly that I applied for literature on this subject and I got some elucidation from Diwan Bahadur

T. Rangachariar, Deputy President of the Assembly. I argued with him and pointed out to him that perhaps even now some of our people will not care to get into a compartment which is labelled as reserved for Anglo-Indians, because their habits are certainly entirely different from ours. But he gave me some reasons, which induced me to come to the conclusion that it is perhaps desirable that this distinction should be done away with. I must say at the same time that I am not looking at the question from a racial point of view at all. The point of view which I wish in all humility and in all seriousness to put before the House is this. My Honourable friend Mr. Karandikar said that the railway authorities intended this as a concession. I deny this statement, and I would respectfully submit that it is entirely opposed to facts, because it is only our own countrymen that asked the railway authorities in 1904 to have separate compartments . . . .

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: It is not so.

THE HONOURABLE MR. G. A. NATESAN: Then there must be some mistake in the report of that conference. However, I say this subject to correction. I believe it is a well known fact that most of our people avoid getting into a compartment which is labelled as reserved for Anglo-Indians or Europeans. In 1904 the prejudice was far greater, but it is gradually dwindling. As a matter of fact, I wish to state that when I was travelling with my wife in the first, second or third class—I have had my days of toils and difficulties and in the early days of life I could not afford to travel by second or first class,—but when I was travelling with my wife in those days we always avoided travelling with certain people whose habits did not agree with ours. But my experience has been very pleasant. I shall just give the reasons briefly for supporting the Bill. My point is this. There was no doubt a great prejudice in 1904, but much water has flowed under the bridge since then and the relations between the various communities have considerably improved. When I myself hesitated to get into a first or second class compartment with my wife and when I actually got in, I have had the kindest treatment and consideration at the hands of Europeans who mostly occupied those compartments in those days. It was only very recently a very big European official even offered to get out of the compartment for a quarter of an hour at a railway station when we were about to take our food, because he thought that my wife might have some objection to taking food in his presence. Similarly, a Muhammadan gentleman with whom I was seated in a second class compartment some years ago was very considerate to us while travelling from Villupuran to Madras. I at first hesitated to get into that compartment because my wife was travelling with me, but he was the first to welcome me and offer the entire berth to us. That poor man is now dead. He was a great merchant in Madras and a philanthropist. My Honourable friend Sir Muhammad Habibulla must have known him, and his name is a household word in Madras. But that is by the way. When I discussed the matter with Diwan Bahadur Rangachariar, he narrated to me his own case. He once happened to go to Mayavaram, which is only about 30 miles from Kumbakonam. He had to travel by a train in which there was no first or second class, and therefore he got into a third class compartment. The moment he got in, a little board was put up saying "Reserved for Eurasians and Anglo-Indians", and he was asked to get out, and he refused. In this connection I should point out that Honourable Members of this House ought not to picture to themselves Diwan Bahadur Rangachariar as he is now with his English uniform, with his neck tie, and perhaps with his

[Mr. G. A. Natesan.]

improvements in dress since his return from England. If you wish to know Mr. Rangachariar, you must picture to yourself Mr. Rangachariar with his big *dhoti*, with only a shirt and a coloured *duppatta*, with his *namams* as thick as possible on his forehead, bright and shining. Now the point is, Mr. Rangachariar wanted to go to Kumbakonam station, there was no first or second class compartment in the train and he had to finish his journey. How could anybody go and tell him that he cannot travel? I again wish to say that I desire to support this motion only after hearing the experiences of my friend Diwan Bahadur Rangachariar. He was asked to get out of the compartment, and he refused to do so. That means, that the train was overcrowded, there was no first, second or intermediate class compartment, but as he had to go to Kumbakonam, he was quite willing to put himself to the inconvenience of travelling by the third class. But he was shown the board labelled as "Reserved for Anglo-Indians". Mind you, at that time there was not even a single Anglo-Indian passenger in that compartment. Now, I ask the House to consider whether under these circumstances the law should be retained as it is. I have read the literature on the subject. I have also had the advantage of listening to the eminently reasonable speech of my Honourable friend Mr. Chadwick. But what I ask him is this. He himself says there is no reservation of any first or second class compartments for any particular section of the people. He also tells us as was stated in the other House, that this reservation has been done away with in almost all the railways, and that it exists in only one or two railways. Now it is for us to consider the balance of advantages and disadvantages. My Honourable friend Mr. Karandikar made out a very strong case. Suppose you do reserve a third class compartment,—I take the statement of the Honourable Mr. Chadwick,—with only eight seats. Suppose an Anglo-Indian family consisting of more than 8 people proceeding on a holiday trip get into the third class compartment reserved for them and occupied the eight seats and the remaining Anglo-Indians tried to get into any of the other third class compartments not reserved for them but occupied by Indians, will the Indian passengers be justified in refusing admission to them telling them that they should squeeze themselves into the compartment reserved for them? These Anglo-Indians who cannot find themselves accommodation in the compartment reserved for them may be willing to put themselves to the inconvenience.

THE HONOURABLE MR. D. T. CHADWICK: They must put up with it.

THE HONOURABLE MR. G. A. NATESAN: That is just what I say, if one has to put up with it the others can also put up with this inconvenience also because we are all fellow passengers and have to share in the trouble. If there is to be any fighting at all, as my Honourable friend the Muhammadan Member said, there will be a fight in these conditions also. I have had my share of difficult times and been constantly a third class passenger. Let me say this trouble used to take place, but the relations between the various communities have considerably improved and there are Europeans who welcome Indians with their wives and treat them well, and it is an object lesson which I think every one should foster and encourage. While relations are thus improving, I do not think it is desirable even on one or two railways, to pursue this present plan. The whole question now is purely a question of expediency. Where is the balance of advantages or disadvantages? You have done away with this reservation in the first class, second class and intermediate. You have no such reservation even in regard to the third class on most railways. You have it only on one

or two railways. I think Sir Maneckji Dadabhoy did a distinct disservice to the promotion of good feeling and a better atmosphere in which these very complicated subjects are discussed in this Council by introducing the question of finding fault with the motives of people. That is a practice we should all deprecate, and those who are leaders in supporting the dignity of this House should set a better example. There is no doubt there were some of our own people who thought they should not be compelled to travel with certain classes of people, but I think that feeling has died out. I have had considerable experience and have had to utilise the third class very often myself, and I say we do not find much of these difficulties. But I do think that even if there is a little difficulty, it is better in the interests of good administration and the promotion of that happy fellow feeling that this small restriction should be taken away. If it exists only on one or two railways why bother to keep up this position? Why not alter it? The Honourable Mr. Chadwick said in 1904 at a Railway Conference a suggestion was made about this. There is a Central Railway Committee. Why not refer this question to them and ask them to consider it instead of Government getting up and saying they oppose the consideration of this Bill? Why not consult this Committee, put the pros and cons before them and ask them if they still think this is necessary? I think it will be a very good thing if Government do not oppose the consideration of this Bill, but leave it to the Railway Advisory Committee to consider this question. Nothing will be lost if this matter is postponed. It is clearly admitted that you have no reservation for the higher classes and that all reservation has been done away with in the majority of cases.

THE HONOURABLE THE PRESIDENT: The Honourable Mr. Chadwick.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: I want to reply.

THE HONOURABLE THE PRESIDENT: The Honourable Member had ample opportunity to rise in his seat after Mr. Natesan had spoken. I sat in my place with my eyes fixed on the Honourable Member waiting for him to rise. I must impress on Honourable Members that they must look after their own interests in this matter. I do not intend to ask the Mover in any case whether he wishes to exercise his right of reply. I shall have to assume, if he does not rise at the end of a debate, that he does not wish to reply.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, in the first place it is due to myself and also to the Chair, that I should explain the delay in getting up in my place. I am never slow to avail myself of the opportunities that the rules provide for me but am averse to undue precipitancy. The Honourable Mr Natesan made a suggestion to the benches opposite and I saw the Honourable the Home Secretary going up to the Honourable Member in charge, and I thought naturally there was a conference going on as to whether that suggestion was going to be taken up or not, and I wanted to give time for the purpose. When however I saw the Honourable Mr. Chadwick rising, I thought that was not going to be done, and I lost no time in getting up.

Sir, I am sorry the burden and responsibility of having to reply has been cast on me, not by the Honourable Member in charge of the question, whose sweet reasonableness, to quote my friend Mr Natesan, had nearly disarmed me, but by another. The responsibility for any heat or

[Sir Deva Prasad Sarvadhikary.]

introduction of unnecessary and undesirable elements in the debate must rest on the Honourable Member from Nagpur, as has been pointed out by the Honourable Mr. Natesan. There are some law points, Sir, with regard to which I shall have to deal later on as the Honourable Mr. Chadwick has in his way referred to them. Before I do that, I desire to deal with some of the points that the Honourable Sir Maneckji Dadabhoy has thought fit to take up. He has called the Bill petty. I am thankful that the Honourable Mr. Chadwick did not borrow that official shibboleth elsewhere and call the Bill petty. He put his opposition on other and better grounds. We must be thankful that the Honourable Sir Maneckji has not called it paltry, emanating from a "paltry half dozen" according to recent newspaper phraseology who are making themselves obnoxious to the Honourable Sir Maneckji Dadabhoy and his friends. Sir, contrary to the terminological chastity upon which Sir Maneckji Dadabhoy prides himself, he has invoked good sense and asked the House not to "bother" themselves with this petty matter which was "beneath their dignity." A petty matter indeed which has engaged the attention of four High Courts and a responsible Assembly. I can hardly imagine my friend was serious. If for reasons that appeal to this Honourable House, it finds it necessary to reject the measure, let it do it by all means, but that is not the way to deal with a question that behind it has certainly large popular demand and has also the support of the majority, in a complemental Chamber of the Legislature, the strength and significance of which my friend with his astuteness cannot fail to recognise. He cried out on the question of monopolist carriers, raised by the Honourable Mr. Khaparde and the Honourable Mr. Karandikar. "Why did you ask for a monopoly for the coastal trade", as if that matter was *apropos*, as if that matter would involve a solution of what my friend Mr. Karandikar has called "concessions" in law. My friend Mr. Natesan did not appreciate what Mr Karandikar meant by calling it a concession that Sir Andrew Scoble had to plead for in 1890, because it was an out of the way thing for common carriers to have a concession like this. It was instituted only by reason of serious questions connected with the womanhood of the country, which involved the necessity of having separate *pardah* arrangements in travel. Sir, I had to be somewhat emphatic in my protest in regard to the oft-repeated argument of Sir Maneckji referred to by the Honourable Mr. Natesan that this system came into vogue after the Conference of 1904, at Lucknow, or whenever it was. That is not a fact. I myself remember, I shall take no other evidence, that in 1882 on the Oudh and Rohilkund Railway there were reservations for "Europeans only" and for "Indians only" down to the intermediate class which attracted my attention Possibly in the third class, there was no such rule which might have been the object of the Lucknow Conference. I shall not accept any testimony, having seen myself, to the contrary that separate reservation on whatever basis it might be for the time being, was due to this Lucknow Conference, or by reason of popular demand then put forward. It had a much earlier genesis. Sir, the Railway Department is out for making history we have been told, and if history is to be made on materials like that, and if it is to be argued that because something appears in print, somewhere and is *chappa me likha*, therefore that is to be accepted as proving something else. I am afraid it will prove poor history that will stand no critical examination. My Honourable friends from Bengal will probably remember that not only was there this differentiation

but the expression of differentiation in some cases was extremely offensive. *Kala admi ka wastay* was one of the signs you saw on the boards of some rooms intended for certain purposes. *Deshi Manishya Diger Jannya* was another legend. That was in my young days long before that Conference of 1904 and they made for unrest that the poor Government was made responsible for, of course quite wrongly. It will not do therefore to put forward this argument because in the archives of the Railway Department there is a resolution of the kind mentioned drawing particular attention to a particular phase of things regarding third class passengers in a particular Conference. As I have said I am not sure whether differentiation like that among third class passengers was in vogue or not in some railways and probably this resolution called attention to this. But the whole thing originated much earlier. Whether what is known as the Australian tiger-snake-reptile accommodation of which we have just read in the papers was necessary and whether a mere iron cage or plank partition will not keep off the terrible disaster apprehended by the Honourable Mr. Ismail Chowdhry whether iron sheeting or iron planking will not be required are matters I do not wish to go into here, but I can confidently assure this House that differentiation existed long before the Conference of 1904.

Sir, by itself reservation may or may not be harmful, may or may not be objectionable; but when legal consequences arise out of encroachment on reservation, legal consequences of an untoward and objectionable nature, it is then that the peoples' representatives have to take up the matter and they have done so. Rightly or wrongly some people have taken it into their heads to object to this and object to it in a somewhat vocal fashion, a somewhat aggressive fashion, let it be conceded, which has resulted in prosecutions. The difficulty, and the objection, come in when something is done contrary to rules under section 42(2) which have the force of law in the circumstances set out in the Act. And that is the difficulty that we are trying to have removed. If there is reservation and if there is no objection taken to it, it is a mere question of convenience and no one gains or loses by it. The difficulty appears when you carry the effect of encroachment to its logical and legal consequence. It will probably be put forward and with force, that unless you follow it up with prosecutions and convictions and punishments the strength of legal or semi-legal sanction disappears and you cannot carry on your administration. Therefore the consequential prosecutions and punishments must be upheld. It is for this reason that objection is taken to the reservation. I am not going to be drawn by my Honourable friends into a consideration of racial questions. Government themselves have made it clear—at least here—that there is really no racial question involved in the matter so far and they plead for a little lingering. My Honourable friend the Raja Bahadur of Dighapattia has drawn attention to a statement in the other House that people who can afford to be dressed like my friend behind are allowed to travel in these reserved compartments, whereas my clothes which have done duty in Buckingham Palace and Windsor Castle . . . .

THE HONOURABLE MR. D. T. CHADWICK: They are all right in first and second class carriages, Sir.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: But they will not do, I am sorry to say, in third-class European reserved carriages. I have not tried it. I do not mind travelling third class like my Honourable friend Mr. Natesan. I have done it sometimes but I have

[Sir Deva Prasad Sarvadhikary.]

never wanted to assert my rights in that particular way. My people have been quite comfortable travelling third class. I have done so myself with large deputations visiting the country for various purposes and have never been uncomfortable nor did we feel that there was any want of dignity in travelling below the first class—an element which is very much to the fore to-day. Having regard to the way in which our travelling bills are arranged those of us who want to travel with families and specially with large families, which the Government allowances do not and cannot cover, have sometimes to travel in reserved second class without loss of dignity. That is a point made clear here and in the Assembly on different occasions. On the present occasion questions like these need not cloud the issue. Government have shown that there is no reservation for Europeans in the upper classes, there is no reservation in most trains, there is no reservation in some railways at all and permission is given to people dressed in European fashion to enter even these reserved compartments. I do not know what European fashion itself is; fashion changes so often and so much; anything may be European fashion and nothing may be, but people supposed to be dressed in European clothes enjoy immunity. I refer to all this to show that the Government have not put forward their case on the basis of racial or communal consideration here, and I do not see why reading between the lines or going to the author of the Bill or his friends somewhere else we should allow, on Sir Maneckji Dadabhoy's unfortunate initiation, a question of that kind to come up and cloud the issue.

I began by resting my case on law and I shall end by doing so too. Unfortunately, Sir, having regard to what the Honourable Mr. Chadwick said and also my Honourable friend Sir Maneckji Dadabhoy who has himself been in law for 30 years as we know and with great credit, it is necessary for me to traverse one or two points of the kind, raised because the Honourable Sir Maneckji Dadabhoy has taken it upon himself to say that there has been no serious difference among the Judges and it is by straining the language of law . . . . . .

THE HONOURABLE SIR MANECKJI DADABHOY: They were all *obiter dicta*: in all those cases convictions took place.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: My friend says they were all *obiter dicta* the value of even which he ought to know and he says that in all those cases convictions took place. And that is the reason why we are here pleading for acceptance of what my Honourable friend has called a petty matter. And what are those pronouncements by the Judges who in the present state of obscurity were powerless?

I shall take only two cases. By the way it is not a fact that in all those cases which came before the High Courts people wanted to obtrude themselves to assert their right; there was certainly one case out of these four in which people found the compartment empty and got into it. They did not at first leave it; but at a wayside station they were asked to leave again and they left. Sir, I will take first the Calcutta case in which one of the learned Judges said: "It is conceded" (and that by the railway which on this particular occasion was allowed to be separately represented instead of being represented by the Government Advocate as usual):

"It is conceded, and it cannot be denied that the action of the Railway Company to which exception is taken does tend"—(*call it obiter dictum or whatever you like,—it is a judicial pronouncement all the same*) "does tend to give preference to 'a particular class of persons' to the consequent prejudice or disadvantage of others."

This exactly fits in with the definition of "undue preference" to which I have referred in connection with the English Act.

The judgment continues:

"The controversy, therefore turns on the question whether the preference thus given is undue or unreasonable, which two words stand as synonymous and explanatory of each other. Mr. Mukherjee, (*now Mr. Justice Mukherjee*) who appears for the Railway Company, in his usual fairness, has conceded that the act of the Company in reserving a railway compartment for any particular class of passengers may amount to undue preference, provided other circumstances exist and are proved to render such act unreasonable and disadvantageous to other passengers, for instance, if it is proved that the train by which the petitioner wanted to travel was full, and no room was available for him except in the reserved compartment. But as the petitioner so argues the learned Vakil, has not alleged or proved any such circumstance, the question of undue preference or otherwise does not arise in this case."

And thereupon there was a conviction. And yet my friend will leave alone pronouncements like these, which he calls *obiter dicta*.

Then, Sir, the judgment goes on to say:

"I agree that in particular circumstances the reservation of a compartment for a class of passengers or intending passengers, without remuneration, may amount to undue preference within the meaning of section 42 (*2*) of the Railways Act, and to this extent I am in full agreement with the view expressed by Shah, A. C. J. in Emperor *v.* Narain Krishna Gogte (*to which I have already referred before*), I am unable to accept the view which has found favour with some of the Judges, who are parties to the reported cases to which I propose to refer later, that it is within the absolute right or power of the Railway Company to reserve a compartment for Europeans only. Now the effect of such reservation is that an European, or one who is included in that term, for whom a compartment is reserved, may travel in any compartment he likes, but an Indian suffering from the disability of not being classed as an European is debarred from travelling in the European reserved compartment. I am unable to concede that such an apparently invidious distinction is not to be considered 'preference' in favour of one community to the prejudice of or disadvantage of another."

Then, Sir, the learned Judge refers to the other case that came up in Allahabad and disagreed with it and ultimately he said:

"the conclusion I have come to is that the departmental rule enabling the Company to reserve a compartment for a class of ordinary passengers may be a violation of the terms of section 42 (*2*) in certain circumstances, but the company has a general power to regulate its traffic and arrange for the accommodation and convenience of its passengers so long as it does not bring itself within that section."

In the Bombay case Sir Lalubhai Shah said:

"I have carefully considered the reported cases on the point, and I am unable to agree with the view that such reservation for a class or section of the public is necessarily legal. It may be illegal as transgressing the limits prescribed by section 42 (*2*) as it has been shown in this case,"

And there is a great deal of argument in this case and other cases in support of that proposition, but I do not want to take the Council through all that. For my purpose it is sufficient to show that there is what I call this obscurity, that there is this difficulty; and the worst of it is that as a result of carrying out the rules under section 42 (*2*) prosecutions and successful prosecutions are possible. I also show that in order that the prosecutions may fail a passenger arriving at the last moment has not only to satisfy himself but to satisfy the court later on that the train was so crowded that he could not possibly get into any other compartment and that his not being allowed to get into this compartment would amount to undue preference, in which case and in which case alone unfortunately, according to some of these judgments, the prosecution would fail. That for my purpose is enough and for this reason I say—I do not want to

[Sir Deva Prasad Sarvadhikary.]

put it any higher, I do not want to have imported into this House extraneous considerations to which appeal has been made, considerations which the Government themselves have very rightly refrained from urging—I say, Sir, that there will be no disaster of the kind apprehended all round by those who are opposing this Bill. Having regard to the widespread reduction of these facilities that existed before, which reduction has not been challenged, it is time that effect should be given to what certainly is a popular demand and the consideration of this Bill should be allowed in this House.

THE HONOURABLE MR. D. T. CHADWICK: Sir, I shall not detain the Council very long. I only wish to reiterate the principle enshrined in the law and that this Bill involves a change in the law. First of all I welcome the statement that was made by the Honourable Mover that though he had travelled in the third class he has never felt uncomfortable or inconvenience, even though as must have been the case on those trains some compartments were reserved for Anglo-Indians. That is a certificate for which I am thankful, which I shall cherish and shall keep for future use. I also welcome the speech of the Honourable Mr. Natesan. He bore testimony to the changing spirit of the travelling public and instanced his own case. He dealt very fairly with the case, but then he said as his reason for supporting this Bill that his friend, one whom we all respect here, Diwan Bahadur Rangachariar, was once put to difficulty when travelling by a train from Mayavaram to Kumbakonam. That I know is a slow-moving train. I have already told the Council that the Act as it stands at present is sufficient to meet changing conditions, and that to-day there is no reservation of such carriages upon slow-moving trains, and therefore the circumstances of the case which troubled Diwan Bahadur Rangachariar in the past cannot and do not exist to-day. Similarly, when the Honourable Mr. Khaparde spoke of seeing people being troubled by these reserved carriages on trains while they had themselves to travel in goods wagons and cattletrucks. He is speaking at best of a by-gone age. I must tell him that we do not attach goods wagons and cattletrucks to mail and passenger trains because they will not run at that pace. So his reason also for supporting this Bill is no longer a valid one.

In other words the Act is in fact flexible and adaptable to changing conditions and that is all we should reasonably demand of the law. I welcome my friend, the Honourable Lala Ram Saran Das's speech and the spirit he showed of tolerance; in other words, the circumstances of the day are changed and the Act is so flexible that the railways are able to change their arrangements to meet them. Sir, it is the principle in the law that we want to preserve. The Act as it stands is quite sufficient. Why change it? I might have taken a different line had this been a Resolution, but this Bill proposes a change in the law, and the law embodies the one clear principle that the railway administration should be free to make what arrangements it can for the convenience of its passengers, provided it does not show undue preference and unreasonable preference, and that undue or unreasonable preference is quite rightly a fact to be proved in each case. It is perfectly right for my Honourable friend to quote the judgment of the Calcutta High Court. I have the utmost respect for it. But the High Court said that in certain circumstances reservation may or may not amount to undue preference. Quite so. But reservation merely as such is not undue preference.

Now, my Honourable friend, Mr. Natesan, made a suggestion that we might have a talk, that we might accept and allow this to pass this stage and then refer the matter to the Railway Advisory Committee. May I say once more that this is not a Resolution, that if this motion is passed it means that the Government accept the principle?

THE HONOURABLE MR. G. A. NATESAN: May I rise to a personal explanation, Sir? My suggestion was that the vote on this question need not be taken now; I made a suggestion to refer this matter to the Central Advisory Committee for Railways; I should perhaps move it as an amendment.

THE HONOURABLE MR. D. T. CHADWICK: The Bill has been passed by one Chamber, and the time has gone past for taking it away; but my point is this: the law as it stands is sufficient; the railway administrations are meeting the conditions as circumstances demand. This everybody admits and agrees; and the rate at which this abolition of reservation should take place is really a matter which ought to be adjusted to the varying needs of different portions of the country. Some railways do not want them others want them. That is the way to treat the question. Let these differentiations disappear through the solvent of mutual toleration and not try to break them by the sledge hammer blows of the law. I oppose this motion for taking the Bill into consideration.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Railways Act, 1890, as passed by the Legislative Assembly, be taken into consideration."

The Council divided:

AYES—13.

Akbar Khan, Major Nawab Muhammad.	Natesan, Mr. G. A.
Barua, Mr. C.	Rampal Singh, Raja Sir.
Harnam Singh, Raja Sir.	Ram Saran Das, Mr
Karandikar, Mr. R. P.	Ray, Raja P. N.
Khaparde, Mr. G. S.	Sarvadhikary, Sir Deva Prasad.
Lalubhai Samaldas, Mr.	Singh, Maharaja Bahadur K. P.
	Yamin Khan, Mr.

NOES—23.

Abbot, Mr. E. R.	McWatters, Mr. A. C.
Amiruddeen Ahmad, Nawab Sir.	Misra, Pandit S. B.
Bell, Mr. J. W. A.	Mitter, Mr. K. N.
Berthoud, Mr. E. H.	Muhammad Habibullah, Sir.
Chadwick, Mr. D. T.	Muzammil-ullah Khan, Nawab Sir.
Crerar, Mr. J.	Patterson, Lieut.-Col. S. B. A.
Dadabhoy, Sir Maneckji.	Sarma, Sir Narasimha.
Dawn, Mr. W. A. W.	Singh, Mr. Charanjit.
Froom, Sir Arthur.	Tek Chand, Mr.
Ismail Khan, Mr. Muhammad.	Wacha, Sir Dinshaw
Ley, Mr. A. H.	Zahir-ud-din, Mr.
MacWatt, Major-General Sir Charles.	

The motion was negatived.

ELECTION OF PANELS FOR STANDING ADVISORY COMMITTEES.

THE HONOURABLE THE PRESIDENT: The only other business before the House to-day consists of four elections which have to take place for the panels for departmental Advisory Committees. These elections will

ordinarily take about 5 to 10 minutes each. If the House prefers to finish the business, I am quite prepared to sit, otherwise I will adjourn now for an hour.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): You might finish the business now.

RESULT OF THE ELECTION OF THE PANEL FOR THE STANDING ADVISORY COMMITTEE ON EMIGRATION.

THE HONOURABLE THE PRESIDENT: Before we proceed to the elections. I am in a position to announce the result of the election held yesterday to the Standing Advisory Committee on Emigration. There have been elected the following eight Members:

The Honourable Rai Bahadur Lala Ram Saran Das,
The Honourable Mr. Haroon Jaffer,
The Honourable Nawab Sir Umar Hayat Khan,
The Honourable Mr. G. A. Natesan,
The Honourable Dr. Sir Deva Prasad Sarvadhikary,
The Honourable Mr. R. P. Karandikar,
The Honourable Mr. Phiroze C. Sethna, and
The Honourable Saiyid Raza Ali.

ELECTION OF PANEL FOR HOME DEPARTMENT STANDING ADVISORY COMMITTEE.

THE HONOURABLE THE PRESIDENT: The House will now proceed to elect a panel of six Members for the Standing Advisory Committee to advise on subjects in the Home Department.

(The ballot was then taken.)

ELECTION OF PANEL FOR THE COMMERCE DEPARTMENT STANDING ADVISORY COMMITTEE.

THE HONOURABLE THE PRESIDENT: The next panel to be elected will be six Members for the Standing Advisory Committee in the Commerce Department.

(The ballot was then taken.)

ELECTION OF PANEL FOR THE STANDING ADVISORY COMMITTEE IN THE DEPARTMENT OF INDUSTRIES AND LABOUR.

THE HONOURABLE THE PRESIDENT: The next panel to be elected will be six Members for the Standing Advisory Committee in the Department of Industries and Labour.

(The ballot was then taken.)

ELECTION OF PANEL FOR THE STANDING ADVISORY COMMITTEE IN THE DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

THE HONOURABLE THE PRESIDENT: The last election is for the panel for the Standing Advisory Committee attached to the Department of Education, Health and Lands.

(The ballot was then taken.)

STATEMENT OF BUSINESS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): I inferred, Sir, from the discussion which took place yesterday regarding arrangements for the second week in March that the general wish of the House was that the adjournment after the 5th March should be limited to the week end and the succeeding holidays, and I am now in a position to inform the Council that His Excellency the Governor General has been pleased to allot Friday, the 13th March, for non-official business. As I indicated yesterday there would be sufficient Government business to occupy the Council on Thursday, the 12th March, should you be pleased to fix a meeting for that day. I may take this opportunity of adding that the business for Tuesday next, the 3rd March, will include the consideration and passing of the two Bills laid on the table yesterday, namely, the Bill to amend the Prisons Act, 1894, and the Bill to amend the Cantonments Act, 1924, and possibly the consideration of the amendments made by the Legislative Assembly in the Obscene Publications Bill as passed by this Council.

THE HONOURABLE THE PRESIDENT: With reference to the statement just made I shall fix a meeting of the Council for Thursday, the 12th March. As for the non-official day a circular will go out in the ordinary course from the Council Office stating when the ballot list will be opened and when the ballot will take place; but to save time I may inform Honourable Members now that the numbered lists will be open in the office to-morrow and on Saturday (the 27th and 28th) and that the ballot will take place on Monday morning in the Committee room here at 10-30 A.M. The day that has been allotted for non-official business is Friday the 13th, and it rests with Honourable non-official Members to avail themselves of the opportunity of having a meeting on that day.

The Council will now adjourn till Saturday, the 28th February, and I would particularly remind Honourable Members that the meeting on that day will take place at 5 P.M. instead of at the usual hour.

The Council then adjourned till Five of the Clock, on Saturday, the 28th February, 1925.

COUNCIL OF STATE.

Saturday, 28th February, 1925.

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

ELECTIONS OF PANELS FOR STANDING ADVISORY COMMITTEES.

THE HONOURABLE THE PRESIDENT: The elections conducted in this House last Thursday for the purpose of constituting panels for the Standing Advisory Committees attached to the various Departments of the Government of India have resulted as follows:

(1) For the panel of the Standing Advisory Committee in the Home Department there have been elected:

The Honourable Sir Maneckji Dadabhoy,
The Honourable Sir Deva Prasad Sarvadhikary,
The Honourable Dr. Dwarkanath Mitter,
The Honourable Mr. Phiroze C. Sethna,
The Honourable Nawab Sir Amiruddeen Ahmad,
The Honourable Nawab Sir Umar Hayat Khan.

(2) In the Commerce Department:

The Honourable Sir Maneckji Dadabhoy,
The Honourable Mr. J. W. A. Bell,
The Honourable Mr. Phiroze C. Sethna.
The Honourable Sir Arthur Froom,
The Honourable Mr. R. P. Karandikar,
The Honourable Mr. Muhammad Yamin Khan.

(3) In the Department of Education, Health and Lands:

The Honourable Haji Chaudhri Muhammad Ismail Khan,
The Honourable Mr. R. P. Karandikar,
The Honourable Mr. G. A. Natesan,
The Honourable Sir Deva Prasad Sarvadhikary,
The Honourable Saiyid Raza Ali,
The Honourable Nawab Sir Umar Hayat Khan.

(4) In the Department of Industries and Labour:

The Honourable Mr. Phiroze C. Sethna.
The Honourable Sir Deva Prasad Sarvadhikary,
The Honourable Sir Arthur Froom,
The Honourable Mr. Lalubhai Samaldas,
The Honourable Mr. Muhammad Yamin Khan,
The Honourable Lala Ram Saran Das.

THE BUDGET FOR 1925-26.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I rise to present a statement of the estimated expenditure and revenue of the Governor General in Council for the year 1925-26 in respect of subjects other than Railways. The form in which this statement is being presented brings home the reality of the great change in our budget procedure which has been introduced this year, namely, the separation of railway finance. This evening I shall have nothing to say about Railways, of which the House has heard a good deal during the course of the last few days, except in so far as they affect our general position, which they do in two important ways; first of all, in respect of the contribution which the Railways make to general revenues and secondly, in so far as they affect our ways and means and our remittance transactions. But before passing on from this subject I should like to say merely this that the Finance Department welcomes this change as heartily as the Railways, or the public can possibly do.

I shall begin my remarks this evening with a short account of the final results of the year 1923-24 of which we now have the audited figures. They present some features, I think, of unusual interest. A year ago we anticipated that there might be a small deficit of some 37 lakhs on ordinary account, but with the portion of the windfall from the Enemy Ships account which was being credited to revenue that year we expected to end the year with a surplus of 206 lakhs. The actual results of the year have been very much better. On the civil side the net variation is small on the whole, but there have been several very important variations under individual heads. In particular, under salt, we have obtained 1 crore and 31 lakhs more revenue than we expected owing to the great rush which took place to replenish stocks when the duty on salt was reduced to Rs. 1-4-0 a maund in the second edition of the Finance Bill. Under customs and taxes on income, we received considerably less than we expected. But there were appreciable savings in civil expenditure, so that on the civil side there is very little net variation. It is on the military side that very important savings occurred as compared with our revised estimates. The actual amount of these savings is no less than 3½ crores, the final net figure of our military expenditure being 56 crores 23 lakhs. This is a very important—I was going to say error—at any rate variation from our estimates, but I think the House will make due allowance for great difficulty of framing estimates in a year which was the first year in which the Inchcape cuts took effect. It was quite impossible even late in the year to appreciate the full extent of the consequential savings which those cuts made throughout the military budget. I think that this great reduction in the military expenditure as compared with our estimates is at any rate a tribute to the thoroughness and efficiency with which retrenchment was carried on throughout the year in the Army owing to the efforts of His Excellency the Commander-in-Chief.

In view of the very large surplus which was expected, Government have made two important accounts changes which, while reducing the amount of the surplus, will be for the benefit of future revenues. The first of these relates to the discount on the rupee loan floated in July 1923. That loan was floated at a discount and it was originally intended that the discount which amounted to 82 lakhs, should be spread over a number of years. We have now, in view of the surplus, taken the whole

of the discount against revenue in the year 1923-24. The second accounts change is even more important. It relates to the Persian debt. The Persian debt represents advances and loans which were made by the Government of India to the Persian Government during the war and immediately afterwards, amounting in all to 341 lakhs. This expenditure was for the most part shared with His Majesty's Government, and in India this amount was placed in suspense. We have now decided to clear that suspense account altogether in the year 1923-24. I should explain that *vis-à-vis* Persia our claims to recover the money are in no way affected and negotiations are in fact now in progress for the recovery of this amount. But we are now putting ourselves in the same position as the British Government who from the beginning adopted the salutary procedure of charging this expenditure against revenue in the year in which it was incurred. We are also following the advice of our own Public Accounts Committee who commented on the undesirability of leaving such large items for long periods in suspense and in fact commented on this particular item of the Persian debt. After these two important accounts changes have been made we are left in the year 1923-24 with an actual surplus of 239 lakhs.

I now turn to the current year. It is not necessary, I think, to say very much about general trade conditions. There has been a gradual and welcome improvement in trade during the year. We have had the benefit of still another good monsoon and we have been helped by the very high prices which have prevailed in Europe for a number of our staple products, particularly jute, tea and wheat. The cotton mill industry in Bombay is perhaps the only important industry which so far has not responded to the general improvement. Some measure of the improvement in trade can be gathered, I think, from a study of our trade returns. Taking the 10 months ending with January last, exports of merchandise from India have amounted to Rs. 297½ crores. This is 24 crores more than in the same period of last year and 60 crores more than in the preceding year. Imports at the same time have also increased and the net balance of merchandise in favour of India during these ten months is 103½ crores, which is exactly the same as the corresponding figure for the ten months of last year. On the other hand, there have been very large net imports of gold and silver which in these ten months have amounted to no less than 61½ crores. But even taking account of these, the balance of trade in favour of India is 42 crores.

This improvement in trade conditions is naturally reflected in our revised estimates for the year. But in the current year there are a number of important disturbing factors, and rather than give the House a mere list of figures, I propose to take each of these important factors in turn and show the effect which they have had upon our estimates. The first is Exchange. We budgeted for an average rate of 1*s.* 4¾*d.* but we expect to get an average rate of 1*s.* 5½*d.* The saving in exchange in our revised estimates will be 215 lakhs, excluding Railways but including 70 lakhs of savings in military expenditure. The amount of the saving is due not only to the difference between the two rates which I have quoted, but to the fact that our sterling expenditure was also reduced in amount. The second important factor which affects our estimates is the separation of Railway finance. We budgeted a year ago for 458 lakhs of return from Railways, but in the convention which was established with the consent of the Legislature in September last certain increases were made in the contribution which Railways should give to general revenues, with the result that we shall obtain in the current year 106 lakhs more than we budgeted for,

[Mr. A. C. McWatters.]

the contribution being, as the House knows, 564 lakhs. The third important factor is again the savings in military expenditure. We expect in the current year that our net military expenditure will be 56,33 lakhs, that is nearly 4 lakhs less than what we budgeted for. The actual figure is 3,92 lakhs. I think that on this occasion we can claim to have placed our revised estimates very close to the actuals, and in doing so we have been very much helped by the fact that we have had before us the actual figures for the preceding year.

The factors that I have mentioned so far have been favourable ones. On the other side there are several unfavourable factors. In the first place, from salt we shall obtain 131 lakhs less than our budget figure for the reason which I have already mentioned, namely, the rush to replenish stocks in the month of March, 1924. Under the head taxes on income, I am afraid that we budgeted somewhat optimistically and we now expect to receive 1,74 lakhs less than our Budget estimate. In respect of opium, again, there have been disturbing factors in consequence of the international discussions which have centred round this subject in recent months and which have naturally affected our sales for export. We expect that the gross receipts from opium will be less by 65 lakhs. I think that as opium questions are exciting interest at the present time, the House would like to know how much we actually depend upon this opium revenue. The net revenue from opium received by the Central Government in the 8 preceding years has been 1,62 lakhs and in the current year we expect to receive 1,31 lakhs only, so that the total amount, although appreciable, is but a small percentage of our total revenues. Another important factor which we have to face this year is the increased expenditure for bounties under the Steel Protection Act and the bounties which were more recently agreed to by the Legislative Assembly. These amount to 62 lakhs in the course of the current year. We also have to meet the recommendations of the Lee Commission which will cost 25 lakhs in the current year, 5 lakhs of this being under the Railway head and 2 lakhs under Posts and Telegraphs.

I come last of all to Customs. The gross receipts from Customs have naturally benefited from the improvement in trade, and we expect to receive no less than 2,72 lakhs more in gross Custom revenue. On the other hand, we have to meet one very important item of refund amounting to 280 lakhs which is due to the fact that the decision of the Privy Council in the question which I mentioned last year of stores imported by Company Railways working State lines has gone against us. These Company Railways are therefore entitled to receive a refund of the customs duty which they actually paid from the date on which their liability to duty was contested before the courts up to the date on which the Sea Customs Act was altered to make Government stores liable to customs duty. I think it is important to explain to the House exactly how this refund affects us financially. From the ways and means point of view it affects us very little. Out of these 280 lakhs 155 lakhs represent stores on capital account and this refund merely goes to reduce the capital expenditure on Railways. 125 lakhs represent revenue stores and this goes to reduce the working expenses of the Railways. The only amount which represents actual outgoing in cash is about 15 lakhs, which is the share of surplus profits paid to the shareholders in the company lines. So far as our revenue position is concerned we shall get from the Railways as part of the contribution a

sum of 37 lakhs because we are entitled to one-third of the amount available for transfer to the railway reserves if that amount exceeds 3 crores. We have also kept in suspense from last year a portion of the windfall from the enemy ships account. It was specially kept in suspense in order to meet this contingent liability. The amount available for that purpose is 255 lakhs, so that on the revenue side we are completely covered. The net result of these various factors is that we estimate in the current year that instead of the small surplus of 18 lakhs for which we budgeted, we shall close with a surplus of approximately Rs. 4 crores—the actual figure is Rs. 399·58 lakhs,—which, the House will observe, approximate very closely to the savings which we expect under military expenditure, all the other factors practically cancelling out.

Before I turn to the Budget figures I should like to mention one or two points in connection with the form of the Budget which may be of interest to the House. I need not refer again to the question of the separation of the railway finance, but the House will be interested to know that in the Budget we are showing the Post and Telegraph accounts in a commercialised form for the first time. This is a new innovation and cannot pretend to be absolutely in its final form, but it is sufficiently complete I think to give an approximate idea of the working of the Department. The basis of the change is that the Department will receive credit for services which it renders outside the sphere of its normal activities, for instance, for the issue and payment of Cash Certificates, for managing the Post Office Savings Bank, for collecting customs duty on postal parcels and so on. On the other hand, it will accept a debit for the interest on its capital account; it will have to set aside a proper amount for depreciation of its assets, and it will have to accept the liability for pensions of the Department on a proper actuarial basis. The result in the current year is that the Department appears to be working at a small loss of Rs. 283,000 and in the budget year, if I may anticipate the budget figures, that loss is reduced to a purely nominal one of Rs. 60,000. The account of the Department as presented endeavours to distinguish between the three main branches, the Postal Department, the Telegraph Department and the Telephones. In the coming year we anticipate that the Postal Department will be working at a profit of Rs. 29 lakhs, the Telegraph Department at a loss of Rs. 26 lakhs, and the Telephones at a loss of Rs. 4 lakhs. The difference between these Departments is mainly due to the fact that the Telegraph Department has to bear a much larger charge for interest in view of its larger capital.

There is one other matter affecting the form of the Budget which I should mention, and that is, the first year in which we are showing a provision for redemption and avoidance of debt in accordance with the scheme which was outlined in this House last September. The House will remember that that scheme contemplated a basic figure of Rs. 4 crores and in addition a one-eightieth part of the debt incurred since the 31st March, 1923. The actual amount which appears under this head will be Rs. 478 lakhs, the increase being due in part to the fact that we have taken over Rs. 18½ millions of the East Indian Railway debenture stock when that railway became a State railway. There is also under this head an item of Rs. 24 lakhs which represents the customs duty on capital stores of State Railways. The House will remember that Government decided to set aside from revenue an amount equivalent to the customs duty on imported capital stores of State Railways in order to avoid the inflation of revenue at the expense of capital.

[Mr. A. C. McWatters.]

I am now in a position to come to the Budget figures. First of all, I take the expenditure side and the question of exchange. As always Government refuse to prophesy, but they find it necessary to take some figure at which to convert our sterling expenditure into rupees. Exchange has for the last half of this year been approximately steady at 1*s.* 6*d.*, and for the purpose of the Budget we are taking that figure. I will return later on to this point in connection with the question whether our surplus, if we have one, is a real and recurring surplus or not. The second item is military expenditure. We are taking in the Budget a net figure of Rs. 56 crores 25 lakhs which is exactly 4 crores less than that which was taken in the Budget of last year. The House will no doubt have noticed the close approximation between the figures of military expenditure in the three years, that is, the actuals for 1923-24, the figures for the revised estimate of the current year and the figures for the budget year. In all the three cases they are approximately Rs. 56¼ crores, but in making a comparison between these three years it is important to remember that in the first of these years an amount of more than 3 crores was saved by consumption of stores without replacement. There was a small saving of the same kind of Rs. 110 lakhs in the current year and in the next year there is still an item of Rs. 70 lakhs which represents consumption of stores. Also in the Budget year we have an item of Rs. 171 lakhs for payment on account of demobilised officers. This is a crore more than we provided in the previous year, and, with the exception of a very small sum, we hope that this will close this particular liability. I think possibly the best method of envisaging the actual cost of the Army is to take the military expenditure excluding all abnormal items. The figure will then be Rs. 55 crores, and in connection with the Budget we should also remember that this includes certain new items which have not appeared in previous military budgets. The first is the amount of the customs duty on military stores which amounts to Rs. 27 lakhs. The second is that the Army will for the first time be paying the cost of their stationery and printing which will amount to Rs. 13 lakhs, and the third is the revision of pay and the extension of the passage concessions to army officers which accounts for Rs. 45 lakhs. These figures are included in the figure of Rs. 55 crores which I have just given. On the civil side there are only two items of expenditure which I need mention. The first is that in respect of Opium we expect our expenditure to be less by Rs. 58 lakhs than in the current year because our stocks of opium are now large and we have been reducing the area of cultivation and also have been able to reduce the price paid for raw opium. The second is under the head Interest where our expenses will be less by 97 lakhs. This is due to the fact that the share payable by the Railways and by the Provincial Governments will be larger.

Turning to the revenue side, I think that our revenue estimates have been framed on a conservative basis. Under Customs we have taken a figure of Rs. 121 lakhs less than what we anticipate to receive in the current year. We cannot expect to get such a big return from sugar or possibly from piece-goods and certainly not from the protective duties on iron and steel. Under Taxes on Income we have taken a figure which is Rs. 88 lakhs higher than the figure anticipated in the current year but still Rs. 87 lakhs less than the figure which we took in the Budget last year. Under Salt we budget for a normal year, Rs. 695 lakhs. From the railway contribution we shall get Rs. 40 lakhs less than last year, the railway contribution next year being Rs. 524 lakhs. We are continuing

the provision by which the interest on the Paper Currency Reserve and the excess of the Gold Standard Reserve of over 40 millions is being taken to revenue.

There remains one item which I wish to explain and that is in connection with Post and Telegraph stores. Hitherto our practice has been that Post and Telegraph stores at the time of purchase are paid for from revenue and placed in a suspense head which is cleared when the stores are actually issued either for revenue or capital purposes, a corresponding credit being taken to revenue. This procedure which has obvious disadvantages is being revised under the advice of the Auditor General, and in future the Post and Telegraph stores will be kept outside our revenue account altogether. We shall however have on the 31st March next Post and Telegraph stores in stock to the amount of one crore, 24 lakhs and these stores have been already paid for and debited to revenue with the result that in the current year when these stores come into use revenue must receive a credit. The House will realise that this is a non-recurrent credit and that in future years we shall not get this credit or in fact get any credit at all. Similarly under Opium there is a small non-recurrent credit in the present budget owing to a change in procedure by which Provincial Governments will pay us for the stocks of opium held in treasuries on the 31st March next, and will in future pay for opium at the time of receipt instead of as at present at the time of issue to the public. These two items of 124 lakhs and 20 lakhs are therefore clearly non-recurrent.

Taking then our budget figures as a whole we anticipate a surplus of 324 lakhs. I will turn in a minute to the question how far that surplus is a real and recurrent surplus or not and will say a few words now about ways and means.

This time last year we anticipated that we should be able to meet our various liabilities without raising any sterling loan and without floating any more treasury bills and should be able to limit our rupee borrowings to a figure not exceeding 20 crores. The actual liabilities during the year have been a good deal less than anticipated mainly on account of the smaller capital requirements of the Railways. We have also received more from Post Office Cash Certificates since we have made no change in the rates. The result is that while we have borrowed in India 7 crores less than was anticipated in the Budget we still end the year with very high balances, although these balances will be 5 crores less than a year ago. So far as our remittances are concerned we have had very satisfactory conditions and we anticipate that by the end of March, we shall have remitted to England £42 millions. We have actually remitted up to date £40 millions, of which £33 millions have been remitted by the new procedure of purchasing sterling in India. Of this sum £6 millions have been placed in the Paper Currency Reserve in England with the object of issuing additional currency out here in order to relieve the tension in the money market.

As regards next year our liabilities include 3½ crores of maturing 1925 bonds, 23 crores for capital expenditure of railways which is the maximum sum that we think the Railways can spend, 14 crores for drawings of the Provincial Governments, a crore and a half for New Delhi and a sum of £2½ millions for the Great Indian Peninsula Railway guaranteed stock

[Mr. A. C. McWatters.]

which will be discharged when the Railway is taken over by the State next year. As I have said our balances are high and we anticipate further good receipts from Post Office Cash Certificates and from various other items. We hope we shall be able to avoid sterling borrowing this year also and that we shall be able to limit our rupee loan to a sum not exceeding 12 crores. As the House knows we have important liabilities in the near future for maturing debt and it is possible, though it is too early to make any definite announcement at the moment, that we shall be issuing something in the nature of a conversion loan.

I now return to the surplus of 324 lakhs and the question how far it is a real and recurrent surplus or not. In the first place there are certain items which are definitely non-recurring, the 124 lakhs of Post and Telegraph stores, the 20 lakhs of credits under Opium, the 70 lakhs due to consumption of military stores and a further item of 18 lakhs which is expected from the enemy ships account next year, and which should finally close that account. All these items are non-recurrent items of receipt. There is also one non-recurrent item of expenditure, namely, the 171 lakhs in the military budget for payments to demobilised officers. If these items are set off against each other we are left with a net surplus of 268 lakhs. The House will now ask about exchange. I think in considering this it is important to remember that in future the sterling expenditure of the Railways does not directly affect us, and therefore the effect of alterations in exchange on our revenue position is a good deal less than it was in the days before separation. Actually next year, taking the net sterling expenditure which affects our revenue account at £16 millions, every change of one farthing in the average rate of exchange will mean 32 lakhs. It is also necessary to remember that we can now count on a certain and increasing contribution from the Railways, that we have in our budget an adequate figure for redemption and avoidance of debt; we look forward in the near future to a very appreciable increase in our receipts from income-tax as we have not yet had the benefit of a really good year, the income-tax assessment being of course based on the results of the preceding year. Also we look forward to further reductions in military expenditure. Taking all these factors into account Government are of opinion that the amount of surplus which can be considered as available for distribution is 2½ crores. Now as regards the claimants for this amount, Government's opinion is equally definite that the first claimants should be the Provincial Governments. There are other second preference shareholders, if I may say so, but the first preference shareholders are the Provincial Governments and Government's proposal is that this 2½ crores should be distributed to Provincial Governments in accordance with the Devolution Rules, under which Madras will receive a remission of 126 lakhs of their contribution, the Punjab 61 lakhs, the United Provinces 56 lakhs and Burma 7 lakhs. I might mention at the same time that we propose to make an alteration in the present procedure by which we give Local Governments an assignment to compensate them for the duty on imported Government stores. This was a purely temporary arrangement and an unsatisfactory one. Since so long as these assignments are given it is impossible to carry out fully our object in assessing Government stores to customs duty, which was to enable Indian stores to compete fairly with imported stores. Government therefore propose that in the case of those

Local Governments which are receiving a remission of their contribution this assignment will no longer be given. The total amount of these assignments is only 20 lakhs for all the nine provinces, of which ⅔rds is payable to Bombay who are not at the moment affected. For the other provinces the amount in each case is very small. I shall now be asked what about Bengal. As the House knows the Bengal contribution of 63 lakhs becomes due automatically next year. I should also say that in the figures which I have given to the House of our surplus the Bengal contribution has not been included as a receipt. Government after considering the special claims of Bengal are of opinion that it is fair that the Bengal contribution should continue to be remitted for a further period of three years before Bengal is brought into line with the other provinces. As regards procedure Government propose that after the Finance Bill has been considered and passed these proposals for the reduction of contributions and for the continued remission of the contribution of Bengal should be put before the Legislative Assembly in the form of a Resolution.

That, Sir, practically concludes what I have to say this evening. The statements and connected papers, the Finance Secretary's memorandum explaining the various heads of the estimates and the Honourable Finance Member's budget speech which he is now making elsewhere, will be circulated to all Honourable Members in a few minutes, and also a copy of the Finance Bill, which will be introduced to-day in the other House. As the House may surmise the Finance Bill this year is not of a sensational character. There are no proposals for increase in taxation. There are, on the other hand, proposals for reduction in taxation in three small items which are similar to those which were included in the original Finance Bill last year, but which was subsequently dropped in the second edition of the Finance Bill. These proposals are, first of all, the removal of the import duty on grain and pulse, secondly, the reduction from 15 per cent. to 2½ per cent. of the import duty on certain articles mainly used in power looms, such as reeds, healds and bobins, and, thirdly, the reduction of the petrol excise from 6 annas to 4 annas per gallon coupled with the reduction of the import duty at the same time to 4 annas.

I hope that the House will regard this budget as not unsatisfactory. We have in front of us very heavy commitments in the coming years from our ways and means point of view in respect of maturing debt and in respect of the large amounts of capital which both the Central and Provincial Governments will have to raise for the proper development of the country, and I think that the existence of these obligations enforces the necessity for adequate provision in our budget for redemption and avoidance of debt. As I said a year ago we hoped that the corner had been definitely turned. I think now that we may say that we are actually advancing on the broad road that leads to social progress. The Local Governments, or at any rate some of them, will now have an opportunity of developing those services, such as the fastening of industries, agriculture, education and public health which not only create wealth but spread enlightenment. The Central Government has fewer opportunities in this way but, so far as our powers go, we have endeavoured to include in this budget a number of items of beneficial expenditure. We have, for instance, restored 3 lakhs out of the grant of 5 lakhs for the Indian Research Fund, which was cut out under the recommendations of the Inchcape

[Mr. A. C. McWatters.]

Committee. We have made extra provision for the Islamia and other Colleges in the North-West Frontier Province. We have increased our grant to the Forest Research Institute at Dehra Dun, to the Agricultural Institute at Pusa, and to the sugar cane breeding station at Coimbatore. I think that this House, which always takes a special interest in the development of activities of this kind, will receive this news with welcome. (Applause.)

The Council then adjourned till Eleven of the Clock on Monday, the 2nd March, 1925.

COUNCIL OF STATE.

Monday, 2nd March, 1925.

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

QUESTIONS AND ANSWERS.

JOINT ELECTORATES FOR MUNICIPAL ELECTIONS IN DELHI.

116. THE HONOURABLE SAIYID RAZA ALI: Have Government received a copy of the resolution passed, a few months ago, by a majority of the members of the Delhi Municipal Committee in favour of joint electorates for municipal elections? Will Government be pleased to make a definite statement on the subject?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The Government of India have not received a copy of the Resolution referred to by the Honourable Member. They understand, however, that the Chief Commissioner of Delhi, who enjoys the powers of a Local Government in municipal matters relating to the province, has rejected the proposal embodied in the resolution.

THE HONOURABLE SAIYID RAZA ALI: May I know, Sir, when that decision was taken?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: Quite recently.

PREPARATION OF A FRESH ELECTORAL ROLL FOR THE COUNCIL OF STATE.

117. THE HONOURABLE MR. S. VEDAMURTI: (*a*) Will the Government be pleased to state whether in all the Provinces a fresh electoral roll for the Council of State was prepared after the expiration of a period of 3 years in accordance with Rule 9 (4)?

(*b*) Are the Government considering the advisability of preparing a fresh electoral roll before the next election?

THE HONOURABLE SIR NARASIMHA SARMA: (*a*) The Government of India understand that in one province only the Local Government with whom the preparation of electoral rolls rests, failed to initiate the preparation of fresh rolls on the expiration of the period for which the original rolls were in force. The attention of the Local Government concerned has been called to the necessity of preparing a new roll forthwith.

(*b*) The Government of India have under consideration the replies received from Local Governments to a reference inviting their opinion on this question.

THE HONOURABLE MR. S. VEDAMURTI: Will the Honourable Member tell the House why the electoral rolls should be prepared after three years when the life of the Council extends to five years?

THE HONOURABLE SIR NARASIMHA SARMA: That question was very carefully considered in the beginning, and, inasmuch as the Legislative Assembly electoral rolls were to be revised after a period of three years, it was felt desirable, for various reasons, that the same procedure should be adopted in the case of the Council of State also. Whether a revision should take place or a fresh electoral roll should be adopted is a question which is still under the consideration of the Government of India.

THE HONOURABLE MR. S. VEDAMURTI: Does the Honourable Member think that it is desirable to compile the fresh electoral roll at the end of five years?

THE HONOURABLE SIR NARASIMHA SARMA: That is a matter which, as I have said, is still under the consideration of the Government of India.

ADDITIONAL CHARGE OF 3 PER CENT. ON PRESS TELEGRAMS WITHOUT PREPAYMENT.

118. THE HONOURABLE MR. S. VEDAMURTI: (a) Is it a fact that the Government have decided to levy from April 1st an additional charge of 3 per cent. on telegraph bills for press telegrams sent without prepayment?

(b) Will the Government be pleased to state the cost of extra work involved in preparing such bills and keeping accounts?

(c) Will the Government be pleased to state whether they have taken pains to consult the Press in the country which will be affected by such an increase?

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

(b) Rs. 7,500 per annum.

(c) Government have not considered it necessary to do so. The charge has been directed to be levied in order to cover the cost incurred in the upkeep of accounts for press messages accepted without prepayment; in other words, it is a charge for services rendered.

THE HONOURABLE MR. S. VEDAMURTI: Does the Honourable Member realise that it will impose an additional impost of Rs. 20 to Rs. 50 a month on almost every newspaper in the country?

THE HONOURABLE MR. A. H. LEY: I am not aware of the figures, Sir.

THE HONOURABLE MR. G. A. NATESAN: May I ask, Sir, if the Government of India can inform us whether the Standing Committee for Industries and Labour was consulted before this levy was decided upon?

THE HONOURABLE MR. A. H. LEY: No, Sir.

THE HONOURABLE MR. G. A. NATESAN: May I know, Sir, if the Government of India have received any protest from the Journalists' Association of Upper India?

THE HONOURABLE MR. A. H. LEY: Yes, Sir, one complaint has been received.

THE HONOURABLE MR. G. A. NATESAN: Was it a protest from the Upper India Journalists' Association, and, if it has been received, will the Government of India give their consideration to it?

THE HONOURABLE MR. A. H. LEY: I do not remember from what particular association the complaint has come, it might be the Upper India Journalists' Association.

THE HONOURABLE MR. G. A. NATESAN: I want an answer to the last question, that is to say, if a protest has been received, will the Government of India give their consideration to it?

THE HONOURABLE MR. A. H. LEY: The Government of India have already given their consideration to it.

HIGHER APPOINTMENTS ON THE STATE RAILWAYS ESTABLISHMENT.

119. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly state whether it is contemplated to give any preference to officers of the East Indian Railway in the selection for the higher appointments on the State Railways Establishment?

THE HONOURABLE MR. A. H. LEY: No.

APPOINTMENT OF AN OFFICER OF THE EAST INDIAN RAILWAY AS CHIEF MECHANICAL ENGINEER, RAILWAY BOARD.

120. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Is it a fact that an officer of the East Indian Railway is likely to be appointed as Chief Mechanical Engineer, Railway Board, on the retirement of the present incumbent?

THE HONOURABLE MR. A. H. LEY: The present incumbent is not retiring and his successor has therefore not been decided upon.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly say whether the present incumbent is shortly going on leave, and if so, whether an officer from the East Indian Railway is going to be selected to officiate for him?

THE HONOURABLE MR. A. H. LEY: I should like to have notice of this question, Sir. I have no personal knowledge. I am answering this question on behalf of my Honourable friend Mr. Chalwick who is unfortunately not here to-day.

APPOINTMENT OF AN OFFICER OF THE EAST INDIAN RAILWAY AS DIRECTOR OF TRAFFIC, RAILWAY BOARD.

121. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will Government be pleased to state whether it is a fact that another officer from the East Indian Railway is likely to be appointed as Director of Traffic, Railway Board, on the present incumbent vacating the appointment?

THE HONOURABLE MR. A. H. LEY: There is no foundation for any such assumption.

SELECTION OF AN OFFICER OF THE EAST INDIAN RAILWAY AS PRINCIPAL OF THE CHANDAUSI RAILWAY TRAINING SCHOOL.

122. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: (a) Will Government kindly state whether it is a fact that an officer of the East Indian Railway has been selected for the post of Principal, Chandausi Railway Training School?

(b) Will the Government kindly state whether the officer selected ever worked as a traffic officer in charge of any important railway?

THE HONOURABLE MR. A. H. LEY: (a) The reply is in the affirmative.

(b) The reply is in the negative.

PRINCIPAL OF THE CHANDAUSI RAILWAY TRAINING SCHOOL.

123. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will Government kindly state whether the name of any officer belonging to the State Railways was considered by Government when making the selection for the appointment referred to in the previous question?

THE HONOURABLE MR. A. H. LEY: The reply is in the affirmative.

CONDITIONS OF SERVICE OF STAFF OF STATE RAILWAYS ON THE AMALGAMATION OF THE EAST INDIAN AND GREAT INDIAN PENINSULA RAILWAYS WITH THE OTHER STATE-WORKED LINES.

124. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: (a) Will the Government kindly state whether any assurance was given to the staff of the State Railways that their interests will not be prejudiced on the amalgamation of the East Indian and Great Indian Peninsula Railways with the other State-worked lines?

(b) Was such an assurance given to the staff of the Great Indian Peninsula and East Indian Railways?

(c) If the reply to part (a) be in the negative while that to part (b) be in the affirmative, will Government kindly state the reason for this difference in treatment?

THE HONOURABLE MR. A. H. LEY: (a) No.

(b) The Great Indian Peninsula and East Indian Railways staff were assured that they would not suffer by being taken over by the State.

(c) The conditions of service of staff on State lines was not being altered and consequently no such assurance was necessary.

BUSINESS FOR FRIDAY, THE 13TH MARCH, 1925.

THE HONOURABLE THE PRESIDENT: I have been informed that no non-official business has been ballotted for for the meeting on Friday, March the 13th. As the House is aware, that was a day allotted for non-official business, and unless Government have any business to put down for that day, it will not be necessary to hold a meeting. Perhaps, later in the week, the Honourable the Leader of the House will be able to inform the Council whether Government desire to bring forward any Government business on that day.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): I shall do so, Sir.

RESOLUTION *RE* RECRUITMENT OF MOSLEM CANDIDATES FOR THE PUBLIC SERVICES.

THE HONOURABLE SAIYID RAZA ALI (United Provinces: East Muhammadan): Sir, I rise to move the following Resolution that stands in my name:

"This Council recommends to the Governor General in Council that early steps should be taken to modify the existing system of recruitment for the public services on the following lines:

(a) a just and adequate share in the public services, whether recruited by competition or selection, should be fixed for the Moslem community;

(b) in the case of services recruited by competition, particularly the Indian Civil and Police Services, two lists of successful candidates one of non-Moslem candidates and the other of Moslem candidates, should be prepared; and from each list as many candidates as there may be vacancies available for the men on that list should be chosen in order of merit;

(c) a minimum standard of qualification should be prescribed and no candidate who fails to satisfy such standard should be selected for appointment."

Sir, so readily is the charge of communalism and separatism brought in these days—and I must admit that on occasions not wholly unjustly—that I owe it to this Council and to myself to say a few words by way of explanation for moving this Resolution. Sir, I have been associated with this Council for the past 4 years and more, and it will be within the recollection of Honourable Members that never throughout that period have I brought forward any measure which was likely to raise any communal questions. If, then, I have decided to move this Resolution in this House, I assure my Honourable friends that it is not with a view to throw an apple of discord between the two great communities inhabiting this country. In fact, the motive which has really induced me to bring this measure is based on an honest and genuine desire to remove a fruitful source of friction between the two communities, and I venture to say that, had I not been convinced that this measure would lead to a removal of a large portion of the unpleasantness that exists at present between the two communities, I would have been the last man to think of bringing it forward. My conviction, Sir, is that my proposal, if accepted, and given effect to, would remove the apprehensions of my community as to its future in a self-governing India, and I deem it my duty to earnestly impress upon my Hindu fellow-countrymen that it is their duty to satisfy the Moslem mind that in the future constitution of the country the Moslems will not be subjected to any disadvantages. I would go a step further, Sir, and say that it is no less a duty of my Hindu compatriots to satisfy the Moslem scruples on that score than it is the duty of the Moslems to assure our Hindu friends that in their relations with their co-religionists in foreign countries they will place the interests of India first and communal considerations afterwards.

Sir, I would very briefly state before this House the Moslem position ever since political consciousness directed itself into fruitful channels in this country.

It will be within the memory of Honourable Members that when in 1890, five years after the foundation of the Indian National Congress, it was proposed to introduce a sort of elective principle in our Legislatures, the Moslems as a body opposed that proposal. At that time it appears from contemporary literature that this opposition gave rise to unpleasantness between the Hindu and the Moslem communities, but it is obvious that it was not the desire to retard the progress of the country that was responsible for this attitude of the Moslem community. What they really

[Saiyid Raza Ali.]

feared was that under any system of representation their claims would not be duly safeguarded, and those fears, Sir, as the House knows, unfortunately came to be realised, as was proved by the working of the scheme that was introduced in 1892 and that remained in force till 1909. Then, as this House is aware, steps were taken to give a liberal measure of reforms to India under the regime of the Liberal Government when Mr. John Morley was in charge of the Indian portfolio at Whitehall. At that time too there was considerable tension in the country. The Moslems thought that they had been subjected to disadvantages by the introduction of the scheme of 1892 and that any extension of the principle of representation would place them at a further disadvantage. The result, Sir, as this House knows, was that an influential deputation of Moslems waited upon Lord Minto on the 1st October, 1906, and presented the Moslem grievances in an address with which were associated almost all the leading Moslems of the country from different parts. We know, Sir, that fortunately for us, and I say more fortunately for the country, separate representation was accorded to the Moslems in the scheme that is associated with the names of Lord Minto and Lord Morley. That set the Moslem mind at rest and my Honourable colleagues will see for themselves—I need hardly stress the point—that the attitude taken up by the Moslem community throughout that period, namely, from 1909 right up to the end of 1920, is a complete answer to the charge that the Moslem is guided by communal considerations first and patriotic considerations afterwards. Sir, the Montagu-Chelmsford reform scheme is too recent to make it necessary for me to detail the conditions preceding it. Suffice it to say that, had it not been for the enormous effect of the Congress-League Pact of 1916, it is an open question that the Moslems would not have helped to bring about the scheme of reforms with which the honoured name of Mr. Montagu is associated. It was the Congress-League Pact of 1916 that set the Moslem fears at rest, and the subsequent history need not be stated before this House.

Now, Sir, what is the principle that is deducible from this attitude of the Mussalmans during the past 40 years? The principle is this, that the Mussalmans are as patriotic as their non-Mussalman brethren, but it is only natural that, looking to their position, looking to their numbers and looking to other considerations, before any scheme, whether relating to representation on the Councils or relating to the Services, is introduced, they should carefully consider as to how that scheme is going to affect them in the future. I illustrated my point by taking up the question of representation in the Councils. This House will find that the same attitude of mind is revealed when we come either to the local bodies or to the Services and that is inevitable. The first Commission, though it was not a Royal Commission, that was appointed to consider the question of Services and of the greater association of Indians with responsible positions, was appointed in 1886. It may be of interest to some Honourable Members to find that the question that I am raising to-day is by no means a new question. It was carefully taken into consideration in 1886-1887 when the Commission presided over by Sir Charles Aitchison recorded evidence and wrote its report. Summarising the arguments of some of those who were opposed to competitive examinations, this is what the Commission says:

"An open competition in India for the Covenanted Civil Service would operate with inequality, excluding, altogether some important classes of the community, while giving undue advantage to others."

Further on, the Commission expressed its own opinion thus:

"These statistics show the principal classes of the community to which the students belong who have, during recent years, passed certain University examinations in India; the particular castes to which the successful Hindu candidates belong in the case of the Madras University (from which University alone the necessary information under this head could be procured); and the number of successful and unsuccessful candidates at certain Arts examinations held at the Indian Universities since those institutions were established in 1864."

The question again figured prominently in the deliberations of the Royal Commission that was appointed in 1912 and that was presided over by Lord Islington. Discussing the effect of the introduction of an unrestricted principle of competition the Commission said:

"The development of education in India has not yet been such as to satisfy the second condition which we have recognised as necessary to the success of the competitive system. In the last generation English education has been greatly extended in India, but this extension has been made irregularly in the different provinces, as will be seen from the figures which we have given in detail in Appendix X, to volume I of our report. This consideration is of importance in the Imperial departments, which operate over the whole of India, as it is desirable that each portion of the country should obtain adequate representation in the public services. English education has also been diffused unequally among the different communities. It has spread more rapidly in those which have had from early days an hereditary association with learning. Other classes, of which the Muhammadans are the largest, are still backward in this respect. As long as these conditions prevail the result of recruiting by means of competitive examinations alone must be to exclude from the public services important sections of the Indian population."

But the question did not assume any very great importance inasmuch as the Commission declared itself against what is known as simultaneous examinations, and this is a very important consideration to which I would invite the attention of my Honourable colleagues. The conditions which obtained in 1912 do not obtain to-day. Sir, after all, the virtues that were claimed for competitive examination came to an end as soon as it was decided in the year 1920 that certain proportions should be fixed for Indians in the Imperial Services. As long as no proportions were fixed and the entire recruitment for the Imperial Services was made by an examination held in England, it was not necessary for my community, or for the matter of that for any community, to urge its own claims to a due share of these important posts. But as soon as it was laid down that there should be a certain proportion fixed between Indians and Europeans, I submit you cut at the very root of the competitive principle. If the result of the working of these examinations held in India during the last four years shows that Mussalmans have fared badly, then I hope I am entitled to invite the attention both of Government and of this Honourable House to that result. I believe I am right in saying that since the examination for recruitment to the Indian Civil Service was held in India, not a single Mussalman has been appointed to that Service. I find from a sign of dissent made by the Home Member that I am not quite correct in my facts. I should be glad to be corrected, but I think I am right in saying that as a result of the operation of a purely competitive principle in the examinations held in India, not a single Mussalman has been appointed—that is what I meant to say in describing its effect. Is this state of things satisfactory when 50 per cent. of these posts are open to Indians? Is it satisfactory that during these years not a single Mussalman has been appointed owing to the operation of the principle of competition? Again, take the case of the examination held for the Imperial Police Service. I must gratefully acknowledge that some Mussalmans have been appointed, but there again I think I am right

[Saiyid Raza Ali.]

in saying that they have been appointed in exercise of the power that has been reserved to themselves by Government. If I am right in this statement, I submit, Sir, that the conditions of recruitment for the Imperial Police Service are almost as unsatisfactory as those for the Indian Civil Service so far as my community is concerned.

Sir, it is possible to discuss the merits of the principle of competition, namely, whether that is the only principle on which we should base recruitment for our services, but the time at my disposal will not allow me to go into that question. Suffice it to say that the services in most of the continental countries of Europe are not recruited by pure competition. The principle obtains to a limited extent in France, but does not obtain in Germany. Again there are other countries where the principle has been given effect to to a very limited extent, but I think in India, so far as the higher services are concerned, the principle has been put into force indiscriminately with the result that large classes of the population go without representation. Sir, my Resolution embraces all the services whether recruited by competition or nomination. Now the Honourable Members of this House would like to know as to why I have recommended the preparation of two lists. Let me at once point out that there is no charm in having two lists and nothing less than two lists. What I mean is that provided Muslim candidates satisfy a certain minimum standard that is to be fixed for these examinations, the best men from amongst them should be taken rather than the community should go wholly unrepresented for a number of years. This principle already obtains in the United Provinces. If the Council will excuse me for making a personal reference, I may say that in the evidence I gave before the Public Services Commission in 1913 I recommended the adoption of two lists. The question had not arisen at that time in a very acute form for the reasons which I have already stated, with the result that the Commission did not make any pronouncement on the subject. But the United Provinces Government accepting the lines disclosed in my evidence have put it into force for recruitment for the executive branch of the Provincial Civil Service, and the system has been in vogue in the United Provinces for the last nearly four years and has worked satisfactorily.

Now, Sir, so far as the principle of nomination is concerned I do not think it will be at all difficult to recruit the necessary number of Mussulmans by giving due attention to the claims of various communities. A minimum educational standard is obviously necessary and it is all the more easy of fulfilment in the case of nomination than possibly it is in the case of competition. Sir, the matter is engaging the attention not only of the Government but of a number of leading public men. I believe it is recognised on all hands that even if the principle of competition is to be extended, it should not be extended in an unrestricted manner. I would invite the attention of my Honourable colleagues to the presidential address delivered by Dr. Paranjpye at the last session of the Indian National Liberal Federation held at Lucknow. The passage is a rather lengthy one and I do not think the time at my disposal will enable me to read the whole of it. This is what Dr. Paranjpye said:

"The principle of adequate representation of all classes of the people in the public services is accepted by everybody and Government also have made rules for this purpose. At present, however, the various communities look to favouritism in order to get appointments. I am entirely against patronage of this kind being enjoyed by any Government, and I wish to see all recruitment to public services made when possible by open competition and at any rate by an independent body."

He discusses this principle at some length and this is what he suggests:

"In order to see however that the backward communities do not suffer on account of unrestricted competition, I would reserve a certain minimum percentage to be competed for by the candidates from these communities *inter se*. This minimum I would gradually reduce as the communities rise to a position of equality with the advanced communities. For each class of appointment a suitable minimum qualification will of course be considered indispensable. To give a numerical illustration, suppose in a province it is necessary to protect the Mahomedans and non-Brahmins in the recruitment for a class of posts. Of every ten posts to be filled by an open competitive examination, four may be filled up according to the list in order of merit, irrespective of the community or race; of those that are lower three Muhammadans will be taken in order and three non-Brahmins in the same way, provided that these have obtained a certain minimum percentage of marks which is considered as the indispensable qualification for that class of posts."

Now, Sir, the matter has come up before the other House on a number of occasions. It is not possible for me to refer to all the decisions that were taken in the other House. I would confine myself to two occasions. On the 10th March, 1923, a Resolution was moved in the Legislative Assembly urging the claims of minorities to appointments in the public services. That Resolution was carried in an amended form. The amendment was to the fact that not only should the claims of minorities be considered but the claims of provinces also should be taken into consideration. In this connection I would invite the attention of this House to a very important speech that was made by Sir Malcolm Hailey who was then Home Member. He announced that the policy of the Government was to take measures to prevent the preponderance of any one class or community in the services under the direct control of the Government of India. Subsequently another Resolution was moved in the Assembly on the 18th February 1924. The Resolution concerns itself with the grant of full self-governing Dominion status to Indians, but the important words which are relevant to the point under discussion and which were incorporated in the Resolution in the form of an amendment, were that the status mentioned therein should be granted to India "with due regard to the protection of the rights and interests of important minorities." We know that the Government opposed the Resolution but I sincerely trust that the Government never meant to oppose this part of the Resolution. The issue directly involved on that occasion, as I have already stated, was whether immediate self-government should be granted or not, which was a very different question, of course. So that we find that our public men stand committed to this principle and the Government stand to a very large extent committed to this principle. The latest pronouncement on this subject was the speech of His Excellency the Viceroy which was made towards the end of December in reply to a deputation of the Moslems of Bengal that waited upon him. His Excellency had the case of Bengal before him, and here His Excellency clearly said that one-third of the posts should be reserved, provided educational qualifications are possessed by the candidates, in the public services of Bengal for the Moslem community. Sir, a kindred question which may perhaps suggest itself to the minds of some Honourable Members is whether communal considerations should outweigh provincial claims. That is a question which was dealt with at length by Sir Malcolm Hailey on the 10th March 1923. I do not propose to go into that question, but I think I am giving correct expression to the feeling of the Mussalman community when I say that, if any difficulties are experienced in putting into force any system based on provincial representation, the community at this stage would be satisfied by having communal representation. As time goes on I hope

[Saiyid Raza Ali.]

it will be possible for Government to put forward a scheme which may combine both considerations. I for one admit that there are difficulties in the way of having a scheme which will give due consideration, not only to communal representation but to provincial claims also. But if that can be done I for one have absolutely no objection to a scheme of that character. Now it only remains for me, Sir . . . . .

THE HONOURABLE THE PRESIDENT: I would remind the Honourable Member that he has already exceeded his time limit. I am afraid I shall not be able to allow him to develop any new line of argument at this stage.

THE HONOURABLE SAIYID RAZA ALI: Sir, bowing to your decision, the only other thing which I have to put before the House is certain figures which go to show the extent of Muslim representation in the services, both Imperial and Provincial, recruited by competition and nomination. But I hope this House knows sufficiently well that the present state of affairs is far far from satisfactory. I do not propose, Sir, to use any strong terms, but the position is extremely unsatisfactory. If those figures were laid before this House I have not the slightest doubt in my mind that all Honourable Members in this House, whether they belong to my community or not, would see their way to agreeing to the principle that I have advocated in this Resolution. There is one word, Sir, on this subject that I would say before I resume my seat. On the 23rd of September 1924 a question was put by my friend the Honourable Mr. Yamin Khan and the question and its reply show how deplorable the condition of Muslim representation in the Services is. The question was:

"Is it a fact that a non-Muslim who had not passed the matriculation examination was recently appointed in the office of the Director of Wireless and a Muslim graduate rejected?"

And here we have the honest reply of my friend the Honourable Mr. Ley.

"The fact is as stated."

Of course he goes on to say:

"The non-Muslim had worked for 2½ years temporarily in the office of the Director of Wireless and had given every satisfaction. He was retrenched in May 1923 and was subsequently re-employed."

Sir, it is not my purpose to blame any head of a department, be he an Englishman or be he an Indian. The condition of affairs is such that it is impossible for any head of a department to pay close attention to the claims of all candidates for a certain post. Suffice it to say that until proportions are laid down it will not be possible for the claims of my community to receive due recognition.

Sir, I have laid my case briefly before this House and I appeal to all my friends, whether Englishmen or Hindus or of other communities, to give serious consideration to it. And I submit, Sir, that, unless some provision is made for giving a fair and adequate representation to Mussulmans, it will be impossible to redress the grievances of my community, and, unless those grievances are redressed, I am afraid the present tension will not abate and it may be that things in the future—though I hope that will not be the case—may be more awkward than they have been in the past. With these words I commend this Resolution to this Honourable House.

THE HONOURABLE SIR ALEXANDER MUDDIMAN (Home Member): Sir, the question raised by this Resolution touches a subject which in my judgment is one of the most important for the future of India. The question of the public services is, if not the most important, almost the most important matter in the Government of the future. Whatever your Government may be, the services are the hands of Government. They are the persons who carry out your policy; they are the persons with whom the ordinary man in the street comes into contact. It is therefore essential that in dealing with a subject of this nature this House should approach it with all the care and caution which it deserves. I think I am justified in saying that the Indian Services as now constituted have done much for the development of India on the lines of peace and prosperity. It must be the prime care of any form of Government to see that they continue that work unimpaired and that their efficiency is not in any way diminished. When I speak of the services, I do not mean merely those services which are regarded as the leading services. I refer to all that band of workers, Europeans and Indians alike, who have admittedly set before the world an admirable example of integrity, industry and public spirit.

Now, Sir, I can well understand that the House generally, and my Honourable friend in particular as representing the community for whom he speaks, have been agitated by the advance in Indianization which will be made in view of the acceptance of the Lee Commission Report. Those recommendations were accepted by this House, I think I am correct in saying, without a division, and they include a large and liberal measure of Indianization. It is natural that when changes of this kind are taking place that there should be anxiety in many quarters. When an old order changes we must be careful to see that we do not in any way impair under the guise of change the fundamental principles which should be followed in dealing with these matters. I should like to take this opportunity of putting before the House the very definite view of Government that in giving effect to their policy regarding the Indian element in all grades and branches of the administration, the Government of India must rely primarily on their measures for recruitment. What is offered to the new recruit, whether Indian, European or of whatever race, is a career open to talent and, once admitted to the public service, his fortunes lie in his own hands. He must not rely for advancement on favour or favouritism but on his own industry, energy and capacity. Promotion must go by merit, and selections for posts requiring special qualifications must be determined by a strict regard for the necessary qualifications and the general public interest. As regards the existing members in the services, I take this opportunity of making it clear that Indianization will not be by the door of supersession. I desire to make that perfectly plain. It is essential that we should have no doubt on this point. I have ventured to make these general observations before I deal with the actual proposition brought forward by my Honourable friend, because I think that we should endeavour to think perfectly clearly before we make any drastic changes in our system of recruitment.

Now, my Honourable friend in his Resolution raises three separate points—and he will pardon me if I first deal with the point which he raises under clause (c), which lays down that "a minimum standard of qualification should be prescribed and no candidate who fails to satisfy

[Sir Alexander Muddiman.]

such standard should be selected for appointment." Now, Sir, I could have wished that he had put that first in these propositions, because that is the most important point. Whatever changes may be made in our system, whatever may be the requirements of the particular situation of India, on the question of maintaining an adequate—not a minimum— an *adequate* standard of qualification, I think no Member in this House can have any possible doubt whatever. I must impress that on the House very definitely as the fundamental fact from which we can in no sense depart. As my Honourable friend has pointed out, this matter was agitated in another place and it was very carefully examined with his customary acuteness and ability by my predecessor, His Excellency Sir Malcolm Hailey. As a result of the debate in that place a Resolution was come to that in making new recruitments to the services under the control of the Central Government, steps should be taken to secure that the services are not unduly overweighted with the representatives of any one community or province, and that so far as possible the claims of all communities and provinces are considered. I believe the actual form of that wording is due to one who is now a Member of this House. I may be wrong. (*The Honourable Saiyid Raza Ali*: "That is so".)

Now, the main question raised by my Honourable friend will be better examined if I clear the ground by assuming that in his Resolution he is not referring to the provincial services. That would obviously not be a matter for discussion here. I gather that he is merely referring to those services which are under the control of the Government on whose behalf I am speaking. Therefore, we will confine ourselves to these services; and I will give to the House certain figures in my possession which are not without interest. My Honourable friend had them before him probably, but I have them here and I will read them to the House. I will deal first of all with the direct recruitment of the Indian Civil Service in India. As Honourable Members are aware, examinations are held in Allahabad and in London. As a result of those examinations in the years 1922 and 1924, 45 Indian candidates were successful. Of those 45, 41 were Hindus, 2 were Indian Christians, one was a Burman and one was a Singalese. I regret to say that my Honourable friend is correct when he states that there was no Muhammadan who was successful as a result of the direct competition. But the House is aware also that we have some power even now in our hands of redressing or correcting the results of competitive examination; and that power was exercised by the nomination of 8 candidates during the same period. Three of them were Muhammadans, two were Hindus, two were Burmans and one was an Anglo-Indian. These figures I think the House ought to have before it. I will take another service—I do not propose to go through the whole of the services, but I will take another service in which competitive examinations are also held. The service I select is another security service, the Indian Police Service. I have only the figures for two years in that case. 27 candidates were successful in the competitive examinations in the years 1922-23. Fifteen of them were Hindus, 8 were Muhammadans, 3 were Anglo-Indians and one was an Indian Christian. Three Hindus and 2 Muhammadans in addition were nominated.

THE HONOURABLE SIR MANECKJI DADABHOY: The consideration of the claims of Parsis I fear was studiously avoided

THE HONOURABLE SIR ALEXANDER MUDDIMAN: I trust the consideration of the claims of Parsis was not studiously avoided. I wonder if there were any Parsi candidates? The figures I have given to the House, however, I admit, call for reflection. They are very striking figures. They were brought to my notice very prominently as a result of a representation which was sent by fifteen Members of this House very soon after I took over charge of my present office. I promised them at that time that I would give my most careful personal consideration to the matter. I have done so, for it is a matter which I regard as one of the most important that the Government can have to consider.

Now my Honourable friend's main thesis is that there should be special representation for the community which he represents. I do not propose to deal with this question from the point of view of the Muhammadan community alone, for I do not think this House or indeed my Honourable friend would wish to separate the case of the Muhammadan community from the case of the other minority communities. (*The Honourable Saiyid Raza Ali*: "No".) That simplifies my task considerably. If you accept that proposition, then you are in a better position to survey the situation from a general point of view. The Resolution which has been accepted by Government and which I have read to the House is of a negative character. It does not provide for positive representation, it provides for the prevention of over-representation and overweighting by any particular class or community. Now a Resolution of that kind is theoretically absolutely unexceptionable, but when you come to apply it to existing conditions, you have got to do a little more than that. It is all very well to say that we will not have the services overweighted. But if you rely on a system of recruitment, by competitive examination, I do not myself see how, under that system alone, you are able to prevent overweighting when the key to admission does not rest with you. Indeed the Government recognized that for some time. They do reserve a certain proportion of the vacancies that occur at any rate in the Indian Civil Service. As I have explained to the House, during the years under consideration the power of nomination was exercised in a certain number of cases, and that I think is the manner in which you must deal with the protection of minorities in this matter. If examinations result in the exclusion or almost complete exclusion of any class, you have in some way to modify that.

Now, my Honourable friend has his own panacea. He proposes two lists of successful candidates, one of non-Moslem candidates and the other of Moslem candidates. Now, I did not gather from his own speech that he is very much attached to that; and I think myself that it is a thoroughly bad system, and I will say why. As long as you have a single list, you have rival communities competing among one another, and it must be a matter of great pride to the community concerned if one of its members takes a high place on the general list. And it will be a matter of great satisfaction I am sure to all Members of this House when the communities are so equipped and brought to such a pitch of education that the loaves of office will be a matter of division on the results of the examination alone. When each community will hope—and reasonably hope—to find that in the list a reasonable proportion of its own men have been successful. That is one of the advantages of maintaining your general list. I am not one of those who think that examination is a perfect method of recruitment. It has advantages; it has disadvantages. It cannot test what I regard as, other things being equal,

12 NOON.

[Sir Alexander Muddiman.]

the real test of the matter, and that is character. There is no system of examination of which I am aware which can test character, and character is the basis of what we want in our services.

Now, from the foregoing remarks it will be seen that I am not in any way hostile to the Resolution which he has moved, but obviously in the form in which it stands it is a Resolution which Government could not possibly accept. I admit, and Government have admitted before, that there should be an adequate representation of minority communities. But we must qualify that by the fact that we cannot impair the efficiency of our public services by admitting persons who are not qualified to perform the duties which they are called upon to perform. That is a proposition which cannot be refuted. It gives me pleasure however to be able to inform the House that we do contemplate as regards the all-India services an extension of the present arrangements for securing representation for minority communities. We premise, as I have said, a consideration that I must continually emphasise that there must be an adequate qualification. No minority community can hope for, or ought to hope for, appointment to public service unless adequately qualified to render that public service. That is absolutely essential. I find the Indian Civil Service as a service where the inequalities have possibly been more obvious than in other services. At present we reserve one-third of the vacancies in that service which will be filled by direct recruitment in India to redress these inequalities. We propose in the future to reserve one-third of the whole of the direct Indian recruitment. We shall, as in the past in exercising these powers of appointment, first observe the results of the competitive examination. If those results are satisfactory, we shall be in no difficulty. If they are unsatisfactory, we shall then resort to the process of nomination. We shall nominate as far as possible to the vacancies which we hold in reserve by selection from among the candidates who sat for the competitive examination and attained the adequate standard. If there are no such candidates we may have to adopt other means of obtaining them. If we cannot obtain candidates with adequate qualifications we shall not appoint them. As regards the three remaining all-India services, the Police, the Indian Service of Engineers and the Indian Forest Service, we again lay down the primary condition of an adequate standard of qualification. In the Police Service the existing orders are that Local Governments decide the number of posts to be reserved from time to time to be filled by nomination. We propose no change in this respect save that we shall call for yearly reports to see how this is being worked. In the other services again we shall reserve one-third of the total vacancies for the process which I described in regard to the Indian Civil Service. Now, I think the statement that I have made as regards the all-India service goes far to meet my Honourable friend's Resolution. I think now that he has heard this, it may be that he will be able to withdraw his Resolution. It will show him at any rate that the Government of India are not unmindful, are very anxious on this matter. It recognises that a system which would confine the principal services of the Crown to a particular class or community is a system that must be undesirable, which may indeed in certain circumstances lead to consequences which I do not wish to detail. He will, I think, understand that we are moving in the direction in which he wishes, that we must move cautiously, that it must be subject always to the essential condition of not impairing the efficiency of our

public services; and I would suggest to him that he should wait and see for some time as to how the proposals, the scheme which I have now put before the House works, before he presses his Resolution any further.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I am glad that the Honourable Mr. Saiyid Raza Ali has brought this matter prominently before the Government by way of a special Resolution. The Resolution as it stands cannot possibly be accepted and it would invoke the opposition from the minorities, and I represent also one of the minorities in this Council. But my Honourable friend has made sufficient amends by readily and cheerfully admitting in answer to the Home Member that his Resolution, though not specially worded, is supposed to cover the rights and claims of the minorities as well. Sir, I find myself in a somewhat difficult position. All my life I have been opposed to communal representation, both in the Councils as well as in municipalities. When the Minto-Morley reforms came into existence I steadily opposed the principle of communal representation in the Councils in the various speeches which I made from time to time. I then depended fully upon talent, ability and merit, to find its way in the service of the Crown. But, Sir, circumstances have since altered, things have rapidly changed. The unfortunate events which have taken place during the last two or three years, accentuating racial distinctions, the studied opposition of the Legislative Assembly to communal claims and rights, such as the privileges of the Anglo-Indian community, the small claims of the depressed classes, the non-Christian communities, and the other unrepresented and inarticulated communities,—the feeling of tension which has been existing and which I find is daily increasing in the life of our nation, set one thinking whether the existing system of recruitment is likely to tend to the future prosperity of the country and will ensure to the various communities and races in this country their fair share in the appointments of the Crown. Sir, this is a very important question. I feel to-day on this very question considerably puzzled and agitated. I see the force of the opposition. I see the mischief of importing into our services racial discriminations. I see that it would be in the interests of the whole of India as a nation to continue the existing arrangement. But the force of circumstances is such that it is not humanly possible for us much longer, if the present state of affairs continues, to adhere to the present method. Sir, there is no doubt that the minorities which were formerly uneducated and which were at one time unprepared and not so prominent are now vehemently asserting their claims and demanding their privileges. The minorities which at one time were content to remain in the background are forcing their way to the front. But they find it extremely difficult on account of the inherent talents, of the greater ability and of the higher intellectual gifts and marvellous assiduity of certain races to find adequate scope to run the race on equal terms. It then becomes the concern of Government to step in and to protect and shelter the minorities to a certain extent which will not be invidious. In view of my maintaining that opinion I welcome the statement of the Honourable the Home Member that the Government do contemplate a further representation of the minorities in all the services of the Crown. This is a very encouraging statement. It is a statement which will inspire hope and confidence in the backward classes and races. It will not take away from the more cultured and intellectual classes to which my Honourable friend Sir Deva Prasad Sarvadhikary belongs their opportunities in any way, because from the point of ability

[Sir Maneckji Dadabhoy.]

and talents they are bound to force their way to the front. Sir, the Honourable the Home Member has stated that they hope to reserve one-third of the total recruitment for the minorities, if I have understood him correctly. This is so far admirable. But the difficulty will be enormous in the matter of giving adequate representation not only to the classes but to the Provinces. The whole system of our services will have to be considerably altered to admit of a fair and equal distribution and, as far as I am able to comprehend, the matter is one which needs mature consideration, and I pray that the Government will give a suitable opportunity to both the Houses to discuss the scheme which they may bring forward hereafter towards the perfection of this goal, and, if necessary, thresh out the subject by a special committee appointed for the purpose. The solution of the question is not an easy one. It is beset with considerable difficulties from all sides, and the principle, if once admitted, will go to the root of the competitive system. If it is necessary hereafter to alter or modify the existing competitive system of recruitment, it will be advisable for Government to arrange that two-thirds of the appointments should go by competition and one-third of the total number of appointments in the Imperial services should go by such nomination and selection in which each province will have a right and a proper share in the distribution. Sir, nobody in this Council will urge that an unrestricted principle of competition is after all a safe and salutary measure under the changing circumstances and vicissitudes of life. Competition to a certain extent is extremely desirable in view of the fact that it will bring out latent talent and hidden ability. Competition to a certain extent is extremely desirable in view of the fact that it will give satisfaction to the educated classes and cause no heart burning. But any such new system which may be devised, if it is not to be a failure but a system which will ensure confidence and give satisfaction to all communities and all classes, must necessarily be one which should be devised after a great deal of consideration and after a reference to both the Houses. I therefore request Government, before I appeal to my Honourable colleague the Mover of the Resolution and press upon him the desirability of withdrawing this Resolution, to bear in mind that it shall not take any further step in this direction till the country has been properly sounded, till the minorities are properly consulted in the matter, and till both the Houses have had a full and adequate opportunity of expressing their opinions on the merits of any new innovation or policy that may be introduced. I do not think my Honourable and learned colleague, in view of what has fallen from the Honourable the Home Member who has shown the sympathy of Government for the minorities and who has placed the case with such great ability and lucidity before this House, will desire to press his amendment. I feel the subject is an extremely difficult and a complicated one which needs our united, unbiased and impartial consideration. The rights of all the minority communities are to be carefully weighed and considered apart from Muslim sentiments and the Muslim claims. I, therefore, request my Honourable colleague to see his way not to press this Resolution.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, I think the difference between the Government point of view and that of my Honourable friend is so small that if a chance of consultation was given to them and if the debate was adjourned, this Resolution may be drafted in such a way that it may be agreeable to

both the sides. In future, if such Resolutions are discussed in the committee beforehand, I think many such difficulties as I have referred to may be solved. Being a Muhammadan, I must naturally support the Resolution or, at any rate, the object underlying it. I was just reading in the papers, that even in the Punjab they are going to bring forward a similar Resolution for the province. This will show the desire of the Muhammadan community to be safeguarded about these appointments. Again, Sir, another Resolution was being brought forward about a compromise between the Hindus and the Muhammadans. I think one of the causes of the tension has been that hitherto every one has been thinking that they were going to get something out of the Government with respect to Services and when they did not get it, they accused and fought with the Government. But now they find that all these posts have to go either to one community or the other, and the gain of the one is the loss of the other, and as they have become conscious of this, most of the trouble has been the result of this knowledge. Therefore, I think my friend did quite right in bringing forward this Resolution because if we can come to some basis like that suggested, I think a great deal of the tension may be diminished. As a representative of the Punjab Muhammadans I have also to congratulate my friend on changing his views, which he himself tried to explain. I think this is the first time that he has brought forward such a Resolution which is for the good of the Muhammadans. There is a vernacular proverb which means "That when all the right-thinking people are putting the same question they generally come to the same conclusions." As my friend has mentioned, I was also one of the deputation which waited on Lord Minto, and at that time I remember we were all thinking that, unless the Muhammadans had separate representation, they would be done for, and we are glad that since then we have had separate representation and are safe. But that is only in the Councils. Unless we get something definite from the Government in the shape of this Resolution, or some standing order that we will get our due share of appointments, we will be labouring under a disadvantage. It is all very well to say, why do not the Muhammadans compete equally with other communities? The difficulty we find in the Punjab (of course I am speaking of my part of the country because I do not know so much about other parts) is that, although we are in a majority, unfortunately most of the Muhammadans in my part of the country are zemindars. In the first place their work as zemindars keeps them off from going to the schools and colleges, and again unfortunately, as we are in rural tracts, there are no colleges in the districts. Thus, if a Muhammadan wants to educate his son, he must send him to some big city where there is a college. That of course, in turn, naturally requires lots of money, and that they have not got. It is for this reason that the number who can be educated up to the standard that Government require is small. Naturally, if when there is a competition, there are 100 men from one side and only three or four from the other, there is very little possibility of the latter being successful. I do not think it is a matter we can put right ourselves. Our circumstances are such that it would not be put right and we would be always under this disadvantage. Therefore, we want that for the future something of this sort as laid down by this Resolution should be done to put us on a safer basis. Just accidentally it was mentioned how in the Allahabad University examination out of 45 candidates there were 41 others and only 2 Muhammadans. This is an illustration. Even if there was somebody lucky enough to be successful, it could not be the rule; it was an exception.

[Sir Umar Hayat Khan.]

My Hindu friends know that when, the other day, there was a debate about the Ganges water, and about their religion, we all fought on their side. In the same way, all we want is justice, and when we want justice, I hope they will help us in the matter, and that the Government Benches will either help us or be neutral. Again, Sir, while recommending the object underlying the Resolution, I would suggest that if the Honourable Home Member could give time to the Mover of the Resolution, some solution could easily be found out by a change of words, either by the acceptance of the amendment that is coming up in Mr. Khaparde's name, or by some other modification that would be acceptable to the Government, so that there would be a compromise.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, my Honourable friend Colonel Sir Umar Hayat Khan, who has just sat down, very often used to tell us that, in matters like this, and other matters, we should take the views of Government. I propose to take those views to-day. As the Honourable Sir Maneckji Dadabhoy pointed out, this is a difficult and complicated question, and may I venture very respectfully to add, a very delicate question, and I think the House ought to be proud of the method and the manner in which my Honourable friend Saiyid Raza Ali has put forward the case for his community, because any one who is conversant with the state of politics and has been for a long time past, and has taken some part in the negotiations of the Congress League scheme (and my Honourable friend Mr. Saiyid Raza Ali and myself took some little part in it), must be aware that there is some concern on the part of certain communities regarding their position. But I think the manner in which he has brought forward his case, and particularly his answer that in bringing forward this matter, he was concerned more or less with the recruitment of the all-India services, and the speech of the Honourable the Home Member ought to make us feel convinced that not only his community but all other communities which are not so happily constituted with regard to their environments, their traditions and perhaps their culture, will not in the least be neglected. The Honourable the Home Member has assured us that, though he is not able to comply exactly with the desire of my Honourable friend Saiyid Raza Ali, that steps should be taken to modify the existing system of recruitment for the public service, so far as the Government of India are concerned, they are going to make a change for the better. And I do think that if, in the course of competition which, with all its faults, perhaps is the only system that can be devised for the recruitment of services, there are many communities which are not represented, Government will take care to see that with their powers of reserving a certain proportion of the appointments, these inequalities will be set right. They have very rightly, and I think very justly at the same time, assured the public at large, so that other communities may not feel alarmed that in all these matters the Government will be guided by perhaps only one standard of requirements, that of efficiency. If, after this assurance, my Honourable friend Saiyid Raza Ali still thinks the case should be pressed, I think the discussion may perhaps take a turn which may not conduce to the achievement of the very object the Honourable Mover has at heart. I venture therefore to make an appeal to my Honourable friend Sir Umar Hayat Khan that we have now reached a stage in the discussion of this question when the Honourable the Mover understands exactly what is the point of view he wishes to put on behalf of his community and the

Government realise what is the public point of view; and both parties are now in such a happy frame of mind as to understand each its position, and further consideration may be stopped. I beg therefore that this question may not be adjourned for a further discussion. And if I, who am more or less of a youngster in politics, may also make an appeal to my old friend the Honourable Mr. Khaparde, no good purpose will be served by pressing his amendment. We may all part in the hope that in this great and complicated question both parties have come to a distinct and mutually helpful understanding.

THE HONOURABLE SAIYID RAZA ALI: Sir, I need hardly assure my Honourable friend Sir Maneckji Dadabhoy that at the time when I drafted my Resolution nothing was further from my thoughts than to ignore the communities that are situated similarly to mine. In fact during the last nearly 15 years that I have been associated with public life I have never disregarded the claims of those communities whose educational position and environment were similar to those of the Mussalman community; and my Honourable friend was therefore perfectly justified when he assumed that not only do I press the claims of my community but I claim for justice being done to all communities who, for various reasons, are not in a position to compete on equal terms with the major community.

Now, Sir, having said so much I feel it my duty to express the gratitude not only of my own community but of all the minority communities to the Government of India for the pronouncement that has been made this morning on behalf of Government by the Honourable Sir Alexander Muddiman. Sir, it is possible to take different views of the pronouncement that has just been made. It may be that some of the minority communities will not be satisfied with the terms of the pronouncement; but let us all frankly admit and gratefully acknowledge the momentous nature of the statement. Sir, in the past I must say with a feeling of gratitude the Government have done all or almost all that they could from time to time to secure representation of various classes of the people in our public services. Circumstances however proved too much for Government at times with the result that we are now faced with what I may be permitted to call a crisis as regards the Services in India. I however would like to know a little more about the proposal of Government that has been disclosed this morning. I am entirely at one with the Honourable the Home Member that if any community or class of people are going to take advantage of this one-third number of posts that the Government propose to reserve for them, and if these communities and if these classes of people are to get any real benefit from the scheme disclosed by the Government, a minimum standard of qualification should be insisted upon. I do not want any one of these communities to be unfairly or unjustly treated with due regard to their equipment. The second thing that I think I might mention is that looking to our population and looking to its component parts it may be that one-third of the total number of seats that is going to be reserved for them will be inadequate to meet the claims of these various minority interests whose number if we take the total strength will be very large. However, I do not want to strike a discordant note of any sort this morning. I think, Sir, that the discussion has proceeded on very dignified lines and that the Government have been well advised to take their courage in both hands. If the Honourable the Home Member will permit, I may say that perhaps there will be quarters in this country which will subject to strong criticism the policy that has been pronounced this morning. The declaration may

[Saiyid Raza Ali.]

or may not be adequate so far as we are concerned, but speaking for the major minority community, if I may use that expression, I can assure the Government that, if the Government have courageously decided to treat my own community and other minority communities justly and fairly, it will be our duty to see that no political stock is allowed to be made out of the statement regarding the Government's policy made this morning. Sir, the Government may not have done that measure of justice to our claims which we think is our due. All the same they are entitled to our sincere gratitude because they have after all done something in the matter, and therefore, Sir, I do not think it would be advisable for me to put my Resolution to the vote of this Council. My object was to invite the attention of Government to the grave injustice that was being perpetrated in regard to admission into our Services, and I believe that that object has been achieved, if not in full measure, yet in some measure; and I think I shall not be justified in saying that I have any reason to be dissatisfied with the measure of success that the efforts of the minority communities have achieved this morning. Sir, I beg leave of the Council to withdraw my Resolution.

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

The Council then adjourned till Eleven of the Clock on Tuesday, the 3rd March, 1925.

COUNCIL OF STATE.

Tuesday, 3rd March, 1925.

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

MEMBER SWORN:

The Honourable Khan Sahib Aman Ali (East Bengal: Muhammadan.)

QUESTION AND ANSWER.

FISCAL RELATIONS BETWEEN JAPAN AND INDIA.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Sir, I have given private notice to the Honourable the Commerce Secretary of a question, and if you will allow me I would ask him the question.

THE HONOURABLE THE PRESIDENT: Yes.

THE HONOURABLE MR. LALUBHAI SAMALDAS: (*a*) Will Government be pleased to say if their attention has been drawn to the following remarks made by Mr. N. N. Wadia in his speech at the annual meeting of the Millowners' Association:

"I have heard rumours which I do not believe for a moment (*I am quoting Mr. Wadia's speech*) that there is a treaty between the British Government and Japan under which for certain defensive measures promised by Japan in the Far East, the British Government on behalf of Great Britain and its Dominions have promised that they would not put protective duties against Japan. I do not believe these rumours and have confidence in our own Government to protect our interests."

(*b*) If the answer to (*a*) is in the affirmative, will they be pleased to say what truth there is in the rumour referred to.

THE HONOURABLE MR. D. T. CHADWICK: (*a*) Yes.

(*b*) The Government of India have not heard the rumour and believe it to be entirely without foundation. The fiscal relations between Japan and India are only covered by the commercial convention of 1905, a copy of which has already been laid on the table of this House. This convention will be found printed on pages 370 and 371 of the proceedings of the Council of State for September 1922, to which the attention of the Honourable Member is invited.

CANTONMENTS (AMENDMENT) BILL.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I beg to move:

"That the Bill to amend the Cantonments Act, 1924, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: I will put the clauses of the Bill. If any Honourable Member has anything to say on any particular clause I hope he will stop me.

The question is:

"That clauses 2, 3, 4 and 5 do stand part of the Bill."

The motion was adopted.

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

THE HONOURABLE THE PRESIDENT: The question is:

"That clauses 6, 7, 8, 9 and 10 do stand part of the Bill."

The motion was adopted.

Clauses 6, 7, 8, 9 and 10 were added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That clauses 11, 12, 13 and 14 do stand part of the Bill."

The motion was adopted.

Clauses 11, 12, 13 and 14 were added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 1 do stand part of the Bill."

The motion was adopted.

Clause 1 was added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That these be the Title and Preamble of the Bill."

The motion was adopted.

The Title and the Preamble were added to the Bill.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I beg to move:

"That the Bill, as passed by the Legislative Assembly, be now passed."

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend the Cantonments Act, 1924, as passed by the Legislative Assembly, be passed."

The motion was adopted.

PRISONS (AMENDMENT) BILL.

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

"That the Bill to amend the Prisons Act, 1894, as passed by the Legislative Assembly, be taken into consideration."

Honourable Members will have learnt from the Statement of Objects and Reasons that certain recommendations were made by the Indian Jails

Committee with the object of alleviating in certain respects the rigour of prison discipline. Those recommendations have been accepted by the Government of India, and this small Bill is intended to give them the necessary legislative effect.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 2 do stand part of the Bill."

THE HONOURABLE MR. J. CRERAR: Sir, in clause 2 there is one small consequential drafting amendment which I desire to move. Honourable Members will observe that in sub-clause (*c*) of clause 2 of the Bill sub-section (*11*) of section 46 of the Prisons Act is repealed. In sub-section (*12*) of that section, however, a reference is made to sub-section (*11*) which will, if the Bill is passed, *ipso facto* become repealed. It is necessary, therefore, to make a small drafting provision to meet that point. I propose therefore the following further amendment, that in clause 2 sub-clause (*d*) of the Bill the following words be added, namely, "the words 'as defined in clause (*11*)' shall be omitted; and."

THE HONOURABLE THE PRESIDENT: The amendment is that those words be inserted after the word "substituted" in clause (*d*).

THE HONOURABLE MR. J. CRERAR: The amendment which I move, Sir, is as follows:

"That to clause 2 sub-clause (*d*) after the word 'and' the following words be added, namely:

'the words 'as defined in clause (*11*)' shall be omitted; and'."

THE HONOURABLE THE PRESIDENT: The original question was:

"That clause 2 do stand part of the Bill."

Since which an amendment has been moved:

"To sub-clause (*d*) of that clause after the word 'and' the following words be added, namely:

'the words 'as defined in clause (*11*)' shall be omitted; and'."

The question is that that amendment be made.

The motion was adopted.

Clause 2, as amended, was added to the Bill.

Clause 3 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE THE PRESIDENT: Does the Honourable Member intend to move that the Bill be passed?

THE HONOURABLE MR. J. CRERAR: I do not propose to make any further motion at this stage.

OBSCENE PUBLICATIONS BILL.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, I have the honour to move:

"That the amendments made by the Legislative Assembly in the Bill to give effect to certain articles of the International Convention for the Suppression of the Circulation of, and Traffic in, Obscene Publications, be taken into consideration."

[Mr. J. Crerar.]

Honourable Members will observe on examining the Bill as it is now presented to them that the principal alterations made in another place are three in number. The first extends the scope of the *Exception* to section 292 of the Indian Penal Code in order to make it clear that that *Exception* protects books, pamphlets, writings, drawings or paintings kept or used *bona fide* for religious purposes. In the second place, it provides that search warrants for the purposes of this Bill under section 98 of the Code of Criminal Procedure cannot be issued by a lesser authority than a District Magistrate, Sub-divisional Magistrate or a Presidency Magistrate. Thirdly, cases triable under the amended sections of the Act, if this Bill becomes law, will be triable by the Courts of Presidency Magistrates, or Magistrates of the First Class and by no inferior Court, the object of that being of course to ensure that questions arising under these sections will be tried by an experienced Magistrate. I have the honour to make that motion, Sir.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I presume one or two observations in connection with this amended Bill will not be out of place here. The Bill has been sent back to this Council with three principal amendments to which my Honourable friend Mr. Crerar has just referred.. Now-a-days it has been the fashion with the Legislative Assembly not to accept any Bill in its integrity which has been remitted from this Council for their consideration. The amendments which have been made on this occasion, I say with great deference to that body, do not carry us a step further in any way from the form in which the Bill was originally passed by this Council. I will briefly refer to them, Sir. The principal amendment which the Assembly has made is the enlargement of the scope of the *Exception* by the addition of the words,—" book, pamphlet, writing, drawing, painting kept or used *bona fide* for religious purposes." These new words have been incorporated into the *Exception*. My humble opinion is that this enlargement of the *Exception* carries us substantially no further. There is a substantial body of case-law which has made it abundantly clear that *bona fide* religious, artistic and scientific writings, etc., are not obscene within the meaning of the Penal Code. There are a series of rulings which cover every imaginable case. In the catalogue of Hindu mythology the forms, figures, models, shapes and many other things are too numerous to mention, and Hindu mythology being so wide in its application it is difficult to bring every conceivable form of writing or figure that may exist or may be imagined or thought of within the category of this *Exception*. I therefore think that this amendment on the whole is superfluous. I have the support of no less an authority than Sir Alexander Muddiman in respect of my contention and I shall only draw attention to a passage in the speech which he made recently in the other House.

> " I have tried to point out to this House before, when we were dealing with the former amendment, that the whole of this offence turns very largely on the circumstances. A book written for medical students is very fit to be circulated among them; a book of that character that is issued in a popular form and is circulated to a girl's school, as I said before is obviously most undesirable. Again, it is quite reasonable that art students should be supplied with certain diagrams and pictures which would not be desirable for public presentation. You have now got into this position that you are affecting the defence of *bona fides* by inserting the words that you have inserted."

These are very significant and instructive words and I cannot possibly add anything to that passage. In each case where the question is whether or not a particular book, printing or writing comes within the purview of the

Exception to the sections of the Indian Penal Code, that question will have to be decided by reference to Hindu mythology, Hindu sentiment, Hindu religion and customs and usages. We may go on enlarging the *Exception ad infinitum* in this way. I am making these remarks simply to show that in the present case there was no necessity for the enlargement of this *Exception* and our existing law is sufficient to govern every possible and imaginable case.

As regards the other amendment regarding clause 3 (*1*) relating to powers of search I think the law embodied in section 98 of the Criminal Procedure Code is quite adequate for all purposes. In the same way, the restriction of powers to Presidency and First Class Magistrates for trial of these offences is also significant. Sub-divisional officers now-a-days try most important cases. The whole cadre of the provincial service has been very much strengthened and the standard of judicial knowledge has been kept up at a higher level. I do not think these amendments were altogether necessary, but it is no use opposing them. I do not want to waste the public time by opposing these amendments again in this Council, which would necessitate a joint Session in which very probably we shall have an interminable discussion over this matter. It is much better to leave these amendments alone. I have, however, troubled the Council just for the purpose of showing that the fact that these alterations have been made by that body does not indicate that this Council had failed to consider the matter very carefully and given this important subject proper and adequate attention.

THE HONOURABLE THE PRESIDENT: The question is:

> " That the amendments made by the Legislative Assembly in the Bill to give effect to certain articles of the International Convention for the Suppression of the Circulation of, and Traffic in, Obscene Publications, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: "*Amendment No. 1.*—In clause 1 of the Bill for the figures ' 1924 ' the figures ' 1925 ' be substituted."

The question is that this Council do agree to that amendment.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: "*Amendment No. 2.*—In clause 2 of the Bill, in the *Exception* to the proposed section 292 of the Indian Penal Code after the word ' any ' where it occurs for the first time, the following words be inserted, namely:

> ' book, pamphlet, writing, drawing or painting kept or used *bona fide* for religious purposes or any.' "

The question is that this Council do agree to that amendment.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: "*Amendment No. 3.*—In clause 3 of the Bill, for sub-clause (*1*) (*i*) the following be substituted, namely:

> ' (*i*) after the words ' kept or deposited in any place ' the following paragraph shall be inserted, namely:
>
> ' or, if a District Magistrate, Sub-divisional Magistrate or a Presidency Magistrate, upon information and after such inquiries as he thinks necessary, has reason to believe that any place is used for the deposit, sale, manufacture or production of

[The President.]

any obscene object such as is referred to in section 292 of the Indian Penal Code or that any such obscene objects are kept or deposited in any place '."

The question is that this Council do agree to that amendment.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: "*Amendment No. 4.*—In clause 3 of the Bill, sub-clause (2) (*i*) and (*ii*) be re-numbered as '(*ii*)' and '(*iii*)' and the following be inserted as sub-clause (2) (*i*), namely:

'(*i*) for the entries in column 8 against sections 292 and 293 the words 'Presidency Magistrate, or Magistrate of the first class,' shall be substituted.' "

The question is that this Council do agree to that amendment.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The usual message will go to the other House.

The Council then adjourned till Eleven of the Clock on Wednesday, the 4th March, 1925.

COUNCIL OF STATE.

Wednesday, 4th March, 1925.

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

QUESTIONS AND ANSWERS.

LEVY OF FEES FROM EMIGRANTS.

125. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government please state

(*a*) if they collect a fee per head for every adult emigrant and if so, what is the amount of such fee;

(*b*) if any such fee is charged for children accompanying adult emigrants;

(*c*) what is the total annual amount realised since such fees have begun to be levied;

(*d*) what are the objects on which this income is spent and what portion of it is utilised for ameliorating the condition of Indians overseas and how;

(*e*) if they have considered the desirability of devoting a portion of this income to the creation of a bureau of information relating to Indians overseas and to the establishment overseas of Indian agencies?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: (*a*) and (*b*). A fee of Rs. 2 is charged for each emigrant as defined in section 2 (*1*) (*b*) of the Indian Emigration Act (VII of 1922).

(*c*) The amount realised up to 30th September 1924 was Rs. 3,88,211-6-7.

(*d*) The income derived from these fees is spent on establishments maintained in and outside British India to look after the interests of emigrants.

(*e*) Yes.

ENCOURAGEMENT OF INDIAN ART.

126. THE HONOURABLE MR. PHIROZE C. SETHNA: With reference to the statement by the Honourable Mr. A. H. Ley in the Council of State on the 28th January, 1925, in regard to the scheme of encouraging Indian art that "it has been formulated by the architects of New Delhi in consultation with the Chief Engineer" will Government be pleased to say—

(*a*) if the scheme emanated from Government or was suggested by the architects and/or the Chief Engineer;

(b) if the scheme has been or will be forwarded for opinion to different Provincial Governments, institutions and individuals interested in art;

(c) what measure of support Government have promised to the scheme in money, etc.;

(d) the probable date when the scheme will be placed before this Council?

THE HONOURABLE MR. A. H. LEY: (a) The scheme was prepared by the Architects and the Chief Engineer at the instance of the New Capital Committee.

(b) and (c). The scheme has not yet been considered by Government nor has any financial support been promised. I cannot make any pronouncement on the action that will be taken after the Standing Advisory Committee attached to the Department of Industries and Labour have been consulted.

(d) I regret I am unable to make any forecast in the matter.

REFUND OF CUSTOMS DUTY TO THE GREAT INDIAN PENINSULA RAILWAY.

127. THE HONOURABLE MR. PHIROZE C. SETHNA: Will Government be pleased to say

(a) what is the total amount of customs duty which will have to be refunded to the Great Indian Peninsula Railway in view of the Privy Council decision and (b) if that amount will be included in the Budget figures of 1925-26 and under what heading?

THE HONOURABLE MR. D. T. CHADWICK: (a) The amount to be refunded to the Great Indian Peninsula Railway is estimated at 67 lakhs.

(b) The refund is expected to be adjusted in the accounts of the current year and provision has been made for the necessary adjustment in the revised estimate for 1924-25 by minus credit to I.—Customs and credit to Capital and Revenue accounts of the Great Indian Peninsula Railway.

POSITION OF INDIANS IN SOUTH AFRICA.

128. THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Would the Government please state when the results of the negotiations of the Government regarding the question of Indians in South Africa are likely to be made known?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The matter is still the subject of correspondence and the Government of India are not in a position to furnish the information asked for by the Honourable Member.

THE HONOURABLE MR. G. A. NATESAN: Are the Government aware that recently the South African Union Government have passed further legislation under the name of the Mines Bill, and General Smutts has spoken strongly against it? If the answer is in the affirmative, will be Government of India take further steps in regard to that matter also?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The Government of India are aware that that piece of legislation has been introduced and it is still, they believe, under discussion. They have already taken steps in the matter.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Is not one of the provisions of that draft Bill that trade licences hitherto permitted to Indian tradesmen are proposed to be withdrawn or cancelled?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: I believe that is so.

POSITION OF INDIANS IN SOUTH AFRICA.

129. THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Would the Government please state what action has been taken on the suggestion of the deputation that waited on His Excellency the Viceroy regarding the question of Indians in South Africa?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The Honourable Member's attention is invited to the following extract from the reply given by His Excellency the Viceroy to the deputation which waited on him, on the 28th January last:

"I may tell you at once my Government has been, and is, in consultation with His Majesty's Government upon this very subject and has been, and is, doing its utmost to seek a solution of the problems before us by the means suggested by you or any other which may be presented that is likely to yield fruitful results."

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: If I may be permitted to draw the Honourable Member's attention to the fact, I am asking for information regarding what happened after the reply to that deputation, in the way of taking action on the lines suggested by the deputation itself?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: We have received no answer yet to the representations which we had already made, and we cannot therefore consider what further action should be taken until receipt of that reply.

SALE OF COUNTRY LIQUOR IN BOMBAY, ETC.

130. THE HONOURABLE MR. LALUBHAI SAMALDAS: (a) Will Government be pleased to say if they have noticed the following passage in Professor Rushbrook Williams' "India in 1923-24"

"The total quantity (of country liquor) sold in the Bombay Presidency was less by half a million gallons than even the reduced total permissible. This was however accompanied by quite unprecedented increases in the use of illicit liquor in areas where it could be obtained without much difficulty." (Page 222).

(b) Have they noticed that the Government of Bombay's Resolution on the annual report on the Administration of the Excise Department for 1923-24 says

"As stated in the preceding paragraph, the effect of rationing in reducing consumption is indirect rather than direct. The increase of crime can therefore no more be attributed to it than to the raising of the still-head duty and the introduction of the auction system. Nor can it, in the opinion of Government, be ascribed wholly to reduced consumption since not only did Bombay and Ahmedabad, where the consumption was lower than last year, also register a decrease in crime, but in the Surat district, where the consumption of both liquor and toddy increased considerably, there was a marked diminution in the number of offences detected, while in West Khandesh the increase in crime occurred in spite of a large increase in consumption."

(c) Will Government be pleased to say how the suggestion referred to in (a), above, came to be made in view of the Government of Bombay's Resolution?

THE HONOURABLE MR. A. C. MCWATTERS: (a) and (b). The Government have seen the passages quoted. Mr. Rushbrook Williams' remarks relate to the year 1922-23 while the Resolution of the Government of Bombay relates to the year 1923-24, and was published subsequently to the date when Mr. Rushbrook Williams' remarks were in print.

(c) therefore does not arise.

OPIUM CONSUMPTION.

131. THE HONOURABLE MR. LALUBHAI SAMALDAS: Will Government be pleased to lay on the table a statement showing the consumption of opium in each Province for the last ten years, *i.e.*, from 1st January, 1915 to 31st December, 1924?

THE HONOURABLE MR. A. C. MCWATTERS: A statement showing the consumption of opium in the various provinces of India during the financial years 1914-15 to 1923-24 is laid on the table. Figures for the calendar years are not available.

Statement showing the consumption (issues) of opium in the various provinces of India from 1914-15 to 1923-24.

Provinces.	1914-15.	1915-16.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.
Madras	970	927	912	935	924	891	906	869	899	878
Bombay	1,335	1,430	1,467	1,647	1,473	1,330	1,224	934	864	319
Bengal	1,554	1,288	1,125	1,074	1,027	1,040	1,066	1,011	1,006	898
Burma	1,085	1,084	1,213	1,192	1,184	1,121	1,014	367	823	772
Bihar and Orissa	870	741	840	850	818	736	744	727	716	654
United Provinces	1,542	1,443	1,504	1,377	1,177	1,021	982	862	735	608
Punjab	1,464	1,437	1,629	1,444	1,334	1,284	1,221	945	870	834
North-West Frontier Province.	123	116	122	146	175	101	123	100	95	72
Delhi	63	58	47	43	42	27	28	25	25	25
Central Provinces	1,316	1,257	1,[illegible]79	1,174	1,098	925	938	725	771	761
Assam	1,631	1,561	1,556	1,516	1,575	1,748	1,615	1,048	993	911
Ajmer-Merwara	30	60	61	71	68	68	60	65	68	71
Coorg	1	1	1	1	1	1	1	1	1	1
Baluchistan	16	20	17	20	24	22	21	18	10	7
Total	12,068	11,423	11,576	11,400	10,920	10,384	9,662	8,167	7,876	7,406

CONVERSION OF THE 7 PER CENT. STERLING LOAN.

132. THE HONOURABLE MR. LALUBHAI SAMALDAS: Will Government be pleased to lay on the table a statement showing (a) the amount of 7 per cent. Sterling Loan, (b) the amount converted into 3 per cent. Stock, and (c) the amount of 3 per cent. Stock after conversion?

317

THE HONOURABLE MR. A. C. MCWATTERS: The amount of the loan was £7½ millions. The amount converted is £6,229,462 of which the equivalent in 3 per cent. stock is £12,503,393.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Does this mean that the capital debt of the country is increased by £6 million?

THE HONOURABLE MR. A. C. MCWATTERS: The face value of the capital debt is certainly increased.

RESOLUTION *RE* RESTRICTION OF THE USE OF OPIUM TO MEDICINAL PURPOSES ONLY.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, I beg to move:

"That this Council recommends to the Governor General in Council that early steps should be taken to see that only the medicinal use of opium should be countenanced in India and for conferring with representatives of all sections of the people as to how restriction to medical use can be carried out in practice."

Sir, before speaking to the Resolution I would ask for your permission and the permission of the House to amend my Resolution with the addition of the words "as far as possible" between the words "that" and "only" in the second line.

The Resolution will then read as follows:

"This Council recommends to the Governor General in Council that early steps should be taken to see that *as far as possible* only the medicinal use of opium should be countenanced in India", and so on.

The reason for my asking for this amendment which has been kindly permitted by you, Sir, is to make the proposition more practical and to do away with the difficulties of those who feel that the handicap in the case of those who are accustomed to the use of opium ought to be diminished as far as possible. This will enable the discussion of the question to proceed on a far more satisfactory footing. It recognises no doubt the difficulties of practical life, difficulties that have unfortunately arisen in consequence of the deplorable state of things that has preceded. When I speak of the medical use of opium, I am free to confess that I refer to the larger medical use in the sense of its being prophylactic, curative, as only preventive, and in fact every kind of medical use in the larger sense. And, Sir, I should be worse than ungrateful if I were not to recognise that in many cases—in some cases those nearest and dearest to me whom I held in the highest esteem and reverence have in their later years been benefited by use of opium; and when I lay this proposition before the House I recognise the possibilities of this drug as a curative, a preventive or prophylactic agent. I am not however prepared to endorse the opinion of those who say that this cannot be limited to the purposes that I aim at. Other dangerous drugs have been adequately dealt with. I recognise that medical practitioners are few in number and that the people are poor. That in itself may be a reason for trying to add to the number of medical people and also to extend the scope of medical treatment by not limiting it only to those who have what we call registerable qualifications. There are other systems of medicine in the country which for these

[Sir Deva Prasad Sarvadhikary.]

purposes may be recognised. Those, however, are questions of detail which I do not propose to go into at this stage in view of the second part of my Resolution. I recognise also that in consulting public opinion we have to consult also the representatives of Indian States who will have to play a very large part in any reform that we may finally decide to undertake. I refuse to believe, in fact I consider it a slander on our Indian States, to have it said, that they are not likely to come into line with any enlightened measures of reform that the Government may, as a result of the inquiries that I suggest, ultimately decide upon. I am sure they will help in purging not only British India but India as a whole of this terrible social, economic and moral evil.

This I think disposes of two of the prominent stock arguments against reforms that have long been urged—reforms, however, which in spite of tremendous financial loss the Government had the courage of undertaking in the near past, an admission that all must make and gratefully make, and that was done, one must also admit, before Government in this country had begun to be troubled by the pressure of public opinion in the country to the extent that is now possible. Government policy to-day is however capable of improvement and we want to see it changed because of objection to the remnant of the system that we are discussing. That it is no longer a serious financial question with which the Government is faced was clearly shown by the Honourable Mr. McWatters in the Budget speech that he made the other day. Already in consequence of the Geneva talks their sales have gone down. I do not know what my Honourable friend's information is about the sales of yesterday. Whether the failure of Geneva talks being wholly translated into action has helped his sales in Calcutta or not I do not know; but he knows as a fact that the sales in Calcutta were recently very poor, as speculators are not sure what will ultimately follow if not this year at least next year. In passing, Sir, I should like to refer to one phase of those sales by Government. With regard to the majority of the quantity its relation with outside purchasers is direct. It is only with regard to a small quantity, about Rs. 250 a month, that the very objectionable practice of sale by public auction still goes on—objectionable possibly not from the direct Government point of view, but objectionable because it gives rise to tremendous gambling and speculation which affects not only the Calcutta market but the whole of Northern India, thanks to the use or abuse of telegraphic codes, in which these speculators are experts. I think it is time, apart from other considerations, that the Government began to consider whether this small residuum that is allowed on sale by public auction, should not also be directly handled. It is desirable to stop these sales and prevent speculation and gambling of the kind I am speaking of.

All these, however, are matters which will not detain me to-day. I do not wish, as I have said already, to challenge the whole of the Government of India policy about opium, which I am free again to admit in certain respects has not been only unchallengeable, but has been altogether beneficial. I would restrict myself to-day to the question of consumption as far as possible for the medical needs of the Indian population. Sir, this is a big and acute question because of what the representative of the Government of India at the recent Geneva Conference, Mr. Campbell, last November said with regard to the reservation of the Government of India. He objected that the Government of India could not consent to

restrict it only to medical and scientific requirements because in India the drug could not thus be restricted without great hardship to the people. That is the phase of the question that I should like the House to consider to-day. Sir, the argument which he used was concisely given long ago in the despatch of Lord Hardinge's Government in 1911, which has become a sort of *locus classicus* of the Government of India on the subject. It reads as follows:

"The prohibition of opium eating in India we regard as impossible and any attempt at it as fraught with the most serious consequences to the people and Government. We take our stand unhesitatingly on the conclusions of the Royal Commission which reported in 1895 that the opium habit as a vice scarcely exists in India, that opium is used in India extensively for non-medical and quasi-medical purposes; that the non-medical uses are so interwoven with the medical uses that it would not be practicable to draw a distinction between them; that it is not necessary that the growth of the poppy and the manufacture and sale of opium in British India should be prohibited except for medical purposes. Whatever may be the case in other countries, centuries of inherited experience have taught the people of India discretion in the use of the drug and its misuse is a negligible feature in Indian life."

It is very complimentary no doubt, Sir, to be told of our inherited experience with regard to what the ancient philosophers called *Ahiphen*—the forth and foam of the serpent from which opium takes its name in Sanskrit. But I was not aware that in India inherited experience was of such great value that the Government of India considered it to be infallible. Lord Hardinge was a real friend of temperance in many matters, and I remember his very helpful and encouraging lead in his answer to a deputation which I had the honour of heading at the Calcutta Government House some years ago, following on our deputation to Lord Crewe in England. That reply, in fact, has been the charter of temperance workers in some directions; and though Lord Hardinge's Government spoke like that in the despatch from which I have quoted, it must have been because of insufficient information and ill-appreciated phases of the question, upon which this pronouncement stands. However, I feel it my duty seriously to dissent from what was then laid down; and, apart from everything else that can be said against it, one must recognise that it is entirely out of date and requires revision.

This was followed by a Government publication in 1921, I believe, called "The Truth about Indian Opium". This pamphlet has been used as an authoritative statement of the Government of India's position in answer to the attacks that have been made against it. It is clear, therefore, that the Government still adhere to what the Royal Commission said in 1895 and that they are unwilling to advance beyond the position which they then took up. That is why it has become necessary to invite the Government to examine the whole situation in the light of the facts that have come into existence since.

Now, the reason why I urge for this revision of ideas is, firstly, that India itself is rapidly passing through an industrial revolution in large areas, and the report of the Commission of 1895 hardly deals at all with the new evils which have arisen during recent times, through inordinate consumption of opium in the great industrial centres. In the next place the evidence given before the Royal Commission appears to have been incomplete concerning certain parts of India: we find for instance that no serious effort was made to deal drastically with the evils of opium smoking and excessive opium eating, in Assam. Thirdly, a great deal of scientific evidence has been collected since the Royal Commission met. A much

[Sir Deva Prasad Sarvadhikary.]

more serious medical view is taken to-day, I believe, concerning the harmful effects of indiscriminate opium eating than was taken in 1895, and the contrast between opium smoking and opium eating can hardly be maintained to-day. Fourthly, the whole of the opium question has become in recent years an international concern. Men of the standing of Lord Robert Cecil were sent to Geneva about it; there were three cabinet meetings about it, probably because American and China from different points of view dissented from the position that was taken up by the British and Indian representatives at the Conference. All this is quite new since 1895. I submit, therefore, that the Indian Government cannot stand 1895. I submit, therefore that the Indian Government cannot stand where they did and they cannot treat the question purely as a domestic concern now, and they cannot keep on harping upon the dicta now thirty years old.

For all these reasons, Sir, I would ask whether the time has not come for the revision of the whole subject. We are not yet able to deal with the question by means of something like the Dangerous Drugs Act in the same way as it has been done already in the west and even in Japan. Nevertheless it may be possible to attain such a close approximation that the actual average of consumption per head of the population is not greatly in excess of the medical index laid down by the League of Nations.

Now, let me come to actual facts. There appear to be certain very dark and black spots in the opium map of India which must make even the Government—I know it is making the Government—uneasy. If this were cleared away the consumption will not be very much in excess of the medical index number, which is 6 seers for 10,000 people. The most important of these black spots is unfortunately Assam. It is still occupied by pure Assamese people—like Nowgong, Lakhimpur and Darong. The excess of opium consumption here is still so great that their index number is an average of 150 seers for about 10,000 people, compared with 6, that is supposed to be permissible according to Geneva notions. Sir, I am giving this to the House on the authority of the Rev. Mr. Andrews who has been good enough to furnish some of us with a great many important facts and has carefully considered the matter and studied it on the spot. If these figures are not correct, of course the House will be told; but if they are nearly correct, it would by itself strengthen the case for examination. In some tracts I am told that the index number in 1922-23 was as much as 237 seers. I would, in passing, also refer to the non-official inquiry that was recently held, the results of which have been admirably summarised in a pamphlet prepared and circulated by the Rev. Mr. Paton which gives facts in a manner which has not been controverted yet as far as I know. I believe some of the Local Governments have already instituted executive inquiries regarding which the people at large and the leaders of the temperance movement have not yet been taken into confidence. This shows that the Government are anxious about the matter and are taking steps in their own way, to have further investigation made.

Sir, we come next to Calcutta, an area that I know fairly well. Here instead of the index figure, the figure is more than 143 seers for 10,000 people or nearly 300 lbs., and I know as a matter of fact that these shops are mostly located in congested and unhealthy tracts of the Indian parts of the town, which are inhabited by industrial people and people connected

with trade and commerce. Whatever may be said with regard to the countryside, where medical opinion and medical treatment is difficult to obtain, it cannot possibly apply to Calcutta; and therefore to allow a tremendous sale of this kind without any check would be bound to spell disaster. We have been making some progress in this direction; and though last year there was a shop added I am glad to say that that shop has not yet been taken up. It shows that public opinion is behind the temperance movement and everything that can be done under the existing system in that direction is being done. I am free also to admit that Government have been helpful with regard to our excise troubles. A thing which one would have thought would not ordinarily be done by a Government has been done by the Government of Bengal—the President of the Temperance Federation there has been appointed the President of the Licensing Board of the Government itself. But it is not the action of the Government that we complain of; it is the system which has to be looked into and changed, and that is my plea here to-day. Sir, I am informed that on a count that was taken 2,300 people were found entering one of these shops in a slum quarter in the course of a single day.

The third point of abuse that one will notice is Burma, where the index figure is 110 seers so far as Rangoon is concerned and 147 in Mergui. The very strange anomaly exists there, that while the Burmese people are forbidden to have any opium smoking, the Chinese who for the moment at all events are British Indian subjects are given a very free hand in the matter. I desire to draw the attention of Government to that point and request them to see if as a measure of interim relief something could not be done in that direction. Sir, there is one redeeming feature with regard to a province about the good points of which I am never tired of speaking, and that is Madras. I think the large material and intellectual advance of Madras may not wholly be unconnected with that element. The index figure there is only 13 as against 143 of Calcutta, and I can quite see why Calcutta is going down so fast while Madras is forging ahead.

From these things two things appear to result. It is quite possible to bring the internal consumption of opium much lower than it is to-day, and indeed it may even be possible to bring it down to somewhere near the Geneva figure, because the average of India is 11, and there ought not to be any very great difficulty in bringing it further lower down if some of the measures that I have in mind and with which I do not want to trouble the House in detail now, are adopted. If these measures are to be adopted, Sir, I submit that a consulting body will have to come in and it will have to work very hard, and I hope it will have nothing to do with either politics or revenue or official routine or red-tape or any such thing. It should consider only the good of the people of India and the welfare of humanity at large which is and which has certainly been the objective of the Government, because the Government gave up a very large part of the revenue they used to derive from opium in the old days.

Then, Sir, when such a Committee came and worked at the thing, it might in time be entrusted with the revision and reconsideration of the question of export traffic which, I am glad to say, has also shown a steady diminution in the past. I congratulate the Government of India that the export of opium is still showing a further decline; and my objective is to get the Government to agree to a still further reduction. It must be said to our shame that every ounce of opium that goes out of India is immediately converted by the importing Government for smoking. We must not forget

[Sir Deva Prasad Sarvadhikary.]

what we agreed to in 1912. The Articles of the Hague Convention lay down that this will have to be diminished as soon as possible. If 13 years is not time enough for the achievement of the standard contemplated by the safeguard about "as soon as possible" it is difficult to know what length of time will be required for the achievement of what we deliberately and seriously undertook at the Hague in 1912. I hope, Sir, that the quibble that Indian opium is sent out from India in an unprepared state will not be introduced when grave humanitarian issues are at stake. Such a quibble would be unworthy of being trotted out in a matter like this. It cannot be gainsaid that all the opium that goes out of this country is turned into smoking preparations that yield colonies and foreign parts handsome profits under Government monopolies. Having regard, therefore, to all these points, my submission is that the Government should accept this Resolution. For the moment I am not asking for any detailed action, but I am only asking for a pronouncement and indication of the Government's policy in the matter. I am also asking Government that effective steps should be taken in time to consult representatives of public opinion of all sections including medical people and people representing the Indian States, in fact every possible interest, in order that the difficulties in the way of my proposition may be overcome in time.

THE HONOURABLE NAWAB SIR MOHAMED MUZAMMIL-ULLAH KHAN (United Provinces: Nominated Non-official): Including those who use opium for non-medicinal purposes.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Of course. From that point of view, Sir, I submit this Resolution to the House and commend it, and I hope Government will see their way to adopt this Resolution which will show that they mean to take effective steps in the near future.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I should like to say at the outset that I am extremely glad that a Resolution on this subject has been moved by my Honourable and learned friend, because it gives me an opportunity, I hope, for throwing some light on what is an extremely difficult subject and one that is frequently obscured by misunderstandings. Although I cannot see eye to eye with my Honourable friend on all points and cannot advise the House to accept his Resolution, even as amended, I desire to pay tribute to the earnestness and sincerity with which he has presented his case and also to acknowledge the extreme moderation of the terms which he has used. The Honourable Member travelled somewhat wide, since the Resolution as worded deals with our domestic policy only. He referred to international opinion, to the Hague Convention and to our exports of opium to Eastern markets which, as he says, are mainly used for opium smoking. I am glad that he has raised these wider issues and I propose to follow him, because it is quite impossible, I think, to disentangle the external and the internal aspects of this question. It is not only that a certain amount of prejudice against India possibly survives even now from the old days of the China trade, but there have been later misunderstandings which suggest that in some way or other there is a connection between our domestic policy in India and the extended use of the drugs derived from opium which has become such a serious problem in America. With your permission, Sir, before turning to the domestic question which is the main subject of the Resolution, I shall touch briefly on our external policy.

I do not propose to take the House far back into ancient history and shall begin with the year 1911. In that year the Government of India entered into an agreement with China, the substance of which was that the export of Indian opium to China should be gradually reduced and totally prohibited by the year 1917 *pari passu* with the cessation of opium cultivation in China itself. That agreement had not a very long life, because in the year 1913 the Republican Government came into power in China and with an earnestness which, I think, no one disputes, took up the question of prohibiting the use and cultivation of opium. The Government of India immediately agreed to discontinue all exports of Indian opium to China without waiting for the year 1917. Unfortunately, owing to political difficulties and the lack of control by the Central Government over the outlying provinces, there has been such a recrudescence of opium cultivation in China that the production of opium in that country is believed to be now many times greater than that of the rest of the world put together. However that may be, the Government of India, who did not stand on their rights in 1913, have ever since resolutely maintained the prohibition of export of opium to China. This action on the part of the Indian Government was at any rate generous and has even been called quixotic, but for my part, Sir, I think that it was the only possible action which could be taken, the only one worthy of a great nation. The Government of India, however, did not confine themselves to this. When they prohibited the export of opium to China, they also restricted the export of Indian opium to the non-China markets in the Far East. At first, they restricted exports to the average of the five years preceding 1910 and subsequently reduced the quantity year after year until at present it is not more than half the amount which was exported in 1910. This was a voluntary action on the part of the Indian Government with the object of helping China by reducing the possibility of the smuggling of Indian opium into China from other Far Eastern ports. The effect of these measures on the Government of India's revenues is well known. In the three years preceding 1913 the average amount of opium annually exported from India was 42,600 chests and the net revenue was something over 3 crores of rupees. Last year the amount exported was 7,500 chests, and the total revenue, expected during the current year, as I told the House the other day, will not exceed 1½ crores.

But the Government of India's policy did not end with the stoppage of the China trade, or the restriction of export to the non-China markets. They became parties to the Hague Convention which was the result of earlier discussions and finally was ratified in 1920. The objects of that Convention were three-fold, first of all the control of dangerous drugs derived from opium, such as morphia and heroin, which are of course controlled in India and confined to medical use, as they are elsewhere. Secondly, the control by the signatory countries of the production and distribution of raw opium within their territories. As every one knows, the production of opium in India has been a Government monopoly for years past, and every stage of the process from cultivation to the time it reaches the consumer is very strictly controlled. Thirdly, the Convention requires the control of exports and it requires the signatory countries to prohibit export or restrict export to any countries which desire that the entry of opium to their countries should be prohibited or restricted. Now the system which was adopted to effect this control, to which the Honourable the Mover has referred, is the import license system. That system lays down that no opium shall be exported from India except on a license received from the Government of the importing country. This system was, I believe, first suggested by Sir

[Mr. A. C. McWatters.]

Malcolm Delavigne who was one of the representatives of Great Britain recently at Geneva. But the Government of India have endeavoured to develop this policy further. They have endeavoured to enter into direct contracts with the Governments themselves so that the opium reaching those Governments shall be completely in each Government's control. We have made such contracts with the majority of the countries to which we send opium, and we are, I can assure the Honourable Member, endeavouring to carry that policy to its final conclusion by negotiating contracts with the remaining countries. These contracts lay down the maximum amount of opium which India will agree to send, but they lay down no minima. In other words any Government can at any moment say that it requires no more Indian opium, and the Government of India have repeatedly announced, and I do so again, that they will not be influenced in the least by any financial considerations, and if any country wishes to discontinue taking Indian opium, India will send no opium to that country (Hear, hear). There is this further point, however, that so long as other avenues of obtaining opium are open, so long as China and Persia and Turkey can flood the Far East with their opium, the fact of India stopping the export of opium would not in any way solve the problem of opium smoking in the Far East. It would lose us more than a crore of revenue but it would not help to solve the problem of opium smoking.

I now come to Geneva. The problem of controlling the international traffic in drugs and of preventing abuses in the opium trade has been carried a stage further at Geneva, where there have been three main results. The first comprises an agreement for a much more drastic control of the drugs which are derived from opium. The second provides for increasing the control required from signatory countries over the production and distribution of raw opium within their territories, with the object of making it absolutely certain that no opium can be smuggled outside; and all the signatory countries, which include India, have agreed that within a space of five years they will perfect their arrangements and will then allow an independent committee appointed by the League of Nations to examine their system to see that it is watertight. Third, and most important of all, is the agreement which has been come to with the object of reducing and eventually putting an end to opium smoking in the Far East. That agreement provides that from a date which will be fixed by the League of Nations itself, when the League is satisfied that conditions in the opium producing countries are such that the danger of smuggling has been effectively prevented, within 15 years from that date, the signatory countries agree to terminate opium smoking altogether in their territories. I think, Sir, that this is a really practical method of trying to solve the problem. Until you can exercise control over the producing countries it is useless to make mere gestures. And this step which has been taken at Geneva is, I am glad to say, due to the initiative of Great Britain, which in making this really practical contribution to the solution of this question, is, I make bold to say, leading the world.

And Geneva has done one thing more. The discussions there have cleared away, I hope finally, one misconception which was certainly in the minds of the American representatives when they first came there, and that is that Indian opium in some way or other contributes to the drug habit, which is, it is said, at the present time ravaging "dry" America. As a matter of fact it is now well known that Indian opium, owing to its

low morphine content, is not suited for the preparation of powerful drugs such as morphia and heroin. The drugs which are entering America and which are doing so much damage in that country are drugs manufactured in Japan from China opium, and in Western countries from opium derived from Persia and Turkey. India is absolutely innocent of any participation in America's difficulties. I must say that we cannot fail to sympathise with the American desire to put an end to this very dangerous evil, but India is innocent of any participation in it.

This brings me to the second part of my subject, which after all is the main object of this Resolution, the domestic consumption of opium in India, and I wish Honourable Members to observe the connection between the two parts of my subject. It is because these international discussions about opium have attracted so much notice, that attention in India has recently been focussed upon this opium question. Hitherto, as is well known there has been very little public opinion in India. It is a fact which is lamented by the Rev. Mr. Paton, to whom the Honourable the Mover referred, and by other social workers in the field; we can find very few references to opium in the proceedings of the old Legislative Council or of our modern legislatures. The Indian National Congress, who have always been extremely vigilant in matters of temperance, have only discovered the opium question this year; and the reason is, as I have said, the attention which has been focussed upon this question owing to its international aspect. But, as I have just shown, India is entirely innocent of any participation in the drug traffic and I have explained her position in regard to opium smoked in the Far East. Therefore, we are entitled to consider our domestic question entirely on its own merits.

Now I wish the House clearly to distinguish the three uses to which opium is put. First of all there is the use of opium in the form of powerful derivatives like morphia and heroin. These should always be administered under medical prescription and supervision, and any other use of them is entirely vicious. They lead to a craving and a habit which is comparable to the use of cocaine. We are not concerned with this problem in India. The second use of opium is for smoking. Opium smoking is a very common habit among the Chinese and semi-Chinese populations in the Far East. In India, speaking generally, opium smoking is not practised. It is a habit which is discountenanced by Indian public opinion. All Local Governments have the strictest regulations regarding the amount of opium for smoking which may be possessed by any individual, these limits being as low as a quarter to half a tola, and opium prepared for smoking may not be sold at all. But there are, as the Honourable the Mover mentioned, certain areas where opium smoking has been, and in some cases still is, a problem. The first of these is Burma. Well, so far as the Burman population is concerned, the action which has been taken by the Burma Government ever since the date of the report of the Opium Commission of 1895, and more particularly in recent years, has resulted in the total abolition of opium smoking by Burmans in Burma, except for a limited number of registered smokers. These are people who had become addicted to the habit, and who were certified to be unable to leave it off without serious danger to their health. This limited number of people, who now do not, I believe, exceed 5,000, will in course of time disappear, and opium smoking by Burmans will then have been entirely eradicated.

The second place where opium smoking is a live problem is Assam. In Assam, mainly in the Brahmaputra Valley, opium is both smoked and

[Mr. A. C. McWatters.]

eaten. The Assam Government have during recent years taken most active steps to try to control this practice. I need not mention the history of their efforts prior to 1912. They included such measures as the raising of the issue price and the reduction of the number of licensed shops. In 1912 the Assam Government appointed a small committee to suggest methods for reducing opium consumption and more particularly opium smoking; and on their recommendations reduced the limits of possession, increased the duty and forbade sales to persons under 20 years of age. In 1921 they embarked on a more drastic policy of restriction and limited each licensed shop to a definite ration, such ration to be reduced every year to a limit which would not drive the traffic underground. All retail vendors had to register their sales together with the names of purchasers and in some parts consumers themselves were rationed and could get their supplies only on producing their tickets. This experiment of rationing producers direct is being pushed still further by the Government of Assam, and the result is that the consumption in Assam which was 1,748 maunds in 1919-20 fell to 993 maunds in 1922-23; and figures which I have just received show that it has dropped to 910 maunds in 1923-24. Again there are big industrial centres especially those with large non-Indian populations such as Calcutta, where opium smoking is sometimes also a problem. With regard to Calcutta I would draw the attention of the House to the announcement made by the Honourable Mr. Donald on the 19th February, in his budget speech that the Bengal Government had under consideration a Bill of the most drastic character to check opium smoking.

I now come to the third form in which opium is used, namely, for eating, which is our main problem in India. As everyone knows the eating of opium has been an immemorial practice in India and in certain other countries such as Persia and Turkey, where it is used as a stimulant, a febrifuge, a narcotic; it is the most universal and best understood of all household remedies. It may be compared I think most closely to the use of tobacco by Europeans. Tobacco is susceptible of abuse when taken in excess and so is the use of opium. What we are being asked to do to-day is to take away from many millions of the population the opportunity of using opium which is to them a solace, a remedy and preventive of disease and an anodyne for pain. And at this point, Sir, I should like to say that I think it is doing a grave injustice to the Indian people to suggest that they are to any extent victims of a vicious and degrading habit. The Indian people are renowned all over the world for temperance; they are a pattern in this respect to Western countries.

I shall now refer to expert opinion on the subject to show how far the eating of opium in India is an evil. The Honourable Member referred, though not very fully, to the Royal Commission of 1895. That Commission was an independent and authoritative body. It went into the subject very thoroughly. It examined over 700 witnesses from all sections of the population including 161 medical men, of whom 15 were medical missioners; and these were its conclusions:

"Opium is used as a stimulant and it is also largely consumed in India for the mitigation of suffering and the prevention of disease. It is the universal household remedy. . . . We have made exhaustive inquiry into the consumption of opium in India and its effects. We find no evidence of extensive moral or physical degradation from its use. . . . Opium is extensively used for non-medical or quasi-medical purposes, in some cases with benefit and for the most part without injurious consequences. The non-medical uses are so interwoven with the medical uses that it would not be practicable to draw a distinction between them in the distribution and sale of the drug. . . . Opium smoking is little practised in India; it is considered a disreputable habit."

That was in 1895. In 1911 the Government of India examined the question again, and the Honourable the Mover has drawn attention to certain portions of Lord Hardinge's despatch. I should like with your permission, Sir, to read another portion which is even more striking:

"The great majority of Indian opium-eaters are not slaves to the habit. They take small doses as required and can and do give up the allowance when the need of it is past. Opium is in virtually universal use throughout India as the commonest and most treasured of the household remedies accessible to the people. It is taken to avert or lessen fatigue, as a specific in bowel complaints, as a prophylactic against malaria (for which its relatively high ana-cotine content makes it specially valuable), to lessen the quantity of sugar in diabetes, and generally to allay pain in sufferers of all ages. The vast bulk of the Indian population, it must be remembered, are strangers to the ministrations of qualified doctors or druggists. They are dependent almost entirely on the herbal simples of the country, distance and the patient acceptance of hardships standing in the way of prompt access to skilled medical relief. In these circumstances the use of opium in small quantities is one of the most important aids in the treatment of children's sufferings. It is also a frequent help to the aged and infirm and an alleviation in diseases and accidents which are accepted as incurable. To prevent the sale of opium except under regular medical prescription would be a mockery; to many millions it would be sheer inhumanity."

I may be told that this is ancient history—the Commission of 1895 and even the Government of India's view in 1911; and that things have changed since then. Things have changed in some important respects. They have changed first of all in the direction of a much greater and more close control by Local Governments over this traffic. That control has taken three forms. First of all it has taken the form of increasing the issue price which is now two to three times as high everywhere in India as it was in 1911, and the number of shops has been reduced to not more than two-thirds of what they were then. In the second place, it has taken the form of reducing the limits of private possession. Those limits for non-smoking opium are from 1 to 3 tolas in different localities; for smoking opium they are very much smaller, as I have already said. And thirdly, it has taken the form of increasing the control over the traffic at every stage. I feel tempted, Sir, to go into some detail and explain how close that control is, as I do not think it is generally known; but I will content myself with quoting the opinion of one who is certainly not prejudiced in favour of Indian policy, I mean Miss Eileen de la Motte. She says this about the system of Indian control:

"Every step relating to the control and output is carefully and systematically regulated and has been brought to the highest pitch of efficiency, a model and example to the rest of the world."

(*The Honourable Mr. Lalubhai Samaldas*: "Who is she?") Miss Eileen de la Motte, I think I may say, is one of the most outspoken critics of Indian opium policy.

The net result of these efforts by Local Governments has been, as might have been expected, a great decrease in consumption. In 1911 the total consumption of opium was 12,500 maunds. In 1923 it had been reduced to 7,400 maunds. When the Opium Commission of 1895 reported, the average *per capita* consumption was 27 grains per annum; it is now less than 18 grains. I can give the House a further comparison to which the Honourable Mover himself referred though not in any great detail. The

[Mr. A. C. McWatters.]

League of Nations Advisory Committee laid down as a standard for medicinal and scientific use ·6 gramme per head per annum, and the Special Health Committee of the League of Nations who further examined that recommendation said that where there was a well developed and well organised medical service that amount might be reduced to ·45 gramme. The consumption in India at present is 1·16 gramme; and it must be remembered that the League of Nations recommendation was based upon opium of a much higher morphine content than Indian opium. If allowance is made for the fact that the morphine content here is lower and for the fact, that opium is commonly administered to cattle. then it would appear that the average *per capita* consumption in India is not very much in excess of the standard laid down by the League for medicinal and scientific purposes only. It compares quite favourably with the figures of many western countries; for instance in Switzerland the average consumption is 1·2 grammes; in Denmark it is ·89 grammes and even in the United States it is ·56. In these circumstances, Sir, I think the House will agree that although in a matter of this kind abuses are always possible, the margin of abuse is not as great as is sometimes contended.

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This brings me to what is my principal objection to the Honourable Mover's Resolution and that is that, as the House knows, opium consumption in India—excise opium—is a provincial subject and not only that but in every province except one it is a transferred subject; therefore the right procedure for those who aim at checking abuses is to move public opinion to approach the responsible Ministers and the Legislatures of the provinces. We have recently on several occasions found ourselves dealing with subjects in which this same question arose, the question of the relation between the Central Legislature and the provincial Legislatures; and it was only last week that some very sage remarks were made in this House by my Honourable friend, Sir Maneckji Dadabhoy which, with your permission, Sir, I will quote. The Honourable Sir Maneckji Dadabhoy said:

"The country steadily has been fighting for provincial autonomy, to make Provincial Governments independent of the dictation of the Central Government, and I think that, so far as all matters falling strictly within the purview of Provincial Governments are concerned, it is the duty of this Council to watch and supervise and see that the power and authority of those Governments are in no way affected."

I think, Sir, that the Honourable Sir Maneckji Dadabhoy was perfectly right and that we should be careful to do nothing to weaken the responsibility of Local Governments or to impair their initiative.

Finally, Sir, I would ask the House in a matter of this kind to beware of exaggeration. I think there is much truth in the ancient Greek view which found virtue in the avoidance of extremes; and prohibition is one extreme. Prohibition can be justified if there are *no* uses of an article which are defensible; it can be justified if there exists a social evil of such dimensions and of such a character that it cannot be remedied in any other way. But I submit to the House that that is not the case with the use of opium in India. I suggest that our policy should be not prohibition but temperance, and the measure of our success in dealing with the problem is the reduction of consumption and the suppression of any proved abuses which come to our notice. I should like to say that Government heartily welcomes the activities of social workers such as the Rev. Mr. Paton and

Mr. Andrews and others who have devoted much of their time and energies to this question. But if they ask us to go so far as to introduce prohibition except for medicinal purposes, even with the qualification "as far as possible", I should ask them to consider a number of practical difficulties. As the Honourable Mover has introduced the words "as far as possible", I shall not deal with this aspect by the question as fully as I had intended—I shall merely refer to it in passing. First, there is the difficulty of differentiating between medical and quasi-medical uses. I do not think that many in this House will accept the view that, in order to solve this difficulty unqualified practitioners should be allowed to prescribe. I consider that to be a desperate remedy. Further there is the difficulty of smuggling, the difficulty of putting down illicit cultivation, the difficulty to which the Honourable Mover himself referred of the Indian States, and the greatest difficulty of all, the danger that people may be driven from the use of opium to the use of other types of drugs or intoxicants the abuse of which is very much worse.

Now, Sir, I have said that this is primarily a matter for the Local Governments. But the Government of India are fully alive to the importance of this question and have in fact been taking action. As recently as November last when we received a copy of the pamphlet by the Rev. Mr. Paton, to which the Honourable Mover has referred, we at once referred that pamphlet to all Local Governments and we asked them specially to consider and report upon three aspects of the question and to make their recommendations for any action that they consider necessary. The first of these was the administering of opium to children. Here I agree with the Honourable Mover that circumstances have changed since the days of the Royal Commission. We have now much larger populations collected in big industrial centres and the problem of administering opium to children is, I admit, a very much more serious one than it was in those days. The second subject which we have asked them to examine is the consumption of opium in particular areas where it appears to be unduly high. This meets, I think, two of the main points which the Honourable Mover made—the administering of opium to children and the excessive consumption of opium in particular areas. Thirdly, we have asked them to take up the question of co-ordinating their arrangements with neighbouring Provincial Governments, with the object of eliminating the danger of smuggling.

When we get the replies to our enquiry from the Local Governments we shall consider the matter extremely carefully and I should like to give the House and the Honourable Mover an assurance that any practical action which the Local Governments desire to take will receive the fullest support of the Government of India.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, the Honourable Finance Secretary has so clearly explained the position of the Government regarding the question raised by the Honourable Sir Deva Prasad that very little remains to be said. Speaking for myself I would not like opium to be prohibited entirely, unless the Government and the people were both prepared to take up the question of the prohibition of all narcotic drugs. Unless this is done, what will happen is that if we stop opium, we might drive people accustomed to take opium to alcohol. The Honourable Mr. McWatters did not exactly mention alcohol in his speech. He used the word "drugs", but possibly he also

[Mr. Lalubhai Samaldas.]

had in mind alcohol; and I would rather that people took a small dose of opium than that they should be forced to go to alcohol. For this reason, if for no other, I would have opposed the Resolution as it originally stood in the name of my Honourable friend, Sir Deva Prasad Sarvadhikary. But he has added the words "as far as possible" which makes the position much easier. There are two uses of opium, to stop which the whole House will take active measures unanimously. One abuse, which the whole House will condemn, is the use of opium for smoking and the other is the use of opium for doping children by mill labourers when they go to the mills for work. I dare say my Honourable friend, Mr. McWatters remembers that this latter point was recently raised in the House of Commons when a question was asked with reference to infant mortality in Bombay; the figures given were 667 per thousand in 1920-21, and 403, 411 and 419 in subsequent years. I do not mean to suggest that this mortality was entirely due to the doping of children in Bombay, but a great portion of it must have been due to that cause and it is essential that an inquiry should be made into the cause and the possible remedies that should be taken to see that this evil is entirely removed. I realize that this is a provincial subject and it seems from what the Honourable Finance Secretary said, that the attention of Provincial Governments has been drawn to this. I am quite sure that my Government will take up this subject and will see that in Bombay agitation is carried on both by social reformers and by Members of the Legislative Council to see that this evil is tackled in the only way in which it ought to be tackled.

The other use to which strong objection should be taken, is opium smoking. If I understood my Honourable friend Mr. McWatters correctly, he said that the practice was non-existent except in Burma and Assam. In Assam the consumption was very great. I have been supplied just now with figures by the Honourable the Finance Secretary, which show that in Assam up to 1920-21 the consumption was varying from 1,600 to 1,700 maunds for the whole province. In 1921-22, owing to various reasons, possibly owing to better control by Government and also as I have been told, owing to the presence of Mahatma Gandhi in that province and his anti-opium policy there, the consumption in Assam has dropped down to 1,048 maunds, and it is still going down. As regards the other provinces, the total consumption has gone down by practically 60 per cent. It seems therefore that, taken as a whole, the Government are entirely in agreement with social reformers who want that the consumption of opium should be reduced and it should be restricted as far as possible to only medicinal use. I use the words "as far as possible" because I know, in my part of the province—I speak of the Indian States in Kathiawar,—opium is taken by Rajputs, Kathes and others on social occasions. It is also taken by elderly people as a stimulant. There is also a belief—I do not know how far it is true, but my Honourable friend Dr. MacWatt might tell us if it is so,—there is a common belief that it prolongs longevity.

THE HONOURABLE SIR DINSHAW WACHA: It gives wisdom too.

THE HONOURABLE MR. LALUBHAI SAMALDAS: My friend Sir Dinshaw says that it gives wisdom too. In Kathiawar and Rajputana States some people take opium in small doses daily and many more on all social and religious occasions offer it to people who come as guests, and some of us who do not touch opium have to merely touch the Kasumba and

throw it away. I dare say my Honourable friend Sir Deva Prasad does not want the whole of that custom to be done away with on social and religious occasions. Moreover, the problem is really a complicated one so far as Indian States are concerned. I have been officially connected with an Indian State, and as an officer thereof. I remember to have given evidence in 1894 before the Opium Commission. As representing the interests and wishes of that State, I had stood out against any attempt at even restriction of the sale of opium in Indian States. The whole problem is difficult to be solved offhand and I hope that after what the Honourable Mr. McWatters has said, the Honourable Mover will see his way to withdraw his Resolution.

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN (North West Frontier Province: Nominated Non-Official): Sir, I quite sympathise with the Mover of the Resolution, and the Resolution as it stands is very commendable. No doubt, the Resolution concerns largely the welfare of the people of India, where opium is taken in large quantities. Every one in this House will surely admit that of all the intoxicating drugs opium is the most harmful and cruellest enemy of mankind. It not only deprives man of his energy and wisdom, but it makes him idle and luxurious, and degrades him in several respects. Knowing as we all do the most injurious effects of taking opium, I trust very strong measures will be adopted to restrict the sale of opium. But the question is as to what sort of measures should be adopted to stop the taking of this injurious drug. My Honourable friend the Mover of the Resolution says that legal restrictions should be placed on the sale and use of opium. I am afraid, Sir, that legal restrictions will not prove of any advantage, because legal restrictions have not produced any good in regard to the use of a similar drug, I mean cocaine. The taking of cocaine is strictly prohibited by law except for purely medicinal purposes. It will be admitted readily, I think, by all that cocaine is the most expensive of these injurious drugs. Legal restrictions have been imposed on its use by Government, but the Honourable Members, I hope, are fully aware of the fact that in spite of these restrictions, cocaine is taken in very large quantities in this country. No doubt, there is no open traffic in this drug, but a large quantity is being smuggled into this country. People who are addicted to cocaine get this drug, no matter how very expensive it is, and take it in large quantities. A similar result will, I think, follow the imposition of restrictions on the use of opium. Those who are addicted to it, will surely get it under any circumstances. Moreover, the restrictions on the sale of opium will also affect the revenues to a large extent and the money that comes into the Government Treasuries by its free trade will go into the hands of smugglers. To my mind, the right method of restricting the sale and use of opium will be educating public opinion and by bringing home to the minds of the people its injurious effects. Unless we do this, and unless the public really realises the evil effects of the use of opium, I am afraid you will not be able to restrict the sale and use of opium by any legislative measures. I think, therefore, that instead of imposing any restrictions on the taking of this drug, we should start an anti-opium campaign just as Pussyfoot Johnson had started the anti-drink campaign in America. This method, I hope, will prove of greater advantage than imposing any restrictions on the use of this drug. In view of what I have said, I trust, the Honourable the Mover of this Resolution will see his way to withdraw the Resolution and do something in the way of starting an anti-opium campaign by speeches and writings or by something of that sort.

THE HONOURABLE RAJA SIR HARNAM SINGH (Nominated: Indian Christians): Sir, the opium question is not a new problem: it has stood before the world, demanding our attention for more than 30 years. Royal Commissions and International Conventions have been engaged in dealing with it; agreements have been arrived at and accepted; but the evil has persisted, and the problem has reappeared in all its seriousness. Those who have followed the deliberations of the Geneva Conference must have been struck by the magnitude and the difficulty of the problem.

If an individual who makes money by poisoning his neighbour cannot justify himself by saying that the neighbour is free to refuse it, I am thoroughly convinced that no nation has any moral right to produce opium beyond what is needed for medicinal and scientific purposes, and thrust it on other people. Most of us are ashamed to realise that India in its export trade is the greatest sinner in this respect. We cannot pretend to be ignorant of what happens to the extra production which we send abroad; it is certainly not buried and destroyed—we cannot wash our own hands and ease our conscience by saying that we are not responsible for the abuses of opium, when we put it on the open market and pocket the profits.

I am not in a position to give an opinion as to which is the worst form of abuse—to eat the drug or to smoke it. I will go back to the decisions of the Royal Commission of 1895 and of the Hague Convention. It was agreed at least by these bodies that opium *smoking* is an evil and must be stopped. India bound herself not to export the drug for smoking purposes and without a certificate of legitimate use from the importing Government. It is true that India does not export opium actually *prepared* for smoking it is true also that in each case of export of opium a certificate of legitimate use is obtained. She has certainly respected the letter of the agreement; but it is *Indian* opium that is smoked in the Far East and we all know that the quantities exported are far beyond what is necessary for really legitimate use. India sends raw opium to the British and foreign colonies round China and we know that it is immediately prepared there for smoking. It is not a difficult process; and it makes little difference where the boiling is done to make it fit for the pipe. What the certificate of legitimate use is worth, will be seen by a single instance. The import of raw opium in Macao rose one year above 500 chests for a population of 70,000 souls; the certificate had been obtained in this case, as usual; but facts are more convincing than the paper on which the certificate was signed. The Government of India naturally found it difficult to believe, in spite of the certificate, that there could be a legitimate use for 500 chests of opium in Macao. I believe that a warning was given to the importing authorities. The Government of India must know these uses of Indian opium in the Far East, and must realise that, although we have kept the letter of the Hague Convention, we have broken it in spirit.

Before concluding I will turn to a point which touches me more intimately than most of my colleagues here. The Chinese Christian Church has been so fully convinced of the harmful moral effects of opium smoking that it has exercised its authority in publicly condemning the evil. A Christian who is proved to be an opium smoker is ex-communicated from the church. Let us consider what it signifies. Opium smoking is not condemned as a mere wicked practice or a sin. It is not every wickedness or sin that meets with this severest punishment of the Church which is reserved only for the deadliest of sins. Opium smoking is believed to sap

the morals so completely, to destroy the human character so hopelessly that Christian life and Membership of the Church become impossible. As an Indian Christian I do not want to see Indian opium put in the way of my fellow Christians in China. Arguments are not necessary to prove that the abuse of opium has been a curse in some of the Eastern countries and we have failed to combat the evil. It is true that China has now been growing opium herself. But we have always to remember in India that we were ourselves the great offenders by forcing opium upon China by two opium wars and by obliging China to take it from us. I think the time has come when India to save her self-respect must be prepared to go into the question again and revise her whole opium policy more in agreement with the spirit of the Hague Convention which was signed on behalf of India by His Britannic Majesty King George V. We cannot afford to brush aside public opinion and go on contentedly as if our hands were clean. Modern civilization will condemn us if we do so, and we must in this humanitarian matter keep fully abreast of the times.

THE HONOURABLE MAJOR-GENERAL SIR CHARLES MACWATT (Director-General, Indian Medical Service): Sir, after the able and full exposition of the Honourable Mr. McWatters I had not intended to take part in this debate; but as I have been specifically referred to by the Honourable Mr. Lalubhai Samaldas I should like to make a few brief remarks.

I look upon opium as one of the greatest blessings to India, far more than can be realised by residents in western countries. I mean the use of it, although its abuse may be one of the greatest curses. The Honourable Mr. McWatters pointed out that it is of universal use throughout the villages and districts of India, many of the inhabitants of which suffer from chronic coughs and bronchitis, and bowel complaints, acute and chronic, and I consider that without access to opium such sufferers would be in a very bad way.

I myself, when I travel, as well as at home, always keep for personal use, as necessary, a certain amount of some preparation of opium; and I should feel very much indeed if I were not a medical man and could not obtain it.

The danger of over-legislation against opium is that difficulties may be placed in the way of people obtaining it when required medicinally without the prescription or orders of a recognised medical practitioner.

I went into a druggist's shop in Nairobi and asked for an ounce of chlorodyne. I was told I could not get it, as the vendor would be liable to punishment for selling this preparation containing opium to me without a doctor's prescription. So I was obliged to sit down and write out a prescription for myself.

I am quite satisfied that the moderate use of opium does not affect longevity any more than does the moderate use of alcohol. As regards the degradation and degeneration, moral as well as physical, so graphically described by the Honourable Nawab Major Mohamed Akbar Khan, I must confess that I have failed to observe such effects in those who use opium in moderation and I believe that, unless it is consumed in excess, such deplorable results are not found. I should here like to touch on the question of food. Overeating or eating certain harmful articles of diet do very much harm: and in future we may expect legislation to prohibit or control the vice of overeating or the ingestion of undesirable foodstuffs.

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

"This Council recommends to the Governor General in Council that early steps should be taken to see that as far as possible only the medicinal use of opium should be countenanced in India and for conferring with representatives of all sections of the people as to how restriction to medical use can be carried out in practice."

The motion was negatived.

SUCCESSION CERTIFICATE (AMENDMENT) BILL.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I ask for leave to introduce a Bill to amend the Succession Certificate Act, 1889. I do so because this Act, No. VII of 1889, which was passed to facilitate the collection of debts, as also to afford protection to parties who pay the amount of such debts to representatives of deceased persons evidently does not carry out its intention in regard to amounts payable to claimants under life policies and Life Insurance Offices which make payments without Succession Certificates run the risk of paying twice over. It is therefore in the interests of the public and also of Life Insurance Offices that I have brought forward this Bill.

The motion was adopted.

THE HONOURABLE MR. PHIROZE C. SETHNA: Sir, I beg to introduce the Bill.

THE HONOURABLE MR. PHIROZE C. SETHNA: Sir, I beg to move:

"That this Council do recommend to the Legislative Assembly that the Bill to amend the Succession Certificate Act, 1889, be referred to a Joint Committee of this Council and of the Legislative Assembly, and that the Joint Committee do consist of 12 Members."

This Bill is brought forward, at the instance of Life Assurance Companies doing business in this country for the benefit of that portion of the public who take out life insurance policies and also for the security of the Life Offices themselves. That section of the public which takes to life insurance in India is happily a gradually increasing one and I am sure all who have the interest of India at heart would like to see this increase go on at a much quicker rate than it is to-day. There is at present in the country an association consisting of Life Offices which have their head offices outside India. It is reasonable to expect that Indian Life Offices in their own interests will before long start a similar association for themselves and that both associations will work conjointly whenever they have common points to place either before Government or before the public. All Life Offices, however, whether Indian or non-Indian, whether they have their head offices in this country or outside India, are unanimously in favour of this Bill because of the protection it affords to them all alike.

A life insurance policy may be made out in favour of a wife or child or some other relative or it may be that it is assigned to someone. If that be the case then this Bill does not affect such policies. But the majority of life insurance policies are made out in favour of executors, administrators and assigns, and where that is the case claimants who ask companies for monies under these life insurance policies have to produce a probate or letters of administration as the case may be according as the deceased policy holder has left a will or has died intestate. The great majority however of these policy holders leave very small estates and it often happens that all they have left is nothing else but a life insurance policy. In such cases it is a positive hardship to ask claimants to produce probate or letters of administration on account of the prohibitive cost of the same. Life Offices therefore in such cases are prepared to accept a modified form of grant as constituted by the Succession Certificate Act. If a succession certificate is granted in respect of a claim then under Act VII of 1889 a claim under a policy should be regarded as a debt due to the deceased policy holder, and the claimant could ask the company to pay the amount and the company in its turn under the same Act would be perfectly secure in doing so. In practice, however, we find that some subordinate courts refuse the granting of succession certificates in regard to claims due under life policies; and they do so on two grounds. They refuse in the first place because they say it is unnecessary for the enforcement of claims to policies, and secondly because they hold that monies due under a policy are not a debt until the policy holder is dead. The only alternative therefore left to Life Offices in such cases is to insist upon probate or letters of administration; but as I have pointed out that is a costly process.

Life Offices are anxious that life insurance should be popularised in the country and they consequently are prepared to extend every help possible to claimants in order that the monies due may be paid to them without loss of time and with as little trouble and cost as may be possible. Affording such facilities is the best means of furthering life insurance in the land, of encouraging thrift amongst its people and more than all being the means indirectly of saving very often one's dependants from abject misery and want. It is therefore that Life Assurance Companies go out of their way when a succession certificate is not produced to accept some other title and the only other title a claimant can produce is perhaps an affidavit or a declaration. But it is found in practice that sometimes such affidavits and declarations are incorrect and Life Offices have to pay the claim twice over. This, the House will admit, is a state of affairs which requires to be remedied and the best way to do so is to make clearer the meaning of section 4 of the Succession Certificate Act in the manner explained in the Bill. If the amendments proposed are accepted by the Legislature, they will specifically bring claims under life policies within the scope of the Act and all such uncertainty as exists at present will be eliminated. And if this is done Life Offices will run no risk in paying claims if they get succession certificates.

The House will see that the object of this Bill is to incorporate a simple measure whereby any claimant of policy monies who does not take out probate or letters of administration but does take out a succession certificate can compel a life office to accept the same in proof of his title and on the production of such a succession certificate the company will be bound to pay and at the same time run no risk in doing so, which the House will recognise will prove of immense benefit to the public and certainly to the Life Offices themselves.

In sub-section (*1*) of section 4 there are certain "exceptions" in the original Act which have not been redrafted in the Bill as laid before the House for the simple reason that it is proposed that these "exceptions" will of course continue in the amended Act.

[Mr. Phiroze C. Sethna.]

Another small alteration however is proposed and that is wherever the word "debt" appears in the existing Act the words "or claim" be added thereto, and wherever the word "debt" appears in the plural the words "or claims" be added after it. Some explanation with regard to the same may be necessary. As I have already said, some subordinate courts have held that only debts which have become payable to the deceased at the time of his death fall within the category of debts to which the Act is applicable and not those which become payable after his death. In the case which is reported in 13 Calcutta Weekly Notes, the Calcutta High Court has discussed at great length the definition of a debt but the rulings given in that case are not accepted by the subordinate courts that I have referred to. It is therefore to obviate any further trouble that the words "or claim" and "or claims" are proposed to be added after the words "debt" or "debts" as the case may be.

Lawyers like doctors are apt to differ one from another and in regard to this Bill as well I have heard the opinion expressed by some lawyers that another way of meeting the difficulty which I have pointed out and perhaps in their opinion a simpler way would be to drop sub-section (2) of section 4 of the original Act which deals with 'debts' and to substitute instead under section 3 of the Act under the head of Definitions a definition of the word "debt" itself amplifying that definition by including thereunder money payable upon the death of a person under a life policy. Whether the procedure that I have suggested in the Bill is accepted, as drafted by some lawyers, or the one which as I say has been suggested by some other lawyers, is a matter of indifference to the public and to Life Offices, provided the Act is so remedied that what doubt there exists is removed. I leave this to the Joint Committee to which I propose that this Bill be referred. Whether it emerges from the Joint Committee in the manner that I have indicated to the House or whether it emerges with any change whatsoever, our object will be served if the original intention of the Act is carried out and monies under life policies are included and succession certificates are allowed in such cases.

In this country I am afraid life assurance has not received from Government the amount of attention that we know has been extended to it elsewhere. Under the Commerce Department there is an Actuary whose business it is to issue blue-books once a year giving details of the business done by life insurance companies purely Indian. Mr. Meikle, the Actuary, presents his reports once a year, and I understand his report for the year ending 31st December 1923 has just been published. I have not seen it but I have seen some figures reproduced from it in the *Times of India* of last Saturday. According to Mr. Meikle there were, on the 31st December 1923, 52 Indian life assurance companies, big and small—but the great majority of them, I am sorry to say, are very small. The point to which I wish to draw the attention of the House is that according to the Actuary as at 31st December 1923, the total amount of assurance in force on lives in India between these 52 companies aggregated only 40 crores of rupees. Again the Report goes on to say that in addition to the Indian Life Offices there are 23 Life Offices working in this country which have their head offices outside India. As the Life Insurance Act stands at present we have no means of knowing the actual figures of these non-Indian companies. The Honourable Mr. Chadwick has assured us that his proposed new Bill regarding Insurance generally will be introduced in the Simla session and we hope that in that Bill provision will be made to make such non-Indian companies give their returns in the same manner as do Indian companies. However, it will be a very liberal estimate if we take it that the non-Indian companies also have at the most only 40 crores of assurance in force on lives in India . . . .

THE HONOURABLE THE PRESIDENT: I think the Honourable Member is wandering rather far from his Bill.

THE HONOURABLE MR. PHIROZE C. SETHNA: I have deviated a little and I shall tell you, Sir, in a moment the reason why I have done so. I shall not be more than a minute on this point. What I want to make out is that this total of 80 crores works out at the absurdly low average of Rs. 2-8-0 per head of the population in this country, while it is Rs. 925 per head in the United States of America, Rs. 725 in Canada, Rs. 400 in Great Britain, Rs. 115 in Germany, Rs. 65 in France and Rs 20 in Japan. This was in 1916; the figures must have increased since then and certainly in Japan where in recent years they have made rapid strides and the figure there to-day must have risen to Rs. 50 or over. I say therefore that the Government must help in matters of life assurance in this country to such an extent that we may be able to increase the business of life assurance to a very considerable extent and which will all be to the benefit of the Indian public as it has proved to be in other countries.

Now, Sir, it may be questioned why I have not asked for this Bill to be circulated: I will explain my reasons. They are two. In the first place the points that are brought forward are very simple and for the benefit of the public as also of the Life Assurance Companies. I have said clearly that this Bill does not affect those policies which are assigned or are made out in favour of relatives. If the public consider there is any grievance whatsoever about taking out a succession certificate—and I say there is none—then the easiest way for them is to assign the policy to their relatives or anybody else they like. If they choose to leave it to the executors, administrators or assigns then only the provisions of this Bill come into operation and a certificate can be demanded by the companies. The point is therefore very simple. It will help the public and it will give a protection to the insurance companies. The second reason is this that if we circulate this Bill, it is likely to be postponed indefinitely. There are similar Bills, one of which has been moved by the Honourable Sir Arthur Froom and the other the consolidating Bill which has been already referred to a Joint Committee of both Houses, and I am only anxious that the House should agree with me that it is very advisable that this Bill be likewise referred at the same time to a Joint Committee and preferably to the same Joint Committee, so that the amendments proposed in my Bill can be disposed of by the committee in quick time and relief afforded to those who stand in need of it.

THE HONOURABLE THE PRESIDENT: The question is:

"That this Council do recommend to the Legislative Assembly that the Bill to amend the Succession Certificate Act, 1889, be referred to a Joint Committee of this Council and of the Legislative Assembly, and that the Joint Committee do consist of 12 Members."

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, the Honourable Mr. Phiroze Sethna has frankly said that the purpose of this Bill is to assist towards the speedy settlement of claims under policies for life assurance and to afford adequate security to companies making payments, and he added that the matter was simple. I do not

[Mr. G. A. Natesan.]

think the subject on which he seeks the aid of the Legislature is as simple as he has made it out to be. In the first place I would like to point out to him the case of several people who will be put to very serious difficulties if legislation on the lines he now seeks is really introduced and put into force. I informed my Honourable friend Mr. Sethna that this problem was not so easy and he was good enough to tell me that those that had experience of life insurance business would think otherwise. If the House will permit me to strike a personal note, I added at one time at the beginning of my career to my other activities, that of a life insurance agent also, and if it would interest my honourable friend, in the very company,—the New York Life Insurance Company, which has recently come under his direction. Those that are conversant with the methods of life insurance agents and the generally clever manner in which they get people to insure with them have to think not once but twenty times before agreeing to accept a piece of legislation of this character. I can say from my own experience and from friends and others who have experience of these insurance companies that there are already difficulties and this Bill will make them more complicated. In the first place I should like to point out, if my information is correct—and I have put myself to the pains of consulting not only lawyers but others who have had considerable judicial experience—that if you have to produce a succession certificate you have to pay nearly 2 per cent. up to Rs. 5,000, and I understand 3 per cent. for amounts exceeding that sum; in addition I understand you have to pay for publication charges and, I need hardly add, the Vakil's fees which the poor man, who is anxious to get the amount insured on the policy fully maturing, will have to pay. Now, my Honourable friend, Mr. Sethna, said . . .

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, I rise to a point of order. I do not think at this stage it is admissible to go into the merits of the Bill which my Honourable friend Mr. Sethna has introduced. The question now before the Council is whether the Bill should be referred to a Select Committee or not.

THE HONOURABLE MR. PRESIDENT: On that motion the Honourable Member is perfectly in order in discussing the principles of the Bill.

THE HONOURABLE MR. G. A. NATESAN: Perhaps my Honourable friend, Sir Maneckji Dadabhoy, will be pleased if I give him the additional bit of information that I am supporting his view that the Bill should not be referred to a Joint Committee and that it should be circulated for public opinion; and when a House of this character and dignity wants to circulate a document for public opinion, one would presume that all aspects of the question had been discussed here and the points put forward in this Council itself and the whole question with its *pros* and *cons* placed before the public. My Honourable friend Mr. Phiroze Sethna said that in regard to policies generally, they are assigned in favour of executors and assignees, but I wish to tell him that most people generally assign their policies to their heirs, and therefore a considerable amount of difficulty will be felt by all people when receiving the amount if an alteration in procedure is effected as suggested by the Honourable the Mover. The suggested alteration in procedure will also compel most people to go through the processes of the court to obtain a succession certificate. I would also ask my Honourable friend to consider the enormous difficulties to which people who have already taken out policies will be put. Unless, therefore, the

Honourable Mr. Sethna on behalf of the Company which he represents, and unless every other insurance company in this country takes upon itself to notify to every one of its constituents who have insured in the various companies how exactly they should assign their policy or policies, great difficulties will be experienced by people who have already insured. I was myself told only the other day with regard to a few policies which I have taken out how they should all be assigned and registered and a certificate obtained from the heads of the offices which are represented in India, and I personally felt a considerable amount of difficulty, and if I, with my resources, which are certainly not of a poor order so far as legal advice is concerned, have felt some amount of difficulty in making assignments, in getting the policies registered and in asking the heads of offices of each company as to how these things should be done, you can imagine to what amount of difficulty other people who will be compelled to produce succession certificates, will be put if this legislation is passed. What happens now is this. At present I am not sure if it is so in the case of the Company which my Honourable friend represents in this country, but agents of insurance companies generally assure their clients that payment of the policy will be made immediately on the death of the insured person, but nowhere is a clause to be found that succession certificates will have to be produced before payment is made. If my Honourable friend is certain that there is such a clause in the policies, I will not contradict him, but unless he gives me an assurance to the contrary that all companies have made it a rule that every one of their policy-holders should produce a succession certificate before payment is made, I cannot support his proposition. What happens is this. The insurance companies generally ask for proof that the person who had insured and taken out the policy was dead. The next thing they want to know is as to who is the heir or who is the claimant. Then they ask for an affidavit by a person holding the position of a magistrate or other respectable person. I know of a recent case in which an insurance company was quite willing to make payment to the heir, when there was little doubt as to who was the real heir, on a guarantee being given by a near relation of the heir who was a wealthy person. That is the way in which things are arranged now. Knowing, Sir, all the difficulties to which, even as the law stands at present, many people are put in getting the amount speedily and quickly from the insurance companies, I think it would be unwise for us to accord our support to the proposition before the House. My Honourable friend Mr. Phiroze Sethna will perhaps pardon me if I point out to him that in the advertisement of the various insurance companies the first thing that is shown on the top and printed in very clear types is "Policies paid without much difficulty". This is our actual experience. I think, therefore, that if the aid of the Legislature is sought in this matter, a very strong case must be made out that while undoubtedly it will facilitate the companies from taking risks, it will not add to the difficulties to which the public at large are put, and those who have to reap the advantages of insurance have a right to expect it at the hands of the Legislature.

I would ask my Honourable friend Mr. Sethna to answer another difficulty which I have. Even under the Succession Certificate Act, the payment of a debt to a person will not absolve the insurance company from making payment to the real heir as it will be quite possible for a person to obtain *ex parte* a succession certificate behind the back of the real heir. What is the remedy which he has at present? Even if this House were

[Mr. G. A. Natesan.]

to pass this legislation, I doubt if it can give the company the immunity which is aimed at. I do not wish to speak more on this aspect of the question, but I felt it my duty, with the experience which I have had in this matter and with the knowledge of the difficulties to which many poor people who have only perhaps small insurance sums as their means of livelihood and who perhaps may have immediate necessity for recovering the amount, would be put, if this legislation were passed, to call attention to it. I think, Sir, this is not a matter in which the interests of the insurance companies alone should be considered, because thousands of people are involved in this matter. I quite lament the fact that life insurance in India is not as popular as in western countries, and the number of insurance companies in this country when compared to the number in other countries is infinitesimal. From the point of view of the people, therefore, it will be very desirable that this Bill should be circulated broadcast throughout the country and the whole question should be investigated very carefully.

There is also another reason, with which I trust my Honourable friend Mr. Sethna will agree, as to why this Bill should be circulated for public opinion. I understand that among the numerous questions which the Taxation Committee has put to the public, one of them concerns this, it is query No. 187. That refers to duties on inheritance and succession. That Committee is now in Delhi. I find the Chairman of that Committee is now sitting in the gallery in this House, and I am sure when the Taxation Committee moves about from place to place, it will have an opportunity of ascertaining public opinion on this matter, more particularly if we send out this Bill also for public opinion. I am not hostile to any legitimate attempt being made to see that the insurance companies do not pay the amount twice, but I think even for the first payment a considerable amount of difficulty is felt even as the law stands at present. I feel, therefore, a case has been made out for referring this Bill to public opinion.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): My Honourable friend Mr. Natesan has come to my rescue and relieved me of the responsibility of making a speech on this occasion. I do not propose to go into the merits of the principle involved in the Honourable Mr. Sethna's Bill. My motion is a simple one. I merely want that the Bill should be circulated for the purpose of eliciting public opinion. I assure my Honourable friend that this is not a dilatory motion. The subject, though it is comprised in a small Bill, is of very great importance both to the policy-holders and to a large number of insurance companies. The law which my Honourable friend seeks to modify is also a very important modification, and I think it is only right that the Local Governments should be first consulted and a public opportunity should be given to various companies to express their opinion on this subject. My friend Mr. Natesan has also pointed out that the matter is under the consideration of the Taxation Committee. I do not think, therefore, any great advantage will accrue by rushing this Bill through the Council. I am fully aware that two other Bills of a somewhat kindred nature, one consolidating the Indian Succession Act, and the other my friend Sir Arthur Froom's Bill, will be shortly before the Committee for their consideration. But I believe that that Committee will not meet immediately. That is my information. If my Honourable friend Sir Arthur Froom says that it is not so, I will accept his assurance, but I understand that it is not going to meet immediately.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): I have no idea when the Committee will meet.

THE HONOURABLE SIR MANECKJI DADABHOY: May I take it that it will meet immediately?

THE HONOURABLE THE PRESIDENT: The date on which the Joint Committee, when constituted, will meet is fixed by the Chair.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, it is all the more reason I think that we should have explicit public opinion on the subject in view of the several difficulties that have been pointed out by Mr. Natesan, and I think it would be a proper action on the part of this Council to accept my amendment, and after mature consideration discuss this Bill at a later date when we are in possession of public opinion on this subject.

1 P.M.

THE HONOURABLE THE PRESIDENT: The Standing Orders require the Honourable Member to include in his motion a date by which opinions are to be received. Will the Honourable Member kindly complete his motion?

THE HONOURABLE SIR MANECKJI DADABHOY: I would say, Sir, "on or before the 1st of September next".

THE HONOURABLE THE PRESIDENT: Amendment moved:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 1st September 1925."

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, I do not propose to go into the merits of the Bill at this stage, but in view of what has fallen from my Honourable and learned friend from Nagpur, and the Honourable Mr. Natesan, I think it would be for the convenience of the House if I explained very briefly the attitude of Government towards this Bill. We are prepared to accept the Honourable Mr. Phiroze Sethna's motion for reference to a joint committee. Nevertheless the Government of India fully appreciate the importance of the considerations urged by the Honourable Sir Maneckji Dadabhoy and his predecessor in the debate. They recognise that it is desirable that the fullest opportunity should be given to Local Governments to express their own opinions and to obtain public opinion upon the merits of this Bill. They therefore decided on leave being granted by this House to introduce the Bill, to take immediate steps by executive order to obtain the opinions of Local Governments and High Courts. I trust that that assurance will go far to meet the points raised by the Honourable Sir Maneckji Dadabhoy and the Honourable Mr. Natesan.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, in view of what the Honourable the Home Secretary has told us just now, I think the whole point raised by the Honourable Sir Maneckji Dadabhoy and the Honourable Mr. Natesan disappears. I am not aware that, because a reference to a Joint Committee is made, public opinion will be wholly shut out. It will be quite the other way, certainly judging from what the Honourable Mr. Crerar has told us. A Bill of this importance, though seemingly somewhat diminutive in size and though it is not making any important change either in law

[Sir Deva Prasad Sarvadhikary.]

or procedure, cannot be passed without full reference to Local Governments and without opportunity being given to the public to express their opinions. That is no reason, however, why the Bill should be hung up till the 1st of September, which is the date indicated in the motion of the Honourable Sir Maneckji Dadabhoy, by which time this House probably comes to an end. I am very much afraid the Honourable Mr. Natesan has been under a serious misapprehension. The case of assignees of policies is expressly excluded from the scope of the Bill. . . .

THE HONOURABLE MR. G. A. NATESAN: I referred to heirs, unnamed heirs.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Well, the case of heirs, named or unnamed, will have to be dealt with by the testamentary court in the ordinary course. The Honourable Mr. Natesan must not think that, because the process is not to be legalised and regularised under the Succession Certificate Act as now proposed or because the process is to be the more costly one of obtaining letters of administration or probate, in which the poor man will not be let off either by the Government or by the lawyer, he must not think that because one process will be added to (and not substituted for the other) there will be any difference . . . .

THE HONOURABLE MR. G. A. NATESAN: These people do get on without lawyers.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Madras must be a very happy place then. The point is that no Insurance office can be expected to pay claims without adequate discharge and no court will issue letters of administration or probate without citation in suitable cases. There is no reason why, in regard to any complicated facts which may arise in the case before issuing a succession certificate, the court would not cite the parties appearing to be concerned. The heirs, named or unnamed, would therefore be safe in all these cases. It would be intolerable if the rights of heirs were overlooked in any way. That is not the object of the Bill. The whole object is some speedy, some less costly process than probate and administration proceedings, and it is common knowledge that probate and letters of administration cost a great deal more than a succession certificate. A succession certificate is a less costly process and generally takes less time. In fact I am surprised that the Government (the Honourable Mr. McWatters is not here) agree to the facilitation of this process by which the revenue will be prejudiced; because the duty which will come in if the other process is resorted to would be considerably more than the succession certificate process, which is known to be less costly. Sir, the development of insurance companies and the safety of insurance companies themselves are matters of importance, and from that point of view, and having regard to what Mr. Crerar has told us that the Local Governments and the public will be consulted by executive order, I do not see why this Bill should not straightway be committed to a Joint Committee as proposed.

THE HONOURABLE MR. A. C. WILD (Bombay: Nominated Official): Sir, I should not have ventured to intervene in this debate except for the fact that I have had considerable experience of the working of the Succession Certificate Act. One point also has not been, I think, properly

brought to the notice of this Honourable House, and that is that this Bill which we have before us does not actually alter the law at all. When I say this, I should perhaps rather say that it does not alter the practice of the law. The object of the Mover is to make it clear that in the case of the money of insurance policies a succession certificate may be granted in respect of the sums payable and it appears some courts, we do not know where (in Bengal I am told), have held that this is not the case. But as far as I know in no court in the Bombay Presidency has it ever been so held, and in the case of these insurance moneys succession certificates can be granted and have been freely granted. In fact it is in this class of cases particularly that a succession certificate is asked for. I think then that, as there is no change of practice involved, and practically no change in the law, there is absolutely no necessity for the Bill to be circulated at this stage.

THE HONOURABLE PANDIT SHYAM BIHARI MISRA (United Provinces: Nominated Official): Sir, in my opinion, in the interests of policy-holders as well as of the Insurance companies themselves, it is absolutely necessary that the provisions of the Bill introduced by the Honourable Mr. Sethna be carefully considered by the whole country before this Bill is actually referred to a Select Committee, or comes for consideration in its final stage. As the Honourable Mr. Natesan has pointed out, the interests of the policy-holders must be supreme in these matters. The agents of insurance companies certainly put the whole thing in very attractive colours when they approach people with proposals to get their lives insured. I have had the good fortune or misfortune of having been approached by various agents on various occasions. Well, the circumstances of my own family affairs did not render it desirable for me to get my life insured, but I always thought that life insurance companies were not benevolent institutions. They are, after all, business concerns and they exist in their own interests rather than in the interests of the policy-holders. They make money and declare dividends at the cost of policy-holders (*Sir Maneckji Dadabhoy*: "No, no.") The insurance of one's life may or may not be necessary as the circumstances in which a man happens to be placed may dictate. As it is, Sir, I have learnt from many persons who have had dealings with life insurance companies that they found considerable difficulties—I mean the heirs of those who had insured, of course not those who had insured themselves, they were gone; but the heirs found considerable difficulties (*The Honourable Sir Maneckji Dadabhoy*: "Why do you go to bad companies?") in receiving the money from insurance companies. I think if this Bill is passed it would become an invariable practice with the life insurance companies to refuse any payment without the production of succession certificates, and the worst thing that can befall an ordinary person is civil litigation. I know something of the law. I have myself been the presiding officer of criminal and revenue courts, if not of civil courts, and I know that woe befall the persons who have to resort to litigation very often. It may be a very easy thing to get a succession certificate, but I should be the last person to put myself to that ordeal. I would not like to go to a civil court, or to any court, if I could possibly help it, not of course as a non-co-operator; I will certainly go if I find it necessary, but I would avoid it so far as I can. I am certain that the agents of these insurance companies would never tell those whom they approach that their heirs would have to obtain succession certificates after their death. So I think

[Pandit Shyam Bihari Misra.]

Sir, people who know something of the world would certainly know that such an enactment has been passed; but many people would not, and these would certainly be putting serious difficulties in the way of their heirs if this Bill is passed without a thorough consideration. I am therefore emphatically of the opinion, Sir, that this Bill should be circulated for public opinion, as has been proposed by my Honourable friend Sir Maneckji Dadabhoy, and it should not be referred to a Select Committee at present.

THE HONOURABLE THE PRESIDENT (to Sir Maneckji Dadabhoy): The Honourable Member has no right of reply.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, I propose to withdraw my amendment. In view of the assurance given by the Honourable the Home Secretary that by an executive order the opinions of Provincial Governments will be obtained, I do not see any reason to press this amendment. I therefore ask leave to withdraw it.

THE HONOURABLE THE PRESIDENT: Is it your pleasure that the Honourable Member be given leave to withdraw his amendment.

(Leave was not given.)

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): Sir, I hope my Honourable friend Mr. Natesan has discovered by now that his criticisms were absolutely misconceived and the best answer to him was in what fell from my Honourable friend Mr. Wild who has spoken from personal experience as a Judge in the Bombay Presidency as he said there is absolutely no intention of introducing fresh legislation. All that is intended by this Bill is to correct a defect by a proper interpretation of the Act. The original Act clearly intended that succession certificates should be given in respect of claims under policy monies. Certain subordinate courts—I am sorry I did not say in my first speech that these subordinate courts are in the Bengal Presidency—do not agree with that view. It is therefore to remove their doubts that this Bill is proposed and for nothing else. The Honourable Mr. Natesan has asked me two pointed questions. First he inquired if all Life Offices are agreeable to this change. Let me assure him they are. Let me further assure him that quite unsolicited they have sent me letters saying they agree with the object of the Bill and only regret it was not brought up before. The next question he asked was if Life Companies considered that if they gave money on the strength of succession certificates they would not be called upon to pay a second time. My answer to that is in the affirmative. He then brought out his own grievance, that he held certain policies and he considered it a very great hardship to be asked to assign them to certain individuals rather than allow them to remain in the name of his heirs. If anything the Honourable Mr. Natesan has every reason to be grateful to those companies, because after his death if his estate is a large one (and I feel sure it will be) if he has left a will probate will be necessary, while if he dies intestate letters of administration will be required. What have they done? Instead of having the policies in favour of unnamed heirs they have asked him to assign them to persons by name, so that neither probate nor letters of administration will be necessary. Government will be deprived of a certain amount of money thereby, and Mr. Natesan must thank the insurance companies for advising him not only how to save probate duty, but also how to get the claim monies in quick time without legal formalities. If anything he has reason to be grateful to the insurance companies instead of condemning them as he has done.

Sir, I certainly have no objection to the Honourable the Home Secretary's suggestion to refer this Bill to Local Governments in the manner he has proposed because I have every confidence that Local Governments will support the object for which I have brought forward this Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend the Succession Certificate Act, 1889, be circulated for the purpose of eliciting opinion thereon by the 1st September, 1925."

(After the motion had been put.) The Ayes have it.

THE HONOURABLE MR. PHIROZE C. SETHNA: I ask for a division, Sir.

THE HONOURABLE THE PRESIDENT: The Honourable Member was aware of the question that has just been put. The amendment of the Honourable Sir Maneckji Dadabhoy obviously comes before his original motion.

THE HONOURABLE MR. PHIROZE C. SETHNA: He spoke of withdrawing it, Sir.

THE HONOURABLE THE PRESIDENT: The House did not give permission to withdraw it.

THE HONOURABLE MR. PHIROZE C. SETHNA: I am sure if a division is asked Honourable Members will understand the position and vote according to their views.

THE HONOURABLE THE PRESIDENT: The Honourable Member's vote against the amendment is recorded somewhat late, but in view of the circumstances—perhaps I should from the Chair have explained that when one Honourable Member objected to leave being given for the withdrawal of a motion that the debate proceeded; there was no question of taking a vote on that—I will put the question again.

The question is:

"That the Bill to amend the Succession Certificate Act, 1889, be circulated for the purpose of eliciting opinion thereon by the 1st September, 1925."

The motion was negatived.

THE HONOURABLE THE PRESIDENT: The question is:

"That this Council do recommend to the Legislative Assembly that the Bill to amend the Succession Certificate Act, 1889, be referred to a Joint Committee of this Council and of the Legislative Assembly, and that the Joint Committee do consist of 12 Members."

The motion was adopted.

PRISONS (AMENDMENT) BILL.

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

"That the Bill to amend the Prisons Act, 1894, as passed by the Legislative Assembly and amended by the Council of State, be passed."

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend the Prisons Act, 1894, as passed by the Legislative Assembly and amended by the Council of State, be passed."

The motion was adopted.

STATEMENT OF BUSINESS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, on Monday last I undertook to inform Honourable Members during the course of the week whether Government would have any business to place before the Council on Friday, the 13th instant, which has been allotted by His Excellency for non-official business but for which no such business is forthcoming. I am now in a position to announce that, unless the business for Thursday the 12th instant is left unfinished when the House rises on that day, there will be no Government business on the 13th. The business for Thursday the 12th will be the consideration and passing of any Bills which may be passed by the Legislative Assembly to-morrow, and in this connection I venture to request a relaxation of the ordinary rule which requires Bills passed by the other House to be laid on the table at the next following meeting of this Council. We have no business after to-morrow until the 12th, on which day, as I have said, we desire to proceed with the Bills in question. In these circumstances you would perhaps, Sir, be prepared to allow the Bills passed by the Assembly to-morrow to be laid on the table at the conclusion of our own meeting to-morrow which is likely to be prolonged for some time after the business of the Assembly is concluded. I may perhaps venture to mention in this connection that a similar indulgence was granted by your predecessor, the Honourable Sir Alexander Muddiman, on the 12th February, 1923, when in closely analogous circumstances he allowed the Malabar Completion of Trials Supplementing Bill, passed by the Assembly on that day, to be laid forthwith on the table of this House.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (West Bengal: Non-Muhammadan): Sir, I have sent a fresh notice of a motion regarding the Colonial question for the 18th. Yesterday I understood from the Secretary of the Council that there was a technical difficulty about the 18th because the ballot had already been drawn and it was possible, if other things were favourable, to allow my motion to come on the 13th, on which date there is no business. I informed the Secretary that, if the Honourable Member in charge had no objection, I would bring it up on the 13th. My reason for selecting the 18th March was that I should be allowed to bring it up on the latest possible day that a non-official Resolution could be brought up this Session so that Government might have enough time. I should be glad to be informed as to whether it will be allowed on the 13th or the 18th of March, or whether unfavourable circumstances will prevent its being brought up at all.

THE HONOURABLE THE PRESIDENT: Has the Honourable Member made any request that the fifteen days' notice should be waived in the case of his Resolution? Because in the first place the sanction of the Member of Government concerned— that is, I understand, the Honourable Sir Muhammad Habibullah—is necessary before a Resolution could be put on the agenda at short notice. Thereafter my consent arises, but I should always like to ascertain first what the view of the Member of the Government concerned is in the matter.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: I am sorry, Sir, that under the circumstances I am not prepared to waive the usual notice.

THE HONOURABLE THE PRESIDENT: It appears therefore that there will be no business for the meeting of the 13th. With regard to the

suggestion made by the Honourable the Leader of the House, the course he proposes is not strictly within the letter of rule 25; but that rule has at times been found inconvenient in working; and, in view of the precedent cited by the Honourable Sir Narasimha Sarma, I shall be prepared to-morrow to allow any Bills passed in the other House which are received here before we adjourn, to be laid on the table.

The Council then adjourned till Eleven of the Clock on Thursday, the 5th March, 1925.

COUNCIL OF STATE.

Thursday, 5th March, 1925.

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

GENERAL DISCUSSION OF THE GENERAL BUDGET.

THE HONOURABLE THE PRESIDENT: The House will proceed to the general discussion of Part II of the Budget. As Honourable Members are aware, the Standing Orders vest in the Chair the power to fix a time limit for speeches. I am reluctant to exercise that power, partly because hitherto it has never been found necessary in this House, and partly because, if I do fix a time limit, I shall feel myself bound to observe it strictly and to ask Honourable Members also to observe it strictly, which in certain cases may prove inconvenient. At the same time I would remind Honourable Members that there are probably many Members who will want to speak and that those who wish to make long speeches should bear that in mind. My own opinion is that 20 minutes probably should be sufficient for every Member in the House.

The general discussion will now proceed.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, it is customary every year to congratulate the Finance Member on the year's Budget, but this year is a particular one when, owing to his strong policy, the string of deficits have now turned into a surplus and for this our congratulations should be also special. Being the representative of Muhammadans I cannot allow this occasion to pass as I must espouse their cause. Just the other day, Sir, there was a Resolution about their services and, as I have already spoken on that, I will not say anything on the matter except to thank the Government for their pronouncement. Muhammadans being in the minority, they do not accept any money spent on any reforms or any sort of Government, in which their voice would be drowned, because they feel that their interests are interwoven with this Government and if anything, God forbid, befell this Government, they consider that their turn would be the next. As most of the Muhammadans are also agriculturists in my part of the country I must say something also about their critical condition. A very great poet said:

> *"Harbalae ki zeasman aed*
> *Khana-i-Anwari name joyed",*

which means that "any calamity which comes down from Heaven, before it reaches the earth, it asks for the address of Anwari." In the same way any money which is needed or any tax which is to be levied, it is said that it is intended for the zamindars. We are very much afraid, Sir, that even our creation, the Taxation Committee, instead of bringing the others on a par with us, may go against us by taxing us again. My province, Sir,

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[Sir Umar Hayat Khan.]

suffered particularly when the salt duty was decreased because the province which had to pay the contribution to the Central Government, taxed the zamindars, by levying very high water rates. It is known that all the bogus war-cries about salt were only to frighten the Government. I am sorry that, when it was once seen that these threats were nothing, next year the question was dropped and the salt tax was not levied. If the Central Government would not levy it, I would ask that this may be made a provincial revenue. Many times before, Sir, in this Council and other places, this thing has been brought to the notice of the Government, that the provinces ought to be self-contained and they should levy taxes, whatever lies in their boundaries, and only pay a certain sum towards the Central Government; and I am sure that if this was done my province would be the first to levy the salt tax so as to get relief from that water rate which has been just levied and which is a great hardship to us.

Then, again, Sir, if the salt tax were levied and we had money, there would be lots of places where money would be required, for instance, education and sanitation. When assigning money to various provinces, Government could easily lay down a condition that all this money which has been given to the provinces out of the salt tax will go straight for sanitation and education, and I think this would be taxing the people direct for their own benefit, and if it was spent like this I am sure that even the agitators would not clamour very much as they generally do, because the agitation about the salt tax was only a threat. I know, Sir, that during the Rowlatt Act, it was not that the country was in any way against it, but it was only the men here in the Councils who said that the country was behind them and when once they had threatened the Government, then they got the people to follow, but when the people had got into trouble by following them once, they were not going to follow them when they threatened about salt. There are also very good institutions, Sir, like the Tibbya College of Delhi and the Vaids and Hakims which deserve funds as dispensaries are not sufficient in the country and they never will be. People always will have to resort to these and if money is spent to bring them up-to-date in some institutions which will teach the present-day science, I think it will be a great addition to medical aid and beneficial to the people. I suggest that the Central Government should now, or whenever possible, lay down a policy of permanent settlement in places where there is no chance of any enhancement of revenue, or at any rate very long terms of settlements, because every day settlements are rather troublesome to the people and it agitates their minds uselessly, and this is not for the good of the country.

I have always kept foremost in my mind throughout my long career in the Councils the welfare of the Army. It is not only because that I belong to the martial classes and to a province from which the martial classes predominate in the Army, but I really feel for the security of the country and all the progress that we are making would be in vain if we had not a sufficient army to save us from external aggression. Also, things sometimes point to internal trouble, and whenever there has been trouble, during the Mutiny and afterwards, we have found that the railway lines and telegraph lines are first cut. On such occasions the cavalry will be the arm most useful. But what do we see? We see that the whole of the cavalry has been cut by a half. The numbers of the cavalry are now half of what they were. It is the cavalry that takes longer to drill

and prepare its soldiers. Then, Sir, for the cavalry horses are most needed. It is a matter of common knowledge that from Arabia, wherefrom we used to get Arab horses, we cannot get any horses now, because most of them were commandeered during the last war by the Turks and now, when the new fire-arms have come into existence, the tribes there have been fighting against each other in Arabia and many horses have been shot. There is therefore not a sufficient number that we can purchase. In Australia, they have begun to breed a different type of horse for their own use and they find that they get more benefit by keeping sheep than by keeping horses. Therefore, our supply of horses from Australia is also diminishing. It is for this that Government allotted lands on horse breeding conditions and people also knowing this have formed a society called the Horse Breeding and Show Society, and most of the Members of the House who are interested in horses would have seen their work during the last show at Delhi. When all this is happening, Sir, I am sorry to say that the Remount Department has withdrawn their patronage from the Amritsar area. That requires a small sum and if Government could see their way to keep this area open for a year, I think there would be a very good surplus in the Budget next year and there would be no need for withdrawing the Sind horses from that area. I know that people do feel very much about it and if that area is abandoned there would be naturally a diminution in the breed of horses to that extent. Also, Sir, whenever any community gets money together and wants a college or a school, Government always come to its aid by giving the other half. In the same way, when any local body wants to have a good road or something else, if they can get half the money, the Central Government does not fail to give another half. The Army is a central subject, and when the society has got a good deal of money together, I think it is time that Government should patronise it and give it some money, because it is not only for the good of the people but it is also for the good of the Remount Department which means a help to the Government. It has been said that some crores have been cut from the Army Budget. If this money was not curtailed, I think we could have had very good transport aeroplanes which could shift large bodies of men from one place to another if the telegraph lines and railway lines were cut. But when you cut a large amount of money from the Army, I would say that it is much *minus* its efficiency. No doubt our Finance Member has praised His Excellency the Commander-in-Chief for effecting this economy, but I do not join in this for the reason that our great soldiers are very much disciplined and they know how to obey orders, and I think it is in obedience to the orders that this has been done. I wish His Excellency had resisted it. By this I think he would have got more money which would have been good for the Army.

Then, Sir, we are now crying for a national army which is given us in the shape of the Territorial Force, etc. I am President of the Advisory Committees of this Force in my Province, and as such I do not want to criticise it, because it is my duty to make the best of a bad job. But as a member of Council I think to get money out of the Army Budget for this force, is not a correct charge on it. That money is being spent for political purposes in order to stop the criticisms of the politically minded people and therefore it is the Political Department or the Civil Department which ought to give the money and not the Army. Some people want to make a national army. Well they may have the idea of a nation, but if you take the general masses, I do not think they have got that idea, because the word "India" conveys the same idea as when you talk of

[Sir Umar Hayat Khan.]

"Europe". India is just as big as Europe *minus* Russia and we cannot speak of the Germans and the French as one nation. I do not know how we can make the Muhammadans, the twice-born Hindus, the Sudras, the Pathans, the Baluchis and other different classes into one nation. If you get the non-martial classes and bring them into the fighting line, it is just the same as making a toy terrier fight a bull dog. I think that the money for this force should not be taken out of the Army Budget.

Then, Sir, we are all thankful when it is considered that the Army should be Indianised. But for the King's commissions, the difficulty is that those who belong to the martial classes are zamindars and not very wealthy people. These cannot educate their sons at Dehra Dun and then send them to Sandhurst in England. It is only the wealthy people who are generally non-martial that can do this. So, if more money was spared and not cut from the Army, it could be spent on scholarships by which these people could be educated, because if the non-martial people were made officers to lead the army, it would not bring about good results.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, the Finance Member happily is in the fortunate and proud position of presenting a surplus Budget this year. In the last ten years we had seven years of deficit Budgets and three years of surplus ones. The long spell of misfortune which this country had was broken by the presentation of a slender surplus last year. The present financial position, if it is to be considered to be a stable one, has been reached by heavy sacrifices which the people of this country have made. In the five years immediately preceding last year we had to meet a deficit of Rs. 100 crores, and in order to recoup that loss the country was called upon to go in for a large burden of taxation to the extent of nearly Rs. 45 crores. The surplus which we happily find to-day has been achieved by the country as a result of the heavy sacrifices made at great inconvenience and privation. This oppressive burden of taxation was resented at the time by the people generally in India. Sir Basil Blackett has told us of the advent of prosperous times in this country. I may not wholly share that optimistic view just at present, because except in the matter of heavy imports in this country and an increase in our customs revenue by 2·71 crores there has not been such a general response in the matter of trade as the Finance Member has stated. I quite realise that the tea trade is prosperous, that the trade in pulse and grain has also made some progress by considerable expansion of exports, and that in other minor directions by a somewhat brighter outlook the country has been benefited. On the other hand, the textile industry is still going through a critical period unprecedented in the history of the trade. It is now living on its reserves, or I may say it is eating away very fast its reserves and will shortly be confronted with a situation which will cause a terrible crisis in this country. Sir, though these small improvements have taken place and a surplus Budget has been presented, I would be remiss in my duty if I did not give credit to the Finance Member and his most able and indefatigable Secretary and his talented Department for the vigilant watch that they have kept over our finances during the last year. It was a bold and courageous policy which was adopted by Sir Basil Blackett in the first instance of going in for a well devised system of new taxation, and it is by a careful conservation of the country's resources and finances that the present position has been attained. Sir, we all hope that the progress which has been made will be continued

and that India in future will have a series of Budgets which will dissipate all apprehensions about fresh taxation and make the country more independent and prosperous.

Sir, the Finance Member has presented the country with a surplus of Rs. 3·24 or practically 3¼ crores. I am afraid that that surplus does not represent the true financial position of the country. This figure of Rs. 3·24 crores has been arrived at by making two important modifications in the financial policy of the Government of India. In the first instance, they have adjusted against the revenues of 1923-24 the whole of the discount charges amounting to Rs. 82 lakhs on the 1923 loan. This amount is not an insignificant one. Now, the Finance Member has very candidly admitted that the Government had originally decided to spread this figure of Rs. 82 lakhs over a period of years. But for some reason which I cannot possibly comprehend he has thought it necessary to immediately adjust this amount. Sir, I do not ascribe any sinister motive to Government. I for one would not for a moment urge that this amount has been kept up the sleeve of Government for any unforeseen purpose, and really concealed from the people. But I fail to understand the expediency of this method or policy. The Finance Member, during the last two years since he has assumed charge of his office, has been doing his best to put the finances of this country on a commercial and businesslike basis. He has endeavoured his best to separate the railway finance from the general finance for the purpose of strengthening our general financial position and preventing it from violent fluctuations in the future. Now, all my commercial colleagues who are in this Council will bear me out when I say that it is the usual practice, when a new loan is floated, or when a new company is floated, to spread the preliminary charges over a certain number of years and to gradually absorb those preliminary charges as the revenues come in. Last year this was done, and the Finance Department rigorously advocated a definite policy of spreading such charges over a number of years. In the second instance they have transferred from the suspense account and charged against the revenue of the year certain expenditure, namely, Rs. 3·41 crores consisting of loans and advances to the Persian Government. This is not the occasion to say anything about this loan to the Persian Government. I will not speak about the propriety of this loan. Whether the Imperial Government ought to bear wholly this charge or the Government of India is a question to which I shall not presently refer, but this action has been taken on the strength of a dubious plea raised by the Finance Member that the practice of the British Treasury is to treat such outgoings as expenditure against the revenue of the year instead of keeping them in suspense. Now, I do not think it was advisable to make a wholesale importation of the British practice into this country, especially when we had so many anxious and troublesome years, when our finances have not yet been rehabilitated, when our surpluses are not large enough to go in even for a small reduction of taxation and when the urgent necessities of the various provinces have still to be met. If we take therefore into account these two items of 82 lakhs and 3·41 crores it comes to 4·23 crores, which added to our surplus of 3·24 brings our surplus much over 7 crores. It is this policy of skilful adjustments which the Government of India have adopted of reducing our surplus artificially that will prevent the acceptance of certain claims of the various provinces and of certain imposts which are regarded by the country as wholly unjust and inexpedient. Sir, in this connection I will only make one observation. If this Persian debt was of

[Sir Maneckji Dadabhoy.]

a doubtful and irrecoverable character my Honourable colleague will be perfectly justified in writing it off this year, but I have the assurance of the Finance Member himself that it is not so. The fact that this book adjustment has been made does not of course in any way affect the liability of the Persian Government with whom negotiations are pending for the recovery of the debt. If the debt is recoverable, I say that there is no warrant or justification at this critical time, when India wants large surplus as for distribution, to appropriate and make a book adjustment of this nature.

Sir, I have now very few minutes left at my disposal. I shall first take up the important question of the distribution of this surplus. I have often protested against the general policy adopted by the Government of India in this connection. As regards the surplus of 3·24 crores which has now been attained and the major portion of which the Government of India propose to distribute among the four provinces, I have nothing much to say. I congratulate my Madras friends here as well as my friends from the United Provinces and the Punjab on their good luck. I do not grudge them what is their rightful due. The Honourable the Finance Member has very rightly stated that the policy of the Government of India is to gradually work up towards the total extinction of the provincial contributions, and I congratulate my Honourable friend Sir Basil Blackett on his good fortune in being this year in a position to partially fulfil the pledge which he gave to the Council last year and on various other occasions when the question of provincial contributions was discussed. The general and inflexible principle of State policy in the case of a surplus is that the claims of the general tax-payer should be first and foremost considered. It is the usual practice when a surplus takes place that the general tax-payer necessarily first comes in. He comes in ordinarily in the shape of a reduction of taxation. There is no hope this year for that achievement. There is no hope even for the next three or four years that any general reduction in taxation will or can possibly take place. Even if this rate of progress in the matter of obtaining surpluses is maintained, it will take not less than three years to wipe off these provincial contributions. I submit that if the policy or determination of the Government of India is not to afford any relief to the general tax-payer at all till these provincial contributions have been wholly wiped off,—I say with great respect to Sir Basil Blackett that it is a policy which is liable to be seriously questioned not only in this House but in the country at large. I do not discount the claims of the provinces on the generosity of the central revenues. I admit that the Meston Settlement was not a just settlement which scandalously overlooked the rights of some provinces and which hardly did justice to others, but at the same time it is very significant that that settlement has not yet been definitely revised and the Government ought not to lose any opportunity of reopening the whole question at an early date. Sir, this is however another matter and beside the point for immediate consideration to-day. Sir Basil Blackett has at any rate definitely announced that he is prepared to distribute 2¾ crores and reserve 74 lakhs out of the surplus of 3·24 as a margin against possible disappointments or misadventures during 1925-26. Misadventures in finance will always happen. No Finance Minister however able, however cautious, however astute and prudent, can possibly avoid misadventures in finance. Finance is a subject which is very difficult to

control. I cannot see any reason why the 72 lakhs should be kept in reserve as a margin of safety when the estimates of revenue for 1925-26 have been based on most conservative figures. The estimates of that year which have been based on conservative lines do not admit or warrant in my opinion a reservation of such a big slice out of the small surplus of 3·24, more particularly when the Government have already kept up their sleeve a surplus of 4·25, as I pointed out in the early part of my debate. I think, Sir, the country has a right to get back this money in some shape or other. My friend Sir Basil Blackett knows very well as any other financier that the revenues of the Government of India are very elastic, that the very essence of that elasticity has come to his rescue to a certain extent on this occasion after the sagacious and cautious manner in which he had framed his previous year's Budget. Even Sir Basil Blackett in his speech admits the force of this argument and I will quote a small passage from his budget speech. He says:

> "We are entitled to hold that India is not altogether without a reservoir of financial power stored against a rainless day."

I say after that admission of the Finance Minister his further apprehension about any future contingency and the reservation of 72 lakhs as a margin against possible disappointments and misadventures is in my opinion not justified.

Then the next question resolves itself into this—how is this money to be appropriated and I may unhesitatingly say that, if the Government of India decide to reapportion this balance of undisposed of surplus, Bombay has a superior claim to obtain this amount. Sir, I need not remind my Honourable friend the Finance Member of the great resentment this Budget has caused in the Bombay Presidency. The total neglect of the claims of that Presidency to obtain some redress and the entire absence of all reference in the Budget to their demand for the remission of the cotton excise duty has caused considerable disappointment and resentment. Sir, I was one of those who signed the majority report of the Fiscal Commission. The difference between the minority and the majority recommendation of the Fiscal Commission was that the majority considered that excise on cloth was not an unjustifiable duty for the purpose of raising revenue or effecting equilibrium if necessary in the country's finances. The minority were opposed to that view. I say here that the conclusions of the majority report support my view, and it is on the strength of that majority report that I appeal to the Finance Minister to reconsider this question carefully and, when the Finance Bill comes up for discussion before the other House, at least give this saving of 72 lakhs towards relieving the pressure of this excise duty. Sir, an excise duty on production of cloth is unjustifiable from all points of view. There is another question besides the illegality of the impost and Bombay and the rest of industrial India consider it a political indignity that an impost of such a character should continue to exist, an impost indefensible from all points of view and which could only be supported by the loss of the prestige of Government. Sir, the Government have to fulfil the promise which has been given by a Viceroy to this country. Lord Hardinge made it clear in unequivocal terms that if there was a surplus, the excise duty would be partly remitted or abolished. You cannot discard that pledge. This Council is in all honour, the Finance Department is in all honour, bound to fulfil that pledge.

[Sir Maneckji Dadabhoy.]

Sir, there are one or two other matters to which I should like to briefly refer before I conclude as they are very significant. I am glad that the Finance Member with his clearness and prescience has, in consonance with the Resolution passed in this Council, provided 4·78 crores for the reduction or avoidance of the public debt. Sir, this country, as I have already informed you, is deeply indebted to Sir Basil Blackett for inaugurating a sagacious fiscal policy which in time will not only raise the credit of this country, but will enable us to float our loans at cheaper rates of interest and on more advantageous terms and make our financial position very strong. I am sorry that of late there has been ill-considered opposition in the Assembly against this prudent step which my Honourable Colleague has taken. It is a step in the right direction and I assure Sir Basil Blackett that in propounding his scheme he has not only the confidence but the approbation of the commercial communities all over India. He shall be supported in his Resolution to see that this policy is firmly carried out, and that, if necessary, the policy and the scheme are both materially extended when our financial position improves.

Sir, the Finance Minister has referred to the evasion of the super-tax. I am not surprised at it. This unfortunate super-tax which has been kept on for all these years at such a high level cannot possibly be retained indefinitely without causing trouble. The Government of India will have to revise their policy at an early date in the matter of payment of super-tax. I concede that my Honourable friend Sir Basil Blackett would be perfectly justified in bringing up any Bill before this Council for preventing evasions of payment of the duty. I shall be only too glad to support such a measure and he will have the assistance of the entire Council in devising means for preventing evasions of duty. But, Sir, let me as a friendly critic of Government point out that you are persistently following a policy which will lead you in the long run into serious trouble. You have already alienated many of the commercial communities in India who have been your staunchest friends in the past and who have always supported you by subscribing freely to your loans. You have altogether alienated the Marwari community. There is a very strong feeling in the country against retaining this tax at such a high level. This high level with income-tax amounts to about 7 annas in the rupee when the income exceeds 5 lakhs of rupees. I say that this policy is destructive of all industrial initiative and enterprise. In England a heavy super-tax was imposed for the payment of war debts and to meet the expenditure of the great war. In India the super-tax was imposed after the war had terminated and as a means of rehabilitating our revenues. The policy in England has been since the Armistice one of gradual reduction of income-tax. The policy in India has been one of supineness and stagnation all throughout. No attempts have been made to reconsider the reduction of this tax. I know that nothing will be said in the Assembly against super-tax. The Assembly, constituted of many Swarajists who are always ready and willing to cause differences between the Government and the people, will not bravely and courageously attack the policy of the Government in this connection which serves their ends. But as a friend of Government I speak on this occasion and emphatically say that it will be a ruinous policy in the long run. In what I have said on this subject, I assure the Council I have no axe of mine to grind.

Sir, one word more and I have done. I cannot help thanking on behalf of this Council His Excellency the Commander-in-Chief for making a substantial reduction of 3½ crores in the military expenditure of this country. We all take our hats off to His Excellency and join in the tribute of gratitude which Sir Basil Blackett has paid to him. I say that I hope His Excellency with his towering personality, his rigid control of the military expenditure, will still further bring it down to the figure which the Inchcape Committee has recommended, and I have no doubt that His Excellency in time will be able to achieve that end. Even Sir Basil Blackett is very hopeful. At the end of his speech he says that a further reduction of military expenditure as such will be a great relief to the country. For half the revenues of India to be spent on the Army is a position which the country cannot look upon with equanimity. I know things are changing. Prices are coming down and in time our military expenditure may be also substantially reduced, and I hope that a time will come when we shall be able to congratulate His Excellency the Commander-in-Chief or his successor on effecting great retrenchments in the military expenditure and in reshaping the military policy, which has been a bye-word and has caused so much disaffection and controversy in the country.

THE HONOURABLE MR. J. W. A. BELL (Bengal Chamber of Commerce): Sir, I have again the great pleasure of congratulating my Honourable friends, Sir Basil Blackett and Mr. McWatters on the very satisfactory Budget which they have been able to place before the country. I would in particular like to congratulate my Honourable friend, Mr. McWatters, on his budget speech. To deliver a speech of 45 minutes duration, a speech bristling with figures and technicalities without reference to his notes was an exceptionally fine effort (Hear, hear). Apart from that, his speech indicated the extraordinary grasp of the financial position of the country possessed by my Honourable friend, and it explained in a very lucid way some obscure points in the statements which he placed before us.

In the time at my disposal it is not possible to enter in detail into the mass of figures placed in our hands the other day, and my remarks must therefore be of a somewhat general nature. Dealing with the figures for last year, there are two points that seem to call for notice, and these have also been mentioned by my Honourable friend, Sir Maneckji Dadabhoy. The first is the debit of the 82 lakhs to the revenue of that year in respect of discount charges on the 1923 loan, and the second is the debit of Rs. 3,41,00,000 to the revenue for that year in respect of certain loans made to Persia years ago and apparently now found to be irrecoverable (*The Honourable Sir Basil Blackett*: "No.") I may say at once that I do not take quite the same view of these items as my Honourable friend, Sir Maneckji Dadabhoy. It is quite true that in the case of any well-conducted Company such items would be spread over a long number of years, but I have been brought up in a different school in which the thing to do is to write off everything so long as you have anything to write it off with (Laughter). I therefore take no objection to the action of the Finance Department in writing off these two items. But there is an important difference between them. The first was a liability which we knew about. We knew that it existed, and that some day we should have to meet it. With regard to the second however, it was a liability of which we knew nothing. It has apparently been hanging over our heads for a long number of years, and yet we have heard nothing

[Mr. J. W. A. Bell.]

about it. It comes rather as a shock to find over half of the real surplus in a favourable financial year, wiped off in meeting it. I do not want to go into what is past and done with, but I think Honourable Members would like to know, and I think it is only fair that they should know, from my Honourable friend, whether there are any other liabilities of this kind hanging over our heads (Hear, hear), for which provision will have to be made in some future Budget.

With regard to the figures of the current year, Honourable Members will probably welcome the improvement in trade indicated in the customs figures, but they may observe with some misgiving that the protective duties, which most of them advocated last June, have resulted in a burden on the country amounting to 2¼ crores. That is only part of the burden, and most of the Honourable Members who then voted for protective duties, are, I think now beginning to realize who has got to bear that burden. (*An Honourable Member*: "We are getting back one crore I think.")

The question of exchange during the current year I only refer to, in order to acknowledge that when last year I suggested that the Honourable Finance Member would be safer in taking an average of less than 1·4¾*d*. I was over-cautious. I worded my speech at the time perhaps rather in a mean way, so that, whether exchange went up or down, no one would be able to say exactly that I was wrong (Laughter). I fancy I must have been suffering from the atmosphere of the Finance Department, an atmosphere of excessive caution. But I am free to admit that although most of the factors which regulate exchange seemed at the time to point to a lower rate, the more optimistic view taken by my Honourable friend has been justified and more than justified.

I do not wish too often to refer to the policy of protection, but in dealing with budget figures one is constantly reminded of it. Honourable Members will no doubt observe that within a few months of the passing of a certain Act in Simla last June a further burden has been placed on the public, and that before the end of this month a sum of 62 lakhs will have been paid in bounties, and that is not the end of the thing by a long way.

Now that the storm that was raised over the recommendations of the Lee Report has passed away, and that Honourable Members who were opposed to these recommendations have had time for further reflection, I do not think that there is any Honourable Member in this House who will grudge the provision of 25 lakhs which has been made in order to implement these recommendations and to increase the salaries of, and make certain passage concessions to, officers and their families belonging to the superior services. I think it will be felt that, if not to the extent that we should have liked, at least to some extent the just claims of these services have been recognized.

It would take too long to deal with them in detail, but I would recommend Honourable Members to carefully study the paragraphs in my Honourable friend's speech—these have been referred to by my Honourable friend, Sir Maneckji Dadabhoy also—dealing with the public debt and the reduction of public debt. The provision that has been made is not one that will lay a serious burden on the finances of the country. In fact if

it might be criticized at all, it is because it is perhaps insufficient; but it will have a wide-reaching effect in establishing credit, and in engendering confidence in the financial position of India throughout the world.

I have read with great interest the paragraphs in the Honourable Sir Basil Blackett's speech dealing, under the heading of payments for next year, with the subject of exchange. While I am in agreement with him up to a certain point as to the advantage to India of a high rate of exchange, I feel that his arguments will meet with a certain amount of criticism, because while the country, as a whole, may strike a balance as between the advantages and disadvantages of a high rate of exchange, those who suffer from the disadvantages are not always those who benefit by the advantages. In other words, there are always a certain number to whom a high rate of exchange is a definite disadvantage, and there are always a certain number to whom a low rate of exchange is a definite advantage, and these are not always the same people. When my Honourable friend comes in paragraph 46 of his speech to the question of stability, I am wholly with him. What the country really needs is not a high rate of exchange, and is not a low rate of exchange but stability over a long period. (Hear, hear.)

12 NOON.

In dealing with the estimates for next year, my Honourable friend gives prominence to the continued reduction in military expenditure. This is all to the good, and gives point to the arguments of those who in the past have held that the military expenditure of the country was too high. But a country with great responsibilities cannot take great risks, and I trust that the Government of India, in their anxiety to make the very greatest reductions, will not sacrifice efficiency to economy. (Hear, hear.)

In speaking of military expenditure, I should like to say how much gratified I am, and I am sure the feeling is shared by almost all the Honourable Members of this House, to find that provision has been made for 45 lakhs in order to grant certain increases of pay and passage concessions to officers of the Indian Army. While we may regard these increases of pay and passage concessions with a certain amount of satisfaction, I think everyone will agree that they have been withheld far too long.

There are a number of other points to which I should have liked to refer. One of them is the commercialisation of accounts. But I feel that there will be many other Honourable Members who will be anxious to speak.

I shall therefore pass on to the distribution of the surplus in the coming year.

In this connection I would like to say that, while in no way abating what she considers her just claim to have the provincial contribution wrongly imposed on her by the Meston Committee entirely cancelled, Bengal will be very grateful to the Government of India and the Finance Department for the remission of her provincial contribution for three years longer that has just been announced. (*The Honourable Sir Maneckji Dadabhoy*: "You have got a three years' moratorium now: that ought to satisfy you.") That is what I am thanking Government for. I will not discuss the remark made by the Honourable Sir Basil Blackett to the effect that under certain circumstances the claim of Bengal to this remission would not have been a good one because I think that as a fair-minded statesman cognisant of all the facts, my Honourable friend does not believe that himself. He probably said it in order to pacify Bombay. (*The Honourable Sir Basil Blackett*: "I did not say it.")

[Mr. J. W. A. Bell.]

Bengal also rejoices in no ungrudging spirit in the fact that it has been possible to make very substantial reductions in the provincial contributions of Madras, the Punjab, the United Provinces and Burma. We trust that, in the not too distant future it will be possible to cancel all provincial contributions, even including those of Bombay; because we feel that, until this is done, it will not, in the first place, be possible for the provinces, financially embarrassed as they are, to develop along their own lines, and it will not, in the second place, be possible for the Government of India to turn their attention to the reduction of other taxation which is so seriously at the present time hampering the normal development of the country.

THE HONOURABLE MR. PHIROZE C. SETHNA (Bombay: Non-Muhammadan): From early in January in every year speculation is rife in the country as to whether the Finance Member will be able to present what may be called a prosperity or what might be regarded as an adversity budget, and if therefore taxation would be decreased in some shape or form or would require to be increased to meet deficits. For weeks back this year the public have been expecting a large surplus and the consequent repeal of excise duty, a possible reduction in postage and telegraph charges, and perhaps a reduction in the amounts of provincial contributions. All honour to Sir Basil Blackett for turning the corner after five successive deficit years and launching us again into surpluses. It was high time that this result was attained particularly after the increase of several crores of rupees in taxation since the date of the Reforms. There is a surplus of 3·24 crores because exchange is taken at 18*d*. If it were taken at last year's average rate of 17½*d*., this figure of 3·24 would, of course, be considerably reduced. As the Honourable the Finance Member has for his budget calculations taken exchange at 18*d*. we may assume that he regards it as an impossibility that it will go lower or we may assume that Government will do all in their power to prevent its going lower, and this assumption is strengthened by their proposal in paragraph 68 relating to Ways and Means where a reduction of the cash balance in London by 17·9 crores is proposed.

Sir, the Honourable the Finance Member has unburdened himself at great length and has attacked that school of thought which is of opinion that a high exchange is detrimental to Indian interests. I was agreeably surprised to find that my Honourable friend, Mr. Bell, also does not agree with him in all particulars. This, Sir, is a very vexed question. It is a question which one cannot afford to reply to adequately during the short time at the disposal of the Honourable Members when discussing the whole Budget. I take it that Sir Basil's remarks are aimed at the Indian Merchants Chamber of Bombay. Ample opportunity, I am sure, will be afforded to us in the year to be able to do so. My Honourable friend, Sir Basil Blackett, with his usual courtesy will, when he is on his way to Europe a few days hence on short leave, I hope, honour the Chamber with a visit, a body of which I have the honour to be the President this year, and which body Sir Basil has visited before and discussed similar matters with. (*The Honourable Sir Dinshaw Wacha*: "You are persuading him.") Sir Dinshaw Wacha says—persuading him. No, persuasion will not be necessary. We promise we will not spoil his holiday. What we do promise is to give him sufficient food (Laughter) for thought and reflection (*The Honourable Sir Arthur Froom*: "For the voyage?") Yes, for the voyage in the hope that if we don't succeed in converting him he will when

he returns to India at least admit that there is very much to be said on the other side and that perhaps he is not justified in being as emphatic as he is in the opinions he has expressed in his budget speech.

The tendency in all countries is and ought to be to reduce expenditure and consequently taxation. The Secretary to the United States Treasury in his annual report to Congress points out that in the past four years the tax per head of its population has dropped from $ 54 to $ 27 and the public expenditure from sixty-five hundred million dollars to thirty-five hundred million. Forecasting further tax reduction he declares that those already effected have been a great service to business and he utters a warning against using taxation as a field of socialistic experiment or as a club with which to punish success. Our high rates in India for income-tax and super-tax, our high postal and telegraph rates, high railway fares and freights, all combine to retard our commercial progress.

Take again that eminent banker Mr. Reginald McKenna, who as Chairman of one of the "big five" at its annual meeting observed the other day that:

> "the pressure of taxes which is far heavier in England than anywhere in the world is too great; for our present taxation eats deep into the reserves which are indispensable for business expansion; and we cannot develop as we would wish without increased capital resources. Economy in national expenditure is vital."

India certainly is not the heaviest taxed country in the world, but comparing its wealth with that of other countries, it cannot be denied that India is not taxed lightly. We have in front of us the dread of the recommendations of the Taxation Committee now sitting to whom I may commend the unanimous recommendations of the Royal Commission presided over by Mr. Justice Sim in regard to taxation in New Zealand.

I join with the previous speakers in endorsing what they have said in regard to military expenditure, and we thank both His Excellency the Commander-in-Chief and the Honourable Sir Basil Blackett for the reductions that have already been effected. We do hope that this expenditure will come down very soon to the figure suggested by the Inchcape Committee, namely, 50 crores, and that it may go down yet lower as soon as possible, for the country holds that there is scope for such decline.

We now come to the allocation of the surplus as proposed by the Honourable the Finance Member. They have not given universal satisfaction, but of course nothing that he can propose would satisfy all parties concerned. It is therefore that we have got to consider the reasons which have influenced the Honourable Member in making the allocations that he has done. He is all in all for affording relief to the provinces in their provincial contributions and we find that Bengal is unduly favoured. We cannot account for that partiality unless it be, as one may be inclined to believe in what I think is a fact, that the Honourable Member first saw the light of day in the capital city of that fair province.

In this morning's papers we have an account of the speech delivered in the Bengal Legislative Council by the Honourable Mr. Donald. He says that as a result of the remission of the Bengal contribution of 63 lakhs to the Imperial revenues for three years there will be a surplus this year of 30 lakhs. Why, therefore, I ask was there a complete remission of 63 lakhs granted to Bengal and for a full three years when the Government of India themselves do not know whether in the next two years there will be as handsome or no surplus at all in their own Budget? In this morning's

[Mr. Phiroze C. Sethna.]

papers, again, we have the Budget figure of the Punjab, Madras and Assam, and according to these figures, there is a surplus of 10 lakhs in the Punjab, 21½ lakhs in Madras and 24½ lakhs in Assam.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): In Madras it is including the remission.

THE HONOURABLE MR. PHIROZE C. SETHNA: Yes, with the reduction there is this surplus.

THE HONOURABLE MR. G. A. NATESAN: We have lost one crore over the floods last year.

THE HONOURABLE MR. PHIROZE C. SETHNA: Any way, in spite of that loss of one crore, Madras will now be able to have a surplus of 21½ lakhs. Take the case of Bombay. Bombay is faced with a deficit of 41 lakhs, but it seems that Bombay has no place in the thoughts of the Government of India. Bombay is evidently a step-child.

Rupees 2½ crores are proposed to be divided amongst four provinces. Bombay is not amongst these four, because it does not stand high up in the Devolution Rules. Bombay, like Bengal, has always clamoured that the Meston Committee settlement did them great harm, and they have asked for a revision, but nothing has been done so far. The Meston Committee believed that provincial sources of income in Bombay would go on gradually increasing. What are the facts? Our land revenue is at a stand-still. Our excise revenue, under the policy which Government have accepted, is declining gradually, and what is more, it will be completely extinguished within the next few years. The only financial hope of Bombay therefore lies, as I have said before, in a complete revision of the Meston Settlement, and the sooner the Government take it in hand the better. Bombay is an industrial province and in a normal year, the Bombay Presidency contributes as much as one-third of the total revenue which the Government of India derive under the head Income-tax and Super-tax. Therefore, the best course would be to allow Bombay and Bengal a fair percentage of their income-tax incomes.

Since the war boom, there has been considerable depression in trade all over the country. But it may be said that this depression has lifted everywhere else except in Bombay. Even the Finance Member himself recognises this. Reference has been made to the state of the mill industry by my Honourable friend Sir Maneckji Dadabhoy. The Honourable Sir Basil Blackett has made reference to this in two different places. In the first place, in paragraph 12 he says that "the hopeful prospects entertained by the cotton industry have not yet materialised" and he goes on to say that he hopes that the corner will soon be turned. We, who are in the trade, do not believe that this is going to materialise for yet a long while. Sir Maneckji has explained what the state of the industry is at the present moment. I would go further and say that during the entire history of the cotton industry, never has it been in a worse plight than it is at the present moment, and if to-day cotton mills are able to meet their losses, it is only because during the boom period they were able to lay by large reserves from which they are disgorging at the present time to meet their heavy losses, and, but for this fact, very many mills would have gone to the wall. So heavy are the losses on the Bombay side that the Government of India will find that there will be a diminution in the review from income-tax and super-tax of more than one crore of rupees. I do not

know if I am right. I should be very glad if my Honourable friend the Finance Member would confirm me or correct me in the statement that I am making. I said before that the Honourable the Finance Member had made reference to the state of the Bombay Presidency at the present moment in two places in the budget speech. The second reference is in paragraph 81 where dealing with the refund of duty on stores he has given a dole of 13 1/3 lakhs to Bombay in regard to which he says:

"It might be thought inequitable in present circumstances to refuse to continue the refund in the case of Bombay",

and rightly so. He knows that the position of Bombay is by no means satisfactory. If Bombay has been left in the cold so far as remission or reduction in the matter of its provincial contribution, it has fared infinitely worse in the matter of its excise duty. There is no greater wrong under the British administration done to the country than the imposition and continuance of this tax, and it is a serious blot on its financial policy. Government themselves are committed to its removal. The Assembly has demanded it. It passed a Resolution to that effect a few months back and yet not a word appears in the budget speech of the Honourable the Finance Member in regard to it. Relief has been extended to five provinces. Relief has also been extended to the Services in the way of higher pay and emoluments as recommended by the Lee Commission and against the wishes of the people, but the Honourable the Finance Member does not choose to say one single word in regard to this vexed question of repealing this excise duty. In one place, the Honourable the Finance Member says that the amount of 1½ crores for Raisina, which used to be larger in previous years, will not recur hereafter. May I ask, therefore, if this is not a proper opportunity to avail of and remit the excise duty?

THE HONOURABLE SIR BASIL BLACKETT: Raisina is charged to capital.

THE HONOURABLE MR. PHIROZE C. SETHNA: I stand corrected.

Then, Sir, I take the other point which was taken by Sir Maneckji Dadabhoy in regard to the writing off of 82 lakhs discount charges and 3·41 crores of loans and advances to the Persian Government. As regards the difference of opinion between the Honourable Sir Maneckji Dadabhoy and the Honourable Mr. Bell whether this amount should have been written off at once or spread over a number of years, I agree with Sir Maneckji Dadabhoy and in support of that I will quote my Honourable friend Sir Basil Blackett himself against himself. I quote from paragraph 28 of his last year's budget speech where he said:

"Of the total on the 31st March, 1924, 11·88 crores are due to the discount at which some of the loans were issued. This liability is treated as an interest charge under our system of book-keeping and is being extinguished by annual appropriations from revenue within the period of each loan."

I agree with the Honourable Mr. Bell in the point that he made that surely we ought to have known long before and we ought to know in the future what amounts there are in the so-called suspense account. The Government of India must know that this is practically a bad debt or they would not propose to write it off in a single year. If a loan was given to Persia it could not be said to be in the interests of India. It certainly was, at any rate, very largely in the Imperial interests. If, therefore, this loan is not repaid by the Persian Government it will be for the Home Government to settle this affair with the Persian Government, and if the Persian Government is unable to pay, the Home Government will very easily be able

[Mr. Phiroze C. Sethna.]

to get from the Persian Government more concessions for oil and other things and thus recoup themselves. But as between India and England this half share of Rs. 3·41 crores ought to be repaid by the Home Government to the Government of India and this amount removed from the suspense account.

I have mentioned these items in regard to the loan to Persia and others and I also refer to the unallotted amount of Rs. 74 lakhs in this year's Budget to show that if Government had the will they certainly could have repealed the excise duties this year. The mere fact that they have not done so feeds the suspicion that is in the minds of all, I mean, of Indians, that thereby there is an attempt to still further help Lancashire as long as possible and not to have any trouble with Japan. I cannot help believing that, though the Labour Government did very little for India during the short time they were in office, we Indians do believe that were they in power to-day they would have done justice to us so far as the excise duty is concerned. (*The Honourable Mr. J. W. A. Bell*: Oh, would they?) My Honourable friend questions it. I said Indians, believe this. Again I cannot believe that His Excellency Lord Reading's Government with a Finance Member like Sir Basil Blackett with the broad outlook that he possesses, and with the sense of justice that he displays, could not possibly have recommended the repeal of the excise duty, and if there is no mention of it in the Budget it must be because of the opposition from the Home Government constituted as it is at the present day.

In this morning's telegrams there is one to the effect that the Secretary of State for India has invited His Excellency the Viceroy to go home in April next on a short leave not exceeding four months in order to secure an opportunity of personal discussion between His Excellency the Viceroy and the Secretary of State, and that Lord Reading has accepted that invitation. I am sure that very many important matters will be discussed between the Viceroy and the Secretary of State, notably the Muddiman Committee report, but I do hope that His Excellency will lay before the Secretary of State the one most important matter from our point of view, namely, the repeal of the excise duty, and get it repealed. We have reason to be thankful to Sir Basil Blackett for the relief he has afforded to motorists by remitting two annas in the excise duty on petrol. In his own words, if the Government had repealed the entire excise duty of six annas on home produced and 8½ annas on imported petrol, the loss would not have been very considerable to Government, but the gain to the motorists would have been very great indeed because motor cars are no longer a luxury but a necessity of life. In this connection I would refer to some very pertinent remarks made by the Chairman of the Motor Trades Association in Calcutta some three weeks back. In the first place he said that the high rate of 30 per cent. customs duty which is charged on motor cars kills the British car industry. If the rate were lower and as British cars are now made in larger numbers it would become possible for an intending purchaser to get for the same amount of money which he is prepared to spend for a British car instead of an American car, if the 30 per cent. duty were appreciably lowered. He also pointed out that in the official year ending 31st March, 1924, out of a total customs revenue of Rs. 41 crores the motor traders and motor users paid as customs duty and excise duty on petrol as large a sum as 169½ lakhs. He further showed that between the customs duty and the municipal and provincial taxes the motor traders and motor users in this country contribute annually

annually as much as one per cent. of the total revenue of the country and further that this one per cent. was contributed by such a small fraction as 1/500th part of the total population. I will conclude my remarks under this head with another pertinent quotation from the speech of the same speaker. He said:

"When all the importers are considered the Indian motorist pays at least 50 per cent. more than in England and I have yet to learn that in any country the motor industry is so severely handicapped. Even so backward a country as Persia has decided not to levy any duties at all on lorry transport for five years."

While talking of customs duties I should like to refer in brief to the remarks I made last year in connection with the import into Indian States which have an outlet to the sea of some goods which are by far in excess of the consuming capacity of the subjects of those States. The wonder is that the imports to these ports are only of such goods on which the highest rate of duty is imposed, such as silks, matches, etc., and there is no explanation why goods on which the rate of duty is small are not imported there. The inference is clear, Government are losing a very large revenue and what is more a premium is set on dishonesty. The evil I know is growing and not abating, and I hope Government will look into this matter carefully.

I wish just to make one more remark and that with regard to post and telegraph charges. The Finance Member is very apologetic in regard to his not being able to bring about any reduction in these. I know that the Postmaster General in the Labour administration estimated that the reduction of the letter postage in the United Kingdom to 1*d*. would mean a revenue deficit of 5 million pounds. Tens of thousands of others disagreed with this view, and I may inform the Finance Member—if by any chance he does not know it—that the New Zealand Government which only fifteen months back reintroduced Imperial penny postage and anticipated a deficit under the head of postal charges of £600,000, made, on the other hand, a profit of a like sum. Doubling postage halves, and cheapening postage doubles business transactions, and if therefore Government lose by lowering the rates of postage they will certainly more than make up in what they earn in the way of added revenue in customs, railway freights, of income-tax and various other sources.

Sir, the Finance Member concluded his speech by reminding us of his family motto, and a very excellent one "*Nous travaillerone en espérance.*" May I remind him of that well-known Roman motto "*Salus populi suprema lux*", and if the Government of India will only follow that motto whenever and wherever possible there will be a much better understanding between the people and the Government.

THE HONOURABLE MR. G. A. NATESAN: (Madras: Nominated Non-official). Sir, I should like to confess at once that I approach the Budget this year in a better mood and with a happier frame of mind than I did last year. I am very glad that the first consideration at the hands of the Government of India and the Honourable the Finance Member has been the reduction of provincial contributions. I would like to point out particularly with reference to the observations of my Honourable friend, Mr. Sethna—and I am proud of the fact—that the Finance Member in my province waited to know exactly how much relief was going to be given by the Central Government and then announced his Budget. If he had followed the procedure adopted in some of the other provinces and had announced his Budget at an earlier date he would also have cried before the world that he had a deficit Budget. That is a factor that ought to be

[Mr. G. A. Natesan.]

taken into consideration and I am happy that in this matter the Finance Member of my province has adopted a very straight and frank attitude. I would like to point out that despite the reduction given us my province still suffers a great deal from the disastrous effects of the floods last year. I will not take more than a minute in mentioning about the floods. I had the privilege of describing to this House the disastrous effects of the floods. I wish my Honourable friend Sir Muhammad Habibullah were here because he was still recently on the Executive Council of Madras and he knows the damage done to my province not only to the Government but to the people at large. It has been of such a terrific character that its consequences will be felt for some years to come. Not only will the land revenue be diminished during the forthcoming year, but it will be diminished for some years to come and more than anything else the Government there is now put to the very difficult and almost impossible task of giving relief to the land owners by finding means, and suggestions have been made that they should be given advances to clear sand from the fields which in some cases, according to the official statement, was as high as 16 feet. I happen to be a Fellow of the Madras University for over 15 years. A proposal has now been made to start an Andhra University. The claims of that University are being pressed hard. More money will have to be found for it sooner or later, and we expect something more from the Provincial Government very soon. Not only that. Medical relief in the province of Madras has not been quite as adequate as it ought to be and the Honourable Minister particularly with the help of the new Governor, Lord Goschen, who has had considerable experience of hospital work, is trying to enunciate a new policy of having hospitals in as many places as possible so that medical relief may be brought to the door of the poor. We want more funds for that. Then there is the Public Works Department which has been hampered for years and they have what is known as the Mettur project and projects for introducing electric power, and money is required for these. Then again there is another very fine and laudable proposal enunciated by the Law Member to bring justice to the door of the poor and there is a proposal to have itinerant judges. All these require money and the sooner an attempt is made to wipe off these provincial contributions the better will it be not only for Madras, but for other provinces as well.

I would also like to point out to the Finance Member that this question of provincial contribution is like a running sore. In the first place the exaction of these provincial contributions from Madras and other provinces embitters the relations of the Provincial and the Central Government and I am sure he is not unaware of the fact that in many provinces civilians who have had long experience have themselves joined in an agitation privately and sometimes publicly in denouncing this impost as iniquitous and have started an agitation which certainly has not been unheard of in this House itself. It is high time therefore that something is done to wipe off these contributions altogether. As I said before, this Meston Award is a running sore. The reforms scheme was unfortunately started under very unhappy auspices and the feeling was to a great extent due to the belief in the minds of many people and also according to the public testimony given by our Ministers, to their being hampered for lack of funds. In many matters they were embarrassed not only by extraneous circumstances, but by internal troubles, political and otherwise.

The provinces should therefore be certainly freed from those unjust contributions, so that they may have money to administer satisfactorily certain departments which have been transferred to them.

When two years ago a proposal was made in the Legislative Assembly for giving relief to my province, certain non-official Members from Bombay adopted a dog-in-the-manger policy, though I will not adopt that policy to-day and I am very proud to say that a non-official European friend was telling me that as soon as these provincial contributions are wiped off he himself will be the first to plead for the removal of the Indian excise duty. But if to-day I happen to urge for the consideration of the Finance Minister the removal of the excise duty, it is because I happened to read as a journalist the criticism of a very well informed correspondent who has written to the London *Times* urging the removal of the cotton excise duty. I think he has made out a good case. I will only read a short paragraph:

> "India's real competitor is Japan . . . Japan has successfully shut out Indian goods from her market by the adoption of high protective duties and is exporting to India an increasing quantity of her own piece-goods which although made from cotton grown in India are being sold at a price that is below the cost price of the indigenous article."

It will certainly be unfortunate if some mills are forced to close down, for it means loss of livelihood to perhaps thousands of people working in these mills. I will not press this point further because it has been pressed with a considerable amount of force and enthusiasm, perhaps more than what the case warranted. A case has been made out for the consideration of the Finance Department in this matter also.

I am particularly happy that provision has been made in the Budget for improving the Pusa Agricultural Institute and some other educational institutions. I was very much interested the other day in listening to the speech of His Excellency the Viceroy at the Delhi Convocation, where he pointed out that though education was a transferred subject it will be a mistake to suppose that the Central Government have no interest in it. On the other hand, he was anxious that, having regard to the growing needs of India in respect of educational and other matters, the Central Government should be constantly in touch with and do something for the promotion of the cause of education. I am anxious that the Central Government, if not this year, at least in the years to come, should devote a considerable sum which will more or less be supplementing the work which the research institutes and other industrial institutes are doing at the present day. I am anxious that a good well-equipped Central Technological Institute should be instituted in this country. It may be in Delhi or in some other place. I would also point out that the old argument that there is not enough opportunity here for people to learn the practical application of these studies should not stand in the way because the Government are going to have a Mining School. There are other technical institutes and great industrial concerns in this country where, after a course in the Central Technological Institute, young men could be sent for practical training in workshops. That is an old cry and it is pathetic to recall that the late Mr. Gokhale pleaded for this several years ago and the Government of India have yet to pay any heed to this.

My Honourable friend Sir Maneckji Dadabhoy said that if the Finance Member is considering a reduction of the taxation it must be the removal of the super-tax and he went so far as to say that, though people in the

[Mr. G. A. Natesan.]

other place might object, no one will be found here who will object. I feel that I should be wanting in my duty to myself and to this House if I did not state that if this super-tax is removed before other taxes which are a burden on the poor are removed, I should unhesitatingly get up and object to it. I should like to point out that my Honourable friend Mr. Sethna has commended the proposal for reduction of the motor petrol duty. I should feel more happy if the duty on kerosene had claimed the attention of the Finance Minister. It means a crore, but remember that we are after all making this Budget for the benefit of the people of India, and the people of India are poor. In the poorest home, in the remotest corner of the country, you find an ordinary poor man who earns probably 8 annas a day using a tin lamp with kerosene and a reduction in the kerosene oil duty would undoubtedly appeal more to the people at large than perhaps a reduction in the petrol duty.

I come now to another Department. It was my privilege to talk here last year about military expenditure and I very much regret that last year I talked so rapidly, and His Excellency the Commander-in-Chief made a complaint of it and very justly. I propose this year to slacken my speed and to make certain observations in the hope that my appeal will not only be heard by His Excellency the Commander-in-Chief, but that it will be taken in the spirit in which I utter it. The country expects very much relief from the reduction of military expenditure, which, though every effort has been made in the direction of retrenchment, can still in the opinion of many be cut down to the level suggested by the Inchcape Committee. This question of Indian military expenditure is an old old cry. And I want to make this observation for the hearing of Sir Basil Blackett also, that not only with regard to the military but in other Departments also, there has long been a feeling, there is still a feeling, and the feeling is growing greater—it may be just or it may be unjust: it may be reasonable or it may be unreasonable—but there is a feeling and all statesmen must reckon with it: there is a feeling that in many matters the interests of India are being subordinated to the interests of Great Britain. My Honourable friend Mr. Phiroze Sethna very rightly gave a case in point. There is a very strong feeling that if India has to bear a share of the loan to Persia,—and India certainly has an interest in Persia, though our interest is small compared with that of Great Britain,—in that matter certainly there is a feeling that the bulk of the loan should have come out of the British exchequer and not out of the exchequer of India.

THE HONOURABLE SIR BASIL BLACKETT: May I just interrupt to say that that is exactly what did happen? The amount of the loan was at least twice the amount that India paid. That was India's share of a much larger amount.

THE HONOURABLE MR. G. A. NATESAN: My case is that in all these matters India is being asked to pay a much higher share than really she should be asked to pay. And if these matters were pressed further, if this was a national Government identified with the interests of the people and fighting their case properly, it would have made out a better case than under the stress of circumstance and different political conditions it is at present able to do. Now, Sir, with regard to military expenditure and military policy, I should state at once that if I am making these remarks it is nothing personally against the Department over which

His Excellency the Commander-in-Chief presides, who are unable to make headway against the vicious effects of the system which unfortunately he, like his colleagues in other Departments, has been forced to inherit. Our case is that the Army in India has always been in excess of the real requirements of India, and to the extent that it is in excess, the people of India, the poor tax-payer in this country, is being asked to pay more than he should. Our case is that for a long time military policy in India has been guided by the Imperial policy of Great Britain. I will not weary the House with the quotations of authorities for all this. But I would point out that the Government of India themselves of their own accord on several occasions, in their own despatches and through the mouth of their own Secretaries of State for India who represented her from time to time, have pointed out that in most of these military arrangements Indian interests have not been safeguarded, that in some other matters they have been positively injured. I would point out, for instance, that much of the Indian military expenditure at the present day is due to the Army Amalgamation scheme to which the Government of India were forced to give their assent, and such a man like the reputed and honoured Fawcett protested against it. On it he said:

"Suffice it to say it was forced on the Government of India in 1859 by the Home Government against almost the unanimous opinion of the most tried and experienced British officers who had served for a life-time in the army in this country, notably General . . . whose vigorous condemnation of it may well be read with profit in the note recorded by the East Indian Defence Committee of 1871-74."

I would point out again that he further protested:

"A partnership has been established between India and England, and as one of the partners is extremely rich and the other extremely poor much the same incongruities and many of the same inconveniences arose as if two individuals were to join in housekeeping one of whom had £20,000 a year and the other only £1,000 a year."

More than anything else the Simla Army Commission presided over by Sir Ashley Eden in which also sat the late Lord Roberts discussed this question. They said:

"We think that the position of the army employed in this country should be organized and administered with regard to the interests of the people of India and not for the purpose of supplying the defects in the system of home defence (*mark the words*) not for the purpose of supplying defects in the system of home defence, and above all that it should not be made the means of obtaining (*here again mark the words*) at the cost of India advantages for the army at home which do not entirely affect the interests of the country."

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: May I ask the Honourable Member what he is quoting from?

THE HONOURABLE MR. G. A. NATESAN: I am quoting from an extract from the report of the Simla Army Commission which was appointed in 1879.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: In 1879 I was not responsible.

THE HONOURABLE MR. G. A. NATESAN: Sir, I began by saying that these remarks are not intended personally against the distinguished and gallant soldier who presides over the Army Department, that unfortunately he happens to have inherited a system which is vicious and the evil legacy is making itself felt in many other evil consequences, and that the Indian tax-payer is at present paying more than he ought to. And I may as well say now what I intended to say later. I know His Excellency

[Mr. G. A. Natesan.]

the Commander-in-Chief will shortly be leaving India, that he will be translated to a higher sphere, and I ask His Excellency, the frank and honest soldier that he is, to tell in the new sphere of activity to which he may be called that there is a feeling. (Laughter.) I say that in that new and exalted sphere which I am sure His Excellency is going to fill he will be able authoritatively to tell the British Government and the War Office which has always been dominating us and which has subordinated Indian interests, that there is a strong feeling in the Assembly and even in this Council which is supposed to take a very sober and staid view of things that in regard to the administration of military policy in India and the expense to which this country is put—that there is a very strong feeling that Indian interests are being subordinated to those of Great Britain. As I have said the feeling may be right or it may be wrong; it may be reasonable or it may be unreasonable. But I am sure it is not asking too much to prefer a request to His Excellency the Commander-in-Chief that, when the time and opportunity arises, His Excellency should put it to them that there is this feeling and that the task of the wise statesman is to see that the earliest opportunity is taken to wipe off this feeling. I will not dwell any more upon this point. I only wish to state that in the interests of India, in the interests of those who are anxious that India should be within the ægis of the British Empire and fulfil its destinies, that everything should be done to place us in such a position that we might occupy an honourable place in the British Empire. If that is to be done it is necessary to remove the feeling of distrust prevailing in this country. His Excellency the Viceroy is shortly leaving us. His Excellency the Commander-in-Chief will leave us later. And I am sure that if high officials like these, with their great reputation, with their keen appreciation of England's responsibilities to India, will but communicate to the proper authorities at the proper time the unfortunate fact that there is a feeling of distrust in this country of the *bona fides* of British rule, it will be a great gain to the future relations of this country with the British Empire. It will be happier, it will be prouder than perhaps it is at present, for even those who feel some complaint, even those who doubt the *bona fides* of British rule, must be in a position to say that, despite the lapses and the defects of British rule in India, it has been for the benefit of India, and that its one object in the future will be the interests of India, that in all matters in which its interests and the interests of the Empire at large come into conflict the interests of India will not for a moment be allowed to be subordinated.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, like previous speakers I wish to congratulate the Finance Member on his Budget. My congratulations are not merely formal ones, but they are meant very sincerely; and in congratulating the Finance Member I think we should not forget the various other Departments of Government for the great move they have made during recent years towards economy. I cannot help thinking that the Finance Member must have derived very great assistance from the other Departments of Government in this respect, and not the least of all the Departments so ably presided over by His Excellency the Commander-in-Chief. I was a little disappointed to hear from the previous speaker another reference to this well-worn-out theme of the British Army being kept in India for the benefit of the home country. I for one would be the first to complain of undue extravagance in any Department, whether it is the Army or any other; but I think these criticisms come a little out of place when it is

so obvious that His Excellency the Commander-in-Chief is doing all he can to cut down extravagance in the Army Department and in the Army generally over which he so ably presides, and I regret that these remarks have been introduced on this occasion. Madras possibly is so happily situated in this great country of India that it has no fears of an attack from over the border (*The Honourable Sir Maneckji Dadabhoy*: "What about the *Emden?*"), and Madras perhaps does not realize the necessity for troops like the provinces near the frontiers. Perhaps Madras appreciated the British Army not long ago during the Moplah rising. Again, I would point out to the Honourable Member who has just spoken that if the Home country wished to exploit India so much, a suitable contribution from India might be demanded for the benefit she derives from the British Navy. (*The Honourable Mr. G. A. Natesan*: "Whatever is just, we should be prepared to pay.")

I am sure Honourable Members of this House will appreciate the present form in which the accounts of the Posts and Telegraphs Department have been presented to us. As the Honourable Finance Member has pointed out in his speech, they have been commercialised and they are in that way much more understandable by all of us, and I congratulate him and the Department for presenting them in this manner. The Finance Member makes some special reference to the welcome recovery in trade. Undoubtedly there has been a good recovery in trade, but I would just like to add a word of warning, and that is the figures quoted are values. The Finance Member has pointed out that the prices of the goods which have been exported had risen considerably and this would in part be reflected in the higher figures shown in the export trade. I referred to this matter once before. I do not doubt that there has been a good recovery in exports from this country,—it has not been very marked on the Bombay side, but I think Bengal has been more fortunate,—the figures, however, that appear in the trade returns are not wholly indicative of a great increase in trade because when the prices go up, of course the trade return figures also increase.

I like the previous speakers congratulate the Finance Member—and here it is a little difficult to follow after speakers of such ability as is possessed by those Members who have got up before me and whose thoughts very naturally travel much in the same direction as those of all of us commercial Members—but I do congratulate the Finance Member on the arrangements he has made for the regularisation of the reduction of debt. We discussed this matter on the floor of the House—I think it was on a Resolution brought up by my Honourable friend, Sir Maneckji Dadabhoy,—last September, and I am very glad to see that this regularisation of the reduction of debt has been given effect to.

I see that the Finance Member has taken his courage in both hands and fixed exchange for the Budget for 1925-26 at 1*s.* 6*d.* This has been commented on by my Honourable friend, Mr. Sethna, and referred to by the Honourable Mr. Bell. I have very little to say on the subject except that I do not think my Honourable friend, Mr. Sethna, need fear anything very sinister from this action of the Finance Member. I think his recent policy has been apparent to all of us. That policy has been one of stability. Whether everybody is in agreement with him that that stability should take effect at 1*s.* 6*d.* or not is another matter, but as exchange has been hovering about that figure for some considerable time, I do not think that we should pick a quarrel with the Finance Member for fixing his exchange for next year at 1*s.* 6*d.*

[Sir Arthur Froom.]

Income-tax and super-tax have been referred to by one or two Members who have spoken before me, and in some ways I think with courage—because when a Member gets up and talks about the high rate of super-tax or the high rate of income-tax, he rather runs the risk of his being accused of speaking personally (Laughter). Well, that I am sure was far from the thoughts of the Honourable Sir Maneckji Dadabhoy. He was speaking in the interests of the country, in the interests of its trade, in the interests of the country's industries; and it is undoubtedly a fact that if the development of your industries is going to be handicapped by high rates of super-tax and income-tax, those industries will not be developed in the way they should be. I feel quite certain that the Honourable Finance Member recognizes that important point, and that he will give it his attention as soon as he possibly can.

I now come to the surplus, the disposal of the surplus of 3¼ crores. I congratulated the Finance Member on his satisfactory Budget, but when he comes to his task of disposing of the surplus, I feel some sympathy for him. If there is no surplus, nobody can get anything: when there is a surplus everybody wants a bit. At the same time, as no doubt the Finance Member anticipates, I do not agree, in the matter of the reduction of provincial contributions, with the manner in which it has been done. The Finance Department has followed the Meston Relations Committee's proposals and recommendations. The statements and the figures supplied in their report have been proved to be fallacious. They have been admitted by the Honourable the Finance Member as being fallacious and why he should seek to apply them I cannot quite understand when the Province from which I come and which is obviously in need of money is left out altogether. I hardly need give figures, Sir, to support my contention, but Bombay is the most highly taxed province in India. The rate per head of taxation in Bombay works out to something like Rs. 8 per annum; for the people in Bengal the rate per head works out to something like Rs. 2 per annum. Madras, I believe, works out at Rs. 3½. And why, when Bombay has been taxing itself to keep its finances going, why should the Province be omitted from any help from the Government of India at a time when that help could be afforded passes my understanding altogether. (*The Honourable Mr. G. A. Natesan*: "Are you referring to the incidence of taxation?") The Honourable Mr. Natesan in speaking, I am glad, reminds me, that when he referred to the reduction for Madras of the provincial contribution by 126 lakhs, he patted his Government on the back for not producing their Budget before the Central Budget was announced because, if they had, they would have cried out: "We also are working with a deficit". Well, now that they have got their reduction of provincial contribution and their deficit is turned into a surplus of something like 21½ lakhs, I cannot help feeling that if he had received the Madras Budget the Finance Member might have taken it into consideration and given them not Rs. 126 lakhs but Rs. 100 lakhs so as to just balance their Budget. I think the Finance Department of the Government of Madras was very wise.

1 P.M.

I have little more to say, Sir, but I do press the claims of Bombay. I hold that Bombay has shouldered its troubles manfully at a time when there was no money to be divided up, and I do think that at a time when the Central Government have some surplus money, they might have considered that Province's just claim. We don't grudge the moneys that the other provinces have got. We don't even grudge Bengal 68 lakhs per annum for three years. We don't grudge these provinces getting relief, but we do feel that we have been left out of it and left out of it at a time when we in Bombay want money very very badly. I cannot think that the Finance Member can afford to ignore what has taken place in the Bombay Provincial Council, when all parties have united, any differences have been laid aside, the differences of each party, and they have united with Government to move the adjournment of the House as a protest against the way in which Bombay has been treated by the Government of India. I will leave that subject, now, Sir.

I will refer very briefly to the cotton excise. I have not a great deal to say about the cotton excise. The Honourable Member from Madras said he did not want to be a dog in the manger but he would remain in the manger as long as he did not get his provincial contributions entirely wiped off. Then the dog jumps out. Is that correct? (*The Honourable Mr. G. A. Natesan*: "I said we will not adopt the attitude of Bombay the dog-in-the-manger policy in regard to the removal of the excise duty?"). Well, I don't quite see the difference. Well, Sir, we have not spoken a great deal, or personally I have not pleaded this very vexed question of the cotton excise very strongly while the Government have been in financial difficulties. I have not heard any Member of the Government or any Member of this House who has not admitted that this cotton excise tax in its inception was wrong. (*The Honourable Mr. Phiroze C. Sethna*: "Hear, hear,") And I do recommend Government that they should take early steps, if they cannot in one year wipe it off altogether, at any rate to reduce it; and when they have money available, they should do so, or why not get rid of it altogether? It has been a bogey of Government for many years. Why not take the step and say: Well, you can have your own excise. Transfer revenue from cotton excise from the Central Government to the provincial revenue and leave the provinces to deal with it themselves. That will be one way and it will relieve the Central Government of a great deal of embarrassment. In making that suggestion, though I would like to make it quite clear that it has no bearing on the reduction of the provincial contribution from Bombay.

Sir, I end as I began my speech. I congratulate the Honourable the Finance Member most heartily for the estimated results of the current year and I wish him every success during the coming year.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I am sorry I cannot regard the present Budget as a very satisfactory one. It shows a surplus of 3·24 crores, but if we carefully go into the figures, we find that mere surplus would have been shown. The Honourable the Finance Member has been overcautious to the extreme in framing his Budgets. What do we find, Sir? In 1923-24 Sir Basil Blackett estimated a deficit of 38 lakhs, but the actuals showed a surplus of about 6 crores. In 1924-25 the Honourable the Finance Member estimated a surplus of only 18 lakhs, but a surplus of 4 crores is now anticipated. I hope, Sir, at the expiry of the next year, there will be a much bigger surplus than the one he expects. It is disappointing to find, Sir, that the surplus has not been so equitably divided. I welcome the remission of the provincial contributions, but in that too I find that Bengal has been preferentially treated as compared to Bombay. This point has been touched upon by several speakers and so I need not dilate on it any longer, but this much I must say that, although the Government of Lord Hardinge promised the abolition of the cotton excise duty

[Rai Bahadur Lala Ram Saran Das.]

in case there was a surplus, in the present surplus year the Government have not done anything in the matter. Again in the face of the Resolution carried last year in the other House, Government have not been able to see their way to abolish this, I should call, unjust duty. On the other hand, we see that while the jute industry in Bengal has been allowed to prosper, a blow has been indirectly given to the cotton industry in Bombay. I hope that Government will see their way to abolish this duty immediately. It is an unjust duty and a very good case for its abolition has been made out by my Honourable friend, Mr. Sethna.

The military expenditure, Sir, I am sorry to say continues to be very heavy. It is said that Indianisation is being carried out on a large scale. What do we find? That out of 7,000 officers holding King's Commissions there are only 64 Indians. During the current year, Sir, this number has been only increased to 68, a paltry increase of 4 officers. Is that, Sir, just? In that case, Sir, how will the Indianisation of the Army be soon carried into effect? I hope His Excellency the Commander-in-Chief will kindly see his way to give effect to what he anticipated last year, that in future more Indians will be recruited and more King's Commissions will be given to Indians in the Indian Army. We find from the figures before us that last year the military expenditure was 3·50 crores less than it was anticipated. Although this 3½ crores of less expenditure was incurred, no loss in efficiency in the army seems to have taken place. When a saving like 3½ crores could be effected without any loss of efficiency to the Indian army, I think, Sir, at least 3½ crores ought to have been deducted from the army estimates of 1925-26.

I welcome the reduction in the excise duty on petrol and a similar reduction of 4½ annas in its import duty. The Honourable Mr. Natesan and other Members have dealt with this point, but I think that this has been done purely on a commercial consideration. The imports of petrol into India fell very heavily and it was right for the Government to reduce the duty on petrol to get increased revenue in imports. It is, Sir, deplorable to find that the price of liquid fuel in the interior of India is so very heavy. What we find in the Punjab is that the Attock Oil Company bases its price of liquid fuel on the prices of liquid fuel at Karachi *plus* the rate of freight to the station concerned. I think, Sir, this is too much and monopolies like this should be discouraged. The industries in the Punjab specially are at present suffering from very heavy coal freights, and when we have liquid fuel in our own province, we cannot get advantage of a good price there, and it is a pity to find that the price of liquid fuel at Rawalpindi, wherefrom practically the liquid fuel is distributed to all stations in Northern India, is much higher than the price at places three or four hundred miles distant from that place. This is an anomaly which cannot be understood.

It is a pity, Sir, that postal rates have not been reduced. I strongly endorse every word that the Honourable Mr. Sethna has said that, in case the postal rates are reduced, the increase in correspondence and the increase in the sale of post-cards alone will justify the reduction. Last year I mentioned that the burden of maintaining the Embassy at Kabul and our bearing the consular expenses in Persia ought to be met by the Imperial Government. I expected a reply from the Foreign and Political Member but no reply was given. When, Sir, the Embassy at Washington

is not paid by Canada, there is no justification why we in India should pay for the British Embassy in Kabul and also bear the charges for the Persian Consulates.

As regards the lump sum discount of 82 lakhs which has been debited to the present revenues, I agree with Sir Maneckji Dadabhoy, and, as has been rightly observed by the Honourable Mr. Sethna, our Finance Member ought to have adopted the very policy which he had advocated last year, namely, that such charges should be spread over a number of years. I find, Sir, that there is a very big sum provided for the purchase of stores in England. I advocate that stores should be purchased in India and British firms should be asked to put in tenders on the rupee basis for delivery in India. This will greatly reduce the locking up of money in carrying stocks and also save us from the exchange fluctuations.

All our Paper Currency Reserve is kept in England and although this point was taken up by Honourable Members of this House last year, no effort has been made to transfer, if not all, at least a major portion of it to India. There will be greater income in interest and our Budget will improve a great deal.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Do I understand the Honourable Member to say that all our Paper Currency Reserve is kept in England?

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: No, no. That is not what I meant. What I mean is that what is kept in England ought to be transferred to India. I ask His Excellency the Commander-in-Chief to be so kind as to throw open to Indians King's Commissions in the Royal Artillery and in the Royal Air Force. This is quite a fair demand and I think it ought to receive favourable consideration at the hands of the Government.

It is a pity to find, Sir, that the excise duty on kerosene oil has not been remitted. The Honourable Mr. Natesan has brought this point forward, and if I rightly remember, Sir, when a short time back I raised this question in this House, the Honourable the Commerce Member said that an understanding was arrived at between the Commerce Department and the Burma Oil Company that they will not increase the price of kerosene; and in case present duty on petrol was maintained their competition from foreign countries will be guarded by the imposition of this duty.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): No, Sir. I fear the Honourable Member's recollection is wrong, and I would like him to refer to the debates.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: If my recollection is wrong, I am sorry, but I think that there was some understanding of this sort under which the price of kerosene oil was regulated. I may have forgotten the details, but this much is certain. In order to keep the price of kerosene oil down the price of petrol was allowed to remain high. However, Sir, as this is a commodity used by the poorest and by all, this excise duty ought to have been abolished. I hope, Sir, that the Government will see their way to abolish this burden upon the poor.

As regards the duty on motor cars, I think, Sir, that what my Honourable friend Mr. Sethna has said is right. The import of British cars has greatly decreased and cheap American cars are finding favour. Although

[Rai Bahadur Lala Ram Saran Das.]

we find that at the present day owing to the tightness of the money market, India is flooded with cheap motor cars still, I think, Sir, that British cars ought to have a preference over all foreign made cars, and I think that Government should see their way to reduce the duty on at least commercial cars. Commercial cars replace the railways and are a great boon to the Zamindars. They carry all their produce to the railway station and in case this duty is reduced on commercial cars, I think it would be quite welcome.

I am glad to find that the North-Western Railway has taken the lead in introducing reduced return fares for upper class passengers. I hope that a similar step will be taken by the other railways and that they will also see their way to reduce the third class passenger fares.

There is one thing I wish to mention, and I mentioned it the other day, that Government are introducing the colour bar in their services by adopting the recommendations of the Lee Commission. This is causing great discontent among some sections of the Services and Government ought to see that this discontent which is quite legitimate is removed. We expect, Sir, that the Honourable Sir Basil Blackett will throw some light upon the results of the deputation of the Honourable Sir Bhupendra Nath Mitra to England to reconcile the war accounts. We do not know the result of that deputation and cannot say what has been the gain to India by it. This is an important matter and I hope the Honourable the Finance Member will throw some light on this question. With these few remarks I resume my seat.

THE HONOURABLE CHOWDHURI MUHAMMAD ISMAIL KHAN: (West Bengal: Muhammadan): Sir, before I begin to deal with the speech of the Honourable the Finance Member I must congratulate him on the untiring efforts and energy that he has devoted to the subject of Indian finance. There is no denying the fact that the slight improvement which is now visible in the horizon of the Indian financial sky is due to his able handling of it. I must further make my position clear by stating that whatever criticism is made by me will only be directed not against his ability of understanding the subject of finance, but against the system of administration in India of which he is also a part.

The Honourable the Finance Member in dealing with the subject of exchange has tried his utmost to demonstrate the fact that Government have always at heart the true interests of India. This is what he said:

"Neither he nor the Government of India have any interest whatsoever other than the interest of India in their minds."

Sir, if that had been the real attitude of the Government, India of to-day would not have been on the verge of financial ruin. It is the beaurocratic policy dictated in the most autocratic way from Whitehall which has brought the Indian masses face to face with ruination and starvation. It is this financial policy which has crippled and strangled our once famous indigenous industries. Sir, prompted, as it were by the motive of ruining the once famous Dacca muslin industry and the industry of other silk fineries that Government levied the cotton excise duty. May I ask Government whether there is any other country in the world whose Government has thrust such an unjust tax on its subjects in the teeth of opposition from them? Is there any other instance of an unjust tax levied for the furtherance and development of a foreign industry at the

expense of the indigenous industry? I dare say No. It is only possible in a country like India which is helpless being under a foreign yoke and then, Sir, am I to understand that the contract for the purchase of Natal coal for the use of the Indian railways is for the development of the coal industry in India? Is it or is it not a fact that the press and the platform in India have made their voices worse by agitating for a countervailing duty on the South African coal? If so, what steps have Government taken to levy such duty which would have served double purposes, one, of increasing the revenue from customs, and the other, of protecting the Indian coal industry. Are all these to be taken as instances of Government's sincere efforts in watching India's true interests? Sir, instances are not wanting and they can be multiplied by dozens. When I go through the Honourable Sir Basil Blackett's speech further on I find that he has stated that Government stores were made liable to import duty for encouraging the Government's purchase of stores in India. Here also we find another glaring injustice to Indian industries. Protection has been accepted as a guiding principle in India and bounties are being granted to Tata steel, but in spite of all this, orders for foreign steel products are being placed outside India. I think these are cases which make our hearts sink within us and make us sceptics about the Government's *bona fides*.

In coming to the military expenditure I can congratulate neither the Finance Member nor His Excellency the Commander-in-Chief for fixing the expenditure at about Rs. 57 crores. Sir, the Retrenchment Committee in their report recommended that the military expenditure for 1923-24 should be fixed at about Rs. 57 crores and that with the gradual fall in prices it should within a number of years be brought down to Rs. 50 crores. Nay, they even went further and said that even this sum of Rs. 50 crores was more than the Indian tax-payer could bear. That being so, what justification has the Finance Member for taking the actuals of 1923-24 and the revised estimates for 1924-25 to be the normal military expenditure and thus to base his budget for military expenditure for 1925-26 at Rs. 57 crores? Sir, the prices have come down and are expected to come down further (*A Voice*: "Have they?") and therefore we have every reason to ask the Government to reduce the military expenditure further with a view ultimately to be brought down to the figure of Rs. 50 crores as was proposed by the Retrenchment Committee. The people of India are advancing towards self-government, which necessarily means that they should advance also in the matter of self-defence. To my utter surprise I do not find any scheme to have been brought forward for the extensive military training of Indians. I should go further and ask for a system of compulsory military training of every Indian adult for a number of years. Even if half-hearted measures have been begun like that of the formation of the University Training Corps, the men of such corps are never trained either in the Air Force or other branches of military career. Only the other day a Resolution was moved in the other House asking for the establishment of a well equipped military college in India. But alas! Government opposed it at every step. Is this the way in which the people of this country are being trained for self-government and self-defence?

I now come to the question of the Indianisation of the higher services of the Indian army. I do admit that Government are sending Indian cadets to Sandhurst, but the numbers are very small in comparison with the vastness of the Indian army. In my opinion sufficient steps have

[Haji Chowdhuri Muhammad Ismail Khan.]

not been taken to meet our insistent demand on this subject. The establishment of a military school at Dehra Dun is simply an eye-wash given to the Indian Legislature. We have been hoodwinked enough in the past and I think we are not to be further hoodwinked in the future. Sir, the military expenditure is the nightmare of India. There is no other country in the world which spends such a great percentage of its revenue on its army at the cost of the nation-building departments, such as education, public health, sanitation, medical relief, etc.

Then I come to the Post and Telegraph Departments. Here a great preface has been made out stating that the department should be run on commercial lines. The basic principle on which commercial concerns are run is that they must be made to yield a net profit, but what do we find here? The post office branch is working at a profit of nearly 29 lakhs after giving full effect to the Retrenchment Committee's recommendation, whereas, on the contrary, the Telegraph branch has not come under the retrenchment axe to the fullest extent though that branch is expected to run at a loss of nearly 26 lakhs in 1925-26. I hope Government will take steps to appoint forthwith a committee to investigate further means of retrenchment in that branch, so that like a commercial concern it may pay its own cost if it does not make any profit. In my opinion the telegraph branch is treated like the pet and spoilt child of the Government of India.

The Council then adjourned for Lunch till Half Past Two of the Clock.

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

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with rule 25 of the Indian Legislative Rules, I lay on the table the following Bills which were passed by the Legislative Assembly at their meeting held today:

1. A Bill to amend the Indian Merchant Shipping Act, 1923, for certain purposes;
2. A Bill to amend the Cantonments (House-Accommodation) Act, 1923;
3. A Bill to provide for the better regulation of cotton ginning and cotton pressing factories.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: Sir, a Message has been received from the Legislative Assembly. The Message runs as follows:

"I am directed to inform you that the Legislative Assembly have at their meeting held on the 5th March 1925 agreed without any amendment to the Bill further to amend the Indian Ports Act, 1908, which was passed by the Council of State at their meeting held on the 20th February 1925."

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, talking in this House on the Budget reminds me of the depressing atmosphere in which one had to talk in the pre-reform Council days. I had the honour of talking on the Budget in the Bengal Council before the Morley-Minto scheme. I had the honour of talking after the Morley-Minto reforms came, when we used to talk on larger sufferance but with no particular end in view, just a general sort of talk that led to nothing. The atmosphere came however, to be changed for three years in another place and when I came up here I was reminded of the familiar depressing atmosphere of the old Councils I was on before. Whether you are good enough to give 20 or 30 minutes or even the whole day to each Member really makes no difference. Our discussion fails absolutely to make any impression upon the situation because we have no power of the purse. Although the Finance Bill comes to us later on, the Finance Bill is and must be on the basis of the Budget that has been passed elsewhere, and we can do nothing, absolutely nothing, to influence the course of events in the slightest degree, except in conveying now and again pious hopes and wishes that in other years may lead to some result. The effect of this state of affairs is to impress the whole of our work in this House with an air of unreality. The Honourable Sir Maneckji Dadabhoy had occasion to make reference to another matter of slight recently, to which I shall not refer. But I should like to refer to some more recent events. It was not quite as a result of the Resolution moved by my friend the Honourable Sir Maneckji Dadabhoy but possibly indirectly influencing it somehow that Sir Basil took up the question of debt redemption. To make things better understood by people who in his judgment counted more elsewhere he had a conference, possibly an informal conference, in consequence of some sort of pledge or understanding, for the purpose of arriving at a further understanding regarding this matter. Was even Sir Maneckji Dadabhoy asked to attend the conference? No. When the question of further relief to the steel industry—the relief may have been good for the country or it may have been quite the contrary—came up for consideration the first blessings were asked, which were also the last blessings as the case happened in another place, and this House, which will have to pass the Finance Bill on the basis of that fifty lakhs being added to the bounty Budget or whatever else you may call it, will have absolutely no further say in regard to the matter or have any information excepting what the newspapers convey or what the official reports of the proceedings contain. Well, Sir, one cannot take oneself seriously when one is talking on the Budget here in these circumstances and in an atmosphere like this. If one attempted to do so, why 20 minutes would be too short; as it is, 20 minutes may be too long.

Sir, I shall not take up the time of the House or my own short time by referring to matters that may be classed under what may be called financial pleasantries. Whether the 82 lakhs of rupees on account of discount on loan or the other Rs. 3 crores 24 lakhs that has been mentioned ought to have been deleted or spread over and allowed to go and swell the available surplus are matters that have been referred to already. Shortly speaking, I fully endorse those views in principle, and I believe that if at least a reasonable portion of it was available, the surplus would be higher. Sir, I was not able to agree to the scheme or even the outlines of the principle leading up to the proposal for debt redemption at this stage except so far as it is window dressing. I gave my reasons then. I shall not repeat

[Dr. Sir Deva Prasad Sarvadhikary.]

them. They hold good to-day. Sir Maneckji Dadabhoy has referred to the high taxation as a result of which what we are called upon to regard as a prosperity budget has been possible. He has referred to the fact that no relief is given to the general tax-payer. He has not referred to the fact that the salt duty is still oppressive. And some Members have referred to the fact that at all events the poor man's pice post-card has not been restored. Others have spoken of the kerosene taxation. Others again have spoken of high tax on motor cars, which I quite agree is no longer a luxury but is one of the fundamental factors in the industrial and economic life of India, least for those who can afford it. All these stand out. There has been no appreciable investment in what are called the nation-building departments, a phrase that I do adhere to in spite of objections that have been taken. We are thankful that a little has been added for improvement in Pusa and for research. Even little mercies one has to be thankful for, in the expectation that they will lead to some results that will warrant and call for more investment and more expenditure in that direction. But when all is said and done, the bare fact stands out that a highly-taxed country with slender economic resources has not been given adequate facilities for nation-building—I repeat that phrase. When that condition of things persists, and when loan is steadily kept added on it is premature, it is almost a *Bahaduri* scheme of economics to think of redemption of debt in the way in which it has been done. The credit of India is said to be improved to that extent, but are our resources large enough to admit of the scheme being taken up at this stage and carried to its legitimate consequences? I will not say that because we have done without it so long, we can go on doing without it for all time; but I do say that now is not the time when this should have been undertaken, at all events on the scale that has been indicated. My Honourable friend, Mr. Bell, rather doubts whether the scale was large enough or not. I differ from him, and say that if a real beginning had to be made, even if it was thought that in the present adverse circumstances a beginning could be made, it ought to have been on a less scale. That would have been instrumental in giving us a little more surplus, a surplus that would be useful in meeting many of the demands and requirements that have been brought out in the course of the speeches to-day and speeches elsewhere.

That, Sir, not having been done, one hardly knows how to call on the Government to do fundamental justice to the provinces. My friends from Bombay are naturally bitter. I sympathise with them. I can understand their resentment. I asked some of them as to whether they would like remission of the provincial contribution as against the remission or reduction of the excise duty, and some of them frankly said that they would rather do without provincial contributions at this stage than allow indefinite continuance of this black spot on our economic history, an excise duty which, whatever justification it may have had in the past as a revenue measure, has none now. I am quite in accord with my Bombay friends that at the earliest possible opportunity, if possible this year, steps should be taken for making at all events a beginning with the reduction, if complete remission is not possible. I do not flatter myself that this will benefit the consumer, but it will do indirect good and stabilise the Industry. My friends know that provincial contributions are given under the Devolution Rules—they may be good, bad or indifferent—and therefore

they would not profit much by their forced application. Sir, in this connection it is somewhat unfortunate that Sir Maneckji Dadabhoy should have spoken of the moratorium in reference to Bengal: I regret others, from provinces even like the Punjab which have nothing to do with the matter, should have spoken of the so-called favour done to Bengal. (*The Honourable Sir Maneckji Dadabhoy*: "I did not say that.") Sir, it is no favour done to Bengal; the barest act of justice has been attempted to be done, for which our gratitude is due to the Honourable Finance Member. He has put it in the only possible way, namely, that in view of Bengal's special claim for consideration emphasised by the Joint Select Committee of Parliament, this exemption was inevitable. The author of that scheme himself pleaded that this differentiation should be made; and I fully agree with the Honourable Mr. Sethna that the earliest possible opportunity should be taken of revising the whole of the Meston Award and placing the provinces on their feet and enabling them to develop on their own lines and out of their own resources. Sir, the Honourable Mr. Sethna spoke of Bengal's 30 lakhs surplus because of this dole—well, I refuse to accept any dole. I accept it only as an act of justice which the Government of India have done us and for which all credit is due to them for the courage to do justice. This is how matters stand. Sir, in Bengal. Even with this three years' dole, the Bengal Government could not take up any work of improvement because, as has been very aptly said by a Member in connection with the provincial Budget, they cannot undertake any matters involving recurring expenditure. Unless they know exactly their financial position they cannot launch upon any undertakings involving permanent obligation. It was therefore their duty to agitate and see that they did not have to pay this provincial contribution again—but they might have a portion out of the export duty on jute. Well, that is a delicate and difficult matter into which I shall not now go but which we must press on later. My friend, the Honourable Mr. Sethna, and others have spoken of what Bombay pays in the way of income-tax. Well, Bengal pays a great deal more. The jute tax amounts to Rs. 3,35,000, her income-tax amounts to 6,11,000, and her customs duties are proportionately high. That, however, is a matter that I shall not go into now. I just indicate that it is not a dole or a charity that we are accepting. It is a bare act of justice which has to be followed up by an honest revision of the whole of the Meston Award under which the provinces can develop according to their own resources and on their own lines. Sir, we cannot talk of any prosperity budget or congratulate ourselves on favourable surplus balances, while the provinces are starving, while all the nation-building departments are starving, while taxation is as high as it is and while the Lee Commission has against popular wishes thrown unforeseen burdens on the Provinces, not only to provide steel frames but tin frames and brass frames as well. One has to be no doubt thankful that it is not as bad as it has been in years past and that is about as much as one can say and one feels again that one need not have been as bad in the past.

Sir, Sir Arthur Froom was impatient, notably impatient with the Honourable Mr. Natesan for having the hardihood of bringing up that hardy annual—the military expenditure. Sir, no Indian will be able to give himself rest until at all events a future Commander-in-Chief is able to bring down the military expenditure at least to the figure that the Incheape Committee has, I shall not say laid down, but has suggested and indicated

[Dr. Sir Deva Prasad Sarvadhikary.]

I believe with the assent of the Commander-in-Chief. And it will have to go down much more and will do so with quicker Indianisation in the national army. There was a very remarkable statement made by the gallant Colonel Sir Umar Hayat Khan. We are not and cannot be a nation he told us and therefore it is no good our talking of a national army and things of that kind. Sir, talk of that description does not help in smoothing down friction at this somewhat unfortunate crisis. Well, Sir, I do not know what my friend's idea of a nation is. Though earlier the racial idea was stronger than the political in regard to the term nation, in recent use the notion of political unity and independence is more prominent. The gallant Colonel is therefore wholly irrelevant and so are all who talk like him. If the army that he was serving with so notable credit was not a national army, well, I am afraid he will find himself in a somewhat uncomfortable position, for he would not, I am sure, with his high instincts agree to be a mercenary. That would be the inevitable logical consequence of his proposition. Why, Sir, our army is a national army and in which every constituent of the nation ought to have its proper place. We and every body else including the Commander-in-Chief is trying every day of our life our best to make that army as efficient and at the same time as inexpensive and as truly national as possible and to prepare our people for taking a worthy part in the development of that army and to make it more national in the true sense of the term. I quite understand, Sir, Indianisation cannot proceed on short notice. It is bound to take time. Reduction of expenditure with regard to a complicated machinery like the army which has gone on growing and swelling for years past cannot be done all in a day, and one must recognise that the Commander-in-Chief has been doing a great deal in that direction and that if more has not been possible that is no reason to say that all that could honestly be done has not been attempted. (*The Honourable Rai Bahadur Lala Ram Saran Das*: "But if it takes a thousand years"?) I don't think any honest soldier thinks or says that it will take a thousand years but it will take a good few years, and what I regret in this Budget is the want of adequate provision for lessening that span of a thousand years or whatever it may be about which my friend from the Punjab has his apprehensions. I miss for example adequate arrangements for preparing and educating our people so that they may be able to take their place in the army programme. I cannot possibly agree with my Mussulman friend from Bengal behind me when he was speaking of "hoodwinking" and "whitewashing" in connection with an admirable institution like the one at Dehra Dun. I do not know whether my friend availed himself of the opportunity afforded by the Commander-in-Chief for going there and studying things for himself. I have been there and I feel that not one Dehra Dun but ten will have to come before this question can be solved, and my one regret is, Sir, that there is not more provision in this connection in the Budget. I cannot possibly agree with my friend, Colonel Sir Umar Hayat Khan, that this is one of those what he calls toys—he spoke of toy terriers and bull dogs in another concern. I am not going into the question now but would warn him not to hold "contemptibles" in contempt. Dehra Dun is certainly not one of those educational toys which it is the duty of the civil authorities, according to the gallant Colonel, to take up and the costs of which the civil budget has to bear. It is one of those essential factors in nation-building—I repeat the phrase—without which no adequate conclusions can be arrived at. Nor does the question of costs of the Territorial

Army stand on that basis. My complaint is that there are not more of these schools and colleges and that there are not more of these facilities provided in the military Budget.

Well, Sir, a question has been asked as to what the Honourable Sir Bhupendra Nath Mitra was able to do with regard to his recent mission in England. Of course, I cannot anticipate the Commander-in-Chief's answers with regard to the matter, but this I think is generally known that if not on this occasion on previous occasions the services of Sir Bhupendra Nath Mitra were invaluable. If in spite of the difficulties that one meets, and will go on meeting in the War Office even when our worthy Commander-in-Chief is there to plead our cause, as we hope he will soon be doing—Sir Bhupendra Nath Mitra, under the advice and with the assistance of His Excellency Lord Rawlinson, was able to effect any reconciliation, as it has been called in the accounts, one has to be thankful for small mercies. That a great deal more could not be done is our misfortune, but one must not fail to recognise the immense service that Sir Bhupendra Nath Mitra was instrumental in rendering to this country and to the army. A slight recognition of such services was the conferment of Knighthood on him and his absorption into the Executive Council, where I hope he will not get spoiled as an unbending man of accounts and finance. He is soon coming to officiate as Finance Member and whether he will be able to make any more impression on the Finance Department than he could on the War Office one does not know. If he fails it will be more his misfortune than his fault. All the same it is a fine tribute to his career. He has risen from the accounts rank and knows every inch of his ground, and if between him and Sir Basil Blackett we cannot get some relief in the next Budget, why then the case of India financially speaking must be very bad indeed.

Sir, a great deal has been said about figures and facts of different kinds and their misreading and inadequate reading. One must confess that one who is not accustomed to read budget figures as they ought to be and are generally read by financiers, is apt to make mistakes, particularly when one cannot get expert advice of the kind for which we have long unsuccessfully pleaded. I should suggest, Sir, that expensive departments like the Department of Statistics and the Bureau of Public Information, which we have, should be deputed to collect scattered and seemingly irreconcilable figures and facts and be told off to prepare these ordered analysis in the shape of annual publications of the kind which Canada and South Africa (*The Honourable Sir Basil Blackett*: "And India"?) and other Colonies have. I am not aware of any such Indian year Book as I have in mind and as Sir Basil Blackett by his interjection suggests. We could get all facts and figures collected like this and then it would be possible for Honourable Members and every body else to lay their hands on them. Added to this a publication like this would be a great advertisement for India outside and it would be possible for every body to get hold of facts about which there cannot be any doubts. That is a recommendation that I should like to make to the Departments concerned. They are doing admirable work in the publication of works like "India" "the Parliament of India", and "the India of to-day" series. There is no reason why these departments should not club their resources and give us something which will intelligently furnish collected facts and figures without having to go to a variety of Departments and making mistakes even in that process.

Sir, there is one branch of still Central subjects about which I desire to say one or two words and that is with regard to education. The

[Dr. Sir Deva Prasad Sarvadhikary.]

Honourable Mr. Natesan has reminded the House of what His Excellency the Chancellor of the Delhi University which itself sadly wants resources for development, said the other day about this need of the Government of India being in direct touch with subjects like education and universities. That there is a considerable residuum of education and similar other interests still continuing in the Central Government cannot admit of a moment's doubt that is perfectly in accord with what I had the honour to submit to this House on various occasions, propositions from which some people have unfortunately dissented in this House and elsewhere. The Central Government cannot and must divorce themselves from cultural and nation-building interests at large. But, whether there is a residuum small or large of any of these interests, in regard to education or sanitation or irrigation, it is up to the Central Government to be fully in touch with the provinces in these matters and to lend their hand for adequate co-ordination and adequate handling in the central departments. From this point of view I miss very much, Sir, a provision for the Calcutta Minto Professorship in the Budget. I know there is some dispute regarding the method of accounting about it and although it is not in the Budget, the money will be found somehow this year. I should very much deprecate any movement by which this almost last connection between the Central Government and the University of Calcutta should disappear. I also miss the increased grant which we all expected would appear in the Budget this year, for that admirable Institute of Sir Jagadish Chandra Bose, work in which has been commanding admiration all over the world. Sir Jagadish's Institute is having, now I believe, a lakh of rupees a year, and it was fully expected after His Excellency the Viceroy and H. E. the Governor of Bengal and other officials has visited the Institute and had seen the great work that was going on there that more assistance from the Central Government would be forthcoming to an institution which was making the name of India widely known outside India and more honoured. Apart from everything else, that by itself would be a reason for helping this worthy Institute and I say I miss the larger grant to my regret and surprise.

3 P.M.

Reference has been made, Sir, with regard to the post-card. It is difficult to urge for this measure of reform this year in view of what has happened, but I appeal to the authorities, as I have done before, to see whether the space available to the user of the post-card and the money order form could not be considerably enlarged. That at all events would be a small relief pending the larger relief which they expect, namely, the reduction of postage rates. One must recognise that there is need for expansion in the Postal Department and one cannot have things both ways, reduction of postage and increase of the salaries and emoluments of postal or any other public servants. These two interests have however to be reconciled and I believe they can be. They have to be and are being reconciled everywhere else. I was going to refer to another Department of the Government of India, the Income-tax Department, which has been referred to in other concerns in regard specially to super-tax. If there are Government grievances with regard to super-tax there must also be grievances with regard to collection of income-tax itself on the lower basis. It is felt by many that Government do not get all that they are entitled to under the Act. If this be so, one reason why they do not get it, is that they do not pay their establishment well enough. It is a matter

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that should be looked into. I had occasion to come in contact with the Income-tax subordinates' organisation. They are all combining themselves into unions, in this and other Government Departments. They have worthy objects in view, which should be appreciated. There are reasons to believe that they are not as well paid and treated as they might be. I shall not say anything with regard to super-tax. I am not likely to have to pay it in this life (Laughter). That is therefore no personal concern of mine, and I can take an impartial view. But I do join with the Honourable Mr. Natesan in thinking that a movement for its reduction will not be popular in the country at large.

THE HONOURABLE THE PRESIDENT: I think the Honourable Member had better take another glance at the clock.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I shall take the hint from you, Sir, and conclude.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I do not propose to detain the House very long. I made a fairly full, and I think a frank, statement in another place yesterday which Honourable Members have probably had an opportunity of either hearing or seeing (*A Voice*: "Not yet") and I need not therefore repeat myself this afternoon before this Council.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: We shall see it to-morrow, Sir, not to-day. It does not appear in print to-day.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: It will appear in print very soon. Anyway, I do not think it is worth repeating here what they will see in print before very many hours have passed. But certain references have been made to the Army and to the military expenditure by Honourable Members of this House in the course of this debate. I am not accustomed to such general agreement on the part of Honourable Members on the figures of military expenditure which has been reduced by some four crores and odd. That reduction has been, as I said in another place, largely brought about by a strict system of economy, by the assistance of the Inchcape Committee and by return to times which may be considered normal in comparison with what they were four or five years ago.

As regards the further remarks made by Honourable Members, I think there are really only two points to which I need make any definite reply. One was raised by the Honourable gentleman opposite and I am glad to say that I was on this occasion able to distinguish fairly clearly what he was saying, which was not the case on a former occasion. He has referred to a suspicion that exists throughout the country with regard to what are the intentions and what are the desires and policy of the Government as a whole in regard to the military policy and expenditure. I am afraid that there is no denying that suspicion does exist, and it is one of the greatest difficulties which as a Government and I as Commander-in-Chief have to overcome. I doubt whether we shall ever be successful in entirely overcoming it. After all, we are all suspicious when our interests are in the hands of somebody else whose actual motives and desires we do not fully understand. I suppose most of us own shares in various companies. We are always haunted by a sort of suspicion that the management of that particular company in which we are holding an interest is not always doing what is best for the interests of the shareholders. It is precisely the same when it comes to a Government. If we are not members of that Government, if we are only in the position of shareholders, we are tempted to have, and it is only human nature that we should have, a suspicion as to

[H. E. the Commander-in-Chief.]

whether our immediate interests are really being pushed, and sufficiently pushed, in the direction which we should ourselves desire. Therefore, I am afraid that nothing that I can say will really overcome the whole of that suspicion. We have done our best, we continue to do our best, to deserve a little more confidence. Suspicion is perhaps too strong a term, but it is a doubtful confidence, an anxiety as to whether our own particular interests are really being defended in the way that we ourselves would desire that they should be.

As regards the other point, Sir Deva Prasad Sarvadhikary has referred to a mission in which I took part last autumn in England in company with Sir Bhupendra Nath Mitra. From the financial point of view my Honourable friend, the Finance Member, will deal with this matter. But here, again, we have the same suspicion that the interests of India were perhaps not defended and pushed with the strength that they might have been by Sir Bhupendra Nath Mitra and myself, and I suppose that if I took Honourable Members with me and they had passed through the ordeal,—and it was a very strenuous time doing our very best to urge the case of India before the higher tribunals both at the War Office and elsewhere in England,—they would even then not believe that we had done very much because we had nothing to shew at that particular moment as a result. But, as I think the Finance Member will tell you, some of the consequences of what we were able then to accomplish will mature, and mature to the benefit of India at no very distant date.

In conclusion I observe that certain Honourable Members have predicted for me further employment. They suspect that at no very distant date I may be occupying an important position elsewhere. I doubt if they have any solid grounds for their prophecy. Indeed, I am doubtful where their information comes from, but I can assure the House that, if in the future I am in a position where I can in any way again fight for and further the interests not only of the army in India but of India as a whole, they may depend that I shall do so to the very best of my ability. (Loud applause.)

THE HONOURABLE MR. W. A. W. DAWN (Burma Chamber of Commerce): Sir, previous speakers have left little fresh for me to say, and in particular the Honourable Mr. Bell in his lucid speech has expressed my views on the points he dealt with better than I could have done myself. With him and other speakers, I join in the general satisfaction expressed in the Budget presented to us, and in congratulating the Government on their good fortune and good management. It was inevitable that the disposal of the sum of Rs. 82 lakhs and of Rs. 341 lakhs referred to in paragraph 11 of the Honourable the Finance Member's speech should be criticised. I have no objection to their being dealt with in this manner when the money is available. Should the loan to the Persian Government be recovered later, it will be no doubt a welcome windfall. I am sure the adoption of a system of commercial accounting in respect of the various Departments to which it can be applied so that they may stand on their own legs will meet with general approval. Reductions in the Army expenditure have been very large. It is to be hoped that, in the desire for further reduction, retrenchment will not be allowed to pass the bounds of prudence and safety.

There is one point which has not been referred to so far. In paragraph 34 of his speech the Honourable the Finance Member refers to the

measures taken to improve the credit of the country, and states that he has received from many quarters evidence of the greatly strengthened confidence of investors in the soundness of India's financial position and methods. I find striking confirmation of this in the quotation for the 4½ per cent. sterling loan of 1950-55—a typical Indian security. Last year this fell so low as 82½, or below the original price of issue. The present rate is about 89¼, a rise of no less than nearly 3 points having taken place since the beginning of December. The highest price touched for this loan was 93, early in 1923. There is thus a long way to go before the degree of confidence which that rate denotes is restored, but it must be a matter for congratulation that the solicitude shown for the credit of India has so readily produced a change of sentiment in the London Stock Exchange, which is recognised as perhaps the best barometer of the financial standing and reputation of nations.

To turn to my own province. I am pleased to learn that Burma is to receive a reduction in her contribution of 7 lakhs. It is not a large sum but will go some way to pay for the extra duties on steel imports, which I gather will amount to 10 to 11 lakhs for the year 1924-25. Without wishing to labour the point unduly I may state that there is considerable soreness in Burma in connection with these steel duties: first because she was not excluded from the operation of the Bill that imposed them: and later because her request that the amount collected in enhanced duties on steel imported into Burma might be handed over to her has been refused. It is held that conditions in Burma differ so completely from those in other provinces, in that her imports are consumed within her own borders, that she might well have been excluded without embarrassing Government in other directions.

I have heard something of the misfortunes of other provinces, but Honourable Members appear to be unaware or indifferent to the sad plight of Burma. I learn from telegrams in the last few days that Burma's Budget for 1924-25 shows a deficit of Rs. 80 lakhs, and that for 1925-26 a deficit of Rs. 157 lakhs is estimated. Details are not yet available, but it is evident that, in addition to sympathy, assistance of a practical nature will be needed. While gratefully accepting the dole now given, I trust it is but the earnest of further favours to come, and that a portion at any rate of the Rs. 74 lakhs held in reserve against disappointments may find its way into the coffers of Burma.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): When the Honourable the Finance Member faced the music in this House two years ago he was really in a very awkward position. He had come here with a definite intention of having the budget balanced and had to propose the increase in the Salt Tax. This year he must have faced the music even in the other place with a cheerful face, for he has now attained his goal for which he was working these two years. He perhaps remembers that a friend of mine said that Sir Basil Blackett had the face of a cherub but the methods of a tank. Perhaps the methods of a tank are necessary when a man is determined to attain one definite goal, and though Sir Basil Blackett is impervious to criticism as a tank is to hostile attacks—and I sometimes resent his imperviousness—he has attained the goal on which he has set his heart and I think he deserves the gratefulness of the country as a whole for having improved the credit of the country both inside and outside India. It would not be candid of me, who was so strongly opposed to his salt policy, if I did not say that we owe him a

[Mr. Lalubhai Samaldas.]

debt of gratitude though for the present financial position of the country he very often went against our wishes and did not care for small things that came in his way just like a tank which crushes everything that stands in its way. When I say this I do not mean to say that he has attained the final goal. He has attained one part of the goal, that is, to get a balanced budget and a surplus. The other part remains, and that is the constructive work that has to be done to improve the economic condition of the country. That part of the goal has to be attained by the Government of India. My suggestion that the Government of India should undertake this work cannot be brushed aside by saying that Agriculture, Industries, Co-operation, Forests or Excise are provincial subjects and in many cases transferred subjects and therefore the Government of India have nothing to do with them. The Government of India as the Central Government have a duty to the country. They realised this so far back as 1915, when Lord Hardinge was Viceroy. Of course at that time we did not have central and provincial divisions as marked as they are now. Lord Hardinge in a despatch to the Secretary of State dated the 26th November 1915 said:

"It is becoming increasingly clear that a definite and self-conscious policy of improving the industrial capabilities of India will have to be pursued after the war unless she is to become more and more a dumping ground for the manufactures of foreign nations who will be competing the more keenly for markets, the more it becomes apparent that the political future of the larger nations depends on their economic position. The attitude of the Indian public towards this important question is unanimous and cannot be left out of account. Manufacturers, politicians and the literate public have for long been pressing their demands for a definite and accepted policy of State aid to Indian industries; and the demand is one which evokes the sympathy of all classes of Indians whose position or intelligence leads them to take any degree of interest in such matters."

It may be said that this is all old history and that 8 years have elapsed since then. Have Government after the war done anything? On this subject I shall quote the authority of a man who is well known all over India. I mean Sir Theodore Morrison. Referring to the question of Indian unrest in a recent number of the *Nineteenth Century and After* he says:

"He (Sir Theodore Morrison) urges that the Government of India should extend education and enunciate its economic policy openly and assume responsibility for elevating the lives of the Indian people to a higher plane. Sir Theodore Morrison expressed the opinion that such a policy if courageously avowed and honestly carried out would elicit a great deal of private help and voluntary help from Indians. He believes that such a policy can only be carried out after consultation with Indians and largely through the agency of Indians and must be inspired by determination to raise the Indian people to a high place among nations, as sincere as the determination which inspired the makers of modern Japan."

Here is an ideal set forth for the Government of India. Will they accept the ideal and work up to it? They can only do it if the hearts of the Members opposite on the Government Benches beat in unison with the hearts of the masses of the people. Do they do so? Let them show by practical work that they feel for the country as much as we on this side feel for it. Mere lip sympathy will not do. We want action, action with if necessary money grants. I would not call them doles. And I assure the Honourable Members on the Government Benches that if they want any assistance of any kind from non-official Indians, it will be readily given. I want in this work the co-operation of my non-official European friends as much as my Indian non-official friends. I think that in this

work Government, the non-official Europeans and the non-official Indians should all combine, we should put our heads together and try our best to raise our country to a high level. I will only instance what Japan has done for her people. Will the Government here rise to the occasion? I would ask the Honourable the Finance Member and not only the Finance Member but also the Honourable the Commerce Member and the Honourable Member for Industries to do all they can in the matter of raising the economic, intellectual and physical level of my countrymen.

Sir, having realised a surplus, the Honourable the Finance Member wanted to dispose of it and he says that he wants to consider the claims of the various claimants. I think I am correct in saying that he used that word. Now, Sir, it is of course for his department to decide who are the best claimants. It is for us to push our claims and speaking, not as a Bombay man or as one who is interested in the mill industry to a certain extent, but as an Indian who feels that this is a political blot on the history of India, I must say that the levy of the cotton excise duty under orders from the Secretary of State ought to go. How it should be replaced is a matter which I should leave to the Finance Member, but I would point out that the mill industry of India which has done so much for the country is an industry of which Englishmen, both officials and non-officials, may be equally proud as showing what the Indians are capable of doing. Sir, the progress of that industry should not be retarded or should not be hampered in any way. The other claimants, namely, the Provincial Governments are there. Then there are the claims of the general tax-payer. It is up to the Finance Department to consider their claims. Provincial Governments have under the Meston Settlement a claim to a reduction of their provincial contributions and in a way I am glad that the Finance Member has seen his way to reduce them. I wish that as soon as possible all these provincial contributions should disappear from our finances. If it comes about, we shall, as he says, be in a better position to take up other works of a constructive nature and there will also be less of provincial jealousies and the provincial bickerings that are unfortunately going on between the provinces. In this country racial and communal divisions have existed. They are the bane of the country. For God's sake let us not have provincial jealousies added to them, and I hope that the Finance Member will see his way to remove the contributions entirely or revise the Meston Award.

I wanted to speak about the military budget but I do not think that after what His Excellency the Commander-in-Chief has said, and he said it in a way which has met with support from all sides of the House, namely, that he would look after the interests of India even after he leaves this country, I need say anything. As regards information being supplied to us in a better form or about details of accounting, I will go and see the Honourable Mr. Burdon or Mr. Brayne and explain to them what additional information should in my opinion be supplied to the Members. I shall not therefore take up the time of the Council with all those details.

Coming to the civil administration, before I take up the various departments concerned I would like to refer to two items on which so much stress has been laid by previous speakers. I mean the item of 82 lakhs of discount and the item of 341 lakhs of the Persian loan. Speaking of the first item I believe I heard the Honourable the Finance Member

[Mr. Lalubhai Samaldas.]

yesterday saying that except in the year 1923 the usual practice for the rupee loan was to write off the discount in the year the loan was raised. If I understood him aright this was an exceptional year and perhaps the exception was due to the fact that we had a deficit budget and the Honourable the Finance Member did not want to add to the deficit by writing off 82 lakhs in the usual way. Possibly he wanted to show a lower deficit by introducing a new system which he gave up the next year, if I understood him aright. I think the system might be kept on as it has been up to now. But there are two questions which I would like the Honourable the Finance Member to answer. One is the question raised by my friend the Honourable Mr. Sethna with reference to his speech of last year, when he said that some 11 crores, if I remember aright, were being kept on as discount and will be written off in years to come. I cannot understand if the old system of writing off these discounts every year was followed till 1923, how this large amount has accumlated. The other question I would like a reply to is that he said the above merely about the rupee loan—what is then the policy about sterling loan, and if it differs from that of the rupee loan, why? These are questions not only of interest from an academic point of view but are of interest from the practical point of view and I hope the Honourable the Finance Member will make his position quite clear.

Sir, the Finance Member has spoken about the exchange. He has spoken in a way which shows that he believes that people who raise a cry in favour of a low exchange are either unable to understand what they are talking about or are doing it on selfish ground. I wish specially, Sir, to draw the attention of the Finance Member to paragraph 41 of his speech. He said, referring to rise in sterling prices:

> "The result has therefore been that during the period under consideration the rise in the rupee has had very little effect, if any, in the direction either of discouraging Indian exports or of encouraging imports into India."

I want the Finance Member now to refer back to paragraph 14 of his speech, where he says:

> "There is a falling off in the receipts under the heads 'tobacco, matches and machinery', but nearly every other head shows an increase, specially the revenue from the import duties on cotton piece-goods."

Now if the income under the import duties on cotton piece-goods has increased, it means that there have been larger imports of cotton piece-goods during the year, and unless the Finance Member is able to explain that it is due to any other cause it is but reasonable to suppose that it may be due to the fact that the exchange was high.

THE HONOURABLE SIR BASIL BLACKETT: Imports were specially low the year before.

THE HONOURABLE MR. LALUBHAI SAMALDAS: I am merely referring to an apparent contradiction in his speech between paragraph 41 and the remarks made in paragraph 14. Sir, yesterday the Finance Member said that it was very unfair that he should be attacked as having sympathy with Calcutta and having rather a feeling of antipathy for Bombay. I am quite sure that whatever he does is for the good of all

the provinces concerned; but when a remark like the following is made,—I am referring to paragraph 46, where after referring to the exchange policy he says:

> "I would admit at once that a sudden fall in exchange from 1*s.* 6*d.* to 1*s.* 4*d.* would put money into the pockets of individuals in Bombay and elsewhere. It would also no doubt for the moment benefit the Bombay cotton mills who would charge higher prices for their produce at the expense of the customer."

If it is reasonable to infer that he thinks that in suggesting an alteration in the exchange policy of the Government the Bombay economists are fighting for their cause only, that is, for the selfish reasons of getting better prices for the produce of their mills or of getting better prices from imported goods—if this is so, all I can say is that the Finance Member is not able to understand the motives of the Bombay economists. I am not an economist, I am not quite able to follow the intricacies of the argument, but I know and I hope the Finance Member will give the economists, who fight for a particular kind of action, the credit of doing so from pure motives, in the interests of the country as a whole, and not only the sake of the Bombay cotton mills or for the sake of Bombay importers. The very fact, Sir, that he uses the words "Bombay and elsewhere" shows that although he knows that piece-goods are imported not only in Bombay but in Calcutta and Madras, he specially mentions Bombay; and that taken in conjunction with the treatment that Bombay has received both as regards Excise and the provincial contributions, has created a feeling in the minds—I will not say of Sir Basil Blackett because he is above that—but in the minds of the Government of India that Bombay people are making too much money and that they are making these recommendations on selfish grounds, for their own selfish motives and do not honestly think their course for the good of the whole country. I hope, Sir, if that idea is in the mind of the Honourable Sir Basil Blackett and the Government of India that he will divest himself of it. We want the country to progress as a whole, all the provinces together, and I am quite sure I am speaking for all of us here that we want the country to go hand in hand with all the provinces joined together, working for one goal to put our country on the same line as the most economically advanced and civilized nation in the world.

Sir, I have a few more questions of detail to ask the Finance Member which I hope he will refer to in his reply. In referring to the salt revenue he said that 1·31 lakhs more were realized for the last month of 1923, March, and that consequently there was a reduction of that amount from the budget estimate and the revised estimate. Sir, if during the 12 months or 11 months of 1923-24 an income of 7·73 crores was received from salt, after making allowance for the 1·31 crores which was taken over during March of last year, I think the Department has underestimated when for the full 12 months, when there has been no overdrawing in the first month, they are only estimating an income of 6·95 crores, that is, 78 lakhs less.

THE HONOURABLE SIR BASIL BLACKETT: May I explain the point. The explanation is quite simple. For the first six months of 1924-25 we were collecting part of our duty on the credit system at the rate of Rs. 2-8; and that is the cause of the extra revenue in 1924-25 as compared with 1925-26. The whole of our duty in 1925-26 will be collected at Rs. 1-4.

THE HONOURABLE MR. LALUBHAI SAMALDAS: I am thankful for that explanation. If that had been mentioned the question would have been clearer to us.

THE HONOURABLE SIR BASIL BLACKETT: It is in my speech.

THE HONOURABLE MR. LALUBHAI SAMALDAS: I have not been able to catch it. I hope he is right. Sir, I referred to the sale of salt only for one reason. I know that no Finance Member, not even the Honourable Sir Basil Blackett, can afford to raise the salt duty hereafter. But if that question does arise, I want him to realize that while in 1922-23 the consumption was 544 lakhs of maunds, in 1923-24 the consumption was 398, and in 1924-25 for 10 months only it has gone up to 489.

THE HONOURABLE SIR BASIL BLACKETT: What does the Honourable Member mean by consumption?

THE HONOURABLE MR. LALUBHAI SAMALDAS: I mean issues. Unless we know how the consumption takes place I can only refer to issues.

THE HONOURABLE THE PRESIDENT: I would remind the Honourable Member that by continuing his speech he will deprive other Members of their right to speak.

THE HONOURABLE MR. LALUBHAI SAMALDAS: All right, Sir, I will not continue.

THE HONOURABLE SIR S. R. M. ANNAMALAI CHETTIYAR (Madras: Non-Muhammadan): Sir, let me begin by congratulating the Honourable the Finance Member on his presentation of a surplus Budget this year also. We were faced last year with the alternative of choosing between the restoration of the duty on salt to its original figure and a reduction in the provincial contributions. The reduction of the provincial contributions had had to be postponed, and owing to the general improvement in the finances of the country this year some measure of relief to the provinces has been possible. I am sure the public will appreciate the care and ability which has been brought to bear by the Finance Member on the preparation of the Budget and the aim he has kept before himself of avoiding any fresh taxation. This year's Budget is interesting in many ways. For one thing the separation of railway from the general finances is a much-needed reform, and the advantages of such a separation have been clearly set forth in his speech. I trust the coming years will prove the wisdom of the policy now laid down. My Honourable friend, Sir Maneckji Dadabhoy, has told us this morning that the general taxpayer has got the first claim on the surplus. With all respect to him, I would say that he would be right in saying this only when the unjust impost under the Meston Award, under which some of the provinces suffer very heavily, is entirely removed. Sir, by careful economies and retrenchments the Finance Member has been able to have the military expenditure reduced to an appreciable extent with the co-operation of His Excellency the Commander-in-Chief. If, as foreshadowed in the Budget, further reductions are made in succeeding years, granting of course that we have normal years, greater and greater amounts of money can be had for the development of the resources of the country. We look forward to the day when the maximum military expenditure will be much less than the amount now budgetted for. I hope that His Excellency the Commander-in-Chief, before he lays down the reins of his office, will explore all possible avenues of further reduction in the expenditure and help the country in its onward progress. I am sure he will effect the reduction in spite of the warnings and appeals made this morning by the gallant Member from the Punjab, to the effect that no further cut should be made in the military expenditure. Coming as I do from Madras, the province which has been made to suffer the most because of the impost under the Meston Award, I know what difficulties those in charge of the transferred Departments had to contend against on account of shortage of funds, and how they were forced to starve the nation-building departments. Her economy and prudence were penalized and for no other fault but that of husbanding her resources carefully, she was made to pay the largest contribution to the Central Exchequer. Starting with this handicap in working the reformed Government, it is no wonder that, with the best of intentions, the Ministers had been powerless to give effect to their schemes of education and sanitation and industrial and agricultural progress. Sir, the proposed remission of a part of her contribution will go some way towards assisting them to push on with their schemes for the amelioration of the conditions of the masses. Speaking for Madras, I am grateful to the Honourable the Finance Member and the Government of India for this partial relief. Sir Basil Blackett has been able to provide funds this year, however small they may be, for research work and education and to give some minor reliefs to motorists and others by a reduction of duties. This I say just to show that he desires to meet the claims of all as far as possible. I should not however be understood as saying that the Finance Member has exhausted all sources or examined all possible ways of reductions in expenditure. More ways are still open to him. What I mean is this, that with a continuance of the spirit now animating him of working on in hope, he will do his best to effect further economies and reductions. Let me conclude by reading the observations of the Honourable Mr. McWatters. What he says is this:

> "We hope that the corner has been turned and that we are actually advancing on the road to social progress. The Local Governments will now have an opportunity to develop in industry, agriculture, education and sanitation and such other services as would lead to enlightenment."

Let us all hope that the era of deficit budgets is over and that we are now in for a period of progress.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-official): Sir, I daresay none of the Honourable Members of this House will deny that there are two broad outstanding features of the Budget, on which the general public and our talented Finance Member may be justly congratulated. Those two features are, of course, the separation of railway finance from the general revenue, and, secondly, the reduction of debt. I lay the greatest stress on those two. As to the first I expatiated thereon only the other day when the Honourable Mr. Hindley gave us such a lucid useful explanation. I observed that this separation of railway finance was absolutely essential. In fact, I may say, Sir, that the emancipation of railway finance from the thraldom of general revenue was a step in the right direction, and I fervently hope that our railways being thus emancipated from the fetters of the general revenue would now proceed onward unhampered in their progress so as to be instrumental more and more in furthering the economic prosperity of the country. As to the reduction of debt, I can only say this that none

[Sir Dinshaw Wacha.]

here will deny that it is really one of the most important and fundamental functions of any Finance Member in any part of the world, for it will be readily admitted that were the national debt to be allowed to grow and grow without making provision for its steady diminution the country must go eventually to the wall. We do not want to see that India should go to the wall by allowing deficits after deficits to accumulate while surpluses, if any, are not first utilised for purposes of reducing it. Further, Sir, the reduction of the national debt is a fundamental duty of every Finance Member if the credit of the country internally and externally is to be the aim and object. For in such a circumstance alone the country will be able to borrow in future annually to the extent of its needs and that at a lower rate of interest.

Having said so much, I would, Sir, now refer to two other broad features of the Budget though these in their nature are of a controversial character. There are two schools of thought on those features. The first one is in reference to the exchange and currency question. I for one, Sir, am wholeheartedly in agreement with every word of the speech made by the Honourable the Finance Minister the other day. I think, Sir, he expressed therein not only his own views but the views of all the most distinguished international financiers and economists in the world. He said in other words what has been so often said not only at the Brussels Conference, but by all the great bankers, all the great merchants in England, and by similar authorities in and out of the Congress of the United States. When there is such a consensus of opinion on such a complicated subject as currency and exchange, both of which have been in a flux and requiring time to stabilise, I think the Honourable the Finance Member was perfectly correct in giving his reasons why there is still time wanted to reach that consummation. I think, Sir, stabilisation can only be reached when Europe is set at rest. Europe, of course, is now slowly but steadily moving on the high road to reconstruction which must steady international exchange. Improvement in that exchange will certainly go a great way to influence Indian exchange and bring it back, we all hope, to a sound and stable position. There are some impatient people who wish that Indian exchange must be stabilised at once and urge at this very moment. That cannot be done. I may be wrong, but that is my view. I know there is another school of thought in the Central Legislature of which the chief protagonist is Sir Purshotamdas Thakurdas. All the same I firmly say that what Sir Basil Blackett has said in his speech is what commends itself to all sound and practical businessmen in the world.

Then, Sir, the next broad feature of the Budget is military expenditure. It is really, Sir, a source of sincere gratification to me who has been a severe critic of that expenditure since 1885 to observe that we are going forward towards a substantial reduction therein which perhaps may soon reach a point that may be considered normal by all fairminded persons in this country, having regard to all probable and possible eventualities. A variety of factors have long long since somehow or other disturbed that steady improvement in military expenditure to that point which all may deem reasonable. There are yet disturbing elements to count with but which are on the way to be removed. The Commander-in-Chief however has told us we are now on the high way to further reduction. We have now reached a reduction to 56¼ crores, and it is just possible that in a

year's time or two we may eventually bring back the military expenditure to 50 crores of rupees. In fact, the more that military expenditure, by economy or retrenchment and by wise administration, is brought down and down, the larger and the surer will be the benefit to the country; and I for one devoutly hope that with the improvement in the conditions in Europe, by and by, we may see a cycle of years of greater prosperity, free from war, which may greatly accelerate the material progress of all the countries in the world and with them that of India.

Having said so much, Sir, I do not want to detain the Council any longer except to have my brief say on two other questions which are, of course, uppermost in the minds of the Honourable Members here. The first one is with reference to the disposal of the surplus. Now, Sir, it has been looked at in two ways. The Finance Minister has been looking at it in one way, while a large majority of Members here, including myself, have been looking at it in another way. Of course, when there is a surplus, it must be allotted or aligned so as to give the least dissatisfaction to any class of interests. I think great wisdom lies in looking all round and seeing which are those interests that demand first attention out of the general cry for reduction of duties or taxes. Well, the unfortunate thing is that in this year's disposal of the surplus I greatly regret to say that the Finance Minister has shown less than that usual acumen which was expected. It is unfortunate that he has not carefully looked all round as he ought to have done. I agree that there are claims and claims. But there is one claim which the Finance Minister has strangely enough entirely ignored, and that is the claim put forward by Bombay. He seems to have bestowed no thought on it. In this matter the Finance Minister should survey like a judge and decide which claimant needs emergent justice and which needs urgent redress. Now I may ask Members of this Council whether of the two principal claimants before the bar of the Government of India so to say, is the Government of Bombay, heard at all? Is the Bombay cotton industry heard? None in this Council grudges that different provinces which are a little backward should be given relief from the coffers of the Government of India to balance their respective Budgets and so far there is nothing to be said. But while giving that relief, I am sorry to see that the Finance Minister has entirely ignored the fact that there is such a claimant as Bombay. The Bombay Presidency is wholly left out in the cold. But worse still is that the claimant who has been knocking at the door of the Government of India for the last thirty years is nowhere. This most patient claimant is not thought of at all! There is not a word about it in the financial statement. The Finance Member's speech ignores it as if it never had any existence! But the world is aware that the Bombay cotton industry exists and that India has greatly benefited by it these many years. On the claim then of the cotton industry in conjunction with that of the Bombay Presidency for relief in the allotment of provincial contribution I lay the greatest stress of all. I am one of the oldest inhabitants of Bombay who have from the beginning of the imposition of the cotton excise duty protested and protested against its inequity. It is an odious duty worse than income-tax in its burden, for the simple reason that while the income-tax is assessed on income, here the mill-owners of Bombay and other places are asked to do what?—to pay a tax on the production of cloth! Now, I challenge the Finance Minister to say whether in any part of the world there is a duty like this, a duty on home production. Has the United States ever

[Sir Dinshaw Wacha.]

put an excise duty on wheat or cotton or cloth, or an excise duty on motor cars? Has England done it, has France done it ,has any country in the Continent of Europe done it? No, I decidedly say "No." It is a most odious duty and I am surprised that, notwithstanding that we have been knocking at the door of Government for the last thirty years, no relief has yet been given, and even after pledges given that the duty must go! I deeply regret to say these pledges have been written in water. Of course everybody has reminded the Finance Minister here that Lord Hardinge did say openly in the Council that this duty must go. It is now nearly 8 years since his Lordship so declared that—8 years of patience have gone by. The patience of those engaged in the cotton industry has been exhausted, and yet the Finance Minister seems to have stuffed his ears with cotton. He seems to be oblivious of this particular claimant and has considered the claims of only one claimant, namely, those who have cried aloud for reduction of the provincial contribution. It is right that he should give relief to these claimants, but why, oh, why should he be deaf to the cries, longer and louder of the other claimant? Why is he deprived of that justice which he seeks? I tell you, Sir, that this kind of breach of faith on the part of the Government is to be greatly deplored. The Government know and the Finance Minister knows that for the last five years there has been a cry in the whole country—for what? That they cannot rely upon British faith! British faith is nowhere. To rely on it is said to be equivalent to relying on a broken reed. That is what has been widely said. I, of course, do not endorse that cry, but that it is made and made with bitterness, there is no doubt. Are or are not the Government going to remove this extremely prevailing general belief in the country? I say duty to the people demands on the part of the Government of India, that when a promise is made it should be solemnly and religiously fulfilled. It will ruin the Government of India if they go on like that for years and years together. I respectfully appeal to the Government of India, and I fervently appeal to the great Viceroy and Governor General, who has been so solicitous of rendering justice to this country, that the justice which is so long overdue to the cotton industry should no longer be withheld. I do hope, Sir, that when the Finance Bill comes before the Assembly, something will be done in this direction and that the Government of India themselves, including the Finance Member, will see that the great injustice which has been inflicted so long will be effectively redressed. It is not too late yet.

4 P.M.

Another error of the Finance Member is this. He has reserved a sum of Rs. 75 lakhs for "contingencies". What are these contingencies? I have never known anything of the kind in any Indian Budget in the past. Perhaps there may be a year of deficient rainfall. There may be a famine, but in that case the Government of India can honourably fulfil their contract when the provinces are unable to defray famine charges in excess of the amount which they must provide. Indian finance may be "a gamble in rain" But it may be inquired whether that contingency has arisen? By all means provide for it when it does arise. But why, after providing for the provincial contributions, should this surplus at all be reserved and the claimant who has a right to the relief be ignored? Even supposing there was a deficient rainfall and there was a famine charge, that charge could not of course occur, and the claim could not be made till the next year while the 75 lakhs reserved properly belong to the *current* year. Why, I ask, should the Finance Member hold this amount in reserve? It is not fair

to the tax-payers; it is not fair to the public at large. May I therefore make an appeal to the Government of India to see that this kind of injustice is forthwith repaired. Well, Sir, I am sorry I have been obliged to say so much. I hope the Finance Member knows very well I am a warm supporter so far of his conduct and method of Indian finance. I consider him to be a very talented minister of public finance. He has come to India to place Indian finances on a sounder footing. He has already done a great deal of good during the last two years and I for my part am rather grieved at his present lapse. I say it in sorrow rather than in anger when I say that the Finance Minister has exercised less of his wise discretion when he has allowed this Budget to be disfigured by ignoring the repeal of the excise duty. I hope the Finance Minister will pardon me for my rather vigorous way of speaking on the subject. But I do feel, and I feel not only on behalf of Bombay but I feel on behalf of the whole of the cotton industry, that this thing should not be done. The cotton industry has been one of the mainstays of the revenue of the Government. Look at the income-tax and the other taxes which this industry has paid for years and years together. The industry would have seen darker days had it not been for the boom, as my Honourable friend Mr. Sethna has said. What prevents the Government of India from recouping this industry by putting a duty on the export of raw cotton to Japan? Look what the Japanese are doing. Japan imports cotton from India and in its turn exports yarn and cloth made from the imported Indian cotton which thus strongly competes with the stuffs made in India. Japan has not to pay a single rupee by way of freight one way or the other, whether it exports cotton goods or whether it imports raw cotton. It is the Japanese millowners, who are indirectly subsidised by the Japanese Government, that pay the whole of the freight. No wonder, so bountyfed, they are in a position to compete with India. India has established the industry for the last 50 years but it is now going partly to rack and ruin on account of the Japanese competition while the Government of India have not the courage to put an export duty on Indian cotton equal to or more than the cost of the freight to and fro. The childish reason is given that the Indian cotton cultivator will be highly disadvantaged. Nothing of the kind will happen. The cotton cultivators are very happy and they will be only too glad to see that more cotton is consumed in India with every prospect of cheaper cotton goods. The cotton which goes to Japan will be consumed in India. There will be no diminution in the demand for the raw staple to prejudice the cultivator. It is said that the Government of India are prevented from imposing an export duty on cotton going to Japan because of a secret Anglo-Japanese Commercial treaty. We have been told there is no such Anglo-Japanese commercial treaty. But if so, why do the Government refrain from putting an export duty on cotton going from India? But it is my belief that despite the contradiction there *is* something which prevents the Government of India from imposing an export duty. Four years ago I was asked by the Royal Society of Arts in England to read a paper on the Indian cotton industry. I wrote it and sent it there. My friend, Sir Charles Armstrong, Chairman of the Great Indian Peninsula Railway, read that paper before that Society. No less a person than the late Mr. Montagu was in the chair. There were many distinguished gentlemen present who also took part in the discussion. In my paper I had particularly referred to this question of the Japanese Competition and said that India had little to fear from Lancashire but a great deal from Japan. The

[Sir Dinshaw Wacha.]

Secretary of the Royal Society of Arts, wrote to me privately to say that the sentences referring to Japanese competition had to be deleted before the paper was read. What may be inferred from this deletion? Again, I remember, that some 2½ years ago, the Government of India or Bombay (I forget which) in one of their letters in reply to a representation of the Bombay Millowners' Association wished it to be known that it would be well for the Association to make no mention of Japan in their letters! I leave it to the Members of this House to draw their own inference from these incidents. There is, it is to be feared, a strong suspicion that some kind of agreement touching Anglo-Japanese commerce exists. Perhaps the Honourable the Finance Member will rise in his place when replying to the debate and contradict the existence of any such secret treaty with Japan. But perhaps diplomatic reasons are at the bottom. The Marvin episode in reference to a secret treaty with Russia should be recalled to memory. It was repudiated at first but very soon the truth was out to the great humiliation of the then Cabinet.

Lastly, can I say in 20 minutes all that I want to say? Here are the Government of India brewing and brewing and incubating on their budget four months before and when that is finished, one evening we are called to hear the speech of the Finance Member for an hour! On another day we are called to talk on that financial exposition for which purpose a Member is allowed just 20 minutes. What can one speak when on a single topic one cannot do justice for even half an hour? Of what use such a mockery of discussion? What can the Council do in reference to the Budget? And how can it advise and help the Government? Whenever the other House has done something which the Government do not like they ask for our support here. In other cases we are negligible. We always hear some Members from the Front Bench saying: "I must oppose. I must oppose. I must oppose." I must oppose what? Oppose their own opposition? Now, Sir, that is not a state of affairs which a wise and statesmanlike Government like the Government of India should adopt towards this Council I think the policy and attitude towards the Council of State should be bettered. We are a very sober body, we give expression to sober thought and sound advice. Our words should be listened to—not only listened to, but acted upon. I earnestly appeal to you, Mr. Speaker, that you will at least most respectfully place our representation before the Governor General and see that in future the Budget is so allowed to be discussed here, that every member willing to speak is permitted sufficient time to have his say. Here is a Budget with a whole gamut of point after point of importance, and if one were to deal with them one might not finish them in even six hours. Here we are asked to do it in twenty minutes! That is the farce to which I have referred. It is a mockery. I wish that in a sober Council like this there ought to be no mockery of this character. And now as I wish to allow my Honourable friends who have not spoken to have their say I take my seat, but I do hope that financial statesmanship and wisdom will see the expediency of allowing fair and reasonable time for members to have their say in the immediate future.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): It is a great pity that none of the Members from the United Provinces on this side of the House were able to catch your eye to speak on this Budget and it is my good fortune to have been

able to get your permission to speak at this late hour. I am sorry I will not be able to talk on the Budget at length and shall have to be as brief as possible.

Sir, this is the second year of surplus. Last year the surplus was devoted to a reduction of the salt duty. That was welcomed throughout the country except by a few officials who were against it. This year the surplus is going to be given to the Provincial Governments, that is, their contributions will be reduced. I wholeheartedly agree with this proposal because there has been a cry from all provinces for reduction in their contributions, and on behalf of the United Provinces, I congratulate the Government of India, the Indian Legisature and the Finance Member that they have been able to reduce the contributions of the United Provinces by Rs. 57 lakhs. I quite sympathise with my Bombay friends when they grudge the reduction of contributions to other provinces. (*Several Honourable Members*: "We do not grudge them.") But I should like to point out that my province has still a deficit. This year they have shown a deficit of Rs. 37 lakhs, and besides that, they have had to suffer a great loss of about Rs. 1 crore, on account of heavy floods in the rivers. I personally sympathise with my Bombay friends that they also ought to get some relief, and hope that next year their province will get a reduction in their contributions. I hope that these provincial contributions will be abolished altogether very soon, if not next year. Sir, I think this good aspect of the Budget is not due so much to the increase in revenue as to the retrenchments and cuts made in the expenditure. If there had been no retrenchment or cut in the expenditure I am very doubtful whether there would have been any surplus in the estimates. The Military Department consumes about half of the central revenues and we must be grateful to His Excellency the Commander-in-Chief for making a cut from Rs. 65 crores two years ago to Rs. 56 crores this year. But still to my mind there is a large scope for reduction in this department. Of course, every care should be shown for the efficiency of the army, but there is no reason why the figure should not go down to Rs 50 crores, as has been suggested by the Inchcape Committee. If that reduction takes place, there will be more surpluses in future years for us to give money to the Provincial Governments and to use money in other useful directions.

Sir, in connection with the Budget I would like to point more particularly to the Agricultural Department, and wish to say a little on agriculture. My Honourable friend Sir Dinshaw Wacha and others have spoken with great stress on the excise duty. I quite agree with them that the cotton industry and other industries are badly needed in this country. Until agriculture and industries are developed the people will never be contented, and, Sir, my submission is this that if agriculture is given every encouragement by the Central and Provincial Governments there is no reason why we shall not be able to produce four times more than we do at present. The country has plenty of land, it has plenty of labour, plenty of water, plenty of everything natural, and why do we not produce as much as we should have done? There must be some reasons for that. I am sorry that neither the Central Government nor the Provincial Governments have ever taken up the question in right earnest. There was a proposal to hold an All-India Conference at Delhi for the encouragement of agriculture and cattle breeding, but nothing has been done up to

[Lala Sukhbir Sinha.]

this time. (*The Honourable Sir Muhammad Habibullah*: "The matter is still under consideration.") No money is provided in the Budget for that. I earnestly appeal to this House, to the Government of India and the Provincial Governments, that full attention ought to be given to this question of agriculture in which is involved the question of cotton, wheat and other necessaries of life and food on which the contentment of the people depends so much.

The second point that I would like to emphasise is the Medical Department. Up to this time the whole of the public money is spent on the allopathic system. My gallant friend, Sir Umar Hayat Khan, pointed out that very little or no money is spent on indigenous systems of medicine. So far as I remember, the late Director-General of the Indian Medical Service said that only 10 per cent. of the patients are treated in Government hospitals and dispensaries, while 90 per cent. are treated by indigenous *hakims* and *vaids*. There is no reason why some attention should not be paid by the Central Government and Provincial Governments to this important question. If people are healthy, they will have a healthy mind. If they have a healthy mind they will be able to think of political, social and religious questions. If they do not have a healthy mind there will always be differences of opinion, quarrels and disturbances. If the mind is healthy, I think the people will be able to think on very large questions and problems to the benefit of the country. I congratulate the Honourable the Finance Member on this surplus budget and the Government of India as a whole and the Legislature which passed the Finance Bill last year upon the basis of which the Finance Member has worked out this budget estimate.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): Sir, I must begin by thanking the last speaker, and I think every speaker who has spoken, for the kind congratulations which they have showered on me and on the Finance Department. The work that has been done by the Finance Department has been a laborious one, and it is still a laborious one, and it is always with a feeling of pleasure that the heads of the Department, Mr. McWatters and myself, hear these congratulations and it is a great encouragement to the Department to go forward.

With regard to what the last speaker has said I entirely agree with him that in the economic development of India attention to agricultural development and to the extension of medical knowledge and medical science throughout India is one of the most fruitful ways in which the Government of India can work for the building up of the Indian nation and it is because of that belief that the Government are putting in the forefront of their Budget this year the reduction of the provincial contributions. It is quite clear that under the reforms system there is no means by which the Government of India can more directly assist those nation-building services, I repeat the phrase, though I do not like it, which Sir Devaprasad Sarvadhikary spoke of than by putting the Provincial Governments in a better position to carry on their work. Now as I listened to the debate to-day, I amused myself by drawing up a budget for this year supposing I were to accept all the suggestions that were made. From our revenue we should immediately lose our cotton excise duty either by handing it over to the Bombay Government or by abolishing it and losing 215 lakhs. The kerosene duty would go. That will mean a

loss of a crore. Mr. Bell would get rid of the protective duties. I suppose he means both that part of the duties which was imposed last year and the previous protective duties but I take it at the figure given in the Budget. That means 180 lakhs. As regards the reduced motor car duty I do not know what figure to take. I take half and I lose 40 lakhs of rupees. Super-tax—there again the figure was not given, so I cut it rather less than a third and lose a crore and a half. Reduced postage rates would cost me 60 lakhs. So I have got rid of 7½ crores so far. Then there are Bombay and Bengal wanting to share in the income-tax. The figure was not given but supposing we gave them a crore each, that is another two crores. Burma must have something. The figure was not given but I have put her down for 50 lakhs. Bengal gets the jute duty at 375 lakhs and the other provinces would squeal if I only gave them a crore but I have not put it higher. I think I have now got rid of 14 crores and 70 lakhs. I have got of course to raid the sinking fund, the whole of it I suppose. That is 4 crores 70 lakhs in hand but this would be required for building ten Dehra Duns and spending money in all directions on nation-building services of which Sir Deva Prasad Sarvadhikary spoke. Sinking fund I cannot count on towards meeting my 14 crores 70 lakhs. I have got a surplus of 74 lakhs so that the deficit at this point is 14 crores. I heard one hopeful suggestion of Sir Dinshaw Wacha who suggested that I should put an export duty on cotton. Now that subject has frequently been examined and the view taken has always been that the result of an export duty on cotton would be a charge on the cultivator of cotton; but I leave that for the moment. I will also assure Sir Dinshaw that I have ascertained from Mr. Chadwick that there is no bar whatsoever in any secret treaty or other treaties with Japan to our putting on such a duty. I propose to put an export duty of one rupee per bale. That brings us 20 lakhs. So I reduce my deficit to 13 crores 80 lakhs. I put it a little bit higher and double it to Rs. 2 a bale. That brings you down to a deficit of 13 crores and 60 lakhs. I do not suppose that I should have finished at this stage. Where are we to get it from? You have got to balance your Budget. I am told that I prefer this or that interest to the other interest, that we have promised to get rid of the cotton excise duty and that we have promised to get rid of provincial contributions. Why don't we do it? I am told to revise the Meston Settlement. If we revise the Meston Settlement I must first try to satisfy all the provinces. There will be a deficit of not less than 10 crores in the Government of India's Budget if we did that and that would mean extra taxation. If the salt tax had been maintained at Rs. 2-8-0, as was quite rightly said by the first speaker this morning, we should have been in a position this year to have a surplus of at least 7 crores and we might have come very near abolishing the whole of the provincial contributions. I do not wish to reopen that matter but I wish simply to draw attention to the fact that you cannot have your cake and eat it.

Sir Maneckji Dadabhoy and several other speakers talked of two items which were charged against the surplus for 1923-24, namely, the discount of 82 lakhs on the 1923 loan and the 341 lakhs for the loans to Persia. Now, I think there must be some misunderstanding in the Honourable Members' minds in regard to that. Let us just see what has happened? Supposing we had not charged either of these items off our surplus for 1923-24, it would have been that much larger, as was rightly pointed out. It would have gone automatically to the reduction or avoidance of debt. Sir Maneckji Dadabhoy added it to our recurring surplus this year and

[Sir Basil Blackett.]

spoke of the whole as if it was available for the reduction of the provincial contributions and cotton excise duty. But obviously it is a non-recurrent sum. You cannot give up for all time 2 crores a year of revenue out of a sum of 4 crores in your pocket. Those two crores of revenue are for all time. It is not two crores of revenue for one year only that is proposed to be given up. The result would have been simply that that sum would have gone to the reduction or avoidance of debt instead to the particular purpose for which it was intended. It does not make any difference to our ways and means position but so far as the discount is concerned the result of charging the whole of the discount off against that year is that an item of 4½ lakhs of expenditure for ten years including this year and last would have occurred in our Demands for Grants under the head of "Interest and Sinking Fund" and we should have had a surplus this year of 4½ lakhs less than what we have shown. What advantage would it have been to the finances of this year if we had spread the discount in the manner that some Honourable Members desire? Now, as I explained in another place yesterday, up till the year 1923 the practice has been adopted quite frequently of charging over a series of years under the head of discount sinking funds the discount on sterling loans. No such practice had been adopted up to that date in respect of any loan raised in India. The explanation was probably to some extent that the issue of loans at a discount had been a more frequent occurrence in the London money market than in India. We proposed originally to make an innovation and charge that off over a series of years; although in the Budget as introduced provision had been made for charging discount, if any, the question at that time whether we should issue the loan at a discount or not was of course undecided. We had provided in the Budget for meeting such sum as might be necessary for the service of the loan. When we found at the end of the year that we had this surplus it seemed quite reasonable to continue the old practice instead of introducing a new one and the result is, as I have said, that in this matter we are able to reduce the charges on the tax-payer each year by 4½ lakhs.

As regards the other sum that was charged off for the loans to Persia, these loans or advances were made from the year—I am not quite sure how far back they go, but I believe even prior to the introduction of the Minto-Morley reforms. The first of them was made I think about 1910, but I have not got the date exactly in my head, and the last about 1916 or 1917. They are charges that were actually incurred 10 and in some cases much more than 10 years ago, and in any case 8 or 9 years ago. For the whole of them there is no dispute so far as these charges are concerned as to whether or not under the system that was then in force India was liable for this share of the total. They represented either a half or in some cases I think less than a half of the total advances that were made to Persia. The British Government met the other half and has long ago dealt with it so far as its accounts are concerned. Negotiations are going on for the recovery of the whole amount from Persia, and the fact that we are proposing in this year's Budget to charge these amounts finally off does not in any way alter the liability of Persia or affect the efforts being made for recovery from Persia. The question whether these charges should or should not have been incurred by India is a long historical story. They are not new charges that we have recently taken over. They have nothing to do with the claim that was made by the British Government, by the War Office, against the Government of India for a share in certain expenditure incurred during the war in East Persia which the Government of India have always refused to recognize as an Indian liability and which the War Office has always claimed to be a liability in which India should share. That is one of the subjects which are outstanding between the War Office and the Government of India in regard to which His Excellency the Commander-in-Chief and Sir Bhupendra Nath Mitra were in negotiation last year. As regards those negotiations I can add very little to what has already been said. There is not the least doubt that the strenuous work put in by our two representatives did produce a very considerable effect and new suggestions have since been made for a settlement. We have not yet arrived at a settlement but I am much more hopeful than I have been for some time as to the possibility of arriving at a reasonable settlement at a fairly early date. Honourable Members will recollect that in the statement that was laid before this Chamber on the 30th of January 1924 these various items under dispute were set out. The first one is a claim which exceeds 25 millions and may be as much as 40 millions, and they all run into very big sums. Whatever settlement we may now arrive at I can assure the House that it will not be a sum on that sort of basis at all. If India has to pay anything it will not be a sum of that magnitude or anything near that magnitude. On the contrary, as I said in another place yesterday, if we do arrive at a settlement in time we hope to be able, without making too large an inroad on the surplus whatever it may actually prove to be, at present estimated at 4 crores for the current year, to get rid of this liability altogether. I mention that because Mr. Bell asked if there were any more of these items up our sleeve or hidden away. That is, so far as I know, the only large outstanding liability which has not yet been dealt with in our accounts. Whether it is a liability or whether it may be an asset—because we have counter claims against the War Office and there is some possible uncertainty as to whether we may not be able to secure our point of view in some other cases which will reduce the actual balance payable to a minus quantity—that, so far as I know, is the only large outstanding liability which might be regarded as of the character mentioned by Mr. Bell. It is a little unfair I think to the Government of India and the Finance Department to accuse them of having concealed the existence of this charge. These Persian loans outstanding have appeared year after year in the suspense accounts of the Secretary of State for India and have been mentioned in the audit reports of the Auditor of the Home Accounts as he is called. It has as a matter of fact been to my knowledge on one occasion anyhow before the Public Accounts Committee here, which examined the question with a certain amount of detail. So that it is not because these facts were not published but because they did not happen to attract the attention of Honourable Members that they were unknown to them, in so far as they were unknown. And I would venture to point out that it is one of the beneficial results of the new reformed constitution that the likelihood of such points being overlooked is very much smaller now that there is that fierce light of criticism thrown on all the doings of the Finance Department of the Government of India in regard to expenditure from the revenues of India. I regard it as one of the great advances that are being made at the present time, that

[Sir Basil Blackett.]

there is this additional material and machinery available for the examination in detail of the accounts of the Government of India and of their methods of accounting for their expenditure. I regard that as one of the great advances made under the reformed constitution and a very great introduction to an advance in the direction of Parliamentary Government. I may mention at this point the complaints that have been made by Sir Deva Prasad Sarvadhikary and Sir Dinshaw Wacha as to the neglect by the Finance Department and by the Government of India of this House. Sir Deva Prasad was so lugubrious that if I may borrow his words, I can hardly take him seriously when he talks like that. But that this House has a desire and a right to have opportunities for examining and criticising the Government of India's policy in finance as in other things is a fact which I freely and gladly recognize. Indeed if the sort of speeches which I have had the pleasure of listening to, such as that of Sir Dinshaw Wacha, are the kind that it would be frequently my lot to hear if there were more opportunities in this House for discussion, I know nothing which would give me greater pleasure. I would mention that this discussion and the Finance Bill will this year probably not be the only opportunities this House will have of considering the questions arising in connection with the Budget, because it is the intention of the Government of India to bring forward in this House the same Resolution which they are proposing to bring forward in another place in regard to the disposal of the surplus and their suggestions that it should be used for the purpose of reducing the provincial contributions. That Resolution will be brought forward in this House at the same stage in the Finance Bill as in the other House, that is, after the Finance Bill has been passed.

I should like now to take up some of the other points that were raised by various speakers. I will not deal with any of the military items that were raised. The question of military expenditure has I think already been dealt with sufficiently by His Excellency the Commander-in-Chief. Nor will I refer if I can help it to political points not concerning finance. I have dealt with the question of the discount on the 1923 loan and with the Persian loan. I have dealt also with other points raised by Sir Maneckji Dadabhoy in what I have said in regard to the impossibility of using the actually realised surplus of one year for the purpose of wiping out a recurrent part of our revenue such as either the provincial contributions or the cotton excise duty. I would ask Honourable Members who have accused the Finance Department of being unduly cautious to remember that it is a serious thing that the Government of India are giving up permanently 2½ crores of what has hitherto been their revenue. They are under a pledge to the Provincial Governments that their policy has been, is being and will be directed to the reduction and eventual extinction of the provincial contributions, and they are very glad to have been able to take a step in that direction this year. But we must remember that that 2½ crores has gone, and that once it has been reduced it is only in most exceptional circumstances that we could think of asking the provinces to start paying again, and even then I am not sure that we should get the money.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Was not that in the mind of the Government of Lord Hardinge when Lord Hardinge gave his pledge?

THE HONOURABLE SIR BASIL BLACKETT: The pledge was given I think in 1915. If Sir Deva Prasad Sarvadhikary will tell me that the reformed constitution was in existence in 1915, I should be able to answer his question. (*An Honourable Member*: "What about the other pledge?") I will come now to the cotton excise duty. That pledge was given by Lord Hardinge in 1915, and the pledge was to the effect that the cotton excise duty would be repealed as soon as financial considerations permit. I think those were the exact words. Now I have more than once said that if you take the provincial contributions position as it stands, the Government of India cannot surely be said to have a surplus so long as they rely for any part of their revenue on the provincial contributions. In strict logic, therefore, so long as any of the provincial contributions remains, it is very difficult to say that financial considerations permit of a reduction in any of the items of central taxation. (*The Honourable Sir Dinshaw Wacha*: "Why not make an equal distribution?") If the Honourable Member will permit me, I am not here stating more than this that the strict logic of the position is what I say. We have made a beginning this year by proposing the reduction of provincial contributions by 2½ crores. That brings us at any rate a step nearer to the happy moment when the provincial contributions will be extinguished and we can turn our thoughts generally to the reduction of central taxation. That leaves us with a surplus, according to the estimates for next year, of 74 lakhs. More than one Honourable Member has said, "Why keep a surplus of 74 lakhs against disappointments or misadventures?", but not one of them has quoted the passage from my Budget speech in full. What I said was that this sum of 74 lakhs should be kept in hand as a margin against possible disappointments or misadventures during 1925-26 and by way of security against any deterioration in the position of central finances in 1926-27. It will be remembered that according to the figures given in my budget speech not 74 lakhs but 18 lakhs is all the surplus which, other things being equal, would appear in our budget estimates a year hence. (*The Honourable Sir Maneckji Dadabhoy*: "36 lakhs.") 18 lakhs is all that is recurrent, the rest is non-recurrent, so that if you ask me this year to give away 74 lakhs as an addition to the amount of provincial contributions remitted or as a special dole to Bombay or by way of beginning the reduction of the cotton excise duty, you are asking me to put myself in the position of having, on the figures that are now before me, a balance on the wrong side to contend against next year. I do not say for a moment that it will be impossible to meet that, but that is the position. We should start with a deficit on the existing basis of taxation. Supposing our expenditure next year and our revenue next year to be the same as we have this year, leaving out the non-recurrent items. I should like to say this at once that the Government of India have every intention of fulfilling in the letter and in the spirit the pledge which Lord Hardinge gave (Hear, hear); but we do put it before this House that the time has not yet arrived. It is quite impossible to find 215 lakhs out of this year's surplus in any form without either having a deficit at the end of the year or the risk of a deficit at the end of the year, a very large deficit it may be, or restricting the amount by which we propose to reduce the provincial contributions. Supposing we had 215 lakhs available, we should have to consider very seriously also whether the claims of the provincial contributions do not still take priority. I will not put it higher than that, I simply put it to the House for their consideration. We have not got that sum; and we hold very clearly that, so far

[Sir Basil Blackett.]

as this year is concerned, our duty is to implement our pledge to the Provincial Governments to reduce the provincial contributions. Bombay has complained that she is being hardly treated, and Mr. Lalubhai Samaldas has drawn my attention to certain phrases in my budget speech which have been taken to imply a certain amount of animus against Bombay. May I say this? In using those phrases I never had the slightest intention of hurting feelings or of imputing motives. That the people in Bombay who hold these views on the subject of exchange are quite earnest in holding them, quite sincere in holding them, I have no desire to deny. They hold these views, as it seems to me, in the face of all the arguments, but none the less that they hold them and hold them honestly is a proposition that I have no desire to deny. But I may also say this, that my friends in Bombay are not in the habit of mincing their words. They take a particular pleasure,—which I share with them,—in making somewhat vigorous attacks on the Finance Department and on the Government of India: and if I myself in return draw attention to the possibility that they may be mistaken and that they may unconsciously be paying attention too much to Bombay and too little to the rest of India, I do not think that I ought to be seriously regarded as having any animosity against Bombay; and once again I do desire to say that it is quite untrue that any such animosity exists and that if it existed, which it does not, it would be the last thing that I should allow to influence me in coming to a decision of this sort. But none the less Bombay feels herself aggrieved. Now her grievances are on two counts, and it is a little bit difficult to know which of them she lays most stress on. She wants a reduction of her provincial contribution and, more, she wants the Meston Award reopened and a larger sum allotted to Bombay—which must clearly be either at the expense of other provinces or more probably at the expense of the Government of India. That is one of her desires. On the other hand, she also wants the abolition of the cotton excise duty. I submit that if the cotton excise duty is abolished, it is quite obvious that that must postpone the date at which we shall be in a position to give the Bombay Government a reduction in her contribution or in a position to reopen the Meston Award with a view to arriving at something which it is rather rashly hoped, I believe, will satisfy more people than the present Award does.

I do not think that I need say much more on the subject of exchange. I agree entirely with what Mr. Bell said that what we want is to get to a stable rate as soon as possible and that that stable rate should remain for as long a period as possible. That a higher or a lower exchange may for quite a long period be of advantage to a few people or of disadvantage to a few other people is a proposition that cannot be denied. I have some unfortunate friends in Germany who are still living on a pension—I don't know how they are living on it—a pension of 4,000 marks a year. The lowering of the exchange there has obviously not been to their benefit. But these cases are few and far between. What I maintain with Mr. Bell is that in the interests of the whole of India it is the rate at which exchange may stabilise itself that should be taken and as soon as the opportunity arises the rate should be stabilised. I must protest against a statement which I think was used by him that I was arguing in favour of a high rate. (*The Honourable Mr. J. W. A. Bell*: "I did not say that.") I apologise in that case. I was arguing in favour of no rate whatever. That I desire to leave to what I call, for want of a better word, natural causes.

As regards the petrol duty, it is suggested that the proposed reduction is a gift to the rich motorist and that the kerosene duty ought to have been dealt with first. I would put it to Honourable Members that the reduction of the kerosene duty would reduce our revenue, whereas the reduction of the petrol duty may quite possibly increase our revenue. The two really are not to be compared with one another. The reasons for the reduction of the petrol duty which is proposed by the Government of India are that they believe that not only will it probably pay for itself but that it will assist in cheapening certain forms of transportation. That there are many other taxes which are high, that super-tax is high, that the motor car duty is high, is a proposition which I should be the last one either to deny or not to lament. I agree with what was stated as a matter of economic theory that high taxes, particularly perhaps a high super-tax, do tend to diminish the rate at which new savings are created in India or anywhere else and at which money becomes available for the industrial or agricultural development of India. Similarly, a high motor tax I think does interfere with the development of useful forms of transportation. Though I would like to add that the idea, that the commercial car pays 30 per cent. which seemed to be in one or two Honourable Members' mind, is incorrect. The 30 per cent. duty is on the private motor car, not on the commercial car. But having said that, I must again return to the position that I took earlier that we are not in a position to indulge in the luxury of reducing these forms of taxation just at present. I wish we were. But the time has not yet come, and, when the time does come, there are other forms of taxation which press heavily on the poor which have got to be considered as well. Though I do not like the clear distinction which is sometimes sought to be drawn between taxes which press on the rich and those which press on the poor because obviously if the industrial or even the agricultural development of India is being retarded by high taxation such as super-tax the poor equally with the rich are suffering from the high tax. I should like to guard myself against being misunderstood. We are not within sight of any early action in the happy direction of which I have been speaking. When all is said and done, though taxation is much higher in India than it was in 1914, India has, by comparison with nearly every other country in the world, been lucky in the matter of increases of taxation. Though in the United Kingdom reductions of taxation have begun to be effected, I think Sir Maneckji Dadabhoy would prefer still to pay income-tax and super-tax in India rather than in London.

I was very glad to hear from nearly every quarter a confirmation of the view which I have held in regard to the provision for the reduction and avoidance of debt. It is a matter of very considerable importance. It looks an easy thing to reduce and there seems to be an idea that if you could reduce that by a fairly large sum you might immediately have a larger sum to dispose of for the reduction of provincial contributions or for the reduction of excise duty or in other ways. But I believe that in a couple of years or so the fact of even a small reduction of our present sinking fund would mean that we shall have to pay just the same amount year by year in interest that we are now paying in sinking fund. And I would here take exception to Sir Deva Prasad Sarvadhikary's attack. He said this was not a moment to introduce this. We have hardly made any increase in the total as it stood before. What we have done is to bring it out clearly. The figure is very much the same as the figure we showed two years ago. What we have done is to bring all our provisions for reduction or avoidance of debt together in a clear form so that they may be visible

[Sir Basil Blackett.]

both to ourselves, so that we may know what we are doing, and to the world in general which had I think very insufficient information of the soundness of the provision we are making for preventing the increase of our debt beyond due limits.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I was not objecting to the ordinary sinking fund or to the carrying out of the statutory obligations.

THE HONOURABLE SIR BASIL BLACKETT: If that is so, the emergent question is a very small one, if the Honourable Member will also give me the 80 lakhs of special sinking fund that was in force up to and including the year 1923-24.

THE HONOURABLE MR. LALUBHAI SAMALDAS: It is one crore more than last year.

THE HONOURABLE SIR BASIL BLACKETT: I have explained all the facts. It is an increase on last year, when in view of the contemplated introduction of this system we included a figure which was almost exactly the same as if this new system had already been in force.

I think I have dealt with all the main points that were raised. If other points were raised with which I have not dealt, I hope Honourable Members in view of the time will excuse me from making any further references to them. I have, I think, full notes of all that they said, and as I always do I shall in due course study with the greatest care the official reports of these debates with a view to taking advantage of every suggestion that has been made and every line of thought that has been followed in order that the Finance Department may have the full benefit of the discussion in this House.

THE HONOURABLE NAWAB SIR MOHAMED MUZUMMIL-ULLAH KHAN (United Provinces: Nominated Non-official): What about Honourable Members who have not been allowed to speak? How will you know their views?

The Council then adjourned till Eleven of the Clock, on Thursday, the 12th March, 1925.

COUNCIL OF STATE.

Thursday, 12th March, 1925.

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

MEMBERS SWORN:

The Honourable Mr. V. Ramadas Pantulu (Madras: Non-Muhammadan) and the Honourable Mr. Pratap Chandra Dutt (Madras: Nominated Official).

QUESTION AND ANSWER.

USE OF THE TWO-PICE OBLONG POSTAL ENVELOPES FOR BOOK-POST PURPOSES.

133. THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: (*a*) Is it a fact that two-pice oblong postal envelopes are largely in requisition and can be used for book-post purposes in sending printed and typed matter with the flap of the envelope put in?

(*b*) If the answer to (*a*) be in the affirmative, would Government please state whether the existing stock of two-pice oblong postal envelopes could not be utilised for such purposes, without any financial loss?

(*c*) Is it a fact that in case of such use of the two-pice oblong postal envelopes, wider use of square one anna postal envelopes would be facilitated?

(*d*) Is it also a fact that the square one anna class of envelopes is largely in requisition and that the public is not willing to use altered two-pice oblong postal envelopes in preference to square envelopes?

(*e*) Is it a fact that the full permissible weight cannot be conveniently put into the altered two-pice envelopes doing duty for square envelopes?

THE HONOURABLE MR. A. H. LEY: (*a*), (*b*) and (*c*). The Honourable Member's question presumably refers to the small oblong embossed envelopes bearing an embossed stamp of two pice. These envelopes have been either overprinted to represent one anna, or have had additional stamps affixed. If there are any left which have not yet been so treated, it would be most undesirable to sell them at their original face value, as they would undoubtedly then be used for other than packet-post purposes. This would not only involve an undue amount of labour on the Post Office in collecting charges for under-payment, thus causing inconvenience to the public, but would also lead to the danger of a recurrence of forgeries, which in fact arose in the past when such envelopes were issued without being overprinted.

The answer to parts (*d*) and (*e*) of the question is in the affirmative. I need only remind the Honourable Member that the stock of these envelopes which is left is small, and is likely to be shortly exhausted.

STATEMENTS LAID ON THE TABLE.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH (Education, Health and Lands Member): Sir, I beg to lay on the table three statements showing the area, production, export and prices of wheat and rice during the last 5 years which were promised in reply to questions Nos. 99 and 100 asked by the Honourable Dr. Sir Deva Prasad Sarvâdhikary at the meeting of the Council of State held on the 23rd February, 1925.

The answer to the Honourable Member's question No. 101 (*a*) and (*b*) of the same date is as follows:

The value of exports in 1924 was greater than the value of exports in 1923 by about 74 lakhs of rupees, but in quantity exports in 1924 exceeded exports in 1923 by a little over 26,000 tons. Taking into account the total Indian production of wheat in the year 1923-24, which was in the neighbourhood of 9¾ million tons, the increase in exports was not such as to call for any action on the part of Government.

I.

AREA, PRODUCTION, EXPORT, AND EXPORT PRICES OF WHEAT.

WHEAT.

Exports.

—	Area.	Production.	Quantity.	Value.	Declared value per cwt.
	Acres.	Tons.	Tons.	Rs.	Rs. A. P.
1919-20	29,949,000	10,122,000	8,643	20,36,600	11 12 6
1920-21	25,784,000	6,706,000	237,665	4,10,03,190	8 10 0
1921-22	28,207,000	9,8[illegible]0,000	80,809	1,46,82,887	9 1 4
1922-23	30,852,000	9,974,000	220,194	3,44,02,127	7 13 0
1923-24	31,197,000	9,747,000	638,252	9,11,80,928	7 2 3

WHEAT FLOUR.

Exports.

—	Quantity.	Value.	Declared value per cwt.
	Tons.	Rs.	Rs. A. P.
1919-20	48,209	1,48,01,780	15 5 7
1920-21	60,769	1,71,94,860	14 2 4
1921-22	64,420	1,87,01,834	14 8 3
1922-23	50,055	1,[illegible]0,11,262	12 15 9
1923-24	57,295	1,14,20,769	9 15 6

II.

AREA, PRODUCTION, EXPORTS, AND EXPORT PRICES OF RICE.

RICE NOT IN THE HUSK.

Exports.

	Area.	Production.	Quantity.	Value.	Declared value per cwt.
	Acres.	Tons.	Tons.	Rs.	Rs. A. P.
1919-20	79,422,000*	32,024,000*	617,606	9,91,17,970	8 0 5
1920-21	78,952,000*	27,656,000*	1,059,931	17,89,20,310	8 7 1
1921-22	81,667,000	33,143,000	1,366,456	24,53,20,807	8 15 10
1922-23	82,402,000	33,703,000	2,087,939	34,69,98,178	8 4 11
1923-24	78,241,000	28,130,000	2,176,785	34,61,73,600	7 15 3

RICE IN THE HUSK (PADDY).

Exports.

	Quantity.	Value.	Declared value per cwt.
	Tons.	Rs.	Rs. A. P.
1919-20	33,825	28,34,450	4 3 0
1920-21	35,260	30,77,220	4 5 10
1921-22	39,018	35,54,055	4 8 10
1922-23	37,328	34,13,496	4 9 2
1923-24	29,536	27,98,978	4 11 10

RICE FLOUR AND GROUND RICE.

Exports.

	Quantity.	Value.	Declared value per cwt.
	Tons.	Rs.	Rs. A. P.
1919-20	8,845	21,64,870	12 3 10
1920-21	39	10,870	13 15 0
1921-22	35	6,806	9 11 7
1922-23	72	12,731	8 13 5
1923-24	83	12,702	7 10 5

* Excluding Hyderabad for which figures are not available.

III.

Wholesale Prices of Wheat and Rice.

End of—	WHEAT.			RICE.			
				CALCUTTA.		RANGOON.	
	Bombay. (Delhi White.)	Karachi. (Punjab White.)	Lyallpur. (Punjab White.)	Ballam.	Seeta.	Big mills.	Small mills.
	Per cwt.	Per 656 lbs.	Per Md.	Per Md.	Per Md.	Per 7,500 lbs.	Per 7,500 lbs.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
1920—							
March	8 10 6	44 0 0	5 1 0	7 12 0	9 4 0	455 0 0	...
June	9 6 6	44 8 0	4 12 0	9 0 0	10 4 0	497 8 0	515 0 0
September	9 11 6	49 0 0	5 7 0	8 12 0	10 8 0	477 8 0	515 0 0
December	9 3 0	49 0 0	5 7 0	8 8 0	8 12 0	340 0 0	357 8 0
1921—							
March	9 2 6	50 8 0	5 15 0	6 13 0	8 8 0	422 8 0	447 8 0
June	10 6 9	58 8 0	7 8 0	7 14 0	9 0 0	585 0 0	587 8 0
September	10 3 6	74 8 0	9 4 0	7 14 0	9 12 0	637 8 0	640 0 0
December	9 5 0	61 0 0	9 8 0	6 12 0	8 8 0	380 0 0	415 0 0
1922—							
March	9 8 0	...	6 6 0	7 2 0	9 4 0	485 0 0	512 8 0
June	9 11 0	46 4 0	...	...	...	495 0 0	580 0 0
September	7 10 0	39 4 0	4 7 0	7 4 0	9 8 0	445 0 0	485 0 0
December	7 6 3	42 0 0	4 9 0	7 2 0	8 4 0	402 8 0	440 0 0
1923—							
March	7 8 6	39 12 0	4 2 0	6 10 0	8 4 0	480 0 0	500 0 0
June	7 9 9	37 0 0	3 14 0	6 10 0	7 4 0	392 8 0	430 0 0
September	6 12 0	34 0 0	3 9 0	5 14 0	7 4 0	440 0 0	480 0 0
December	7 4 3	35 12 0	3 13 0	5 13 0	7 0 0	455 0 0	500 0 0
1924—							
March	6 12 3	35 14 0	3 11 6	5 9 0	7 10 0	470 0 0	485 0 0
June	7 8 3	38 0 0	3 15 6	6 0 0	8 4 0	...	515 0 0
September	9 13 3	46 4 0	4 15 6	7 12 0	9 8 0	525 0 0	540 0 0
December	7 10 6	47 2 0	5 3 0	9 2 0	8 8 0	...	444 0 0

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Is the Honourable Member in a position to tell the House what the present state of affairs is?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: I am glad to say that from or about the beginning of February of this year prices are slightly falling.

CANTONMENTS (HOUSE-ACCOMMODATION AMENDMENT) BILL.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I beg to move:

"That the Bill to amend the Cantonments (House-Accommodation) Act, 1923, as passed by the Legislative Assembly, be taken into consideration."

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend the Cantonments (House-Accommodation) Act, 1923, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

Clauses 2, 3, 4, 5 and 6 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I beg to move:

"That the Bill, as passed by the Legislative Assembly, be now passed."

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to amend the Cantonments (House-Accommodation) Act, 1923, as passed by the Legislative Assembly, be passed."

The motion was adopted.

INDIAN MERCHANT SHIPPING (SECOND AMENDMENT) BILL.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH (Education, Health and Lands Member): Sir, I beg to move:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

Seeing that there has already been a full-dress debate on this Bill in another place, I have no intention, nor do I consider it necessary, to detain the House for any length of time in discussing its provisions in detail. I regard this as a humanitarian piece of legislation. Every one of us knows that almost at the end of every Haj season India was convulsed with the news that a large number of pilgrims who had proceeded to that holy city for the purpose of performing a meritorious act were stranded either in Mecca or in Medina or in Jeddah. Who does not know or who has not heard the harrowing tales of inconvenience, discomfort and starvation which befell the lot of these unfortunate people? They were faced with all kinds of epidemics and they had on account of their utter state of destitution to fall an easy prey to them. On every one of those occasions either public funds had to go to their rescue to repatriate them back to their respective homes or private charity had to be tapped to produce the same result. If I inform the House of the actual state of destitution during the last few years I am sure they will agree with me

[Sir Muhammad Habibullah.]

in thinking that this unfortunate state of affairs should be ended rather than mended. I shall not weary the House with a long recital of the figures relating to the past several years. I shall merely confine myself now to placing before them the figures from the year 1921. In that year, Sir, out of a total pilgrim traffic of 10,854 which left India, no less than 500, or 4½ per cent., were rendered destitute. In the following year, things were worse. Out of a total of 12,849, there were so many as 1,106 destitute persons, representing a percentage of 8½. The succeeding year reached almost a climax, for in that year the percentage of destitutes rose to 11·4. In the following year, namely, 1924, it became necessary for the Shipping Companies to introduce an experimental voluntary system of deposit of return fares in the case of pilgrims who intended to go to the Hedjaz. And what was the result? The result was that under this system no more than 0·9 were returned as destitute. But, when it is remembered that there was still an element of option in this system, it was not possible to eradicate the evil altogether. I would ask the House whether it is fair to the general tax-payer that from year to year the Government of India should be called upon to shoulder the financial responsibility incidental to the repatriation of a large number of pilgrims who go without the means to return back to their homes. In the year 1921-22 the Government of India had to spend no less than Rs. 40,000 for that purpose and in the year 1923-24 another sum of Rs. 35,000 had to be spent in the same direction. Thanks indeed to the large-hearted sympathy of the Central Haj Committee at Bombay, they undertook the responsibility of bringing these destitutes back home in the year 1922-23. Neither public funds nor private charity should always be relied upon as the remedy for this evil. It, therefore, became necessary to devise means for the purpose of effectively suppressing, if I may say so, this evil.

Before I proceed to discuss or rather to refer to the provisions in the Bill, I may also invite the attention of the House to one very significant fact. Out of the pilgrims who find their way to the Hedjaz, four principal countries contribute the bulk of them. The Dutch East Indies send no less than 30 per cent. of the total pilgrims. Malaya sends 12 per cent. Egypt sends 11 per cent. and India contributes 27 per cent. Let us see whether in those countries which contribute towards this pilgrimage the state of affairs is as bad as is admittedly the case in India. In the Dutch East Indies and Malaya there is a rule which prevents any pilgrim from going to the Hedjaz unless and until he shall have purchased a return ticket for reaching his home after performing the Haj. This is an obligatory injunction. In effect he will not be given a ticket unless and until he pays for the return journey. In Egypt, which I think cannot be regarded as doing anything against the tenets of Islam, the rule does not stop there, but it calls upon every pilgrim not only to purchase a return ticket, but also to pay in advance for all the expenses of messing and other items incidental to the pilgrimage. What we have now provided in our Bill is not that he should take a return ticket as an obligatory measure, but we have left it optional with the pilgrim either to take a return ticket or to deposit the value of the return ticket which, under certain eventualities, definitely mentioned in the Bill, is returnable to him in case he does not return back home. In the event of his death in the Hedjaz, this amount is returnable to his heirs or other representatives whom he may nominate for that purpose. It must be recognised also that that the Hedjaz, as we all know, is a centre from which epidemics spread usually to other

countries, and we owe it to other countries as well that we shall do nothing which will add to their embarrassment in having to grapple with epidemics which owe their origin mainly to the Hedjaz pilgrims, and which again were contributed by people going from India. The House also remembers, I suppose, the Paris Sanitary Convention under which we have certain obligations, and we cannot discharge them unless and until we make the condition of the pilgrims better than what it is at the present moment.

One word as regards its religious aspect, about which reference has been made in certain quarters. It is true, Sir, that I am not a religious divine, nor can I claim the honour of proficiency in Islamic theology, but all the same, Sir, I am a true Mussalman and I shall yield to none in my love of or respect for Islam. I should certainly be no party to any legislative measure being placed on the Statute-book if I knew, or had the least suspicion in my mind, that it would err against the tenets of Islam, or militate against them. I have sought inspiration not merely from those religious books which I think I can claim to know, but also from those whose profession it is to give advice on religious matters. The most recent pronouncement on that matter is by no less a person than Maulana Saiyed Sulaiman Nadwi, who went the other day as a delegate to Islamic countries for purposes which I need not now mention, and who on return to India, has expressed his opinion in a journal called the "Khilafat" where he makes this significant statement:

"I have heard so much about the pitiable plight of Indian pilgrims, that I am considerably tempted towards the deposit system, as is under consideration by the Legislative Assembly."

He returned only the other day to India with full, complete and first-hand knowledge in regard to the actual condition of the pilgrims in that city, and after deliberate consideration, he has come to the conclusion that the deposit system which the Legislative Council were considering by means of this Bill which I have now the honour to present to this House, is the only method by which the existing evil can be grappled with. I need not therefore say much more on that aspect, and I would now beg the House to grant me permission to take this Bill into consideration.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, for certain purposes, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The clauses of the Bill fall into two or three natural groups which I shall put to the Council.

Clauses 2, 3 and 4. The question is:

"That these clauses do stand part of the Bill."

The motion was adopted.

Clauses 2, 3 and 4 were added to the Bill.

Clauses 5 and 6. The question is:

"That these clauses do stand part of the Bill."

The motion was adopted.

Clauses 5 and 6 were added to the Bill.

[The President.]

Clauses 7 and 8. The question is:

"That these clauses do stand part of the Bill."

The motion was adopted.

Clauses 7 and 8 were added to the Bill.

Clause 1. The question is:

"That this clause do stand part of the Bill."

The motion was adopted.

Clause 1 was added to the Bill.

The question is:

"That these be the Title and Preamble to the Bill."

The motion was adopted.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: Sir, I now beg to move:

"That the Bill, as passed by the Legislative Assembly, be passed."

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, I welcome the speech made by the Honourable Member in charge of the Bill in moving that the Bill be taken into consideration. As regards the Bills that are introduced, considered and passed in the other House, this Council, for obvious reasons, is at a disadvantage in considering their detailed provisions unless the salient features of such Bills are put succinctly before the House. Honourable Members no doubt are expected to know the trend of discussion in the other House. All the same I submit, Sir, it would be more convenient if Honourable Members in charge of such measures made brief speeches in this House to explain the necessity which has influenced the Government in introducing legislation. It is in this view that I welcome all the more the considered speech made by the Honourable Sir Muhammad Habibullah a short time ago.

On the merits of the question, Sir, I do not think it is necessary to detain the House long. Having considered the whole matter and the literature upon the subject carefully, I am free to admit the time has come when, with due regard to public interest, it is no longer possible for the Government to shelve this question. This piece of legislation I have no doubt is beneficial, and if in the course of its working we find that any case has been made out for any alterations I have every reason to believe that the Government will not be slow to act in the desired direction and will bring forward the necessary amendments. There is however one point on which I expected the Honourable Member to throw some light. It has been a standing grievance of pilgrims for many years that not infrequently they have to wait in Bombay sometimes for weeks, sometimes even longer, and that the shipping companies are not in a position to tell them definitely when the ships will sail, or when they have advertised certain dates the ships do not sail on those dates. Similar remarks apply to the sailing of pilgrim ships on the homeward journey from Jeddah. This entails great hardships on those pilgrims who are proceeding from Bombay on the outward journey or returning from Jeddah on the homeward journey; and looking to the financial position of most of these pilgrims which has been described so fully by the Honourable Sir Muhammad Habibullah, any delay in the sailing of these ships hits the

pilgrims very hard. Care therefore, Sir, should be taken that the dates advertised for the sailing of the ships are strictly adhered to; and further that when a sufficient number of pilgrims is to be found either in Bombay or in Jeddah then care should be taken to arrange for the sailing of the ships without any unnecessary delay. That is a point on which the present Bill is silent. I know the reason why such a provision has not been included in the present Bill. I expected that the Honourable Member, as he did in another place, would give an assurance to the House that the necessary legislation would be introduced at an early date. I was a little disappointed that the Honourable Member omitted that point from his speech. I would welcome an assurance on this point. I have no doubt that this is a point that has been engaging for some time past the serious consideration of Government and I hope Government will take early steps to remedy this evil also.

I support, Sir, that this Bill be passed.

*THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): Sir, I also support this motion. I would like however to make a few remarks on certain clauses about which I could not really find out why they have been put in this Bill. As regards the matter which has been so ably dealt with by the Honourable Sir Muhammad Habibullah, that was really a matter for the Legislative Assembly to discuss more exhaustively because they are the real representatives of the people with whom it is really concerned (*The Honourable Saiyid Raza Ali*: "Are we not?"). No we are not (*The Honourable Saiyid Raza Ali*: "Question, question?") Now, Sir, with regard to this clause 3, I wonder why it has been put in this Bill. Up to now, as far as I understand, every ship has to touch at the port of Aden on its way to Jeddah and on its way back from Jeddah to India. The clause says:

"Where any pilgrim ship touches at Aden in compliance with an order made under section 203, the authority at Aden empowered to grant the certificate required under that section. . . ."

which means that every pilgrim ship will not touch the port of Aden but only those ships that are ordered to go there. I do not see the advisability of introducing this clause, or why there is any necessity to stop pilgrim ships touching at the port of Aden. Sometimes it happens, as we hear from different people, that when they have to go on a long journey without touching any port for 9 or 12 days they feel great hardships. The passengers would like to have a little breathing time. The daily sound of the engines and machinery puts people out of gear, and people who like myself are bad sailors would welcome a stop of two or three hours at any port which we could make after 4 or 5 days journeying. Then there are the necessities of life and other things that might be required; fuel might run short or the provision boxes might have become empty; because on these pilgrim ships as we all know pilgrims do not get provisions supplied from the ship, they have to carry their own stocks of food along with them. So if the boat touches at Aden, if they have run short they can change or get fresh supplies at Aden or if they have to start from Bombay direct to Jeddah sometimes passengers have to halt at Bombay for a month or so waiting for their boat and any fresh supplies which they have brought along with them from their homes are exhausted before they start. So, Sir, I at least could not understand why this provision has been introduced, and it has not been explained,

*Speech not corrected by the Honourable Member.

[Mr. Yamin Khan.]

by the Honourable Member as to what was the necessity of introducing this change in the existing law. I hope the Honourable Member will clear up this point.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, I think the House and the Government may well be congratulated that the passage of this Bill in this House has been undertaken by a representative Muhammadan gentleman who has gratuitously claimed to be a true Moslem. That went without saying. A great deal of the misunderstanding elsewhere may have been due to the want of clear exposition of the case such as this House has been treated to. It is always an advantage, Sir, when dealing with communal questions of this importance that leading representatives of the community concerned should be entrusted with seeing through any measures that may be in contemplation. For the lack of it the Hindu community has sometimes suffered. It is, not with regard to communal aspects of the question before the House, that I want to take up its time, after particularly the fairly free passage that has been promised. The point that I want definitely to bring before this House and to the attention of the Honourable Member in charge, is a grievance of Bengal Muhammadans, which I had hoped would be voiced by my Haji friend from Bengal, who is unfortunately absent from the House to-day. It may not be generally known that Bengal Muhammadans suffer from a great disability; many of them do not talk Urdu. That has been a trouble in regard to our educational questions and other questions into which I shall not enter for the present. I had occasion of coming into contact with a number of Bengal Hajis, who do not talk Urdu and who were at a great disadvantage abroad when religious fervour and zeal took them on these long pilgrimages. There is another aspect of the thing regarding which I should rather be reticent, if I could, namely, that the non-Urdu speaking Muhammadan is looked upon by even his co-religionists abroad with a certain amount of distant feeling, if not distrust. That has been very much in the way of a number of Bengal Muhammadan pilgrims and the destitution in their case has been proportionate because they have not been able to express themselves freely and fully to their co-religionists in whose company they find themselves. I do not know whether any effective measures can be taken in a matter like this; but it is a live question and I shall be glad if the Honourable Member can have any steps taken in the matter of ensuring interpretation and guidance so far as those who do not talk Urdu are concerned. Destitution in the case of the Bengal Muhammadan is proportionately great because they, as a class, are generally poor. They are not lacking all the same in religious fervour and zeal and they undertake these pilgrimages without due consideration as to what may be ahead. At the present moment I do not see any likelihood of the acceptance of the proposals favouring the Egyptian practice of deposit of costs of the pilgrimage as well, but if Muhammadan sentiment at large is not opposed to it, the next step must be to see not only that outgoing pilgrims are provided with means of return to their country, but also the means of maintaining themselves during the Haj. The language difficulty exists to a certain extent I am told—I am not personally aware of it—in the case of Muhammadans from the Dutch Indies some of whom do not talk any Muhammadan language, but strange to say, speak Sanskrit, and interpretation in their case is provided.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR (Madras: Non-Muhammadan): Sir, supposing a pilgrim makes an undertaking that he does not return within two years, and supposing he has to return earlier than two years, will he be precluded from returning to India before two years? That is one doubt that has arisen.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: No.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR: Then to defeat the provisions of this Bill he may give an undertaking that he is not going to return for two years for the sake of not taking the return ticket and then he may go and make the pilgrimage without depositing in advance the return fare and return before two years. This is one point that has arisen here. But apart from that, I beg to say that my sympathies go with the poor, the poor who have not the capacity to advance the return fare here. After begging or doing some work there in Mecca they may earn their return fare. I quite agree with the points raised by the Honourable Sir Deva Prasad Sarvadhikary and I need not repeat all that he has said here to-day. I suppose all these points have been considered by the Honourable Member in charge of the Bill and he knows more about the conditions prevailing there than I can know: I simply express my sympathies with the poor classes who want to make the pilgrimage and who cannot afford to deposit the return fare in India itself.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: Sir, I am highly thankful to the House for the kind reception which they have given to this measure, and I feel considerably elated by the observation made by my Honourable friend Sir Deva Prasad Sarvadhikary that the fact that I happen to profess the same faith which this Bill is intended to affect has been a source of confidence in the minds of my Honourable friends who belong to the Hindu community that I would not have ventured to have brought this forward but for the fact that I felt religiously convinced that it was a correct measure.

Now, Sir, passing on to a few observations which were made by some of the Honourable Members, who have obliged me by their observations, I am sorry indeed that I missed to repeat the assurance which I had given in another place in regard to a matter which was pressed on my attention by those who were keen about it and to whom I had passed my word that I would bring forward an amendment of the Bill now before the House to carry out their intentions. I refer to the inconvenience which is alleged to exist by reason of the indefinite delays which occur at the port of embarkation in the sailing of the ships. I had already undertaken to provide by means of a further Bill that the dates of sailing should be notified previously for public information, and that a period should be allowed thereafter within which the steamship company must make arrangements to leave the port, unless it be for unforeseen reasons over which they have no control, and that thereafter if the ship does not sail, something in the shape of a detention fee should be paid in respect of pilgrims who had already purchased tickets. As Honourable Members of this House may be aware, I translated that promise into actual action in another place: but as it was held that that motion was out of order, we had no other alternative but to reserve it for another occasion, and I give the assurance once more that I shall take the earliest opportunity of further amending the Bill in that direction. As

[Sir Muhammad Habibullah.]

regards similar inconvenience which is alleged to exist in the case of pilgrims homeward bound, I would invite the attention of the Honourable Member to the provision which already finds a place in the Bill. We have taken that fact into account in clause 7. Section 209-A provides that there should be a deposit made by the company for defraying expenses of the kind referred to by the Honourable Member.

Passing on, Sir, to the objection as to why Aden has been eliminated from the ports where a ship should necessarily call, I will invite the attention of the Honourable Member who made that criticism to paragraph 2 of the Statement of Objects and Reasons, which definitely mentions why, instead of making it obligatory on the part of every ship to touch at Aden, power has now been given to the Local Government to decide whether a particular ship should call at Aden or not. It does not, therefore, prohibit any ship from calling at Aden, but it is a matter of discretion. We made this change on the strength of the representation that was made to us that the calling of every ship at Aden was no more necessary under the present state of modern sanitary conditions, but that if experience showed that it was preferable that every ship should call at Aden, the matter, of course, will be reconsidered.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: The Bill which is before us is without the Statement of Objects and Reasons.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The copy which I have before me has got the Statement of Objects and Reasons.

Then, Sir, my Honourable friend from Madras pointed to a possible danger by which a pilgrim might dupe the authorities by declaring, before starting, his intention of not returning within two years and then subsequently doing so. Well, there is nothing to prevent his doing so. But if it was found that merely for the purpose of saving himself from the provisions of the Bill which enjoin the deposit of the return fare he had made a false declaration, it will be, I take it, competent for the authorities to take such action as the circumstances of the case may justify. The rule-making power which has been given to His Excellency the Governor General will provide for the form of, and the officer before whom, such a declaration should be made. Therefore, I cannot say at the present moment what the form of that declaration will be and what the penalty resulting from it. However, I shall certainly bear in mind the possible evasion of the rule which has been brought to my notice by my friend from Madras. He sympathised in a way with those who go to Mecca by begging and he drew rather a sad picture of the plight of those individuals who, though they do not possess even a single farthing in their pocket, are yet confident that they could persuade the richer class of pilgrims to part with their hard-earned cash and thus enable them not only to return but also to enrich themselves at the expense of the latter. As I have already said, I am a true Mussalman and I do not wish to deviate an inch from that position. I know my religion and I do not think that anybody has the least doubt that I do not. The injunction in the Koran prohibits begging and this being so I, as a true Mussalman, should never do anything which will encourage begging. For the information of my Honourable friend—of course, I do not think he can understand the original if I quote it to him from the Koran—I will merely read to

him the translation of two particular passages which, I think, he will see are very wholesome. This is from the translation of the Koran:

"The pilgrimage must be performed in the well known months. Whosoever, therefore, purposeth to go on pilgrimage, let him not transgress nor quarrel in the pilgrimage. The good which ye do, God knoweth it. *Make provision for your journey, verily the best provision is abstinence from beggary.*"

Therefore, the religion of Islam which is based on the bed-rock of reason cannot be regarded as issuing an injunction which those who do not possess the goods of the earth in sufficiency could not carry out. It is not said that if a Mussalman has not performed the Haj he ceases to be within the fold of the Islam. This is one of the obligations laid on the shoulders of those who could perform it, who have the means to perform it and who can therefore do it without detriment either to themselves or to the society at large. I therefore wish to emphasise upon my Honourable friend from Madras that begging is by no means encouraged by Islam, nor will I welcome a man who went to perform his Haj by begging and returned to his country by the same means.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR: But the conditions are not like that. In Madras there are plenty of Mussalman beggars.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, for certain purposes, as passed by the Legislative Assembly, be passed."

The motion was adopted.

COTTON GINNING AND PRESSING FACTORIES BILL.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, I beg to move:

"That the Bill to provide for the better regulation of cotton ginning and cotton pressing factories, as passed by the Legislative Assembly, be taken into consideration."

The interest which this Council has always taken in economic matters affecting the agriculturists and the better organisation of trade ensures, I think, a warm welcome to this Bill, because those are the main objects towards which this Bill is directed. It is one of a series of measures which have come from the recommendations of the Indian Cotton Committee. Many Members of this House will remember the report of that Committee which was published a few years ago and, although it is rather an ancient Committee now, I think it is only fair to say how valuable was their report. It was full of suggestions, which were practical, authoritative and useful and based on a very careful examination of the facts. Much that that Committee recommended has already been carried into effect, especially in the lines of the improved organisation of the trade and of the appointment of authoritative bodies dealing with the trade in, and with the cultivation and production of, cotton. I refer especially to the East India Cotton Association whose business is chiefly to deal with the marketing of cotton and control of the cotton markets in Bombay. I also refer to the Central Cotton Committee which is a representative body of the different Agricultural Departments, agriculturists and the trade and whose chief object is the improvement of cotton cultivation and production. Sir, one of the biggest difficulties in connection with cotton, which the original Cotton Committee emphasised, and with which these two

[Mr. D. T. Chadwick.]

bodies, to which I have just alluded, have had to deal, arises from the mixing which goes on. Cotton inevitably passes through many hands from the cultivator to the final spinner, and in the course of that journey it suffers, I think, many vicissitudes. I am certain that the experienced and excellent representatives of the spinners that we have in this House will bear me out in this statement. These evils result in a loss to the spinner and a loss to the cultivator. They cause a loss to the spinner because what he desires is an even run of cotton through his mill, and the mixing of cotton or the defects which arise from bad ginning only result in a loss which he sees clearly in the wastage in his blow room and on the cleaning machine. He is equally conscious of the losses that bad ginning bring upon him. They also mean a loss to the cultivator. Many of our cultivators have, especially in later years, been taking great care to grow better types of cotton. Their experience is however roughly uniform. They gain a premium for their better quality cotton at first, and after a time the premium rapidly runs off, very largely, or mainly due to the fact that the reputation of their cotton has been damaged and that often is not the fault of the cultivator. Therefore, Sir, we have got these difficulties, which result in loss both to our spinner and our cultivator. In other words, they are a dead economic loss to the country as a whole. They may afford a temporary or fleeting profit to some middleman, but for the country as a whole they are a dead economic loss.

12 Noon.

It was to try and check this dead economic loss that the Central Cotton Committee applied itself. One of its recommendations this House and the Assembly have already carried into law, and that is the Act for regulating the transport of cotton. That was passed two years ago and has already had very good effects in certain districts. That Act however by itself will not meet the whole of this question of mixing, and the Central Cotton Committee at one time even advocated the introduction of complete system of licensing of presses and gins with the necessary corollary of inspection. Well, Sir, that was a remedy which very few would wish to see introduced. Government inspection in matters of trade is not, except of course, in deleterious trades, a thing which the commercial community welcomes or Government readily undertake. It is the last desperate resort. In the Bill as it is put forward, that question of licensing and Government inspection has entirely gone out. It does not occur. It is no business of officials or Government inspectors to enter a factory and decide whether cottons of different characters or different staple are being mixed. The Bill attempts to attack the evil in another way. Its object is to put the trade in a better position to deal with the difficulty itself. The Bill aims at enabling the trade to know and to ascertain easily and readily in which gins or pressing factories, chiefly pressing factories, these evils may be occurring. That is all it does, and that in itself should be, we believe, a potent and useful weapon in checking this present evil.

This is how we hope and expect it will work. The Bill lays down that every press should be given a distinctive mark, and that to every bale which is pressed in that press a serial number and the mark of the press should be indelibly placed on the bale. Therefore, there will be a tally which goes with that bale right through its course ultimately to the mill, with the result that any press which habitually practises these malpractices or mixes its cotton will soon and ultimately get a bad name. We all know in business how valuable a good reputation for a house or a firm is.

A bad reputation for a house or a firm is equally deleterious, and the object of this Bill is to make it certain that those who are practising mixing, which depreciates the general reputation and value of Indian cotton, should gradually become known. Thereby the trade itself can bring pressure to bear upon them. It goes no further than that.

The provisions of the Bill merely turn upon that principle. They require the press owner to maintain a register of bales pressed. That is only fair; every good press owner does it now. That enables the owner of the pressing factory to get back upon the man for whom he is pressing cotton if it is due to him that is getting his press a bad name. Therefore if it is not the press owner, but one who deals with the press who is bringing this mixed cotton to the press, the fault can be traced back to him. The next thing it lays down is that the press should submit returns of the total number of bales pressed, mere statistical returns. This is perfectly simple. Returns are to be supplied once a week. That will be useful to the trade as a check on the crop forecast and an indication of the rate at which the cotton is pressed. Those statistics will be collected and tabulated and totals published. The Bill also lays down that only recognised weights and scales shall be used in press houses and ginneries. That is a provision fair to the cultivator. A certain amount of damage is done to cotton inadvertently through the bad design of ginneries, and the Bill lays down that any ginneries which are constructed in future must conform to certain simple specifications which will be put down in the rules, the chief of which will be a separate entrance and exit for the *kapas* and for the cotton.

Now, Sir, this Bill, as I have just explained, is designed purely to endeavour the trade to meet a difficulty which has been recognised in India to exist for the last 50 or 60 years. Attempts have been made in the past to deal with it by official inspection, as in the old Bombay Cotton Factories Act and have failed. And now we are attempting to deal with it by putting the trade itself in a position to deal with it. An encouraging factor is that the trade is in a better position now to deal with this question to-day than ever before because of the existence of those two authoritative bodies, namely, the East India Cotton Association of Bombay, and the Central Cotton Committee. The first are experts in their own trade. The last of these is composed of merchants, spinners, agriculturists, and representatives from all the provinces and of those interested in the production of cotton, and the upcountry handling of cotton. The Central Cotton Committee's advice would be taken on all matters connected with rules under this Act. They are in fact very largely the authors of this present Bill. That is equivalent to saying that this Bill and its principles have been threshed out and examined already by a committee representative of all the cotton growing portions of India and of the cotton trades. The Bill has also been circulated three times to all Local Governments, and it has received from them practically unanimous support. I hope it will have the same unanimous support in this Council.

I move the motion standing in my name.

THE HONOURABLE SIR MANECKJI DADABHOY (Central Provinces: General): Sir, I have noticed with some regret that there has been considerable opposition to this Bill in the Legislative Assembly, and that opposition was offered from Members of the Central Provinces. I have also noticed that that opposition was throughout all the stages of the Bill, from its very

[Sir Maneckji Dadabhoy.]

inception to the final passing of the measure in the Legislative Assembly. I am not surprised to a certain extent at that opposition, because I find that, even in the country, there is a great deal of misunderstanding about this measure. I have been intimately associated with the cotton and ginning and pressing industry for the last 25 years, and I own various factories in several Presidencies and also in the Native States, and I can claim therefore to speak with some knowledge and information on the subject. Sir, for the last several years it has been noticed that the quality of cotton grown in India has been considerably deteriorating, and, despite all measures adopted by Government from time to time to improve its quality, no real progress in the quality of the cotton grown in this country has taken place. This, as some of my agriculturist friends here know, is partly due to the primitive methods employed and the non-scientific cultivation of cotton, and partly to the malpractices which have been freely resorted to in this country. I am sorry to say that these questionable practices have been also adopted by gins and pressing factory owners. These malpractices are of various kinds. Merchants in conspiracy with the owners of factories water their cotton at the time of baling with the express object of causing an increment in weight and thus cheating not only the exporter but the consumer of the cotton. Another method is the mixing of cotton of good quality with cotton of inferior quality in order to obtain a good price for the cotton. Some factories have even gone to the extent of allowing their customers to mix absolute waste and rubbish with good cotton for the purpose of making an illicit gain. And when all these dishonest practices are going on many straightforward owners of cotton ginning and pressing factories have to remain quiet and stand powerless, because, if they interfere with the routine work of the merchants, they will be simply told to mind their own business.

Now, Sir, cotton is one of the staple industries of this country. With our growing textile industry and with the requisitioning of Indian cotton not only on the continent of Europe but in England and in the Far East, it is necessary that all precautionary measures should be taken for the good and wholesome growth and for the preservation of the quality of Indian cotton. As such I welcome this piece of legislation. This legislation is not at all likely to cause any hardship to either the grower of cotton or to the owner of a ginnery or pressing factory. In fact, this measure is absolutely indispensable in the interests of the growers of cotton who unfortunately on account of the prevalent malpractices do not fetch the real value for their commodity. If the quality of the cotton is improved the cultivator will be placed in a very advantageous position, and that has just happened elsewhere. Since the passing of the Cotton Transport Act only a short time ago, the Bombay Administration the other day in their communiqué made it perfectly clear that within a brief interval of 18 months the cotton growers of Gujrat have profited to the tune of several lakhs of rupees owing to the passing of that measure. Now the provisions of this Bill are certainly not of a drastic character. The Central Cotton Committee recommended the adoption of licensing for ginneries and pressing factories and also recommended that power should be vested by a central Act to the Local Government for the purpose of licensing such delinquent factories if they find it necessary. In many countries provision by legislation has been made for the protection of staple cotton against pollution by malpractices of this kind. In some countries not only are stringent provisions adopted but such malpractices have been criminally penalised and attended with heavy

punishments. Well, this Bill does no more than simply make it obligatory on owners of presses and ginning factories to keep certain registers, to maintain accounts, to adopt certain marks and methods prescribed by the rules under this Bill, to keep the serial number of the bales pressed in their factories; and, in the case of new ginning and pressing factories being constructed, to make certain structural improvements and innovations as prescribed by the Bill. Now it could hardly be said that a Bill of this nature can be regarded as a drastic measure or that it will inflict any great hardship on the ginning or pressing factory owner. I have read carefully the opinions that have been given by various Provincial Governments who all recommend a measure of greater severity and power, the scope of which would be sufficiently wider so that a variety of malpractices may be effectually dealt with; but I think the Honourable Sir Charles Innes has placed before the Legislature a measure which can only be regarded as of a mild type and as a first step towards the attainment of the ultimate object. Unhappily I have seen in various newspapers in India much unnecessary criticism against this Bill and Members of Council have been asked to oppose the Bill. There is a great deal of misunderstanding prevalent over this measure. In the first instance, it has been pointed out that this Bill is proposed or is undertaken for the express purpose of promoting the interests of foreigners. Now I submit that there is absolutely no sense in this suggestion. It is true that a part of our cotton is exported to the continent of Europe and part to Japan; but of the 52 lakhs of bales which is our average production, the Indian mills consume nearly or little more than one-third, and you know what an advantage it is to our own mills to have good cotton not only for spinning but for the manufacture of cloth. It is in the interests of India that we should have a superior quality of cotton grown in this country. Even if other countries are profited by it, all the better because our cultivators in the long run are placed in a far more advantageous position by competition with foreign countries in obtaining higher prices for their commodity. It has also been pointed out that the Government of India made a mistake in undertaking central legislation of this nature as cotton is grown in many parts of India and the Provinces could have been safely left to deal with their local troubles. My submission is that as one interested in the cotton industry, I would like to see central legislation which would prescribe uniformity of rules and regulations all over India and not make the framing of rules for the marketing of cotton and the carrying on of trade dependent on the idiosyncracies of individual provinces and their trade advisers. Cotton for marketing purposes has no provincial boundaries. All cotton is despatched to the ports, especially to places like Bombay, where it is partly sold for local consumption and partly exported. It is therefore necessary that legislation of this character should be an all-India one. It has also been said that this Bill is likely to fail, because it will cause an undue interference with the trade, and in support of this the history of the Cotton Frauds Act of 1875 has been given for the purpose of showing that this Bill will not meet with a larger measure of success than its predecessor. Now, I have carefully gone through this Bill and I am of opinion that it will not in any way interfere with the trade in any way; it does not interfere with the growers of cotton; it does not interfere in any way seriously with the proprietors of ginning and press factories. It imposes on them certain obligations to keep certain registers and marks and accounts which every well managed company or a proprietor of a business always adopts. Personally I can say that I find that there is nothing very special or new in this Bill which has not been adopted in my own factories or in any well regulated concerns. We keep most of

[Sir Maneckji Dadabhoy.]

these registers which this Bill seeks to impose upon factory owners. I do not think that this Bill will at all interfere with the conduct of ordinary business; on the other hand, as the Honourable Mr. Chadwick has just said, it will put the trade in a position to protect itself, and I assure the House that the cotton trade unaided will not be in a position to protect itself. Some measure as this is necessary in the interests of our large body of agriculturists who are dependent on cotton and also in the interests of our textile industries, which for the manufacture of cloth and its local requirements must depend on the production of good cotton. But, Sir, though I agree with this measure, I must point out to my Honourable friend Mr. Chadwick that the Bill as it stands will not wholly accomplish the aim which it is intended to achieve. Government know and many Honourable Members know that in India our normal cotton crop is about 52 lakhs of bales, out of which about 30 or 32 lakhs is produced in British India and the rest in Native States. There is a vast tract of cotton belt extending from Manmad up to Secunderabad on the one side and another rich belt contiguous to Sholapur and right up to Raichur. In the Bombay Presidency in Kathiawar alone there is a big tract where cotton is grown, and there is likewise an immense tract of black cotton soil in the Indore State. Gwalior State has also a voluminous area under cotton cultivation from Bina to Ujjain, and at all these various places nearly 20 to 25 lakhs of bales of cotton are gathered and despatched to Bombay for sale. So, a measure of this kind is not likely to attain its full objective unless Government undertake a somewhat comprehensive scheme and bring home to the rulers of Native States the advisability of co-operating with the British Government in this matter; and I am sure if the Government of India tactfully move in this matter, the Native States, whose interests in this matter are identical with the interests of the country at large, may be induced to go in for legislation on similar lines. I am afraid that unless we get a full measure of support and co-operation from the Native States in India in the matter of the growth of cotton and also for the prevention of malpractices in ginneries and press factories in their States, which I understand number over 2,000 factories, very little progress will be attained towards reaching the object we have in view. I have, therefore, found it necessary to point this out to Government and I hope they will ask the Native States to extend their co-operation in this important matter. With these words, Sir, I heartily support this Bill.

*THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, at this stage I may say at once that I do not propose to oppose the motion for taking this Bill into consideration, bearing in mind especially that it has been well considered, threshed out and passed by another House. We had very pertinent remarks from the Honourable Sir Maneckji Dadabhoy. It is perfectly clear that there is much to be desired in a Bill of this kind; it is not perfect in itself even so far as its object is concerned, and unless some steps are taken for the purpose of ensuring the egress into British India of bales which come from Native States, no Bill of this kind can be of any success. I shall try to confine myself to what strikes me as being the prominent features so far as the principles of such a measure are concerned. Of all the agricultural products in India cotton seems to have attracted a very large amount of attention even from the days of the East India Company, as I find from 1805 when

*Speech not corrected by the Honourable Member.

cotton was being collected instead of assessment in order to enable the manufacturer to turn cotton into cloth, elsewhere not in India. Dr. Voelkar, who was appointed as an expert in 1897, if I mistake not, brought out clearly how other Indian products suffered from adulteration during transit and how Indian wheat suffered in foreign markets in consequence of the adulteration at the hands of the intermediary purchasers and sellers. Adulteration is a matter, therefore, very much like embroidery to the trade concerned, and any measures that are likely to be taken would always prove not quite abortive, but not quite successful. The present Bill does not stop with the production of cotton but it marks the transit of cotton directly it is tendered for purchase. I have had some experience of how cotton is purchased and it struck me that the mixing of cotton was beyond the possibility of checking. The agriculturists and growers bring cotton to the market as their fields produce it. It is not one sort of seed that is supplied to them; there is a mixture of seed, which must result in an equally good, bad or indifferent yield. It is not felt by the cotton grower that all that cotton as collected in the fields has to be carried away for the acceptance of the purchaser. I have seen thousands of cart-loads coming up for sale within the precincts of the Cotton Committee's locality and when hundreds of cart-loads of cotton are collected together they are presented to the ginning factory together. I have had a case which disclosed how very difficult it was to bring home the guilt to anybody. The original factories alleged no responsibility for the cotton that is stocked together for the purposse of ginning when thousands of carts come in with cotton in that locality. The Bill therefore wisely, it seems to me, does not aim at confining the cotton at the first stage. Then it tries to tackle the difficulty in another way. When it is claimed, therefore, that it is in the interests of the grower, I am very nervous in accepting that as the true criterion of this Bill. That this Bill appears to be in the interests of the purchasers will be seen from its various clauses. The interests of the purchasers may have some effect on the interests of the producers also and to that extent it is in the interests of the producers as well. If you look at the provisions of this Bill, it will be found that the principles involved in it are manifold. In the first instance, this Bill proposes to be self-contained. In fact, it lays down the duties and the responsibilities. It creates offences and it punishes such offences as distinguished from the ordinary criminal law of the country. In the second place, it deals with the contractual relations of the parties as will be seen from clause 11. For instance, one of the contracting parties may refuse to accept the bales if tendered under certain conditions, that is bales not marked in the manner prescribed. Then, again, it interferes largely with the responsibility of persons to the ordinary courts in India. That seems to be the modernised idea in almost every Bill that I have been marking passing through this House. There is a tendency to note down in regard to certain sections that "Nothing under this Act shall submit a man to any other proceedings." That seems to me to be a modern tendency. That is a provision which I find very rarely, if at all, in the older laws. It only means the arresting of the ordinary jurisdiction of the mufassil courts and freeing in a manner persons from a certain responsibility which ordinarily attaches to them and thus evading the consequences of their act. So, this Bill provides, as I said before, with reference to several matters and looks as if it is a self-contained measure. In the "Definitions" one finds the use of the several expressions that appear in clause 2. I am speaking only of the principles and it is difficult

[Mr. R. P. Karandikar.]

to find any particular use of the expression "cotton waste" as it is used in clause 2. I speak of course subject to correction, but possibly unless this particular use is made of that expression, it may appear as if the definition is standing for the information of all courts which can construe it in a particular manner. Now, looking into the particular clauses of the enactment, so far as the principles are affected, they throw the burden upon the owner of either the ginning factory or the pressing factory, and in certain cases it is claimed that the owner may cause a certain thing to be done. Certain clauses hold the owner responsible for certain things and the responsibility is transmitted to one to whom the concern is also transferred in due course. That seems to be the sequence of the clauses. In maintaining that this Bill creates certain offences. I think it should have made it perfectly clear that since these are the minor offences, the criminal law of the country may not apply to particular acts. Judicial officers find it very difficult oftentimes to separate the offences when a certain offence is brought under the Indian Penal Code as well as under any special enactment. But where a certain offence falls under two definitions, one under the special enactment and the other under the general enactment there is a tendency and also a temptation in the way of the prosecution to evade the particular sanction required by a particular measure and thus bring the offence under the general law of the land. For instance, even if the principle of the Bill were to be as laid down in clause 11 where it is said that "No prosecution under this Act shall be instituted" the prosecutor may as well say that he is prosecuting the man under the Indian Penal Code. For instance, it is said in clause 3, sub-clause (5) (b) that if "any entry in any such register is proved to be false in any material particular". Here there is nothing to prevent the prosecutor taking up the case within the jurisdiction of this Bill and prosecuting the offender without any sanction, or he can take the offender before any court that is authorised for dealing with such offences. It is merely in the case of doubt that you find that this Bill makes it penal. The fine is Rs. 50 which may be enhanced to Rs. 100. In another place it is made a daily fine. So, it is a self-contained Bill to a very great extent. Then, again you have got the civil side of the question. Clause 14 contemplates that it is possible for a person to reject the bales when they are tendered. In fact, that would not be a legal tender, speaking generally. The clause says:

"No bales other than bales marked in accordance with section 4 shall be supplied in fulfilment of such contract, and, if he does so require, no bale not so marked shall be tenderable in fulfilment of the contract."

This introduces a somewhat larger question of international law. I do not know myself where the bales may come from and whether it will be possible for the person to reject them. It may be in America or it may be in Japan. Who has to decide about the rejection of these bales, assuming that it is to be done? I trust therefore that very great attention will have to be paid, though this measure looks very very small. I would have really wished, as the Honourable Sir Maneckji Dadabhoy suggested, that there ought to be a comprehensive measure in dealing with the whole cotton question as suggested. There may be numerous recommendations made by the Cotton Committee and such recommendations are bound to be made from time to time when a Committee has for its

object the looking after of the cotton industry. But it would be very difficult to deal with every suggestion of this kind by a separate enactment coming before this House or the other House. A reference was made to the Cotton Frauds Act of the early seventies. I know a little bit of the history of that Act myself and how it came to an end. I know how Mr. James made a report on this matter and how the Bombay Government in a Resolution dated 1894 dealt with that Act. It had to vanish after all. It was then in the interests of a certain concern and was abolished at the instance of purchasing concerns and not at the instance of the producers.

Then I shall take objection to the principle involved in clause 15 which lays down:

"No suit or other legal proceeding shall be instituted against any person in respect of anything which is in good faith done or intended to be done under this Act."

Assuming for a moment that certain bales are offered to a man and he rejects them, there is no manner of enforcing the Bill, if he merely says it is a *bona fide* act on his part that he has rejected them. He did not know. One cannot see; for instance, in transit the marks may suffer, and if he proves that he acted *bona fide*, whatever those marks, he gets away. When I am speaking for all I may be excused for taking extreme cases because we are discussing certain features of a legal enactment. The modern tendency is that jurisdiction ought not to be encouraged. Almost every enactment contains a provision of this kind and I should very much like that that principle is not to be introduced in this small enactment. Let it be left to the ordinary law of the country. The contractual relations of the parties may be governed by their contracts, and when they find a *bona fide* mistake has occurred, they will be able to get adequate relief. I think that in the principles involved there is some objectionable portion. But remembering that this is after all a Bill which aims at proving that it is not the producer that is responsible for the adulteration and that his innocence is being held up to countries outside, but it is the intermediary that is responsible, we may welcome it, and it is in that spirit that I will not oppose the introduction of this Bill in this Council.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, coming as I do from a province which is so intimately connected with the trade of cotton, I think it will not be out of place for me to say a few words, although I shall be very brief, in connection with this Bill. As an axiom, Sir, in conjunction with most of the Members of this Council who have any connection with trade and commerce, I object to any undue interference on the part of Government with any trade. But this is a case, Sir, where the trade has found itself in a position in which it was unable to protect itself against malpractices; the trade then sought the assistance of Government and I congratulate the Commerce Department in coming forward, and in their endeavour to render the assistance which was called for. The Honourable Sir Maneckji Dadabhoy referred to a criticism in the other House of this Bill,—an objection that the Bill attempted to preserve the interests of the foreigner rather than anybody else—That view I think, Sir, the Honourable Members of this Council will dismiss at once. The Bill obviously is not intended to preserve the interests of the foreigner, but rather it is intended to preserve the good name of India in its cotton trade. Then, Sir, the Honourable Mr. Karandikar said he thought the Bill in effect would look after the interests of the purchaser. I do not think anybody will have any quarrel with the

[Sir Arthur Froom.]

Honourable Mr. Karandikar in that respect. If you have a thing to sell who is the most important party in the contract? It is the purchaser, because if the purchaser is not satisfied you cannot sell your goods. I do not see any reason to quarrel with this Bill if it does in some way look after the interests of the purchaser. I also understood from the speech of the Honourable Mr. Karandikar that he did not think a great deal of this Bill, but that he was not going to oppose it. I regard the Bill, Sir, as a good one, but a mild one, and I do not think the Government have been altogether wrong in making this Bill a mild one. It introduces no penalty; it does not seek to add a section to the Indian Penal Code, but it endeavours to provide some means whereby the purchaser of cotton can be protected, and I think, having due regard to the fact that Government should interfere as little as possible in trade and commerce, Government have acted on the right lines. They are endeavouring to provide a means by which the purchaser of cotton can put his finger on the spot where the cotton has been adulterated. Then Government say, "We will leave it to you." And what does that leaving mean? What would you or I do if we found we had been done down by a man who had been selling us goods? We would take good care that we would not go to that man again, and that is one of the main objects of this Bill. I think the Bill is good in that respect; it introduces no extreme penalty, but it leaves the trade to look after itself and it aims at assisting the trade to look after itself where the trade has found itself up against a brick wall. Sir, I welcome this measure.

THE HONOURABLE SIR DINSHAW WACHA (Bombay: Nominated Non-official): Sir, I fully concur with what has fallen from Sir Arthur Froom. This is a very good Bill, and the State does not interfere so much in matters of trade now-a-days. I entirely agree with him that the State should, as far as possible, not interfere with trade. But here the State is trying to protect the cotton trade for very good and cogent reasons. As a matter of fact, it is known that for the last 50 years there have been numerous suggestions for improving the cotton trade. Several times the Bombay Chamber of Commerce, when consulted on the question, opined that it should be left alone and it will provide for itself. But fifty years have gone by and attempts to improve the cotton have proved abortive, and nothing has been done; and I think it is very right and proper on the part of the State now to protect the country's cotton trade. By protecting it, I think the State will also protect the purchaser. And if the purchaser is protected, what does it mean? It means that the more the cotton produced is good in quality and carefully ginned and pressed the more the purchasers will like to buy it, and therefore the consumption will increase, and if the consumption increases, it means a larger profit to the cotton cultivator, and the cotton cultivator himself will come round to see that, after all, the Government have done a wise and beneficent thing. Taking into consideration all these matters which are in the interests of the producer, the consumer and the purchaser alike and also of the State itself, I think a Bill was never put before this Council which had so many merits about it. I therefore cordially welcome it.

THE HONOURABLE MR. D. T. CHADWICK: I thank the House for the support which has been given to this Bill, even for the uneasy support given by the Honourable Mr. Karandikar. Sometimes I did not know whether he meant to support it or not, but he gave the Bill the benefit of the doubt. On the other side it has the full support of Sir Maneckji Dadabhoy and of our leading representatives from Bombay. If this Bill passes, I can assure Sir Maneckji Dadabhoy that I will discuss the question of the Indian States with the Political Secretary, but as far as we are concerned, we are restricted of course to British India, and I cannot go beyond that. I do not think any of the fears of my Honourable friend Mr. Karandikar have any foundation whatever. He said that clause 15 would oust the jurisdiction of the courts. I am at a complete loss to know how he came to such a conclusion. All it does is to provide the usual clause to protect an officer in carrying out the Act when acting in good faith.

THE HONOURABLE MR. R. P. KARANDIKAR: The courts may hold differently.

THE HONOURABLE MR. D. T. CHADWICK: I think the court will translate that section in my way. I hope so. To say that clause 15 is a suggestion to cancel the whole of the Contract Act is, I think, a little strong. I think there is nothing else which I need say on this Bill, and I thank the House for the support it has received in discussion.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to provide for the better regulation of cotton ginning and cotton pressing factories, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: Which clause does the Honourable Member wish to speak on?

THE HONOURABLE MR. R. P. KARANDIKAR: Clause 2, Sir. I have only a word or two to say about the definition of "cotton waste". I do not see any propriety in retaining the definition of "cotton waste" in this clause.

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, I think it is very essential that this definition should be retained. Unless you describe the term "waste" it will be impossible to bring about any successful working of this Bill. Waste consists of a variety of articles. The present description given in clause (*e*) to my mind covers almost all the qualities of waste which are known to the mill industry and to the people who are connected with the sale of waste. I cannot therefore understand at all the propriety of removing this very important clause in the Bill which will emasculate the Bill altogether.

THE HONOURABLE SIR DINSHAW WACHA: Sir, I support what has just been said by my Honourable friend Sir Maneckji Dadabhoy.

THE HONOURABLE MR. D. T. CHADWICK: Sir, I do not think my Honourable friend has realised that clause 2 (*b*) reads:

"'cotton' means ginned or unginned cotton, or cotton waste."

Therefore under the rest of the Bill cotton waste is included in the word "cotton" and therefore a definition of cotton waste is needed. The reason for bringing waste within the purview of the Bill is that the Cotton Committee reported that "cotton is mixed with waste which is imported from the mills specifically for that purpose and is sold as cotton." Therefore it is essential to include cotton waste in the Bill.

Clause 2 was added to the Bill.

Clauses 3, 4, 5, 6 and 7 were added to the Bill.

[Mr. D. T. Chadwick.]

Clauses 8, 9, 10, 11 and 12 were added to the Bill.

Clauses 13, 14 and 15 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. D. T. CHADWICK: Sir, I beg to move:

"That the Bill, as passed by the Legislative Assembly, be passed."

THE HONOURABLE SIR MANECKJI DADABHOY: Sir, I only wish to make one observation in this connection. This Bill is to be brought into force on any date which the Governor General by notification may deem fit. I only wish to point out to the Honourable the Commerce Secretary that reasonable and sufficient notice of the coming into operation of this measure should be given to the public.

THE HONOURABLE MR. D. T. CHADWICK: Yes, Sir, I promise that.

THE HONOURABLE MR. R. P. KARANDIKAR: Sir, one may express the hope that in framing the rules the Central Government will be in a position to consult the Local Governments. Under clause 12:

"The Governor General in Council may make rules to provide for:

(a) the allotment of a special mark be used by each pressing factory for the purpose of the marking of bales;

(b) the manner in which bales shall be marked; and

(c) the manner in which the weekly statements referred to in section 5 shall be published."

I wish very much that it could be left to the Local Government, so that if it be one of the transferred subjects the Minister may be consulted in the framing of the rules and his action may be controlled in a manner by the vote of the Council. But I have no doubt that before the framing of the rules by the Central Government, every Local Government will be afforded an opportunity of having its say in the matter after consulting the Councils and so on.

THE HONOURABLE MR. D. T. CHADWICK: Sir, my Honourable friend has brought forward a strange suggestion on the third reading. He wants an undertaking that the rules shall be placed to the vote of the local Legislative Councils. I think I understood him aright. He asks that I should give an undertaking that any rules framed by the Governor General shall be communicated to the Minister in charge in the Local Government, who would consult his Legislative Council.

THE HONOURABLE MR. R. P. KARANDIKAR: Sir, may I make the matter clear. What I wanted to say was that before the framing of any such rules the Central Government would ascertain from the Local Government the views of the Council; not that after the rules are made they should be placed before the local Legislative Council.

THE HONOURABLE MR. D. T. CHADWICK: Sir, these rules deal entirely with the machinery of putting the Bill into force and it is quite unusual, and I think quite unnecessary, to take the time of any Council with the details of such ordinary adjectival rules by laying them before a Council. There is no question of making new offences or of introducing any new principles under the rules that will be framed. The next thing is that when the

Governor General does frame rules of this nature it is the customary practice to consult the Local Governments before they are finally published or issued. That is part of the ordinary routine. I do not give any definite undertaking that any particular people will be consulted or that any particular people will not be consulted; but I do give the undertaking that these rules will be dealt with in the manner customary in the matter of framing rules.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to provide for the better regulation of cotton ginning and cotton pressing factories, as passed by the Legislative Assembly, be passed."

The motion was adopted.

STATEMENT OF BUSINESS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): The Council is aware, Sir, that Monday and Wednesday next week are non-official days for which Resolutions have been duly ballotted. Government, however, will have no business to place before the Council earlier than Saturday, the 21st, on which day the Finance Bill, should it be passed in another place in time to admit of its being laid on the table here on Wednesday, the 18th, could be proceeded with. Three other Bills, to amend the Indian Income-tax Act, the Indian Tariff Act and the Indian Stamp Act, respectively, will, it is hoped, be passed by the Assembly on the 18th and, in the event of our meeting on the following Saturday for the Finance Bill, they would be laid on the table on that day and proceeded with on Tuesday, the 24th. The Resolution of which notice has been given by the Honourable Mr. McWatters in the matter of the reduction of provincial contributions and the remission of the Bengal Government's contribution will, with your permission, be taken up as soon as the Finance Bill has been passed by this Council, and it is not impossible that the consideration of the Finance Bill and the discussion of this Resolution will absorb Monday the 23rd as well as Saturday, the 21st, should the consideration of the Finance Bill open on that day. We should, therefore, on the programme which I have outlined,—which is, of course, subject to your pleasure as regards the days on which the Council should meet,—have Government business for Saturday, the 21st, extending possibly to Monday, the 23rd, and for Tuesday, the 24th. Whether Government will have any business to place before the Council after the 24th is a question on which I hope to be in a position to make a statement on Monday next.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): May I be permitted, Sir, to ask the Honourable the Leader of the House two questions, namely, as to whether there will be any further non-official day given after the 18th of March for Resolutions that have been ballotted for and admitted by you, Sir, but which were not within the fifteen-day notice limit, on the 18th. I also desire to ask the Honourable the Leader of the House as to whether an opportunity will be given to this House to discuss the Report of the Reforms Committee presided over by the Honourable Sir Alexander Muddiman.

THE HONOURABLE SIR NARASIMHA SARMA: I do not think it will be possible for the Government to suggest the allotment by His Excellency of any date for the discussion of non-official Resolutions after the 18th and

[Sir Narasimha Sarma.]

it is not proposed that the Government should allot any official days for the discussion of the Reforms Report.

THE HONOURABLE THE PRESIDENT: The Council will now adjourn till Monday, the 16th of March, at Eleven O'Clock.

The Council then adjourned till Eleven of the Clock, on Monday, the 16th March, 1925.

COUNCIL OF STATE.

Monday, 16th March, 1925.

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

MEMBER SWORN.

The Honourable Mr. Denys deSaumarez Bray, C.S.I., C.I.E., C.B.E. (Foreign Secretary).

QUESTIONS AND ANSWERS.

QUALIFICATIONS FOR ADMISSION TO THE INDIAN AGRICULTURAL SERVICE.

134. THE HONOURABLE MR. HAROON JAFFER: (*a*) Is it a fact that men with foreign qualifications were directed by the Government of India to join the course referred to in their communiqué, dated the 22nd and 28th June 1923, before they could be admitted to the Indian Agricultural Services?

(*b*) Will the Government be pleased to state if they will give preference to persons who have qualified themselves in this course when new higher appointments are made in the Imperial and Provincial Departments?

(*c*) If these qualifications are not to be given any special consideration, will the Government be pleased to state what useful purpose these courses serve?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: (*a*) No.

(*b*) and (*c*). So far as higher appointments are concerned the candidates who go through the courses successfully will be on the same footing as those who possess foreign qualifications suitable for admission to the Imperial Service.

RESOLUTION PASSED BY THE CUTCHI MEMONS ANJUMAN REGARDING THE MURDER OF MR. ABDUL KADAR BAWLA.

135. THE HONOURABLE MR. HAROON JAFFER: (*a*) Are the Government aware that at a special general meeting of the Cutchi Memons Anjuman held at Bombay on 20th January 1925, resolutions expressing regret at the tragic death of Mr. Abdul Kadar Bawla were passed?

(*b*) Is it a fact that one of the resolutions passed at this meeting appealed to His Excellency the Viceroy to take immediate and drastic steps to bring to book all the perpetrators, instigators and abettors of the crime, within or without British territory, regardless of their rank, position, status

and wealth and the said meeting authorized its President to forward a copy of this resolution to His Excellency the Viceroy?

(c) Has this resolution been received by the Government, and, if so, what steps are being taken in the matter?

THE HONOURABLE MR. J. CRERAR: (a) and (b). Yes.

(c) The Government of India do not propose to take any action on the resolution, a copy of which they have received, as it is a matter which is the concern primarily of the Government of Bombay.

DISCONTINUANCE OF THE EXPORT OF OPIUM.

136. THE HONOURABLE RAJA MOTI CHAND: (a) What is the normal annual quantity and price of opium exported from India?

(b) Do the Government propose to discontinue completely in the near future the export of opium from India?

THE HONOURABLE MR. A. C. McWATTERS: (a) There is no annual norm either of quantity or of price. The exports during the last five years are given in the statement which is laid on the table. Opium is sold to Governments at Rs. 4,000 per chest of 140 lbs. The price obtained at auctions varies. The "upset" price is Rs. 4,500 per chest of 140 lbs.

(b) The answer is in the negative.

Statement showing the exports of opium from India during the years 1920, 1921, 1922, 1923 and 1924.

(In chests of 140 lbs. each).

Destination.	1920.	1921.	1922.	1923.	1924.
Singapore	3,090	3,010	1,820	2,100	3,000
Hongkong	180	120	150	240	240
Colombo	60	70	60	30	15
Batavia	2,900	,300	1,800	900	300
Kobe	900	150	50	150	50
Bangkok	1,700	1,700	1,650	1,600	1,500
Saigon	950	1,655	1,700	2,975	1,355
Mauritius	35	...	...	...	...
Macao	531	440	500	240	100
Sarawak	...	...	55	125	12
Br. North Borneo	176	240	60	84	84
Bushire	...	85	283	100	891
TOTAL	10,522	9,770	8,128	8,544	7,547

PROMOTION OF HARMONY AND GOOD-WILL AMONGST THE CONTENDING COMMUNITIES OF INDIA.

137. THE HONOURABLE RAJA MOTI CHAND: Will the Government be pleased to state if any active steps are being taken or are proposed to be taken by the Central and the Local Governments to promote permanent mutual relations of harmony and good-will amongst the contending communities of India?

THE HONOURABLE MR. J. CRERAR: I invite the Honourable Member's attention to the concluding portion of His Excellency the Viceroy's address to the Indian Legislature on the 20th January last.

PROSPECTS FOR INDIAN SETTLERS IN BRITISH GUIANA.

138. THE HONOURABLE RAJA MOTI CHAND: Is it a fact as reported by Reuter that the Government of India are engaged in an investigation into the prospects for Indian settlers in British Guiana?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The attention of the Honourable Member is invited to the Government of India press communiqué, dated the 7th June 1924, a copy of which has already been placed in the Library of the House. The deputation of an officer is now under consideration.

KOHAT RIOTS.

139. THE HONOURABLE RAJA MOTI CHAND: (a) Has the attention of the Government been drawn to a note in the *Modern Review* of Calcutta for January, 1925, headed "The Kohat Tragedy"?

(b) Is it a fact as stated therein that though the officers of Government at Kohat had ample warnings of what was coming and were within hailing distance of troops, they were unable to prevent riots, plunder and incendiarism?

(c) If so, what is the explanation of these officers for this inability of theirs?

(d) Is it a fact that the frontier constabulary called in themselves took part in the loot?

(e) What action, if any, has been or is proposed to be taken against such constabulary?

(f) Is it a fact that at the time of the riots holes were made at 13 places in the wall surrounding Kohat and plunderers entered through these holes and the cavalry posted there could not prevent this?

(g) If so, what were the circumstances which led to this failure on the part of the cavalry?

(h) What action, if any, has been or is proposed to be taken against such cavalry men?

THE HONOURABLE MR. DENYS BRAY: Government have not seen the article but I would refer the Honourable Member to the Kohat Resolution No. 598-F., dated the 9th December 1924, and its annexures, which deal with the points he raises in detail.

CREATION OF OFFICERS' TRAINING CORPS IN INDIAN UNIVERSITIES.

140. THE HONOURABLE RAJA MOTI CHAND: Do the Government propose to create Officers' Training Corps in the Indian Universities? If so, how soon?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: We have no intention at present of instituting in Indian Universities Officers' Training Corps, such as exist in the United Kingdom; but we shall consider, in connection with the report of the Auxiliary and Territorial Force Committee, the question of utilising the University Training Corps as a means of imparting military and a future source for the supply of officers to the extent recommended by that Committee.

ATTITUDE OF THE GOVERNMENT OF INDIA TOWARDS THE CRIMINAL IN INDIA.

141. THE HONOURABLE RAJA MOTI CHAND: (*a*) Will the Government be pleased to state what their attitude is towards the criminal in India?

(*b*) Is it exclusively punitive or is it preventive? If it is the latter, what measures, if any, are they taking or propose to take to give effect to the latter policy?

(*c*) Are there any expert Penologists in the employ of the Government in India? If so, what is the nature of their activities?

(*d*) Is there any, or do the Government propose to create any, organised body of expert Penologists for the study of the subject in India?

(*e*) Do the Government propose to send any as their delegates to the International Prison Congress to be held at London in August next as announced in the papers?

THE HONOURABLE MR. J. CRERAR: (*a*) and (*b*). The Honourable Member is referred to Chapter III of the Report of the Indian Jails Committee, 1919-20. Government are in general agreement with the aims and essentials of prison administration laid down in this Chapter. As the subject of prisons, prisoners (excluding State Prisoners) and reformatories is, under the Devolution Rules, a provincial subject, the practical measures to give effect to this policy are primarily the concern of the various Local Governments.

(*c*) and (*d*). Each province has its own experts in jail administration. Government have no present intention of adding to their number.

(*e*) Yes; India will be represented by Lieutenant Colonel W. Gillitt, C.I.E., M.D., I.M.S., Inspector General of Prisons, Bihar and Orissa.

PROPAGANDA IN THE BRITISH PRESS REGARDING THE POLITICAL SITUATION IN INDIA.

142. THE HONOURABLE RAJA MOTI CHAND: (*a*) Has the attention of the Government been drawn to the leading article in the *Leader* newspaper of the 22nd January, 1925, headed "The Problem of Swaraj" in which it is stated that "an influential section of the British Press represent to the British public that India is on the brink of anarchy", that they "create an altogether misleading impression as to the actual state of affairs", and that "they are of a propagandist nature intended to frighten the British public"?

(*b*) Do the Government propose to take any action in the matter?

THE HONOURABLE MR. J. CRERAR: Government have seen the article but do not consider it necessary to take any action in respect of it.

BOLSHEVIK PROPAGANDA IN INDIA.

143. THE HONOURABLE RAJA MOTI CHAND: (*a*) Are the Government definitely aware of any Bolshevik propaganda in India?

(*b*) If so, what is the nature of such propaganda and of the situation that may have arisen in consequence of such propaganda?

(*c*) What action, if any, are the Government taking or proposing to take to suppress the propaganda?

THE HONOURABLE MR. J. CRERAR: I would invite the Honourable Member's attention to the proceedings in the recent trial of the Cawnpore revolutionary conspiracy case and to the judgment of the Allahabad High Court in that case. I am not prepared to make any further statement in the matter.

ALLEGATIONS AGAINST THE BENGAL POLICE MADE BY PANDIT MOTILAL NEHRU IN HIS SPEECH IN THE LEGISLATIVE ASSEMBLY ON THE BENGAL ORDINANCE.

144. THE HONOURABLE RAJA MOTI CHAND: (*a*) Has the attention of the Government been drawn to the speech of Pandit Motilal Nehru on the Bengal Ordinance in the Legislative Assembly on February 5th, 1925?

(*b*) Have the Government noticed his remark on the dacoity in Bengal in May, 1923, that this case was entirely false, that it was fabricated by the police, was supported by perjured evidence, that it was a case made out by the police only to show that there was a revolutionary movement in Bengal; and his further remark referring to the statement of the Home Member that there were about to occur five attempts at the murder of the officials, that all these cases were fabricated by the police?

(*c*) Do the Government propose to inquire into these charges of fabrication and take action against the persons involved?

THE HONOURABLE MR. J. CRERAR: (*a*) and (*b*). The Honourable Member may safely presume that statements made in debate in the Indian Legislature come to the notice of the Government of India.

(*c*) As has been explained already by the Honourable the Home Member during the course of debate in another place, the Government of India do not accept the views expressed by Pandit Motilal Nehru as correctly representing the facts.

SPECIAL GRANT TO THE BENARES HINDU UNIVERSITY ENGINEERING COLLEGE.

145. THE HONOURABLE RAJA MOTI CHAND: Will the Government be pleased to inform this House as to whether the Government have decided to recommend any special grant to the Benares Hindu University Engineering College?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The matter is under consideration.

RESOLUTIONS OF THE INDIAN UNIVERSITIES' CONFERENCE.

146. THE HONOURABLE RAJA MOTI CHAND: Will the Government be pleased to inform this House as to what action the Government propose to take to give effect to the resolutions of the Universities' Conference held at Simla in last May?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: Efforts are being made to give effect to all the resolutions of the Indian Universities' Conference, which contemplate direct action by the Government of India, except resolution No. 21. It has not been possible to accede to the request made in this resolution for the reason that the Government of India prefer direct financial assistance to educational institutions to indirect aid, in the shape of remission of customs duty. Resolutions Nos. 26 to 34 were laid before the Auxiliary and Territorial Forces Committee, who have made recommendations on all the points raised. The remaining resolutions have all been brought to the notice of the appropriate authorities concerned.

AMOUNT OF FOREIGN CAPITAL INVESTED IN INDIA.

147. THE HONOURABLE RAJA MOTI CHAND: Will the Government be pleased to inform the House as to the approximate amount of foreign capital invested in India at present both the private and public concerns under separate heads with as many sub-heads as possible? If the Government are not in possession of this information at present, do the Government propose to collect it in view of the great importance of the matter?

THE HONOURABLE MR. D. T. CHADWICK: The Government are not in possession of the information asked for. The general question raised by the Honourable Member is now being investigated by a Committee and the Government do not propose to institute separate inquiries on the lines suggested in the question.

PRESENT POLICY OF THE GOVERNMENT OF INDIA REGARDING IMPERIAL PREFERENCE.

148. THE HONOURABLE RAJA MOTI CHAND: Will the Government be pleased to state whether the Government is formulating any Imperial preference proposals in view of the recent change in the tariff policy of the British Government in Great Britain? Has any correspondence in this connection taken place between the Government of India and His Majesty's Government in England? Will the Government be pleased to announce their present policy regarding Imperial preference?

THE HONOURABLE MR. D. T. CHADWICK: The answers to the first two parts of this question are in the negative. As regards the last, the Honourable Member is referred to Sir Charles Innes' speech made on this subject at the Imperial Economic Conference held in 1923. A copy of the record of the proceedings of this Conference is in the Library.

REPORT OF THE REFORMS INQUIRY COMMITTEE.

149. THE HONOURABLE RAJA MOTI CHAND: Will the Government be pleased to state the reason for the delay in the publication of the report or reports of the Reforms Inquiry Committee? Have the Government arrived at a decision in the matter? Will the Government be pleased to state the probable date of the publication of the report?

THE HONOURABLE MR. J. CRERAR: Final copies of the Report and Appendices were received by the Government of India on the 15th December 1924. The time since then has been mainly occupied by the work of printing the Report and its Appendices. It has also been necessary to make arrangements for their publication simultaneously or as nearly as possible simultaneously in India and England. As the Honourable Member is aware, the Report was published in India on the 9th March.

COMPULSORY MILITARY TRAINING FOR UNIVERSITY STUDENTS.

150. THE HONOURABLE RAJA MOTI CHAND: Has the attention of Government been drawn to the fact that more than one University in India has expressed its willingness to introduce compulsory military training for students? Will Government be pleased to state what facilities they intend providing in the matter?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Government have no official information on the point. So far, only one University, namely, the Aligarh Muslim University, has applied to the Government of India for the provision of compulsory military training. I may point out, however, that the question of military training in Universities was one of the matters dealt with by the Auxiliary and Territorial Force Committee, whose report is now under the consideration of Government.

REPORT OF THE CIVIL JUSTICE COMMITTEE.

151. THE HONOURABLE RAJA MOTI CHAND: Do the Government propose to take any action on the recommendations of the Civil Laws Delays Committee? Do they intend to invite public criticism on the recommendations before passing final orders?

THE HONOURABLE MR. J. CRERAR: I am unable to make any statement at present as the report has not yet been examined in detail, but I may state that it will be published for general information on the 20th instant.

TRAINING OF INDIANS FOR THE SUPERIOR SERVICES IN RAILWAYS.

152. THE HONOURABLE RAJA MOTI CHAND: Will Government state what steps are being taken to train Indians for the superior services in Railways?

THE HONOURABLE MR. D. T. CHADWICK: The Honourable Member is referred to paragraphs 88 and 89 of Volume I of the Report by the Railway Board on Indian Railways for 1923-24, and to the recent speeches by the Honourable the Railway Member and the Chief Commissioner of Railways in the Legislative Assembly and the Council of State, respectively, when introducing the Railway Budget for 1925-26, on this subject of training of staff.

APPOINTMENT OF A COMMITTEE TO REPORT ON THE GANGES QUESTION AT NARORA RAILWAY.

153. THE HONOURABLE LALA SUKHBIR SINHA: Will the Government be pleased to state whether, and if so, when they are going to appoint a

Committee to inquire and report on the Ganges question at Narora as recommended in the Resolution of Sir Deva Prasad Sarvadhikary that was carried in the Council of State on the 16th February 1925?

THE HONOURABLE MR. A. H. LEY: Government are considering what action, if any, should be taken on the Resolution referred to and until a decision is reached, I regret I am unable to supply the Honourable Member with the information for which he asks.

ACCIDENT AT A LEVEL CROSSING NEAR SAMASATA.

154. THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Has the attention of the Government been called to newspaper reports about a recent disastrous railway accident at a level crossing in or near the Bahawalpur State, said to have been caused by a motor car, laden with a large quantity of petrol dashing into an approaching railway train? If so, would the Government please state the facts of the case?

THE HONOURABLE MR. D. T. CHADWICK: The answer to the first part of the question is in the affirmative.

With regard to the second part complete information is not yet available, as the proceedings of the official inquiry have not been received. The facts, so far as Government are at present aware, are as follows:

At about 16·00 hours on 21st January, 1925, No. 29, Up Passenger train collided at the level crossing at mile 3/10, (from Samasata) with a motor lorry belonging to Bahawalpur State. This crossing is not fitted with gates but with chains, which were at the time of the accident correctly fixed, so as to bar the passage of road vehicles. The motor lorry apparently approached the crossing at great speed and charged and burst the first chain, but was stopped by the second thereby obstructing the line and causing the collision.

The driver of the train and the driver of the lorry were both seriously injured. One of the occupants of the lorry was killed and another slightly injured and the fireman of the train was slightly injured. The lorry contained 100 gallons of petrol and the injuries to the driver and the fireman were caused by the burning petrol.

BETTER CONTROL OF THE CARRIAGE OF PETROL BY ROAD AND RAIL.

155. THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Would the Government please state if they propose to have any action taken for better control of carriage of petrol, whether by railway trains or motor vans, lorries and cars as well as country carts and if so, when and what steps?

THE HONOURABLE MR. A. H. LEY: The carriage of petrol by road and rail is controlled by rules made under the Indian Petroleum Act, 1899, and the Indian Railways Act, 1890. The Government of India are not aware that these rules are deficient in any respect and they do not contemplate any action in the direction suggested.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: May I put a supplementary question, Sir? As a result of the statement of facts, (such as they are before the completion of the inquiry) would the Government consider whether it is necessary to have more stringent rules with regard to the handling of such large quantities of petrol either by lorries or otherwise?

THE HONOURABLE MR. A. H. LEY: I would suggest to the Honourable Member that he should await the result of the official inquiry to which reference was just made by the Honourable Mr. Chadwick before considering whether any change in the rules is necessary. As far as the Government are aware, the rules in themselves are sufficiently stringent.

UNDUE DELAYS AT RAILWAY LEVEL CROSSINGS.

156. THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: Would the Government please state whether they will consider the question of avoiding undue delay at level crossings of railways and affording facilities to cross country traffic at these crossings?

THE HONOURABLE MR. D. T. CHADWICK: The matter is one which might be brought to the notice of Agents through their Local Advisory Committees.

157. THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: (As the inconvenience has been removed since I gave notice of this question,* I do not propose to put this question, Sir.)

158. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: I do not want to ask the question, Sir.

APPOINTMENT OF AN OFFICER OF THE EAST INDIAN RAILWAY AS DIRECTOR OF TRAFFIC, RAILWAY BOARD.

159. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will Government kindly state whether it is contemplated to appoint an officer of the East Indian Railway as Director of Traffic, Railway Board, in place of the present incumbent?

THE HONOURABLE MR. D. T. CHADWICK: No.

PRINCIPAL OF THE CHANDAUSI TRAINING SCHOOL.

160. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: With reference to the reply given to part (*b*) of my question 122, will the Government be pleased to state the reasons which led to an appointment of an officer to the post of Principal, Chandausi Training School, who possessed no practical traffic experience?

THE HONOURABLE MR. D. T. CHADWICK: Traffic experience is not a *sine qua non* for the appointment in question, since the actual tuition will be in the hands of experts working under the Principal, and the selection was made in view of general suitability for the duties to be performed. Moreover, although Mr. Dain has no actual experience in working a Traffic District in India, he has been in the Agent's Office for many years and in that capacity has had a lot to do with traffic questions. He has had actual experience in teaching.

*Has the attention of Government been drawn to the frequent delay at the Sadar Bazar side crossing at Delhi, which holds up traffic long and would the Government please consider the possibility of having the inconvenience removed?

DIFFERENTIAL TREATMENT ACCORDED TO OFFICERS OF STATE RAILWAYS AND TO THE STAFF OF THE EAST INDIAN AND THE GREAT INDIAN PENINSULA RAILWAYS.

161. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: With reference to the reply given to my question No. 124, will the Government kindly state whether they received any representation from officers of the State Railways on the subject of differential treatment accorded to them and to the staff of the East Indian Railway and the Great Indian Peninsula Railway in the matter of security of their prospects in services? If so, will the Government be pleased to state the decision at which they have arrived?

THE HONOURABLE MR. D. T. CHADWICK: Yes. The matter is under consideration.

AMALGAMATION OF THE OUDH AND ROHILKHAND RAILWAY WITH THE EAST INDIAN RAILWAY.

162. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Is it a fact that the Oudh and Rohilkhand Railway is going to be amalgamated shortly with the East Indian Railway? If the reply be in the affirmative are the claims of any of the officers of the Oudh and Rohilkhand Railway to posts for which they would otherwise have been selected being prejudiced by reason of the amalgamation?

THE HONOURABLE MR. D. T. CHADWICK: The reply to the first part of the question is in the affirmative and the result will probably be some small reduction in the aggregate in both lines of the number of administrative posts. I would however remind the Honourable Member that no officer has a claim to selection for such posts.

PROVISION OF POWERFUL HEADLIGHTS ON ENGINES OF PASSENGER TRAINS.

163. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly state whether the Railway Board has directed all Railway Administrations to introduce powerful headlights on engines of all passenger trains in the interest of the safety of the travelling public? If so, what period will it take to carry this instruction into effect?

THE HONOURABLE MR. D. T. CHADWICK: Orders have been issued to State-worked Railways to provide electric headlights on all locomotives working mail, passenger and mixed trains on single line sections, the work will be completed by 31st March 1928. All other Class I railways have been furnished with copies of the orders issued to State-worked Railways and have been asked to adopt a definite programme for the general introduction of these headlights on locomotives of passenger trains.

INSTALLATION OF BLOCK SIGNALLING INSTRUMENTS ON RAILWAYS.

164. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will Government kindly state what progress has been made towards installation of Block Signalling Instruments for the safe working of railway trains and also state what Railway Administrations are adopting it on a large scale.

THE HONOURABLE MR. D. T. CHADWICK: The Honourable Member is probably referring to the use of Token Instruments. The position was investigated in 1921, when it was reported that a total of 14,650 miles of broad and metre gauge railways in India were operated by token instruments and 18,880 miles by the written line clear system. Government have not got later definite information. The general attitude of Railway Administrations in India is in favour of Token Instruments on important sections where the train service is fast or frequent and at the present time the North Western Railway and the Oudh and Rohilkhand Railway are taking active steps in extending the use of these instruments; these two railways had previously been slow in the adoption of them as compared with the other big railways owing to an unfortunate experience with these instruments some years ago.

PROVISION OF WAITING HALLS FOR INTERMEDIATE CLASS PASSENGERS AT THE PRINCIPAL STATIONS ON STATE-WORKED RAILWAYS.

165. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Will the Government kindly state whether it is proposed to provide waiting halls for intermediate class railway passengers at least on principal railway stations on State-worked Railways? If not, when will this matter receive attention?

THE HONOURABLE MR. D. T. CHADWICK: Government understand that Railway Administrations have under consideration the provision of waiting accommodation for intermediate class passengers at important stations where the traffic justifies this.

RESOLUTION *RE* RECOMMENDATIONS OF THE NORTH-WEST FRONTIER INQUIRY COMMITTEE.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, I beg to move the Resolution that stands in my name. It runs thus:

"This Council recommends to the Governor General in Council to give effect, at an early date, to the recommendations contained in the Report of the North-West Frontier Inquiry Committee."

Sir, I do not propose to go into the past history of the North-West Frontier Province which raises as large a question as, I believe, is the length of the frontier itself on which the five administered districts abut. For the present purpose, it is sufficient to point out that since the annexation of the Punjab, the districts now known as the North-West Frontier Province formed part of the Punjab and were administered by the Punjab Government. But having regard to the geographical position of these districts, questions arose from time to time which were handled by the Government of the Punjab, in a manner which, especially that portion of it which related to our foreign policy, did not give entire satisfaction either to the Government of India or to the Secretary of State. It was proposed even in the year 1877 to form a North-West Frontier Province of which these five districts should be a portion. Nothing, however, came out of it till the year 1900 when the whole question was taken up by Lord Curzon with the result that the present North-West Frontier Province, consisting of the five districts of Peshawar, Kohat, Bannu, Dera Ismail Khan and

[Saiyid Raza Ali.]

Hazara, was formed into a separate province under a Chief Commissioner directly responsible to the Government of India. It was stated that the object of the formation of the Frontier Province was that the conduct of external relations with the tribes on the frontier should be more direct than heretofore under the control and supervision of the Government of India. For a number of years the Chief Commissioner administered these five districts, along with the tracts close to those districts. But about 7 or 8 years after the creation of the province, crime began to increase in the Frontier Province and the policy of the administration was subjected to criticism in certain quarters. I need hardly refer to the effect which the Great War of 1914 or the Afghan War of 1919 had on our frontier or on our relations with the trans-frontier tribesmen.

In September 1921 a Resolution was moved in the Assembly to inquire into the conditions obtaining in the Frontier Province and to see what reforms could be introduced in the administration of that province. Special stress was laid on the judicial side. The Resolution was carried. A Committee was appointed. And the Committee went laboriously and patiently into the whole question from the 12th May 1922 till the 9th October of that year. The Committee consisted of five non-official Members of the Legislature and three European officers. It was presided over by the Foreign Secretary who, I am glad to notice, is present here to-day, and whose great knowledge of our foreign affairs and our relations with the tribes is undoubtedly a great asset to the Government of India. The two other European Members were—a senior District and Sessions Judge of the Punjab, Mr. Parker, and the seniormost civilian of the Frontier Province, Mr. Bolton, who is at present the Chief Commissioner of that province. The Indian Members were Mr. Rangachariar, Mr. Samarth, Chaudhri Shahab-ud-Din, Mr. Abdul Rahim Khan and myself.

I would, Sir, with your permission, say a word or two about the character of our inquiry. Let me add that the Committee examined in the course of their investigation no less than 22 official witnesses, 13 of whom were European officials. It also recorded the evidence of 76 non-official Indian witnesses or groups of witnesses, of whom 28 were Hindus and the rest were Mussalmans. The widest publicity was given to the proceedings of the Committee, so much so that even non-co-operators felt attracted to the Committee and a number of them appeared as witnesses to give evidence. The Committee deliberated upon the whole question very carefully. It was unfortunate that the report of the Committee was not unanimous, but that question is not very important so far as this morning's proposition is concerned. The terms of reference, into which I do not propose to go in detail, invited the Committee to express an opinion whether it was expedient to separate tracts from districts. As most of the Members of this House are aware, the province consists of five districts and a large area of what is known as unadministered tracts where there is absolutely no administration and which are the home of the tribesmen. The second question was that, if it was not expedient to separate, then should the province remain under the Government of India or not?

Now, the first question is a highly technical question and I do not think I would be justified in taking up the time of the Council in entering on any elaborate discussion upon it. I think it is enough for my present purpose to point out that the majority of the Committee felt convinced that,

having regard to the intimate character of the relations that existed between the people who inhabited British territory and the people who lived on the other side of the frontier, it was impossible to separate the tracts from the districts. Expert opinion on this question was weighty and voluminous. I for my part can say that, after giving every careful consideration to the whole question, I was convinced that it was not in the interests of the country as a whole to separate the tracts from the districts.

The second question, namely, if it was not expedient to make the separation, what should be the policy which should be adopted with reference to the administered districts was not difficult. If the separation of the two was not expedient, it was obvious that it would not be expedient to amalgamate the districts with the Punjab. That was the answer that was given by the majority of the Committee. But, Sir, the Committee was so much impressed with the unsatisfactory conditions obtaining in that province that the Foreign Secretary Mr. Denys Bray and his Committee thought it their duty to make liberal recommendations and to propose a number of reforms which should immediately be introduced. Honourable Members are aware that if the province had not been created in the year 1901 and if it had continued to be part and parcel of the Punjab, it would have been entitled to participate in the benefits of the reform scheme that was introduced first in the year 1909 and also of the reform scheme that came into force in the beginning of 1921. The people of this province have been altogether deprived of the benefits of these two reform schemes. The Committee therefore—I am speaking of the majority—felt it their duty to treat these people properly. With a view to that, the Committee made a number of recommendations. The time at my disposal will not allow me to go elaborately into the recommendations that were made, but I would just state big heads to enable my Honourable Colleagues to have an idea of the nature and character of the Committee's recommendations. The reforms proposed by the Committee can for the sake of convenience be divided into the following heads. The first concerns itself with the constitution of the Legislative Council and the introduction of the principle of election. The Committee before proceeding to make recommendations clearly pointed out that "whatever the form of the Council introduced in the Province, it must be something live and vigorous". In accordance with that principle, the Committee proceeded to make the following recommendations. In the first place they recommended that a Legislative Council with an elected majority of *at least* 60 persons should be established. They also recommended that a Minister should be appointed to take charge of all the subjects that are transferred in the neighbouring province of the Punjab. The third recommendation was that there should be an Executive Councillor who along with the Chief Commissioner should form an Executive Council for the Province and that the officer known at present as the Revenue Commissioner should be promoted to that position. The fourth recommendation was that since the Hindu and Sikh communities were only a little over 7 per cent. of the total population their representation should be double of that which they would be entitled to get on the basis of their numerical strength. This recommendation, as far as I remember, followed closely the Congress-League Pact of 1916, under which the Moslem minorities had been accorded something like double the representation of what they would get according to their population. In this connection the last recommendation made by the Committee was that the elective system should be introduced into the Municipal Committees. They

[Saiyid Raza Ali.]

also were of opinion that in the District Boards and in Committees of Notified Areas the elective principle should be introduced as far as possible. It will interest Honourable Members to know that till the Committee visited the Province, and I may say even up to the present, there is no Municipal Committee or District Board or Notified Area Committee there which is constituted largely by the operation of the principle of election. This is a principle which is practically unknown to the Frontier Province. Then the Committee proceeded to make a number of recommendations with reference to the judicial administration. At present the highest judicial officer of the Province is the Judicial Commissioner who tries murder references and appeals and civil appeals of the highest valuation. The first recommendation of the Committee in this connection was that there should be an Additional Judicial Commissioner and that the strength of the bench should be raised to two. The second recommendation was that the Additional Judicial Commissioner should be recruited from the Bar. I think I am not divulging any secret when I say that it was at the time understood that the Additional Judicial Commissioner would be an Indian. Another recommendation was that so far as the recruitment for the public services was concerned, a minimum educational standard should be fixed. The Committee proposed the passing of the Matriculation examination as the minimum standard. This of course would be a considerable improvement having regard to the present conditions of the Province. Another recommendation was that officers, whether belonging to the Imperial or the Provincial Service, should be trained in the Punjab or the United Provinces, so that the present complaint that inexperienced officers, who have practically spent the whole of their life-time in other parts of the country and who have never had anything to do with the administration of the laws, were employed as District and Sessions Judges or in other responsible judicial offices, may be removed. Another recommendation was that interchange of officers should take place between the Punjab and the North-West Frontier Province. Official witnesses were questioned on this matter and the Punjab Government gave their wholehearted support to the proposal. The High Court also agreed, provided the officers whose exchange was proposed had similar qualifications. Then, a very weighty recommendation made by the Committee with regard to this question was that a separate judicial service, Provincial and Imperial, be gradually built up. As Honourable Members are aware, there is no separate judicial service at present, with the result that inexperienced men, though capable, are put in charge of judicial work.

A question that loomed large in the evidence before the Committee and on which bitter complaints were made both by Hindu and Muhammadan witnesses was with regard to the operation of the Frontier Crimes Regulation. The Committee again went into this question very carefully and they made a number of recommendations. One of these was that the urban areas should be excluded from the operation of the *jirga* system. Another recommendation was that a drastic curtailment of the delegation to lower officers of the powers vesting primarily in the Deputy Commissioner should take place, so that officers in subordinate positions should not be allowed to make an indiscriminate use of the Regulation. The Committee also recommended that no second reference should be made to a *jirga* except under the written sanction of the Local Government. Now the *jirga* system is rather difficult to explain; briefly, the position is that a *jirga*

is a sort of *panchayat* to which certain cases are referred. When the result is an acquittal it is open to an officer to constitute a second *jirga* and refer the same case to it; the Committee's recommendation was that this should not be allowed unless, instead of the officer concerned, the Local Government wanted to make that reference.

There were other recommendations, very important in themselves, but I do not believe that they will be of great interest to this House. One of these recommendations was that what is known in the province as political *Havalat*, should be abolished. That consists of action taken by the executive officer having regard to the condition of affairs in the area under his jurisdiction. Of course it is not wholly unconnected with political considerations.

Then the Committee also recommended that the power to enhance sentences which at present is vested in District Magistrates and Sessions Judges under Regulation VII of 1901 should be withdrawn. As Honourable Members are aware, this power is vested only in the major provinces in the High Courts alone; in the Frontier Province the power can be exercised by all District Magistrates and Sessions Judges. The idea was to bring the law into conformity with that obtaining in the major provinces or, I may say, in the rest of India. Sir, allow me to point out that loud were the complaints against the exercise of powers under the Frontier Crimes Regulation raised by witnesses before the Committee; and though the Hindu witnesses were in fact louder in their denunciation of the use of the Frontier Crimes Regulation, the Committee after going through the whole question very carefully thought that it would not be in the true interest of the Hindu community to recommend the repeal of the Regulation. Therefore the Committee contented themselves, in spite of the demand made by both Hindu and Muslim witnesses,—I may say an almost unanimous demand,—with the proposals for its amendment I have stated and refused to make a recommendation for the repeal.

The third class of recommendations made by the Committee consists of an effort to improve the position of the Bar. Briefly stated the recommendations were that licences should not be required to be renewed every year by the gentlemen practising at the Bar in the North-West Frontier Province. It will help Honourable Members to understand the position if I explain that whether a man is a barrister or an attorney or a vakil, he is required to renew his licence in the Frontier Province every year. That of course is not a very desirable state of affairs. The objections are obvious; they would suggest themselves to the mind of every thinking man, and I need hardly dilate upon them. With a view to remove this undesirable position a recommendation was made that barristers and vakils of a High Court should not be required to renew their licences every year in the Frontier Province. Another recommendation in this direction was that the power to restrict licences to particular places of business should be removed. Here again let me point out, Sir, that in the Frontier Province it is open to the authority that grants the licence to say that a man shall practise at a particular place; it can say, "We will enrol you, but instead of allowing you to practise at Peshawar we enrol you on condition that you practise at Dera Ismail Khan." So the recommendation was that this power should be done away with. An allied power that is vested in the authority giving the licence was to direct any man to remove from one place to another. For instance, a man is practising at Peshawar. For certain undisclosed reasons the authority thinks that he should remove

[Saiyid Raza Ali.]

himself to Dera Ismail Khan; the man can be asked to go at once and discontinue his practice at Peshawar and set up practice at Dera Ismail Khan. I do not propose to make any comment on the undesirability of this power; the recommendation is that this should be taken away.

The House will thus see that the recommendations made were all absolutely necessary. And what was the opinion of the Committee, presided over by the Foreign Secretary, about the immediate character of these recommendations? Sir, allow me to inform the House that the Committee and its President . . . . . .

THE HONOURABLE THE PRESIDENT: I hope the Honourable Member will inform the House very briefly: he has exceeded his time.

THE HONOURABLE SAYID RAZA ALI: I shall bring my remarks to a close in a few minutes. The importance that the President and his Committee attached to these recommendations was this:

They say at page 28:

"No time should be lost in granting reforms in the Frontier Province by the creation of a Legislative Council," and so on.

It was also emphatically pointed out in connection with the financial burdens to which the carrying out of these recommendations would subject the tax-payer, that:

"however pressing the urgency for retrenchment no consideration of economy should be allowed to delay the introduction of reforms that we advocate."

That was in 1922. The report was not published till about a year ago, to be accurate, on the 24th March 1924. I do not know, Sir, whether this report was ever put before the Government of India between the dates on which it was signed and the date on which it was published. That is one point on which we would necessarily welcome information being given by the Honourable Member in charge. Then we do not know as to what was the view taken by the Government of India of the character of the recommendations made, whether the Government of India were favourably inclined towards those recommendations or not. Then we do not know what led to the publication of the report being withheld for a long time. Again, Sir, we do not know why no action has been taken between the date of the publication of the report and now. We know that an unfortunate riot took place at Kohat. But, Sir, such unfortunate incidents have taken place all over the country in so many places. Kohat is not the only place. To cite the incidents that have taken place at Kohat as the cause of delay in giving effect to the recommendations of the Report of the Frontier Inquiry Committee would hardly be a justification. I do not propose to anticipate the arguments of my Honourable friend Mr. Bray. Then, Sir, we would very much like to know from the Honourable Member in charge as to what the Government of India propose to do now. The recommendations were made by a majority of the Committee, three of whom were officials, and we would like to know what action the Government of India propose to take. I think, Sir, action is really overdue, as it is nearly three years since this Committee was appointed, and it is high time, having regard to the strong feeling on this subject in the Frontier Province itself, that early action should be taken to give effect to the recommendations of this report. The population of the Frontier Province is very impatient,

and it is not at all desirable that they should be kept in suspense any longer. With these words, Sir, I commend this Resolution to this House.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, I intervene at this early stage, and I do so deliberately. My Honourable friend Saiyid Raza Ali has put his case for giving early effect to the recommendations of the Frontier Committee's report in such a sweet and reasonable manner that it makes it very difficult for me to say that I think the time is most inopportune to consider these recommendations. It so happened that I had the privilege of listening to a debate upon a side issue of this problem in the other place, and I was very much struck with the force, the sincerity and earnestness with which my Honourable friend Mr. Denys Bray, who is now here, remarked that it is a thousand pities to discuss such questions, which however simple and reasonable though they are on the face of them, would involve a number of considerations and complications; and no one, who is anxious to produce good feelings between the various communities that inhabit this country, would be anxious to complicate the situation and add to the difficulties of the Government which have enough of them.

Sir, I have read with some amount of attention this report of the Frontier Inquiry Committee, and I may state that I have not read it very critically or fully. But from what I have read, it seems to me that in the report itself, there is a distinct cleavage between the two sections, the majority and the minority. The evidence given also seems to point to a distinct cleavage. It is clear that a very large section of the Mussalman population is anxious to have a province of their own. It seems to be equally clear that a large section of Hindus do not seem to favour that idea. On the other hand, they seem to favour the idea of amalgamation of the province with the Punjab. It is equally clear that upon this point no decision can be arrived at without causing some amount of feeling which is bound in the end to prove undesirable and perhaps make the task of Government very difficult. The whole question now is, is it wise at this juncture to take upon ourselves the responsibility of discussing and arriving at a decision on this question which, whatever the manner of the decision may be, will undoubtedly be calculated to widen differences which are clearly and emphatically pointed out in this report? Almost every page of it breathes with it.

There is again another difficulty. The main suggestion of the majority is the creation of a Legislative Council. In normal times it would have been a very good thing to take up this question, and my Honourable friend Mr. Raza Ali himself is aware of it, because he belongs to the progressive school of politicians in his community, and I think I have read also his address at the last conference over which he presided in Bombay. He is one of those who think that the time has come for taking an onward march in the path of reform, and that dyarchy will no longer prove good. I will not complicate the situation by discussing dyarchy now. Some say it has been a failure; while others say that it has not been satisfactorily worked. But the conclusion is inevitable that the system has not been satisfactory, whatever may be the causes. It is high time that this system is put an end to.

Now let us take only one of the recommendations of the majority of the Committee. They say that they would like to have a Legislative Council in this province, and one of the recommendations is that there should also

[Mr. G. A. Natesan.]

be a Member of the Executive Council and a Minister. Though the majority of the Committee suggest a reform in the direction of having a Legislative Council, an Executive Council and Ministers, does my Honourable friend Saiyid Raza Ali, and others who are really anxious to take up this question, after the turn which events have taken place, after the experience which he and his friends have had in the working of dyarchy and the report of the Reforms Inquiry Committee before us and also the feeling of a large number of people that the time has come when we should have a Commission to inquire into the working of dyarchy, still think that if a Legislative Council is to be established there, we should perpetuate dyarchy in the Frontier Province?

THE HONOURABLE SAIYID RAZA ALI: Yes, in the Frontier Province.

THE HONOURABLE MR. G. A. NATESAN: My Honourable friend, the very keen politician he is, cannot so quietly make that statement without thinking of the possible consequences and the implications of a somewhat hasty answer which he has just given. Now if in the other progressive provinces you think that dyarchy has not been quite a success, will you as a politician now say that in a province, which is perhaps not fit for it, which some may say is backward, we should try an experiment which you admit has not been worked satisfactorily? I think he cannot give such a hasty answer to it.

Sir, I feel that this is not the proper time to discuss this question. After what has taken place at Kohat, after the ill-feeling which it has created and the wounds which are still there and which have not yet been healed, and which members of all the communities and the Government themselves are making every effort to remedy, I think we should not think of taking up a proposal which, however reasonable in itself, could not possibly be discussed in a manner which requires a certain amount of dispassionate thought and criticism and without rousing the ill-feeling of one community or the other. I do think that it would be unwise to proceed with this discussion. I certainly would not. I have no right to anticipate, nor am I able even to study from the somewhat determined face of my Honourable friend opposite, what exactly he is going to say upon this question. But whatever may be the view of the Government or the view of others in this matter, I certainly will stick to the decision that it is very unwise and inopportune to discuss this question, and I do hope that at a later stage my Honourable friend Mr. Raza Ali will adopt the very same sweet and reasonable attitude which he adopted on the last occasion, and will not press this question to an issue but see that it is dropped.

THE HONOURABLE MAJOR NAWAB MOHAMMAD AKBAR KHAN (Nominated Non-Official): Sir, I would like to compare the introduction of the reform scheme as recommended by the North-West Frontier Inquiry Committee to a feast and hence to infer that the present moment is not a suitable time for bringing in this Resolution. Let me compare, therefore, the introduction of the reform scheme, as recommended by the Inquiry Committee into the North-West Frontier Province to a feast at the house of the Honourable the Chief Commissioner of the Province. The guests to be invited are composed of the different sects of the Hindus, the Sikhs and the Mussalmáns, sub-divided into the Sanatanis, Samajis, Singh-Sabhis, the Akalis, the Sunnis, the Shias and the Wahabis. Now the foremost of them, *i.e.*, the venerable Pandits with big turbans as a mark of distinction of their piety, desire to have their "Parshad" to be

12 NOON.

prepared by an orthodox Hindu cook with plenty of "Gangajal" in it. The stalwart Sikh of the Frontier in his Pathan-like dress and the appearance of a faithful Sikh desires to have his "Karrah" prepared by a zealous cook of the Bhai class with a good deal of "Amrit" in it. The Sayyids with other ecclesiastics of their co-religionists insist on having their "Halwa" prepared with a little bit of the sacred water of Karbala. The Sunnis on the other hand like to have their "Halwa" cooked in the Zamzam-water. Apart from all these the Muhaddis otherwise known as Wahabis regard all these sanctities as superstitious and are content to feed upon anything cooked in simple water. The host has to invite all of them at one and the same time because he does not like to displease any one of them. He has also to provide separate accommodation for each community. Under such circumstances, I hope my Honourable friend the Mover of the Resolution will realize the difficulties the host will have to face in procuring a sufficient quantity of "Gangajal", "Amrit", "Zamzam-water", and the "sacred water of Karbala" before he can send an invitation to all the communities. As every host tries his level best to please every one of his guests, may I ask the Honourable the Mover of the Resolution what time the procuring of so many specialities will take, and especially in the cold corner of the Frontier where there is a paucity of the desired cooks. How much time will be required to prepare so many delicious dishes to the satisfaction of the guests, especially when the host is aware of the fact that if any one of them has not what he wanted to have it will not make the feast enjoyable? A wise and educated man like my friend the Honourable Saiyid Raza Ali can judge for himself how long it will take to make any decent arrangement for all and especially in the Frontier where the host under no circumstances would like that any one of his guests should experience the slightest inconvenience in the enjoyment of a feast. Now, Sir, such are the communities that are to be reckoned with on the Frontier. When a Sayyid and a Brahmin in spite of their education cannot patch up their differences here, how long will it take for the ignorant and war-like communities of the Frontier to settle their differences? When a Sayyid brings in a harmless communal Resolution in this House there is always an amendment to it by a Brahmin. If we try to seek the reason of it, it is simply because they cannot settle their differences.

It is a long time since the Hindu and the Sikh communities have been living on the Frontier. Most of them have picked up the habits of the Frontier men and consequently their way of arriving at the settlement of a dispute is far different from those of the clients of my friend the Honourable Saiyid Raza Ali. Perhaps my friend had not carefully noticed the difference between his clients and those of the Frontier people during his short stay on the Frontier as a member of the Inquiry Committee. It is just possible that he might not have chanced to come into contact with the rural population of the Province. Since then much water has flowed under the bridge and the condition of the Province is not the same as my Honourable friend had the opportunity of observing in 1922. I hope he will excuse me if I say that he is wrong in regarding the frontier people in the same way as the civilized, highly polished and obliging men of his own province. He might be able to mark out a line of action for the educated and cultured people of the United Provinces, but to persuade those of the Frontier to come to an understanding is a bit hard to achieve. Besides there is a strong conservative element in the province that will not accede to the introduction of any measure without their satisfaction. They would not like to part with their old system so easily.

[Major Nawab Mohammad Akbar Khan.]

To discuss a matter in the atmosphere of a court or Council is altogether different from putting it into practical form. The Honourable the Mover of the Resolution might be aware of the fact that Rome was not built in a day but it took nearly six centuries before the practical builders of it could make it an Imperial City, nor was the Roman Empire the work of mere discussions of Cicero and his friends. It was not Cicero the Orator who laid the foundation of the mighty empire of the great Romans, but it were Scipio and Mauritious who contributed most to the greatness of that mighty empire. It was after the struggle of at least a century that the patricians and the plebians had to settle their difference in the form of Senate and Tribune and it was after a long time that the Latin colonies acquired their right of citizenship under the great Romans. The same may well be said of the ancient Greeks who had to develop their form of administration from absolute monarchy to democracy after passing through the stages of aristocracy, oligarchy and the rule of tyrants. In the gradual formation of the Greek democracy it was not Demosthenes that had to bear the palm but Themoslocles, Arstidus, Periclés, Socrates and Plato who moulded the absolute form of Greek administration into a democracy. If my Honourable friend the Mover of the Resolution would study the history of these two ancient nations of the world he would be convinced, I hope, of the fact that constitutional developments are not worked out in the twinkling of an eye, but they take some centuries at least. No doubt the constitutional machinery moves itself but it moves gradually and slowly. Keeping in view the various phases of the different constitutions of the world which have developed themselves gradually, he ought not to be in such a hurry. I would like to point out the different constitutional reforms brought about by the ancient Chinese, Egyptians, Saracenes and the Indian, but as the time at my disposal is not sufficient enough and moreover I do not want to detain the House any longer on this topic I confine myself to a rough sketch of the Greeks and the Romans which, I hope, will bring home to the Honourable the Mover of the Resolution that constitutional developments are not made within so short a period. Of course the Sayyids have to be a little bit more energetic and vigorous than a good many of us but still they cannot accelerate the pace of progress of a nation.

To come to the conclusion the local authorities of the Frontier are well aware of the difficulties they will have to cope with in giving effect to the recommendation of the Inquiry Committee in the Province concerned. They know their obligations well and I do not think they stand in need of any reminder with regard to the working out of the majority scheme. The Honourable Mr. H. N. Bolton, the present Chief Commissioner, North-West Frontier Province, is fully in touch with the circumstances of the Province and moreover has got a very retentive memory. He has been among us for a considerable period and on the strength of experience is fully acquainted with the habits and thoughts of the frontier men. I do not think he will favour the introduction of the reform scheme, even to a small degree, unless he has thoroughly cleared and prepared the ground for the working out of the majority report.

Before resuming my seat I must say that we ought to consider the general welfare of the province and not look to the interest of a few interested persons who have not got the interest of the province at heart. They simply desire to get a certain status no matter whether the province is in a position to have it or not. They are prompting a few of the

pamphleteers to hint at the reforms but their voice ought not to be taken as the voice of the entire population of the province. I can assure the House that the enforcing of the recommendations made by the Inquiry Committee with regard to the Frontier will not prove advantageous at the present juncture. It will be sowing the seed of discord resulting in occurrences similar to that of Kohat. In my opinion therefore the Honourable the Mover of the Resolution had better wait until the local authorities think it expedient to extend the Inquiry Committee's scheme to the North-West Frontier Province, for everything that comes a bit late is the most suitable solution. After all he ought to trust the man on the spot whose only duty is to see when the thing should be started. The men on the spot can be better judges of the circumstances under their jurisdiction than an outsider. At present I see no reason to accelerate the introduction of a scheme which instead of arousing political consciousness is expected to have retrograde effects on the most war-like population of the North-West Frontier Province.

THE HONOURABLE MR. V. RAMADAS PANTULU (Madras: Non-Muhammadan): Sir, the Resolution deals with two matters. I consider that the recommendations fall under two heads. The first is the main portion, namely, whether it is expedient to amalgamate the five settled districts with the Punjab, and the second is, if it is not expedient, what proposals are to be made for the improvement of the civil administration of these districts. With the second portion of the recommendations, Sir, I do not propose to deal. If it is not found expedient to amalgamate the districts, I will leave it to the Government and the people of the province concerned to settle the matter between themselves. Whether it is more expedient to have a Legislative Council with a Minister and Executive Councillor or whether it is more expedient to increase the representation of the districts in the Central Legislature is a question of detail on which I do not feel called upon to express an opinion. I therefore beg leave to confine myself to the main recommendation, namely, about the expediency of amalgamating these districts with the Punjab. On this point, I must confess to a sense of disappointment on reading the majority report. They start with two axioms, namely, that it is not possible to separate the trans-frontier areas from the settled districts, and secondly, that for the efficient political control of the trans-frontier area, it is necessary to place the districts also under the administration of the Chief Commissioner. They start with these two assumptions and they naturally arrive at the only possible conclusion, namely, that the trans-frontier areas and the settled districts ought to remain as one unit of administration and that re-amalgamation is impossible. The minority report, on the other hand,—or rather the minutes recorded by Mr. Rangachariar and Mr. Samarth—deals very exhaustively with this question. To my mind they have satisfactorily shown, upon the evidence on record, that it is not only possible but it is feasible and practicable to re-amalgamate the districts with their immediately adjoining tracts with the Punjab. The feeling of the people in the districts seems to be almost unanimous, (though there are a few dissentient voices) in favour of the amalgamation. I will only state a few facts to convince the House that the citizens living in these frontier districts are bound to wish for amalgamation. In 1901, when Lord Curzon, who was responsible for the partition of Bengal and was also responsible for the dismemberment of the Punjab, these districts were under the administration of the Punjab Government and enjoyed all the advantages of a Legislature and of a High Court or Chief Court. With the withdrawal of the jurisdiction of the Legislature and the Chief Court over these districts and

[Mr. V. Ramadas Pantulu.]

with their commitment to the personal rule of the Chief Commissioner in whom all the executive authority was vested, the progress was set back by more than half a century. I find, Sir, from the report, that to-day there is not a single newspaper in the Province. I find that the districts which started with 12 municipalities when they were under the administration of the Punjab Government have now got only 6 municipalities, and in not a single municipality or District Board is there any element of election. Not a single member is elected. I find that the Bar is anything but independent. Vakils and barristers can be transferred from place to place at the sweet will and pleasure of the Commissioner and his subordinates, who can prescribe conditions and set limitations upon the exercise of the legal profession. I also find, Sir, that the way in which the people of these districts are treated is much the same as the trans-frontier tribes are treated. I will only refer, Sir, to two instances to which Mr. Rangachariar draws attention in his report. Mr. Rangachariar is generally a very careful man and the instances of the autocratic rule cited by him ought to convince anybody that it is no longer desirable to retain these districts under the administration of the Chief Commissioner. He says:

"Last year some riffraffs in the town (*he is referring to Peshawar*) misbehaved in two ways (1) firstly, at the visit of His Royal Highness to the city by crying 'Mahatma Gandhi-ki-Jai' and other things and (2) secondly, in connection with two income-tax officers who were insulted and ill-treated—as well as another pensioner—and those who so insulted were afterwards tried and punished; and in consequence of that a punishment was inflicted under the orders of the Deputy Commissioner, for which the Chief Commissioner takes the responsibility, on the whole town by closing all post and telegraph works in the city; by preventing carts laden with goods passing into the town: and by not permitting tongas with luggage to pass into the town—on the ground, in the words of Sir John Maffey, '*I was not going to let the city choose which Government servants they would have and which they would not.*' Asked under what law this executive action was taken, the answer was '*under the law of common-sense*'."

This is the next illustration:

"Another senior officer who had risen to the position of a Deputy Commissioner, permitted the issue of a notification in the newspapers under the signature of the Superintendent of Police 'to the proposed delegates of the Ahmedabad Congress' that if they attended the Congress they would be debarred from coming back to the district."

The following questions were put and answers given by the Chief Commissioner:

"*Q.*—You know a Congress Committee was formed in 1921?

A.—Yes.

Q.—It was dissolved within a week of its formation?

A.—Yes.

Q.—You had the President, the Secretary and the rest arrested and kept under lock up for a day?

A.—Yes.

Q.—On their promising to dissolve the Association, you released them the next day?

A.—Yes.

A leading barrister, Rao Sahib Parmanand at Abbottabad was asked:

"Is there much public life in your district?"

and he replied:

"Practically there is no public life and there cannot be any public life."

This is the state of affairs in these districts and it is impossible for us to believe that the citizens inhabiting these districts would like to remain under the personal rule of the Chief Commissioner unless they were an extraordinary kind of people. On the question of their capacity to manage their own affairs, both the majority and the minority are agreed on the fact that they are not behind the other citizens of India in other provinces and they are equally capable of managing their own affairs. If that is so, it passes my comprehension how evidence can be forthcoming as to their willingness to remain under this personal rule.

Secondly, Sir, this province by being maintained in its present condition with all the paraphernalia of a full fledged province is unnecessarily costing the Central Government an enormous amount of money. When Lord Curzon made his proposal in 1901 to the Secretary of State and the Secretary of State accepted it as a temporary measure of experiment, Lord Curzon's Government pointed out that not more than 3½ lakhs of extra expenditure had to be incurred upon this province. But reading the figures, Sir, I find that this deficit has been continually increasing from year to year, until it came to 140 lakhs in 1920 and 160 lakhs in 1922-23. I now find that in the present year the expenditure upon this province is near Rs. 3 crores, while the income is much less than a crore—so that the deficit is 2 crores and odd, roughly speaking; and in spite of this my Honourable friend wants to create additional expenditure in the form of an Executive Councillor, a Legislative Council and a Minister with about ten transferred departments and so on. Therefore, I think the financial ruin involved in such an undertaking is enough to stagger anybody, and I do not think anybody can justify this proposal financially.

Then it was said that notwithstanding all these disadvantages we have to submit these people to hardships in the interests of India as a whole, that the five frontier districts ought to suffer for the sake of India, in order to keep watch and ward over the frontier. I cannot accept this assertion. Again with regard to finances is India to pay for this province in addition to what she is already paying for the military to guard its frontier? The two main reasons which guided Lord Curzon's Government in asking for this province were these. They wanted immediate and direct control over these trans-frontier tribes to be given to the Commissioner and greater facilities in the management of the affairs of the tribes. By that means they wanted to secure two objects, one to prevent raids in times of peace and secondly, to secure the help of the tribes in times of war. The majority report unfortunately does not deal with the question as to how far this policy has succeeded and as to whether any of the objects were attained at all; but the minority have clearly shown that both these objects have not been obtained and that the policy has failed, that crimes have increased enormously; and they give figures to support their statement. The number of crimes has increased from 2,000 and odd to 5,000 and odd, the number of raids from 41 to 391 and murders from 160 to 644 between 1906 and 1920; and the interests of the inhabitants of the settled districts were sacrificed to those of the trans-frontier tribesmen in all negotiations with the tribes. With regard to the co-operation of these tribes in times of war, it was conclusively shown that the frontier is now in no better state of tranquillity than it was in 1901.

Therefore, Sir, when the object has failed and when as a matter of fact the purpose for which the experiment was started in 1901 has failed, I think we must examine the whole question afresh.

[Mr. V. Ramadas Pantulu.]

I will say one more word. In the majority report I find they give the go-by to the grounds urged by Lord Curzon and take an altogether different line of reasoning. The key-note of their recommendations is to be found at the end of paragraph 28 of their report. That sentence is as follows:

"If the Pathan race were now dismembered and one half merged against its will in the Punjab, the tendency would be for the other half to look elsewhere than to India, and one of the most warlike races of Central Asia might be lost to the Indian Empire."

So the Pathans of the five districts are not to be associated with the Punjab. Well, if the idea is to create a pathan province consisting of the trans-frontier tribes and the cis-frontier tribes, then it is possible to do it only if we can do one thing, namely, amalgamate the two; and there can be only two solutions to this amalgamation. I am going to put a plain question to the Honourable Mover. Does he want an effective occupation of the territory between the British frontier and the Durand Line? I think His Excellency the Commander-in-Chief said the other day in the Assembly that the only solution of the frontier question was real effective occupation of the territory between the British frontier and the Durand Line. If my Honourable friend, Saiyid Raza Ali, is of the same opinion it is a different matter. The other alternative is to give up these five settled districts and attach them to the independent tribal territory. I think this alternative could not have been present to the minds of the majority, as it consisted of three British officials also. With regard to the first alternative I would tell my Honourable friend that he would not get any support from any Indian politician because Indian politicians have always condemned the forward policy of the Government of India. (*The Honourable Saiyid Raza Ali*: "So do I.") Then, if that is not possible, I really do not see how you can amalgamate these Pathan tribes into one province. I think one of the gravest objections to this proposal is the political danger it involves and with which I am bound to deal. It is based on the assumption that there cannot be a united nation of Hindus and Moslems. I am not one of those who would suggest anything which would go against the interests of my Muslim brethren or which will clash with their ideals. I am one of those who have got great faith in the possibility of a Hindu-Muslim unity; and I think we can solve this question amicably and settle our differences peacefully in a very short time. I am hopeful that the Indian National Congress and the Muslim League and Khilafat organisations will be able to settle this question without any foreign intervention. The present scramble for offices and quarrel over the spoils in our attempt to share power with the bureaucracy which are passing phases in Indian political life will disappear in a very short time. Therefore I am not one of those who is in the least afraid of any difficulty arising on that score; and especially for this reason that with regard to the Punjab 95 per cent. in the cis-frontier districts is Muslim and therefore if these districts are amalgamated with the Punjab the constitution of the Punjab Council would be predominantly Muslim and my section of the people, Hindus, will be the losers; but that does not enter into our consideration, so long as the people of the Punjab are for the amalgamation. I am speaking therefore entirely in the interests of the Muslims; the amalgamation will only increase the Muslim proportion of the Council; and though it affects the Hindus, they also are asking for the amalgamation. Whatever I say therefore is in the interests of my Mussalman brethren. I know that among the Muslims there are

two sections, broadly speaking. One section, while believing in the essential unity of Islam and of all the people in the world who follow that faith, look to India as their home and consider that they are Indians first and Mussalmans next. The other section of Mussalmans to whom I refer are few in number and they look to foreign Muslim countries other than India for the solution of their problems; but not only is their number small, their influence is infinitesimal; and therefore I ignore them for the present. I think that every patriotic Indian Mussalman will be for Indianising the frontier districts in every possible way. Sir, evidence has been taken which I shall not read just now as . . . . .

THE HONOURABLE THE PRESIDENT: The Honourable Member has exceeded his time; I must ask him to bring his remarks to a close.

THE HONOURABLE MR. V. RAMADAS PANTULU: May I have two or three minutes more?

THE HONOURABLE THE PRESIDENT: I must ask the Honourable Member to bring his remarks to a close.

THE HONOURABLE MR. V. RAMADAS PANTULU: Therefore the recorded evidence of educated Moslem opinion is that the Indianisation of this part is better than Afghanisation.

THE HONOURABLE MR. DENYS BRAY (Foreign Secretary): Sir, it may perhaps seem impertinent for one who has only been a member of this Council for a couple of hours to pay the Honourable Member who has just spoken the usual tribute to a maiden speech. But I am after all one of the oldest Members of this Council, for I was a member at its inception, and I congratulate the Honourable Member who has just sat down, first, on his flow and command of my own native language which I greatly envy, and second, on the great study he has devoted—I shall not say to the report, but—to the Minority report. I do not propose to follow my gallant friend, Major Muhammad Akbar Khan in his culinary and classical researches. But I do sympathise very much with the speech of my Honourable friend, Mr. Natesan, and with his appeal for a reasonable attitude towards this most difficult question. As Mr. Natesan has said, there was nothing to complain of in the tone of the speech of the Honourable Mover. He dealt with a very difficult and very delicate problem in very reasonable terms. Indeed I find myself in some trouble over this motion because I agree, and what is much more to the point Government agree, with the spirit though not with the letter of it.

Government are fully alive to the great issues that are at stake, the great issues that were before us on the North-West Frontier Inquiry Committee. And Government are very anxious that a right solution of the many difficult problems that faced us should be reached as soon as may be. Herein, I suggest, lies one of the reasons for that delay which my Honourable friend Mr. Raza Ali asked me to explain. There is first the great importance of the issues, and there is then that other reason which my friend Mr. Natesan evidently anticipated I would give. The publication of this report was delayed deliberately and of set purpose. There is no getting away from the fact, Sir, that our inquiry engendered communal heat on the frontier: it engendered some little communal heat, I regret to say, amongst ourselves; it engendered great communal heat in the Punjab Legislative Council; it engendered heat also in the press and wherever politicians do congregate. And Government were determined that, as far

[Mr. Denys Bray.]

as in them lay, nothing should be done to increase that heat. And surely the delay was successful. It was justified by its success. The report was published a year ago, and made hardly a stir. I have heard no complaints myself on that score. I am wrong, I heard complaints from my friends in the press that they had been robbed of sensational copy—copy which would have been sensational had it come to them hot from the oven instead of coming to them so belated and stale that not even their vivifying pen could infuse into it the spark of life.

As for the delay which has occurred since, it is surely justifiable. The main problem before us was a live issue with Government for 20 to 30 years before the formation of the Frontier Province, namely, how to secure for the Central Government that control over the trans-frontier which was so vital, which is so vital, and always will be so vital, to India's foreign policy. The problem during all those years was whether this could be done without dismembering the Punjab. We have now been facing the reverse problem, whether this could still be done if the districts were returned to the Punjab. And does my Honourable friend really think that one or two years' delay—the question is rhetorical for I know that he does not—does he really think that one, or two or three years is an unduly long space of time in which to think out again to rethink this most extraordinarily difficult problem, a problem which strikes at the very root of what is the central feature of India's foreign affairs? Of course, it would be quite easy for Government to say that the problem had been solved once and for all with the formation of the province; and that when a Committee of some weight had been appointed, and had given its verdict, by a majority, in favour of the *status quo*, there was no need to go further into the question. But that is not what Government is wont to do. Government has set itself down deliberately to rethink this difficult problem and to see if there is any other way out after all. Government would, I suggest, have shown scant courtesy to the minority if their proposals had been so treated. And here, Sir, we must remember that whereas the majority, and this perhaps is why my Honourable friend Mr. Ramadas overlooked it, whereas the majority packed their conclusions into the small compass of 30 pages, the minority spread themselves over 141.

There is another big matter, this time in the minority report, which my friend overlooked. If I understood him aright, he said that he and all Indians who counted had made up their minds finally against a forward policy. Will my friend now re-read the gospel from which he has been quoting? Will he re-read Mr. Rangachariar's minute of dissent, and will he admire with me Mr. Rangachariar's intellectual honesty and great courage? For Mr. Rangachariar made it perfectly clear that he recognised that the particular solution which he propounded carried with it as its necessary implication a movement of forward policy up to the utmost verge of the Durand Line. And there is one other point worth emphasising in this connection, for I think it was obscured (though I may be doing him an injustice) in Mr. Ramadas's speech. The minority and the majority were in essence agreed on one large issue, I mean the inextricable interlinking of the transfrontier with the districts. But there was a difference. The minority found, or thought they found, that there was what I call a way out; they were able, as they thought, to divide the trans-frontier into two parts, and they propounded what at the time struck me as an extraordinarily ingenious solution by which the districts and one half of the trans-border should go to the Punjab, while the rest of the trans-border should remain with the Government of India. But that very proposal implies that they recognised that one half of the trans-frontier is inseparable. . . . .

THE HONOURABLE MR. V. RAMADAS PANTULU: May I know if the territory adjoining the districts which is subject to the political control of the Deputy Commissioner is one-half of the trans-frontier area?

THE HONOURABLE MR. DENYS BRAY: Yes, that was the portion to which they were referring. Though I must not go into details, I would just explain this further. Perhaps the portion of the trans-frontier best known to this House is Tirah. Tirah for my present purpose may be divided into two halves, the Orakzai country and the Afridi country. The Orakzais are run by the Deputy Commissioner of Kohat and the Afridis are run by a Political Agent. Under the minority proposal (and of the many professional arguments against it I shall adduce but one) under this proposal the Punjab Government would be dealing with one-half of Tirah, the Government of India would be dealing with another. And what would happen in the case of a crisis, and crises unfortunately come very frequently and very suddenly on the frontier, I really am unable to think.

Now the Government have, as I said, set themselves to think out this problem again. They did not start, nor—if Mr. Ramadas will allow me to say so—did the majority start with two axioms. They took the problem as we took the problem, from its beginnings, and endeavoured quite honestly to see whether the argument would lead. And we found, some of us to our disappointment—and I think I can almost safely include Mr. Raza Ali in that disappointment—we found that it led us back again to the old conclusion—that the impelling interest of India as a whole made it impossible to re-amalgamate the districts with the Punjab for the same reasons as led to the dismemberment of the Punjab, to wit, that we cannot control the trans-frontier except through the districts, and that the authority that controls the districts must be the authority that controls the agency. I regret to be obliged to set this most technical matter in this necessarily dogmatic form, but we did labour to explain our reasons in full in the majority report. I regret to say that when I re-read that report last night after many months, I found the argument, even to myself to whom necessarily the argument is familiar in my ordinary work, I very closely reasoned and I can well understand that Honourable Members who come to this most difficult question without firsthand knowledge may require greater study than many of them are at present able to give.

But this decision against re-amalgamation of the Punjab leaves, of course, many very difficult questions still in suspense. Government would much have preferred to have dealt with this question as one whole. But there is a certain amount of impatience abroad and the Government recognise that other Houses possibly are not quite so patient in the matter as this is. Indeed I have been pressed elsewhere for a further indication of the stage to which Government have got in their provisional conclusions. In particular, as far as Government's deliberations have gone, Government have so far decided against judicial amalgamation and in favour of the strengthening of the existing arrangements by raising the Judicial Commissioner's Court to a Bench of two Judicial Commissioners, the Additional Commissioner being drawn, where possible, from the local Bar. On the very difficult subject of reforms, I can tell the House really nothing. That problem is still before

[Mr. Denys Bray.]

the Government. I would remind the Honourable Mover of the obvious difficulties that attach to the question. I would remind him, for instance, of the way we ourselves deliberately glossed over one or two of them. I am not referring here to the financial question which my Honourable friend Mr. Ramadas put—not quite accurately I thought—but in particular to the fact that our proposals would be impossible under the Government of India Act as it now stands. We stated so ourselves quite frankly. Well, that was an easy way out for us on the Committee; but it is not so easy an obstacle for Government to surmount.

But I was challenged by several speakers on points of detail. What has been done with regard to the minor reforms, reforms other than those big constitutional reforms? Great play was made over the inequity of the restrictions on the Bar. I am sure Honourable Members will rejoice to hear that those restrictions have been removed. Somebody held his hands up in horror at the power vested in appellate courts to give enhanced sentences on appeal. That dreadful power has been removed. In the universal condemnation of the Frontier Crimes Regulation in which we were asked to believe and in which (despite what some Member said to the contrary), the local Hindus certainly do not join in that general condemnation, special condemnation was directed towards the use of the political lock-up for purposes other than the strict letter of section 21 of the Frontier Crimes Regulation. The practice now is according to the very strict letter of the law. And then there were other recommendations of ours to which no reference has been made to-day and which I will therefore pass over, such as the issue of Government rifles and so forth and the raising of levies.

My Honourable friend Mr. Ramadas seemed to voice a resentment of the Frontier which I fear is not uncommon. It is, it must be, very galling when nature has been bountiful to India in creating physical barriers of defence on large portions of its land frontiers to find on the North West Frontier—and there are one or two other vulnerable stretches elsewhere which I will not emphasise—to find on the North West Frontier a very vulnerable, an historically vulnerable land frontier. The North-West Frontier stands, Sir, as a fort which makes it possible for this House to sit in this Olympian calm. To the gallantry and self-devotion of the officers on the frontier the Committee, majority and minority alike, paid a very fine tribute. Mr. Ramadas referred also to the tribute we paid to the qualities of mind of the inhabitants of the frontier. I would like to pay a tribute to their prowess. It is well for India that on this vulnerable stretch of frontier there lives a manly, virile, independent people. Had Providence set one of our softer races of India there, had Providence set there a people less manly, less independent, less virile, the expenses that we bear on the frontier would assuredly have been very different. Very possibly we should have had no expense to bear in these districts at all, for it is unlikely that there would have been any districts at all. But the expenses on India's land frontiers as a whole would have been incomparably greater.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-official): I am glad, Sir, that I did not rise earlier in this debate to speak because the usual procedure that I have known is that when a Committee is appointed and makes its report, Government in publishing the report also publish their Resolutions on it. In this particular instance, no Resolution

appeared on the report of this Committee and I concluded to myself that the Government had not been able to make up their mind and they are biding their time. A year passed and nothing came of it. At last my Honourable friend Mr. Raza Ali's Resolution came on, and I thought that my friend was forcing the Government to come to some conclusion. Government wanted still more time, but my Honourable friend would not let them have it. He wanted to force their hands. My instincts led me right in thinking that Government wanted a little more time. In the Resolution which my Honourable friend Mr. Raza Ali has brought forward, he merely says "effect should be given to the recommendations of the North-West Frontier Inquiry Committee". We know that there are different recommendations in the majority report and different recommendations in the minority report. I suppose by "the report of the Committee" he meant the report of the majority, and that the minority report would have to be looked upon as no report at all.

THE HONOURABLE SAIYID RAZA ALI: That is so; it is obvious.

THE HONOURABLE MR. G. S. KHAPARDE: It is not so obvious to me for the reason that the minority report is part of the majority report and the majority report is part of the minority report. Both of them are published together and no light is given whether Government have accepted the one or the other. In this state of circumstances, I look upon it as a case brought up in first appeal in which both points of law and fact are open to argument. I take my stand in that position and this brings me to the subject-matter of the Resolution. The majority report takes it as an axiomatic truth that it is impossible to administer separately the districts and the tracts. To give them their true name, they call the part of the province which at one time formed part of the Punjab, the settled districts and they call the rest of the province up to the very borders of Afghanistan, tracts. They think that these tracts cannot possibly be separated from the districts. I humbly submit that this proposition is not quite sound, for this reason, that these settled districts were part of the Punjab which the Sikhs ruled. The Sikhs, rightly or wrongly, I shall not judge upon that now, were in possession of these five districts and the British Government succeeded to these districts as successors to the Sikh administration. If so, historically anyhow, these five districts were divided from the rest of the tracts. For nearly 70 years the British Government were in possession of it and they ruled it for nearly three-quarters of a century as separate from the tracts. If so, it is rather difficult now to say that they are inseparable, or if you separate them something tremendous would happen or that the heavens would fall. I have my doubts in that respect. If the British Government could administer these five districts for 75 years and they made considerable progress in civilisation and if the people did get on, I cannot understand how at the end of the 75 years, you can say that they cannot be separated from each other. I may be called in England what is called a little Englander. My principal concern is with what happens in British India. We should take care of British India. What happens beyond the borders I always look upon as the business of our Foreign Office and His Excellency the Commander-in-Chief. So far as I am concerned, I confine my attention purely to British India and I want to see that every part of it gets justice, every part of it has peace and every part of it is more or less contented. If people beyond the frontier are very troublesome, I suppose the Foreign Office knows, my friend knows and His Excellency the Commander-in-Chief knows how to make them quiet. I do not want

[Mr. G. S. Khaparde.]

to bother my head about them. These five districts were part of the Punjab. When we took them over, they remained part of the Punjab, until in the year 1901, Lord Curzon constituted them into a separate province. I am not sitting in judgment on that policy, but I will only remark that Lord Curzon's administration in that part of the period was very unfortunate. He divided Bengal, and he tried to separate the settled districts. We had to upset that matter in Bengal. I am afraid we shall have also to upset his decision in this matter also if these districts are to be governed properly and made contented and loyal. This partition was an unfortunate thing. The present circumstances remind me of a small story, which I have always heard. A rich man engaged a tutor to take care of his son and said to him, "This boy is unruly; you kindly teach him". The teacher undertook to teach the boy. He took him to the school room or the palace, whatever you call it, and gave him lessons, but the boy would not learn. So, the master said to the boy, "If you do not study, I will use my cane." But the boy drew his sword and said, "Look here, I will use my sword." The master began to run and the boy followed him with the drawn sword. The master said to himself, "What is to be done? I had better go to where the landlord or the Amir sits and then I shall lay my complaint before him." He went to the principal room of the palace where the employer sat and said to him, "Look how your son is behaving. I tried to teach him, and he wants to strike me with his sword." The employer said, "Stand awhile; let the boy strike at least once; this is the first time he has drawn out his sword, and if he does not strike anyone, his life will be unsuccessful." This is the kind of story that is being told here. There are these five districts. We know that they are badly treated. We know that they have formed part of a very civilised province, where they were treated well, but now they must stand out. They must put up with the inconvenience that is imposed upon them for the sake of British India. We are told that these five districts must submit to an inferior kind of administration and to a great deal of injustice for the good of British India. Like the master and the pupil in the story I have related, these five districts came to us complaining about the injustice done to them and we are asking them to wait. We say to them that it is for the good of British India that they should die. The reasoning is so poor that I cannot accept it. It will not appeal to anybody. These are all children to be taken care of equally and no one should be sacrificed for the benefit of another. The other point on which I parted company with my Honourable friend Mr. Raza Ali is when he said it was an unimportant matter whether these tracts could be separated from the districts or whether the districts could be managed separately. Obviously he signed the majority report and therefore he confined himself to the recommendations of the majority report. That is very natural. But I join issue on the first part of it. It is rather difficult to give an opinion. I know that the evidence of experts is against me. But when he called it unimportant, I disagree with him, and I disagree as well with the opinion even of those experts. What are called experts here are officers who have served in that province. They have stood in the battle and in the dust and they have taken a good deal of trouble. I am not sure that they should be called experts. They are very good officers. I would employ them in any fight if I had one. But the expert ought to be trained by sitting coolly outside and deciding things and forming statesmanlike views. Our Foreign Office has got, I think, the qualification to form this long view. But gentlemen,

very eminent people, very clever officers, who are actually engaged in the administration, have had no time to form these long views. They are engaged in their daily task and their daily trouble and they have had no time to form long views. It is the expert evidence on which the majority depend so much. They may say that I am wrong; I think probably that they are wrong; but I do not think they took enough trouble over it; I think a more detailed examination of the oral evidence has been made by the minority. My Honourable friends will see that the majority have put their conclusions in 30 pages while the minority has taken the remaining 145 pages, and I think that it should be admitted that that is their strong point because they have analysed the evidence of nearly everybody who came before them. More especially I complain that our friends of the majority were ungallant—I think there was a lady, Khadi Begum, a very educated Muhammadan lady, an M.A., who sent in her memorandum and fought against the majority and said there must be amalgamation and that this state of affairs should no longer continue—and they have completely ignored her. What is more; they completely ignored the statement of our Honourable friend, Major Muhammad Akbar Khan. I will not say that the majority have not taken the trouble—they may have in their minds, but it is not evident on paper—to consider these statements that were put before them and to show what conclusions they lead to; they merely get out of it by saying that the experts thought so and we also thought so and there it is. I say it is giving rather short shrift to all that evidence that was recorded in various places and all the other things. Take the judgment of a court; they say there were so many witnesses who said so and so and other witnesses said so and so that a certain set of evidence is reliable because of this so and so and the other is unreliable because of so and so and the court therefore comes to certain conclusions. You look in vain for that kind of thing in the report of the majority, and that was my reason for going more minutely into the report of the minority, as my friend, Mr. Ramadas did.

1 P.M.

I shall bring my remarks to a close. I still adhere to my proposition that these tracts are capable of being separately administered from the settled districts. They were so for nearly seventy years and they can be so administered now with better roads and more efficient accoutrements, our army being more efficient and so forth.

Another thing which I wish to say is this. Wars have become much more expensive than they used to be in those days. A good deal was said about there having been fifty-two punitive expeditions at one time and there being none now. The one that we had in 1919 was as costly as the fifty-two we had before. If you take the cost of those fifty-two expeditions before and the cost of the last experiment we had in 1919, the latter was more costly than all of them put together. That is no argument and it is not convincing. If it has become more costly, with arms of precision we can bring it to a close in one day; the punishment can be more drastic, so very drastic indeed that these Frontier people will be so crippled that they will not dare to trouble us again. But that is not my problem. My problem is that these five districts which have enjoyed and for seventy years have been administered by the British Government, in which a higher civilisation prevails, should not be condemned to a state of savagery, where murders are referred to a *jirga*, that is to say, the trial of a murder is made over to a *panchayat* and that *panchayat* settles it by punishing the culprit by asking him to pay a certain sum as compensation, say a few

[Mr. G. S. Khaparde.]

hundred rupees or a thousand rupees. The thing has become so bad that a few years ago an English lady was kindnapped from Peshawar and taken to tribal territory and ultimately after a great deal of force and one thing and another she was ultimately recovered and came back and we had to pay about a lakh of rupees as ransom to get her back (*The Honourable Mr. Bray*: "No.") That is my opinion—I may be wrong; that is the outside information I have. If they had not to pay one lakh, they might have had to pay less but some payment was made and she was brought back by our soldiers. If these kinds of things are tolerated now they will later on become worse and I am sure the time will come when everybody who consented to this partition of the Punjab or rather dismemberment of it will be very sorry that it ever took place, much the same as we now say that it would have been much better never to have partitioned Bengal at all. So far as I have been able to notice, the Government have undertaken to carry out some judicial reforms and certain other things and I suppose the rest of the question will remain undecided; and any day the matter comes up again it will be possible to argue it and Government will consider and make up their minds once more to see and examine the evidence as to whether the districts can be administered separately from the tracts.

THE HONOURABLE SAIYID RAZA ALI: Sir, I am afraid the Honourable Mr. Denys Bray finds himself in a position which is not very enviable. The attitude of the Government and the policy pursued by it have been subjected to criticism from one quarter, namely, the supporters of the policy outlined in the minority report. They think that the attitude taken up by the Government is hopelessly wrong and that there is nothing easier than to separate the districts from the tracts. Now, on that question as this House knows I strongly support the view of my Honourable friend, Mr. Denys Bray. Principally it is a fight between him and the supporters of the minority report, but I do not think it would be fair on my part to hold a watching brief. I, Sir, for one must say, without making any attempt at arguing the question at any length, that, as has been pointed out clearly in the majority report which is the report of the Committee, let me tell my Honourable friend, Mr. Khaparde, inasmuch as the report of the Committee is that which is signed by the majority, if there is a division, the notes recorded by other members are not entitled to be called a report, legally speaking, but their notes are called minutes of dissent, which is the position that has been claimed for these minutes by Mr. Rangachariar and Mr. Samarth—as has been clearly pointed out in that report there are two fundamental canons of frontier management which should not be transgressed. One of these canons is that you cannot separate the districts from the tracts. The question has been argued at considerable length and I do not propose to go into it. The second, perhaps a little more vital, question is that you must treat the transfrontier as a whole inseparable; and unless you are prepared to court disaster it will not do for you to divide one portion of the transfrontier from the rest. Now, I am one of those who strongly support this view. Let me tell this House plainly that if I were clear in my mind that it is possible to separate one portion of the transfrontier from the other and the districts from the tracts, I would have been among those who have signed the minority report. But taking the view, as I do clearly, that it is impossible to bring about this separation, amalgamation is ruled out. So far about the first question.

Now we come to that portion of the report of the Committee where on the whole a liberal measure of reforms has been recommended to be given. Now, on that question, Sir, let me tell the House that the Secretary of State in his despatch dated the 20th December 1900 in reply to the despatch sent to him by Lord Curzon, emphasised the effect that would be produced on the civil administration of these five districts by setting up what has been called a miniature province. The Secretary of State pointed out:

"In respect of the frontier tribes his duties would be political and his policy would be under the direct control of the Government of India. But in the case of the settled districts which it was proposed to detach from the Punjab, it was clearly undesirable that the people, having already enjoyed the benefit of a highly organized administration, with its careful land settlements, its laws and regulations, and the various institutions of a progressive civil Government, should be thrown back from the stage which they had already reached."

Sir, this question continuously attracted the attention of public men in India ever since the creation of the Frontier Province, and the report of the majority itself bears eloquent testimony to the care that has been bestowed by them on the civil administration of the country. But what is it, Sir, that we learn about the attitude of the Government as disclosed from the speech of the Honourable Mr. Denys Bray? The question here is this. The Government took some time to appoint this committee, they took about six months to appoint this committee. Now we are told by the Honourable Member Mr. Denys Bray that the publication of the report was delayed deliberately. The report was submitted towards the end of September 1922, and it was not published till about the end of March 1924. But Mr. Denys Bray studiously avoided giving us any reasons which impelled the Government to withhold the publication of the report. May I ask him again as to what led the Government to withhold the publication of the report?

THE HONOURABLE MR. DENYS BRAY: Communal tension.

THE HONOURABLE SAIYID RAZA ALI: So far as I am aware, Sir, before the unfortunate occurrences at Kohat, there was no communal trouble worth the trouble in the frontier; at any rate, I am sure there was no more communal heat in the frontier before the appointment of the Committee than immediately after the publication of the report until of course the unfortunate occurrences that took place at Kohat recently. Then let us see what were the Government doing between the publication of the report and the riots that broke out at Kohat on the 12th September 1924. Let us again take the trouble at Kohat itself to which attention has been drawn by my Honourable friend. I put it to him in all seriousness, that if a Legislative Council was granted to the Frontier Province, on which all classes of people that inhabit the frontier, Hindus, Sikhs and Muslims would have been represented, would not those Members have been in a far better position to bring about a harmonious restoration of the relations between the two communities? Sir, I submit that the reply that has been given by my Honourable friend, if you will allow me to say so, is extremely disappointing. After all, what is it he says? He says that the present time is inopportune, it is unpropitious. He does not stop there. He goes further and says that the Government want to think out the problem again, that the Government want to rethink the problem,—I am quoting his own language,—which means that you treat the report of the Committee which you yourself appointed as waste paper. You appointed a Committee to go into the whole question

[Saiyid Raza Ali.]

very carefully. That Committee examined about 98 witnesses, official and non-official, and devoted about five months to investigate the whole question, and there has been so much of time, energy and money practically wasted over this Committee. A careful report has been prepared, and specific recommendations made by that Committee so as to safeguard the interests of every section of the population. The whole thing has been under consideration for nearly three years, and at the end of this period, after all these laborious processes beginning from the date on which the Secretary of State sent his despatch of the 20th December 1900, my Honourable friend comes forward and says that Government want to think out the problem again, that Government want to re-think the problem. Sir, are all the labours of the Committee to go by the board? Are you going to disregard them? What do you mean by saying that the Government propose to think out the problem again? Do you mean to say that the Government want to treat this report as non-existent? Do they think that it is open to them to take any other line of action than the one suggested by the Committee? If so, Sir, I must reconsider my own position in the matter. On the other hand, if my Honourable friend means that the Government are favourably inclined towards the recommendations made by the Committee, or if he says that the Government would be prepared to give effect to the recommendations made by the Committee subject to slight alterations at an opportune moment, I can understand his position. But he does not say that Government want to take action at the proper time. Again, I do not ask the Government to give effect to every recommendation made in the majority report. But I want an assurance that, subject to such minor alterations or modifications as may be considered necessary, effect will be given to the report. I do not think any useful purpose would be served by my pressing this Resolution to a vote, because it would appear from the speeches that have been made that there is more unanimity of opinion between the Honourable Mr. Denys Bray and myself than there is between us two and some of those who occupy the non-official Benches. Having regard to this fact, I do not think I would be well advised in asking for a division. All the same, I must know what the position of Government is in the matter. If the Government think that they have a clean slate to write upon, if they think that it is open to them to take any course they think advisable and treat this report as non-existent, I consider it will be my duty to ask for a division. In the other case, that is to say, if Government say that they would be prepared to give effect to the recommendations contained in the majority report subject to certain alterations and that they would be prepared to give effect to them at the proper time, I ought not to take the risk of pressing this motion to a division.

One word more, Sir, I wish to say and that is about the speech that was made by the Honourable and gallant Member who represents the unfortunate Frontier Province by nomination in this House. Sir, let me assure this House that I have known the people of the Frontier Province since 1914, and it was not in 1922 alone that I visited that province. And I have great admiration for the people of this province to which eloquent testimony has been paid both by the majority and the minority members. Not only did the majority of the members pay a glowing tribute to the capacity and high standard of intelligence of the people of this province, but similar tribute is paid by Mr. Rangachariar and

Mr. Samarth. Here I have with me the evidence of the gallant Member in which he emphasised the immediate need of the introduction of the scheme of reform but, Sir, I do not propose to embarrass him by reading out portions from these bulky volumes.

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN: But is the state affairs the same as in 1922?

THE HONOURABLE SAIYID RAZA ALI: But one thing I would say. When he goes back home and calmly sits down to ponder over his performance, let me tell him that he will not feel very proud of the position that he has taken up with reference to the cause of the people of his own province. As for myself, Sir, I have no special interest involved. With me it is a public question. The Government stand pledged to a certain line of action. I am entitled to ask Government what action they propose to take, and I shall choose my own course accordingly. With my Honourable and gallant friend the case is different.

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN: I represent the zamindars who under John Nicholson had contributed most to the taking of Delhi and Muradabad during the Indian Mutiny, and it is their opinion that I voice.

THE HONOURABLE MR. DENYS BRAY: Sir, I felt some difficulty at the beginning, I feel more difficulty now, in replying to my Honourable friend. I endeavoured to make it clear that, when I spoke of the deliberate delay on the part of Government, delay caused by the communal heat which might be engendered, I was not confining myself to the communal heat engendered over this inquiry on the frontier in the Punjab and elsewhere, I was referring also to the communal heat that was prevalent and is alas still prevalent in Northern India. And I venture to think that therein lies one impelling reason why Mr. Raza Ali, the publicist and public man, should not attempt to carry this motion to a division. To the statement I have already made I can add nothing more, but I do put it to him that, when I remind him—he needs no reminding from me—of the state of communal feeling in Northern India, he will be well advised as a public man to withdraw his motion.

THE HONOURABLE THE PRESIDENT: I understand the Honourable Member does not wish his motion to be put to the Council.

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

The Council then adjourned for Lunch till Twenty-Five Minutes past Two of the Clock.

The Council re-assembled after Lunch at Twenty-Five Minutes past Two of the Clock, the Honourable the President in the Chair.

RESOLUTION *RE* UTILIZATION OF INTEREST ON POST OFFICE SAVINGS BANK DEPOSITS OPENED BY MUHAMMADANS, ETC.

THE HONOURABLE MR. HAROON JAFFER (Bombay Presidency: Muhammadan): Sir, I beg to move the following Resolution:

"This Council recommends to the Governor General in Council that Government may be pleased to keep a separate account of the interest payable by Government on deposit accounts in Post Office Savings Banks opened by Muhammadan depositors who

[Mr. Haroon Jaffer.]

owing to their religious belief, have requested that no interest should be credited to them, and that this sum should be set aside as a special fund, to which also any interest on Government securities foregone by Muhammadan holders under similar circumstances should be credited, and that this fund should be utilised in awarding scholarships to poor Muhammadan students in the Muslim University, Aligarh."

Sir, Honourable Members are probably aware that there are several Muhammadans who refuse to take interest, through religious scruples, on loans and deposits in banks. It is not necessary for me to set forth the motives which lead creditors to forego the reward to which their abstinence is entitled nor to offer any remarks regarding the material aspect of a practice which may appear to many as exceedingly sound in this twentieth century. The taking of interest has been looked down upon in all countries at one time or another, and religious injunctions have discountenanced usury almost everywhere. Whatever the origin or the justification of the idea that the taking of interest is bad, we have to take the fact as it is and to note that many Muhammadans in India regard it as a meritorious deed, enjoined by religion, to forego interest on their deposits in Post Office Savings Banks, and on Government Securities. These pious people keep their money in the banks for safe custody and have the advantage of easy and convenient withdrawal. They invest in Government securities, not with the object of earning a steady and secured income therefrom, but use that method of investment also as a means of providing safety for their savings. Government meet the wishes of such creditors and the amount of interest thus foregone benefits the public exchequer. The suggestion I have to make in this behalf is that a separate account should be kept of the interest payable on deposit accounts in Post Office Savings Banks, to Muhammadan depositors, who, owing to their religious belief, do not want to receive interest, that to the fund to be created out of these amounts should be added interest foregone by Muhammadan holders of Government securities under similar circumstances, and that the whole fund should be used in giving scholarships to poor Muhammadan students in high schools and colleges of the Muslim University, Aligarh. I make this suggestion for two reasons. In the first place, I find that the number of poor Muhammadan students is so large that the progress of the education of the Muhammadan community is being seriously hampered by the prevalent poverty. Many a poor student who cannot pursue his school or college course for lack of funds, will have his ambition gratified if financial facilities are made available. The vast majority of parents in the Muhammadan community consists of ignorant and poor people. How is education to spread among them? I am doing my humble bit to facilitate education in my backward community, but I find that everywhere the absence of funds is keenly felt. Secondly, I could notice that philanthropic and pious Muhammadans refrained from taking interest on the sums lent by them to Government and deposited in savings banks. I thought to myself, could not this money accruing, on account of interest be collected in a special fund and utilized for the purpose of facilitating the education of poor Muhammadan boys? Government cannot have any objection to this being done. In any case the money is not theirs and would ordinarily have to be paid out. Muhammadan depositors and creditors have likewise no reason to object to this use of the money the payment of which they have voluntarily foregone. Their religious susceptibilities will not be touched because they will not personally derive benefit from the sums invested or deposited by them. On the contrary, they ought to welcome a scheme intended to promote the interests of the poor and struggling members of their community. Their religion forbids the taking of interest, but it enjoins charity. It is in this way but meet and proper that a fund should be created out of the amount of interest payable to Muhammadan depositors, in Post Office Savings Banks and to Muhammadan holders of Government securities in cases where the depositors and holders have willingly foregone the sums due to them and that the fund should be earmarked for such an eminently useful object as giving scholarships to poor Muhammadan students. I have no precise idea of the size the fund is likely to attain. It may be large or it may be small. Large or small, its utility cannot be gainsaid. And it will not be difficult to devise a machinery for awarding and distributing the proposed scholarships. I have every hope that the Council, will record its support to the Resolution.

Sir, since the publication of this Resolution of mine I have seen the Resolution substituted by my Honourable friend Saiyid Raza Ali. I thank my Honourable friend for putting in the Resolution in fewer words and in concise form before the House, but as far as I can see the idea expressed by the original Resolution remains exactly the same. I had advisedly put the Resolution in a detailed form to avoid any misunderstanding which may likely occur in the mind of pious and scrupulous Muhammadans who may not want to have anything to do with the question of interest unless it was started as a separate fund by the Government.

I hope my Honourable friend will not press his Resolution.

*THE HONOURABLE HAJI CHOWDHURI MUHAMMAD ISMAIL KHAN (West Bengal: Muhammadan): Sir, I rise to support my Honourable friend. There is a large accumulation of money from the Muhammadan depositors who did not accept any interest. Practically speaking, it is the property of the Muhammadans and in all fairness it should be devoted to the interest of the poor Mussalmans. The Muslim University at Aligarh is the only University in India which caters to the educational needs of the community according to their light. I therefore support the Resolution and I hope the money will be given to the University.

THE HONOURABLE MR. AMAN ALI (East Bengal: Muhammadan): Sir, I rise to support this Resolution. The Honourable Mover of the Resolution has clearly explained the position and the condition of the Muhammadans. It is well known to this House that Muhammadans are backward in point of education and they are poor also. This is one of the ways of improving their status and I wholeheartedly support it. I think the House is well aware of the position of Muhammadans. I hope therefore that there will not be any objection and that the Resolution will be accepted unanimously.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, the Honourable Mover of this Resolution has put before us a proposition which is, I think, novel and is certainly interesting. I think the House will probably expect me in the first instance to give them some idea of the amount of money which is at stake, and secondly to tell them whether the proposal is administratively practicable.

With regard to the first point, we have had inquiries made in the short interval since notice was given of this Resolution and in so far as the

*Speech not corrected by the Honourable Member.

[Mr. A. C. McWatters.]

Post Office Savings Bank is concerned, we find that there are "no interest" deposits amounting in all to about Rs. 3½ lakhs, deposited by Muhammadans in the circumstances stated. The interest which would be due on these deposits is roughly Rs. 10,000 a year, and at the present time this amount lapse to Government. With regard to Cash Certificates, it has not been possible to make as complete an investigation During the war, a certain number of "no bonus" Cash Certificates were taken out by Muhammadans in similar circumstances, but most of these, I believe, have been discharged. I have had inquiries made in the Calcutta Circle, and find that during the last six months one such Cash Certificate of the value of Rs. 20 has been taken out by a Muhammadan who declared that he did not want the bonus. With regard to Government securities, it is more difficult to obtain information. Securities in the form of stock to the value of about Rs. 6,000 are held by Muhammadans who forego interest upon them, but with regard to promissory notes and bearer bonds, which constitute the larger part of our note issue, it is not possible to arrive at any definite figure. We know that a certain amount of interest is not claimed on bearer bonds and on promissory notes for a great variety of reasons. Sometimes the notes get lost. During the war, many small investors participated in the Government loans and some of these have never claimed interest from patriotic motives. They were by no means always Muhammadans. It is possible however to obtain some information indirectly. When loans are repaid, we know whether the holder has claimed interest or not. Similarly, when notes are renewed. Again when notes are lost, the procedure is that for six years interest only is paid and at the end of that period if there is no counter-claim, a new note is issued. It is possible to tell in these cases whether interest is being foregone or not. So far as our information goes the total amount of interest that has been foregone in recent years is Rs. 112-8-0. So far then as Government securities are concerned, the amount at stake is quite small, although, as I have said, in the case of the Post Office Savings Bank, it is appreciable, amounting to something like Rs. 10,000 a year.

As regards the second point whether the proposal is administratively practicable, I think I can say without hesitation that so far as the Post Office Savings Bank is concerned, there would be no difficulty. It will be possible to credit this interest to a separate account. With regard to Cash Certificates, the position is much the same. On maturity, the unclaimed bonus could be credited to the same account. With regard to Government securities, however, the position is more complicated. As the House knows, interest on bearer bonds and promissory notes is drawn on presentation of the bond itself or the coupon at the Public Debt Office, and when securities are transferred the seller is able to make transfer by endorsement. These endorsements are frequently not dated, and it is a matter for the seller's conscience whether he takes interest from the buyer or not. In any case, if the interest cages have not been filled in, Government will be liable to the new holder. The conclusion which we have come to is that if it is proposed to carry out this suggestion so far as Government' securities are concerned, it would be necessary for us to devise a new procedure and a new form of security for this special purpose. I do not say that it would be impossible. I think it could be done. It would be possible perhaps to give a non-transferable deposit receipt

to the original depositor of the money. He would hold that receipt and could present it at any time and receive an ordinary Government security in exchange. In the meantime the interest on that deposit receipt would be credited to the special fund. That is one way in which a workable arrangement could perhaps be made.

I now come to the much more difficult part of my task, the examination of this proposal in principle. Where the religious conscience is concerned, it is necessary to walk rather warily. We must accept the fact that certain people, from religious scruples, do not wish to touch this money, though, I confess, I myself could wish that they would solve our problem by the simple process of drawing the money and giving it to whatever charity they like. Government's position in the matter is perfectly simple. They owe an obligation to the holders of these securities or the depositors of money in the Savings Bank and that obligation they are the last to wish to repudiate. But I wish this House to consider very seriously before they pass this Resolution, whether we here are in a position to pass judgment now in a matter of this kind. The Government's obligation, as I have said, is to the holders of the securities who have refrained from taking interest. Are we in a position to speak for them and to say that it is their wish that this money, from which they personally do not wish to obtain interest, should be treated as earning interest and be applied to this particular purpose? It is a matter for their religious conscience and I do not know what the answer is, whether they wish us so to apply this money or whether they do not.

In the second place, do they wish it necessarily to be allocated to the particular purpose which the Honourable Mover has mentioned? It is certainly an admirable object, but there may be others which particular depositors might prefer. And the objection really goes deeper than this. Are we safe in presuming that Muhammadan opinion generally would be in favour of a proposal of this kind? The Honourable Mover and others in this House are eminent representatives of Muhammadan opinion; but they do not represent the whole Muhammadan opinion in this country, and I think we should move rather warily before we necessarily assume that Muhammadan opinion would endorse this proposal.

Finally, there is I think one real danger, and that is, that if a special fund is created and the money from that fund is given to a definite charity, will there not be pressure brought to bear upon other Muhammadans, who do not hold these strict views about interest, to refrain from drawing their interest, so that the amount available for charity may be increased? It strikes me that this is a possible danger to which depositors may be subjected. And I cannot overlook the fact that, were that so, it would have an adverse effect upon the popularity of our Savings Bank deposits.

That, Sir, is the position as it appears to Government. We have not had much time to examine this question thoroughly. I think that we require to consult wider opinion even than that which is represented in this House, and the Government attitude therefore must be entirely non-committal. If the motion is passed, I cannot give any definite guarantee that it will be given effect to without further examination, and I am prepared to leave the matter to the sense of the House.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, the difficulties that the Honourable

[Sir Deva Prasad Sarvadhikary.]

Finance Secretary raised in concluding his remarks are no doubt real. But if we examine the question a little more closely, it will appear that it is not impossible to overcome even those difficulties. What the Resolution or for the matter of that the amendment, if it is proposed and pressed, really wants, is this; that money that is not claimed, that is according to the Honourable Mr. McWatters lapsing to Government, should not continue to be absorbed by the Government but should be made over to some specified Muhammadan charity,—an educational charity, than which no religion prescribes any higher and better charity. The Resolution merely indicates the machinery for collecting and utilising for the purposes of Moslems at large that which the investors themselves will not accept or withdraw, but which in default automatically goes into the Government coffers now. The Government have educational obligations towards Moslems. Government do discharge educational obligations. They find money for this university and for that scholarship and a variety of similar other things. This Resolution invites them to use the accumulation in question for Moslem education. It may be argued that when Government are making these grants to universities and endowing these scholarships, the money that is so accumulated is really applied to those objects though indirectly. Let the application be direct is the present suggestion. The object of this proposal and of the amendment is to earmark the available amount so as to make it available only for Muhammadans to which there can be no objection if the Muhammadan himself does not object on the ground of its being "tainted money". I do not see that there is any insuperable administrative difficulty in the way that cannot be got over if the principle is acceptable. My Honourable friend has admitted that with regard to two classes of securities there will be no difficulties. With regard to the Government securities there are difficulties. But here also there is no real trouble. If the investor has chosen to withdraw his interest or allowed his assignee to withdraw it, there is nothing further to say about the matter. The religious scruples that trouble some men may not have been troubling him who has withdrawn interest, he has either withdrawn it himself or been a party to its withdrawal by his assignee, and the question of lapse to Government does not arise. Therefore in none of these three classes of securities can there be any administrative objection. On the other hand it strikes me that if the course that my Honourable friend suggests, namely, that you should have a special kind of securities, in the case of Muhammadan investor with scruples were adopted, there might be difficulties; for when a Muhammadan endorses his Government securities to a non-Muhammadan or where a Muhammadan has no objection to moderate interest, the security itself should have nothing on the face of it that will make his negotiating it or drawing interest on it difficult or that will make his case invidious. The next non-Muhammadan holder might have to get the security renewed. He may have to make an affidavit that he is a non-Muhammadan or has no scruples against moderate interest and therefore would like to have his original handicapped promissory note turned into something else. I do not think that any of those devices will be necessary. All that is aimed at and wanted is general acceptance of the principle that where all interest lapses to the Government, instead of its being absorbed by the Government, it should be made available for Muhammadan educational charities. So far as Northern India is concerned, Aligarh is certainly the place where Muhammadans' educational interests are best looked after. What Southern Indian will have to say with regard to it I cannot say; but

I think with regard to Northern India there is not likely to be any division of opinion regarding the objects mentioned in either the original proposal or the amendment. That the amount of interest on the securities is not yet large ought not to be a matter of difficulty. The Honourable Mover of the Resolution has explained that whether the sum is large or small is a matter which does not trouble him; let there be a clear indication of the object on which this money is to be spent. Nor do I think there is anything in the apprehension that if a pious object like this is crystallised and put before the public either by the vote of this House or by Government action, pressure will be brought to bear upon other Muhammadans, who though not unwilling to accept moderate interest would be forced by Muhammadan public opinion to forego their claim. The religious injunction is there; the original commandment is there in spite of which owing to difference in interpretation many Muhammadans do accept moderate interest. I know that in my profession we have to deal with a large number of Muhammadan clients who are not troubled with these scruples in certain cases. Because one is a Muhammadan or because there are these religious rules and injunctions about which different interpretations are made pressure of public opinion of another school is not likely to be great if one wishes to avail himself of opportunities of earning moderate interest. It is only those who have these extreme religious scruples and who do not want to touch or utilise interest money at all and at the same time who feel that this absorption by the Government is not exactly the right way of disposing of the money, whose accumulations are proposed to be dealt with as I understand the Resolution. If the Government are sympathetic and helpful, I think the difficulties could easily be got over, whether Aligarh or some other charity is to enjoy the benefits of this fund may later on be determined by the Government in consultation with representative Muhammadan opinion which should certainly be consulted.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, the Honourable Mr. MacWatters has discussed the question raised in the Resolution, I am afraid, from a purely financial point of view. But, Sir, the object of the Resolution, let me state before the House, is two-fold. In the first place it seeks to promote Western learning at the centre which caters for the wants of the Muslim community throughout India. In the second place, and this aspect is by no means less important than the first, it furthers the cause of social reform by bringing home to the people the difference between interest and usury according to Islamic law. Sir, the social aspect of the question is not a whit less important than the financial aspect. The position at present is that the Muslim community is divided on the question as to how far it is permitted by the Islamic law to take interest. According to a number of divines, there is no difference between interest and usury, while according to a very influential school of religious thought, both in this country and outside, there is a marked difference between the two. Modern schools of thought hold that while it is permissible to take interest, a ban is only imposed by the Muhammadan law on usury. Therefore, I think that by accepting this Resolution, the Council would be helping the cause of social reform among the Mussulman community very considerably. It will interest Honourable Members to know that there has been a movement in existence at Aligarh for the last four years which devotes itself to explaining the true Islamic laws on this question. It has obtained *Fatwas* by a number of divines in

[Saiyid Raza Ali.]

Egypt, Mesopotamia and Syria. It has also secured *Fatwas* by a number of very influential divines in India itself. The object of that movement is a very laudable and noble one, namely, to explain to the people that while usury is prohibited according to the Islamic law, it is not against the religious injunction of the Islamic law to take interest. I am glad to say that the efforts of this society have met with considerable success, and I am sure if this Resolution commends itself to the House, it will considerably strengthen the hands of that society inasmuch as when the Muslims come to know—and the fact must be known and indeed it is our duty to make it known to them.—that interest not claimed by orthodox Muhammadans goes to an institution which represents the entire Mulim community and that those in charge of the management of this institution who are all pious Mussulmans have absolutely no objection to devoting this money to further the cause of Muslim education, it will enable the Mussulmans of India to reconsider the entire question, and instead of refusing to take interest, will persuade them to draw it themselves. That, Sir, is a very important object, and I believe this Resolution is bound to affect the views of the orthodox section among the Mussulmans.

Now, coming to the financial aspect of the question, the amount disclosed by the Honourable Mr. McWatters is far from considerable. But as the Honourable Mover pointed out, the question is one of principle, and not one of largeness or smallness of the amount. So far as Savings Bank deposits and Cash Certificates are concerned, as my Honourable friend pointed out, there will be no difficulty in separating the amount. The only difficulty will be in regard to Government securities. I fully appreciate the difficulties pointed out by the Honourable Mr. McWatters, and I for one would suggest that, so far as Government securities are concerned, the question should be left open. But I fail to see why there should be any objection on the part of the Government to the transfer of this sum of Rs. 10,000 to the cause indicated.

The Honourable Mr. McWatters asked, would it be sound in principle to substitute the action proposed to be taken in the Resolution for the will of those depositors who do not want to touch this money, I submit that I entirely fail to see why there should be any objection to it. After all, it is the business of the Legislature to point out a reasonable course in case of difficulty. If the Honourable Mr. McWatters looks to any guidance from the depositors themselves, let me tell him plainly that he will never get that guidance. If he wants to know what the attitude of the depositors is, I think I can safely say that their reply will be that they do not want to have anything to do with the amount. If the depositors wanted to associate themselves with it, the easiest course for them to adopt would have been to draw it themselves. As they have not interested themselves in this matter, we ask the Government to credit such amount to a certain specified object.

In the next place, my Honourable friend asked whether the purpose indicated by the Mover of the Resolution, would be acceptable to Muslim public opinion in the country? Now, Sir, since the amount is proposed to be devoted to an educational object, there is not the least doubt that this laudable and noble purpose would appeal to a large volume of Muslim public opinion. Aligarh University is a place where Mussulmans come from every nook and corner of India for educational purposes, and if you transfer

this money to Aligarh, you will practically enable the Mussulmans in every province, who come to Aligarh, to benefit by the scheme proposed.

Lastly, Sir, the Honourable Member pointed out that a further examination of the question seems to be necessary. That is a course perhaps that may appeal to the Honourable Mover. I believe the question has been under consideration for a very short time. I personally do not see any objection to transferring the interest on Savings Bank deposits to Aligarh. All the same, if the Government want to take more time in order to acquaint themselves with the trend of Muslim public opinion, I do not think that any serious objection can be taken to that course. I believe the best thing, under the circumstances would be, if the Honourable Mr. McWatters makes the Government's position a little more clear, for the Mover to leave the question at this stage. I think the Honourable Mover should leave the question to the Government to investigate it further. And I hope the Government will be in a position to accept the principle indicated in the Resolution. Whether my Honourable friend the Finance Secretary is in a position to make an announcement to-day or not is a different matter. But I hope in course of time the Government will see their way to accept the principle recommended.

3 P.M.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I rise to support the Resolution and I fully endorse what my Honourable friend Sir Deva Prasad Sarvadhikary has said in this connection. As the matter is mainly based on religious sentiment and it has behind it a very noble object. I hope this House will carry the Resolution. My Honourable friend Mr. McWatters has himself mentioned how the difficulties which he anticipates can be surmounted. Those pious Muhammadans who hold G. P. notes or Postal Cash Certificates can have their stocks converted into non-transferable bonds with a proviso that the income or the profits accrued thereby may go to a certain Mussalman institution. I leave the matter whether the income accrued is a profit or is interest to my Mussalman friends to decide. The Honourable Saiyid Raza Ali has dealt with the question of usury. I consider, Sir, that it is very difficult to define usury. Some time back the normal interest even in commercial circles was 6 per cent. It is now 9 to 12. Whether it is usury interest or whether a low rate of interest is religiously permissible, I leave to my Mussalman friends to judge. But at the same time, Sir, when it is the general desire of the Mussalman depositors to utilise the income accrued from the investments in the particular manner they desire, I think the Government ought not to oppose it. As regards the carrying of the Resolution into effect, even if this House accepts it, it will be a matter for the discretion of the Government. They can, after acceptance of the Resolution, invite public opinion, and, in case public opinion is against it, then they may not carry it into effect.

THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): Sir, I rise to support the Resolution. I don't think it will serve any purpose to consult opinion of those depositors who do not like to charge any interest. Just as it has been pointed out by my Honourable friend, Mr. Raza Ali, it does not matter to the person who deposits his money and wants to forego that interest, how that interest is utilised. So at this stage to consult those people who do not want to touch that money, who do not want to charge it for themselves, is absolutely

[Mr. Yamin Khan.]

useless. Now, other Muhammadans have started thinking differently. There are a lot of Muhammadans who deposit their money in the banks and they do charge interest; they think in a different line. Whatever may be the intricate problem of usury or of thinking it as a profit or in a different category, that I leave to the people to think about themselves. Here the only question which is before us is about those people who are not receiving the interest. Whether the interest which is due to them would be liked by the other Muhammadans to be utilised for the good of education of Muhammadan students is not the point. I think Muhammadan opinion will be in favour of this Resolution. They will have no objection. Even at present some persons have invested certain sums of money in the banks and they do give scholarships to the students from the interest which accrues on those deposits. And as far as I know even in Aligarh there are some donations of this kind existing even to-day and the authorities who are carrying on the Muslim University have never had any objection to this kind of method. I think Muslim opinion as a whole is not against charging the interest on the deposits in the banks or on the securities in the hands of the Government. So it will be, I think, in accordance with Muslim opinion if this sum is allotted for educational purposes, as has been suggested by my Honourable friend the Mover of the Resolution

With these few words, Sir, I support the Resolution.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, I do not think I can add very usefully to what my Honourable friend Mr. McWatters has already said on behalf of Government. The Government have not had this subject, I may frankly state, before them in any shape or form. They have not therefore had the opportunity of discussing as a Government as to what their position should be with regard to this Resolution. Various departmental objections which might be raised have been foreshadowed by my friend Mr. McWatters, and I am glad that he has been able to announce to the House that from the departmental point of view at least in some respects there are no insuperable objections to carrying out the wishes of this House and of Muhammadan Members particularly if the Resolution be accepted in a suitable form. No one can but sympathise with the objects which the Honourable Mover and the other Members have at heart, namely, that the money which is voluntarily foregone by the members of the Muhammadan community on account of their religious convictions should not lapse to the Government but should be utilised for the general benefit of that community, and there can be no nobler object than the advancement of education. But, Sir, I think the point may be put in a different way from what Mr. Ram Saran Das has put it. Mr. Ram Saran Das said: Let the Council pass this Resolution and let the Government then ascertain public opinion and deal with the subject as they think proper. I would suggest to the House that the Resolution if carried by them would carry greater weight both with the country as well as the Government if they have before them the considered views of the Muhammadan community after an adequate discussion of the subject which has been very happily raised in this House. If they have before them all that can be said on both sides, and then come to a deliberate conclusion that the policy that has been enunciated should be the policy which should be adopted by the Government, would, after ascertaining public opinion, then be in a position to come forward with their own provisional views to help the Council

in coming to a conclusion and then examine them in the light of such recommendations as may be made to them by the House as a whole. I should think, therefore, that there is considerable force in what my Honourable friend Saiyid Raza Ali has said that the wisest course, now that discussion has been initiated in this House on a very important subject, would be to enable those that are interested in this problem as well as Government to ascertain what the wishes of the Muhammadan community are, to examine the problem from the wider aspects of economic policy, and then come to conclusions. After all, a Resolution passed at this stage without the benefit of the considered view of the community as a whole, would not be entitled to as much consideration as it would be under other circumstances. I do not wish to say one word about the wider economic policy that is involved in this problem, or to say anything about the views which are held by one section of the community with regard to the receipt of interest because feelings would be ruffled if anything should be said either on behalf of Government, or on behalf of any particular community, or on behalf of a section of the Muhammadan community with regard to what others consider to be absolutely a matter of religious conviction and religious injunction. The sum and substance of what I say is that perhaps it would be advisable, after having ventilated this subject in this House, if the matter could be taken up further outside so as to enable Government to ascertain the views of the public and come to considered conclusions.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): In view of the remarks that have fallen from the Leader of the House, I beg to move an amendment that the consideration of this Resolution be postponed till the next September session. My sole object in moving this amendment is to enable both Government and the Muhammadan community to examine the question amongst themselves, and also if possible, by a round table conference between the leaders of the Mussalman community,—the All-India Moslem League and other bodies,—and Government officials to find out how far it will be possible to carry out the recommendations mentioned in the Resolution. There are certain difficulties in the way as mentioned by my Honourable friend, Mr. McWatters. One of these difficulties which appears to me to be worth consideration is whether, in view of any indirect pressure likely to be put upon the Muhammadan investors not to allow their interest on their investment in Government paper to be transferred to the proposed fund some of them might not transfer their investments from Government Securities, say, to industries or other non-Government concerns. If this is done there might be a loss—perhaps a very little loss—to Government securities. This and other questions raised by the Honourable the Finance Secretary will have to be very carefully considered by Government and by the Muhammadan community. I hope that the Honourable Mover will see his way to accept my amendment so that we can have the considered opinion of both the Muhammadan community and Government and then make our recommendations which, as the Leader of the House has stated, will carry greater weight both with Government and the people than a vote carried just now.

THE HONOURABLE THE PRESIDENT: Motion moved:

"That the discussion be adjourned to the September Session."

[The President.]

Perhaps the Honourable Member would prefer the words "Simla Session" instead of the words "September Session"?

THE HONOURABLE MR. LALUBHAI SAMALDAS: Yes, Sir.

THE HONOURABLE THE PRESIDENT: Motion moved:

"That the discussion be adjourned to the Simla Session."

THE HONOURABLE MR. HAROON JAFFER: I have no objection to accept the proposal of my Honourable friend Mr. Lalubhai Samaldas.

THE HONOURABLE MR. A. C. McWATTERS: The proposal of my Honourable friend Mr. Lalubhai Samaldas is one which appeals also to Government. We have only had the subject before us for three weeks and the point of my opening speech was that the subject requires much further consideration before we can commit ourselves in any way. The proposal now made meets my point.

THE HONOURABLE THE PRESIDENT: The question is:

"That the discussion on the Resolution moved by the Honourable Mr. Haroon Jaffer be adjourned to the Simla Session."

The motion was adoptd.

THE HONOURABLE SIR NARASIMHA SARMA: I am not in a position to add anything to what I said on Thursday last and I propose to defer any further statement to a later occasion. We have not made up our minds as to what further work we may have to bring up before the two Houses of Legislature.

The Council then adjourned till Eleven of the Clock on Wednesday, the 18th March, 1925.

COUNCIL OF STATE.

Wednesday, 18th March, 1925.

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

MEMBER SWORN:

The Honourable Lieutenant-Colonel Stewart Blakely Agnew Patterson, C.I.E. (Political Secretary).

RESOLUTION *RE* INALIENABILITY AND IMPARTIBILITY OF SELF-ACQUIRED OR ABSOLUTELY OWNED ESTATES.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR (Madras: Non-Muhammadan): Sir, since giving notice of this Resolution,* I consulted some of the non-official Members and they are of opinion that, instead of asking the Government to introduce a Bill, it would be better for me to introduce a Bill on this subject, and I propose to introduce a Bill next Session; and so I do not ask Government to introduce a Bill as implied in this Resolution. Therefore I do not move the Resolution at all.

THE HONOURABLE THE PRESIDENT: Will the Honourable Member please withdraw his Resolution?

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR: I do not propose to move this Resolution at all. I do not know if it is necessary to withdraw it.

THE HONOURABLE THE PRESIDENT: I can assure the Honourable Member that it is necessary; he must either move or withdraw.

THE HONOURABLE MR. K. V. RANGASWAMI AYYANGAR: I withdraw this Resolution.

ELECTION OF A PANEL FROM WHICH A MEMBER WILL BE NOMINATED TO THE GOVERNING BODY OF THE LADY HARDINGE MEDICAL COLLEGE, DELHI.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH (Education, Health and Lands Member): I beg permission to make a motion as a result of a Resolution which had been passed by this House on the 17th

* "This Council recommends to the Governor General in Council that at an early date an all-India consolidated Act be introduced in the Central Legislature as an enabling measure to provide for making self-acquired or absolutely owned estates inalienable and impartible."

[Sir Muhammad Habibullah.]

February to the effect that the Governor General in Council be pleased to take steps to secure the appointment to the Governing Body of the Lady Hardinge Medical College of one Member of this House to be nominated by him from a panel of three Members to be elected by this House. To give effect to that Resolution, Sir, I ask your permission to move to-day the following:

"That this Council do proceed to elect a panel of three Members from which one Member will be nominated by the Governor General in Council to serve on the Governing Body of the Lady Hardinge Medical College, Delhi."

I ask your special permission inasmuch as this does not appear on the agenda for to-day. My only reason for asking your special permission is that, inasmuch as we have come at last to the end of the Session, I am anxious that this Governing Body should be constituted on the lines of the request of that body itself.

THE HONOURABLE THE PRESIDENT: As this matter was very recently before the Council, and as the Council has in principle approved the appointment of one Member to the Governing Body of the Lady Hardinge Medical College, I think there is no reason why the Honourable Member's motion should not be put to the House now, though it is not on the list of business.

THE HONOURABLE THE PRESIDENT: The question is:

"That this Council do proceed to elect a panel of three Members from which one Member will be nominated by the Governor General in Council to serve on the Governing Body of the Lady Hardinge Medical College, Delhi."

The motion was adopted.

THE HONOURABLE THE PRESIDENT: As time is short, I think it will be better if I fix a short period within which nominations should be handed in in regard to this election. Nominations will be received in the office up till 5-30 this afternoon.

STATEMENT OF BUSINESS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, you are aware that it was hoped that the Finance Bill would be laid on the table this morning. Events in another place have rendered this impossible, but it is anticipated with some confidence that the Bill will be passed by the Assembly during the course of the day. The time remaining is very short and the Government are anxious that the further stages of this Bill should be taken as early as possible. In these circumstances I am constrained to suggest to you that the Council should meet at 5-30 P.M. to-day with a view to the laying of the Bill. I may mention that, in the event of your acceding to this request, I propose to ask, after the Bill has been laid, with your permission that the motion for its consideration in this Council be taken on Friday next, that is, with a curtailment of one day in the normal three days' notice. I ask for no ruling on this matter now and I merely mention my intention so that Honourable Members may be in a position to consider their wishes in the matter.

THE HONOURABLE THE PRESIDENT: Though I feel that it may be somewhat inconvenient for Honourable Members to meet at such a late hour as half past five to-day, yet on the whole I think it will be for their convenience in the long run. It will enable the Finance Bill possibly

to be proceeded with at an earlier date, and the Session is already nearing its close. The Honourable Member's suggestion as to the date on which the Finance Bill is to be taken up will be dealt with this afternoon when we meet.

The Council then adjourned till Half past Five of the Clock.

The Council re-assembled at Half past Five of the Clock, the Honourable the President in the Chair.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: Sir, a Message has been received from the Legislative Assembly. The Message runs as follows:

"I am directed to inform you that the Message from the Council of State to the Legislative Assembly desiring their concurrence in a motion to the effect that the Bill to amend the Succession Certificate Act, 1889, be referred to a Joint Committee of the Council of State and of the Legislative Assembly, and that the Joint Committee do consist of 12 Members, was considered by the Legislative Assembly at their meeting to-day, and that the motion was concurred in by the Assembly.

The following Members of that body were nominated to serve on the Joint Committee, namely:

The Honourable the Home Member,
Diwan Bahadur M. Ramachandra Rao,
Rai Sahib M. Harbilas Sarda,
Mr. K. C. Neogy,
Mr. Abdul Haye, and
Sir Hari Singh Gour."

FINANCE BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table a copy of the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to remit or vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to reduce the import and excise duties on motor spirit, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, which was passed by the Legislative Assembly at their meeting held to-day, the 18th March, 1925.

CONSIDERATION OF THE INDIAN FINANCE BILL IN THE COUNCIL OF STATE.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): In pursuance, Sir, of the intention which I announced this morning I formally request your permission under rule 27 of the Indian Legislative Rules to a motion for the taking into consideration of the Bill which has just been laid on the table being made on Friday next. Notice of that motion will be given by the Honourable Mr. McWatters forthwith. Honourable

[Sir Narasimha Sarma.]

Members are, I take it, familiar with the provisions of the Bill as introduced in the Legislative Assembly, and the only amendment made by the Assembly was one reducing the rate per maund of the duty on salt from one rupee four annas to one rupee. The Honourable Mr. McWatters will, I may mention, move an amendment for the restoration of the original rate of one rupee four annas. Should you allow the Bill to be proceeded with on Friday, Government will not of course take objection to the moving of amendments by non-official Members for want of the two clear days' notice required by Standing Order 45, but Government must have some notice of amendments and it would, I suggest, Sir, meet the case if you ruled that any notice of amendment, which is received in the notice office by 3 P.M. to-morrow will be regarded as due notice for the purposes of Standing Order 45. I may take the opportunity of adding that the Honourable Mr. McWatters will not move his Resolution regarding the remission of provincial contributions till the fate of the Finance Bill in the two Chambers is finally settled, and we hope, Sir, that this will be known by Monday next in which case the Resolution in question will be put down for that day, should you decide to hold a meeting on that day.

THE HONOURABLE THE PRESIDENT: Honourable Members have had since this morning to consider the suggestion then thrown out by the Honourable the Leader of the House that we should proceed with the Finance Bill in this place on Friday. I have not received any objection from any Honourable Member, and I may therefore take it that it is the sense of the House that we should go on with the Bill the day after to-morrow. There will therefore be a meeting on Friday to consider the Finance Bill, as passed by the Legislative Assembly.

ELECTION OF A PANEL FROM WHICH A MEMBER WILL BE NOMINATED TO THE GOVERNING BODY OF THE LADY HARDINGE MEDICAL COLLEGE, DELHI.

THE HONOURABLE THE PRESIDENT: In accordance with the motion made this morning, three Honourable Members have been nominated to the panel from which one Member of the Council will be selected to serve on the Governing Body of the Lady Hardinge College. These three Honourable Members are:

The Honourable Haji Chowdhuri Muhammad Ismail Khan,

The Honourable Rai Bahadur Lala Ram Saran Das, and

The Honourable Mr. Yamin Khan.

I declare these three Honourable Members to be duly elected.

The Council then adjourned till Eleven of the Clock on Friday, the 20th March, 1925.

COUNCIL OF STATE.

Friday, 20th March, 1925.

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

QUESTION AND ANSWER.

DISABILITIES OF INDIANS OVERSEAS.

THE HONOURABLE MR. G. A. NATESAN: Sir, I have given private notice of a question to the Honourable Member in charge. Have I your permission to put it?

(The Honourable the President signified assent.)

Will the Government be pleased to state whether during his forthcoming visit to England His Excellency the Viceroy will, among other subjects, discuss the disabilities of Indians overseas with the Secretary of State for India?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: The Government of India hope that during his forthcoming visit to England His Excellency the Viceroy will find an opportunity to discuss with His Majesty's Secretary of State for India the subject referred to by the Honourable Member.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Has the attention of the Honourable Member been drawn to a fresh Bill in South Africa regarding the five miles residence clause regarding trader's licence? Has the Government of India any information on the subject, and will this be one of the matters His Excellency will take up when he goes to London?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: It is hoped that His Excellency will find an opportunity to discuss all outstanding questions.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: Would this be, Sir, His Excellency's leave when he is working for India there?

THE HONOURABLE THE PRESIDENT: Order, order. That question does not arise.

THE HONOURABLE SAIYID RAZA ALI: Are the Government of India aware of the introduction of the Bill in the Transvaal Legislature about which a question was put in the House of Commons only the other day by Colonel Wedgewood?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: Yes, Sir, they are aware of it.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

THE SECRETARY OF THE COUNCIL: Sir, a Message has been received from the Legislative Assembly. The Message runs as follows:

"In accordance with rule 36 (1) of the Indian Legislative Rules, I am directed to inform you that the amendment made by the Council of State in the Bill to amend the Prisons Act, 1894, was taken into consideration by the Legislative Assembly at its meeting of the 19th March, 1925, and the Assembly has agreed to the amendment."

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with rule 25 of the Indian Legislative Rules, I lay on the table the following Bills which have been passed by the Legislative Assembly:

A Bill further to amend the Indian Tariff Act, 1894.

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

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

A Bill to repeal certain special enactments supplementing the ordinary criminal law.

INDIAN FINANCE BILL.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I beg to move:

"That the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to remit or vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to reduce the import and excise duties on motor spirit, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, as passed by the Legislative Assembly, be taken into consideration."

Sir, when I presented the Budget Statement to this House some days ago I had occasion to observe that the Finance Bill this year did not contain anything sensational. The Finance Bill this year renews at existing rates such portion of our taxation as requires the annual sanction of the Legislature. It contains no proposals for new taxation. It contains no proposals for increased taxation. There is just this difference between our position this year and a year ago, that while a year ago we hoped on the existing basis of taxation to balance our Budget, this year we are in the position, if the Bill is passed in the form which we desire, to take the first step and a substantial step towards the reduction of provincial burdens.

There is this other small difference also, that the present Bill contains three small items for reduction in taxation. Last year, when the Finance Bill was recommended to this House, these proposals had unavoidably to be dropped. The three proposals are explained fully in the Statement of Objects and Reasons, and it is not necessary for me to deal with them in any great detail. The first relates to the removal of the import duty on grain and pulse. This import duty brings us in practically no revenue, the average amount obtained from this source being only Rs. 25,000. On occasions when prices are rising in this country and it is necessary to supplement home-grown supplies by imported grain, that duty is, as a matter of

practice, removed by executive action. In abolishing this duty we are carrying out one of the recommendations of the Fiscal Commission.

The second alteration proposed is the reduction from 15 per cent. to 2½ per cent. of the duty on certain component parts which are imported almost entirely for power looms. As however these articles can be used, and are occasionally used, in handlooms, it has not been possible to classify them as component parts of power machinery, and therefore they have hitherto been assessed to duty at 15 per cent. This proposal to place them in the 2½ per cent. grade will remove what is a legitimate grievance on the part of the mill industry and will cost something less than 2 lakhs a year.

The third proposal is to make a small reduction in the excise duty on petrol and to remove the extra import duty of 2½ annas per gallon on imported petrol. At present petrol pays 6 annas per gallon excise duty and imported petrol, besides paying 6 annas excise duty, pays 2½ annas per gallon import duty. The proposal in the Bill is to reduce the excise duty to 4 annas per gallon and to fix the import duty on imported petrol at 4 annas, the excise on imported petrol being removed. The object of this proposal is to make some reduction in the price of petrol in this country and so to assist the transport trade which is of the greatest importance in the development of commerce and industry in India. The motor industry suffers at present from considerable disabilities in the way of taxation. There is a very high import duty, 30 per cent. on motor cars, tyres and tubes, and 15 per cent. on motor lorries; and in addition there is this petrol excise. Therefore I think the House will agree that it is desirable to make some reduction in the burdens which this trade is at present carrying. The effect of this duty in the present year will probably be a loss of about 15 lakhs, but we hope that that loss will in future years be at least made up—in fact in the long run we may get an increase in our revenue as the imports of motor cars should be stimulated and the consumption of petrol should go up.

Apart from these three items the Bill merely renews the existing postal rates, the existing rates for income-tax and super-tax, and the provision by which we take to revenue the interest on the Paper Currency Reserve. A few days ago when I was speaking on the Bill to amend the Paper Currency Act I had an opportunity of giving the House figures to show the great strength of the metallic backing in our Paper Currency Reserve. This provision, I think the House will agree, is in the present circumstances entirely justified.

There remains only one item, that is, the question of the rate of salt duty. I have on the paper an amendment which purports to restore the existing rate of salt duty of Rs. 1/4 a maund. The effect of this amendment is to restore Rs. 90 lakhs of revenue in the next year which we should otherwise lose, and in the ensuing years 125 lakhs of recurrent revenue. When we come to the clause I shall deal with this matter in greater detail. At the present stage I content myself with moving that the Bill be taken into consideration.

THE HONOURABLE MR. V. RAMADAS PANTULU (Madras: Non-Muhammadan): Mr. President, I regret that I cannot record my vote in favour of this motion. To me the duty of the representatives of the people of this country in this matter is very plain. The Government of India today does not command the confidence of the people of India—I may say it has forfeited the confidence of the people and it is felt by all sections of

[Mr. V. Ramadas Pantulu.]

the people that it is not based upon the popular will. Therefore the representatives of the people cannot make themselves responsible for any taxation. May I ask, Sir, whether there is really any responsibility in fact? I am constrained to say that there is absolutely no responsibility in the Central Government. The presentation of the Budget and of the Finance Bill to this House is nothing but a sham transaction. Fifty per cent. or more of the Budget is non-votable. Of the rest the majority of the items are not voted upon on account of the speedy application of the guillotine at a specified hour on a specified day. In the rest of the items voted upon, the popular Chamber may make cuts and refuse expenditure, but they are speedily restored by the easy process of certification. Then, Sir, I ask the House, where is the responsibility of the representatives of the people in this matter? I find no trace of any elements of responsibility. Therefore I appeal to this House not to delude ourselves and not to delude the country outside this Chamber with the idea that this Government is based upon the popular will or that in considering the Finance Bill or the Budget we are either sanctioning expenditure or voting supplies. Neither in theory nor in practice do we possess any such power.

I beg to point out, Sir, that it is not only the Swarajist who holds this view. The decisive vote of the Assembly, the other day, on the Demand for the allowances of the Executive Councillors, is a clear indication of the view of the popular representatives in this matter. By a vote of 65 against 48 the Demand under the head Executive Council was negatived by the Assembly. Not only the Nehru group, but such staid politicians as Mr. Rangachariar, Mr. Jinnah and Mr. Pal and other Independents have voted against the Demand. (I do not call them a group because I find from experience that even a hundred Independents could not be an Independent Party in the true sense of the word.) Therefore both Swarajists and Independents condemned the Executive Government in no uncertain terms and they pointed out the utter irresponsiveness and irresponsibility of the Government of India to the people of this country. Sir, if the conventions of western constitutions had prevailed, the Executive Government ought to have resigned to-day after that clear motion of censure. On that motion the Indian Members of the Executive Council who are recruited from the non-official ranks ought to have resigned their seats from the very moment that vote of censure was passed, because they are here to voice the people's will and not merely to carry on the administration of the Government of India. If the convention of the western countries had been followed, I do not expect to find my Honourable friend, Sir Narasimha Sarma or my Honourable friend, Sir Habibullah here to-day. But unfortunately the incongruous and anomalous system by which the Executive Government is supported in this country makes it possible for them to sit tight in their official chairs.

It is needless for me to dwell at any length upon this question as to how far the Government of India is responsible to the people of India or is carried on in a responsible manner. I will only cite a few instances to show that it is not a responsible government in any way. I will first refer to the question of the reforms. The Assembly demanded . . . .

THE HONOURABLE THE PRESIDENT: I am afraid I cannot allow the Honourable Member on the motion now before the House to enter on a general discussion of reforms in India or of the general policy of the Government of India. The Honourable Member will be perfectly in order on the motion for consideration of the Finance Bill in attacking the financial policy of the Government of India. Beyond that I am afraid I shall not be able to allow him to go.

THE HONOURABLE MR. V. RAMADAS PANTULU: Well, Sir, if that is your ruling, I bow to it; but I wish to point out that in the Assembly on this particular motion a general discussion of the executive policy of the Government of India was allowed; and with all respect I submit that if such a thing is permitted to be done in this House also it will conduce to clarify the issues; and on this question I respectfully beg to invite the attention of the Honourable President to the debate in the Assembly where the whole question was discussed at length with the permission of the President, and it has been the practice in former Sessions so far as I know. I must bow to your ruling, Sir; but I wanted to point to these general considerations; and if that is not permissible I will confine myself to the financial aspect of the question.

The matters which relate to the financial aspect and which show that the Government of India is not responsible to the people, relate primarily to the military expenditure. Honourable Members are aware that so far as the military expenditure and the salaries of these Imperial Services are concerned they are absolutely sacred and untouchable and we cannot discuss them, we cannot vote upon them. Then with regard to the army and the defences, which largely absorb the budget estimates, they are also untouchable; and in manipulating these figures and preparing the Budget we have absolutely no hand. This year a large sum of over a crore has been set down under the debt redemption scheme. If that were not in the Budget it would be available for various other purposes. No doubt the attempt in the Assembly to vote down that item has not succeeded, but I have to refer to it in connection with this aspect of the question, as being an unnecessary item; even on the basis of last year's "four crore scheme" of the Finance Member. It is not necessary now for the Government of India of this day to go and embark upon a scheme of debt redemption when the financial credit of the Government of India is very high. It is not necessary to go and liquidate the national debt and pay up productive capital at this date when there are many reforms which could give relief to the poor and hungry people of India. I do not know, Sir, what the idea is of the Honourable the Finance Member in asking for a very large amount for the debt redemption year after year. Does he fear that there will be another great war in the not distant future and that we shall have to clear our present debt in order to borrow for the next war? However, it seems to be an unjustifiable demand.

Sir, speaking on the Budget, the Honourable the Finance Member told us last year that he expected to effect a saving of at least 2 crores in this year's military budget, but I find it has not been done, and there is only a promise which yet remains to be fulfilled in the future. Then there are items under Railways and Stamps which were found to be untenable by the Assembly. Therefore, Sir, when the Finance Bill is brought here for our sanction, we must have an opportunity of scrutinising it from various financial points of view. It is a very unsatisfactory Budget. It is not a poor man's budget at all. The postage has been enhanced, the salt duty which was reduced by the other House is sought to be restored again to its high figure, and increases have been effected in Demands on various other items which the Assembly pointed out to be untenable. Of course, I was not prepared on this motion to deal only with the financial aspect of the question, else I would have given exact figures. I want

[Mr. V. Ramadas Pantulu.]

to cover a wider ground, but as I am not permitted to do so by the ruling just given by the Honourable the President, I cannot travel beyond the Bill. All I can say, therefore, is that because the Government of India has not introduced any element of responsibility in the matter of their finance proposals, popular representatives need not take any part in passing the Finance Bill. Let the Finance Minister do as he pleases. If the Assembly does not vote for anything, let him get those items certified, let him not come to us. I therefore propose, Sir, that this Bill should not be taken into consideration.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, if my Honourable friend Mr. Ramadas who comes from Madras had confined his observations to the Finance Bill and arrived at the conclusion to which he is perfectly entitled to arrive without dragging in the names of the Independents, I should certainly not have thought it worth while to intervene in this debate. He referred to the part played by a party called Independents in the other place, and I think it is but fair to them and to the cause of truth to state that he has no right to make capital of the attitude taken by the Independent Party on a particular issue only. He forgot very conveniently in the fashion of clever lawyers, of which my Honourable friend is one, to state exactly what they did subsequently in the very same place with perhaps very little interval upon the question as a whole. It is no doubt true that to mark their displeasure of the attitude of the Government of India in regard to certain matters, they refused to vote for certain allowances. (*A Voice*: "Travelling allowances.") That again, in my opinion, was more or less mocking at the question and making the whole discussion a farce. Even if they had attempted to cut down the salaries of the Executive Council Members, which they have no right to do under the constitution, one could understand their action, but without doing that, they tried to mark their displeasure of the attitude of the Government of India by an attempt to cut down their travelling allowances. That itself clearly shows that it was an attempt, as is provided by the constitution, at moving a cut to express the general opinion of the Assembly in regard to the item of the Government of India, but this Independent Party, to which my Honourable friend belongs, voted solidly for the passing of the Finance Bill, and I am surprised that my Honourable friend thought fit to drag them in here. I happened to be present, Sir, in the gallery the other day, and I know exactly what they did. These Independents do not belong to the party which believes that it is their duty to have a policy of continuous obstruction in season and out of season. My Honourable friend ought to know that the votaries of that party, some of whom I find are here, found their tactics very inconvenient. They have on more than one occasion co-operated with the Government in the cool heights of Simla, and things are done in a manner which shows that they are not believers in a policy of continuous obstruction. Why? If my Honourable friend had watched carefully, as I have done, the proceedings in the other House, he would have seen that they, the Swarajists, took part in many a discussion, got into the Government lobby when it served their purpose and yet proclaim they are consistently opposing Government and pursuing a policy of continuous obstruction. On many matters they posed themselves as the representatives of the people, took active part in the debates, and then after doing all this sort of things, stage by stage, ultimately said that they would take no part in the passing of the Finance Bill. That is not the policy which

we are accustomed to here, and I think my friend must adopt a more reasonable policy.

I am grieved to find, Sir, his suggestion that the Government of India should have resigned, and particularly his reference to individual Members by name. If my friend and the friends of the party of which I believe he is a representative representing this policy of continuous obstruction really believe that the Government of India ought to resign, I think in the first place they themselves must adopt a policy which stands to reason, at least a policy of consistency. But granting for a moment that his policy or the policy of his party is good, may I ask him what is the logic, what is the propriety of their expecting people to resign, and particularly making reference to Indian Members? I can understand, I can appreciate, perhaps I myself may say that the whole system of government is such that it is a matter to me of absolutely no consequence as to who occupies that bench, and even if it is to be occupied entirely by Indians, I would say that if the present system is to continue, a system by which the Executive is not responsible to the Legislature, I can understand it, but so long as that system continues, so long as you have a system in which the Legislature by its vote cannot compel them by an Act under the constitution to resign, I think it is hardly fair, it is hardly proper, it is hardly decent to single out people by names, whether they are Europeans or Indians, for attack. Now, what happens? There are twenty others who are ready with their applications if one Member resigns . . . .

THE HONOURABLE MR. R. P. KARANDIKAR: On a point of order, Sir? Is it right to introduce into this discussion matters relating to party disputes?

THE HONOURABLE MR. G. A. NATESAN: Nobody likes the unedifying spectacle of a quarrel between one party and another, and whatever else this House may have been guilty of, it has never been guilty of discussions or arguments or suggestions of a character which undoubtedly bring about these disputes, and I am sure such a thing will not be repeated here, and I should almost be ashamed to take part in it. But as a reference has been made to the conduct of the Indian Members of the Government, particularly by name, I personally think it my duty, as an Indian, to take exception to it and to dispute the arguments advanced in its favour.

THE HONOURABLE MR. V. RAMADAS PANTULU: I made no attack on anybody. I never attacked the Honourable Sir Narasimha Sarma individually.

THE HONOURABLE MR. G. A. NATESAN: It is clear that after this discussion my Honourable friend sees exactly the implication, but he mentioned two names and both of them names of Indians. I should have been the last to take the attitude I have, but if my friend thinks it was not his intention to drag in particular names, and that he was led into it by mistake, I will certainly drop the matter. Therefore, Sir, so far as I am concerned, and the party of Independents to which I belong is concerned, our policy is to fight for reforms, to fight for a scheme in which the Legislature will have complete control over the Executive, and in achieving that policy, we wish to pursue the only methods which we think are thoroughly constitutional. We do not believe in this policy of obstruction because we believe it is calculated more to hurt the cause than advance the cause we have in view.

[Mr. G. A. Natesan.]

I have nothing more to add and I felt that if I was silent without adequately answering my friend, I would not be discharging the duty which I owe to myself.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, when I entered the House to-day I was doubtful as to whether in my capacity as Leader of the House or as Law Member I would in any way be called upon to participate in a debate on the Finance Bill. The attitude of the Members of this House during the last four and a half years has been consistently in one direction and I did not think that there would be a departure from that convention, from that custom, from that healthy practice, which would necessitate the defence of the policy of the Government on the floor of this House from a general or the wider aspect of public policy. I think I should be grateful to my friend Mr. Ramadas who is the spokesman of the Swaraj Party in this House (*The Honourable Saiyid Raza Ali*: "Is he?") for having raised this question of want of confidence on the part of the people of this country, of want of confidence in the country as a whole as a ground for the rejection of the Finance Bill. So many untruths, so many half truths, so many misrepresentations have been made generally I believe as the result of misunderstanding either in another place or outside the Chambers of the Legislature, that I feel that the Government of India, in the interests of the general well-being of the people of this country, ought not to allow a challenge of that description to go unanswered. My learned friend has repeated here a statement made elsewhere that the Government of India have forfeited the confidence of the people of this country, that the Legislature in another place had expressed that view unhesitatingly by a vote of theirs in cutting down the travelling expenses of the Members of the Executive Council, and that we, as Indian Members at any rate, ought to help in building up the constitution by resigning our places to show that we agreed with or submitted to the will of the Indian Legislative Assembly as expressed by that vote. I do not speak in anger, I speak more in sorrow, that this attitude should be taken persistently continuously, both here and elsewhere, by any people, inasmuch as it can lead by a repetition of these statements only to disaster. Well, Sir, what was the condition of India when His Majesty's Government as represented here were in charge of the administration in 1820 or 1821? I, I think to a certain extent, am more responsible perhaps than any other Member of His Excellency's Executive Council to explain as the Senior Member the policy of the Government and ask not merely for an expression of satisfaction but for a vote of confidence on the part of this House, because I hope a recital of the achievements of the Government during the past five years will convince all dispassionate observers that they are entitled at least to some recognition, to some sympathy and to an expression of satisfaction, if not gratitude. In 1920 . . .

THE HONOURABLE MR. V. RAMADAS PANTULU: On a point of order, Sir. When I tried to show how the Government had forfeited the confidence of the people, the Honourable the President ruled that I was out of order. But the Honourable the Leader of the House is now embarking on a similar topic with the object of making out that the Government had achieved enough to win the confidence of the people. Is it permissible for him to do it?

THE HONOURABLE THE PRESIDENT: I was waiting to see whether the Honourable the Leader of the House said anything to defend specific actions of the Government of India in detail, and I should have felt obliged in that case to ask him to confine himself to the general aspect. As the Honourable Member has pointed out, I did not allow him to make specific attacks on the policy of the Government of India except in so far as he might deal with aspects of the financial policy of the Government of India. I would ask the Honourable the Leader of the House to follow the same line that I induced the Honourable Mr. Ramadas to follow.

THE HONOURABLE SIR NARASIMHA SARMA: Sir, I never intended for a moment to deviate in the slightest degree from following your ruling. I do not propose to enter into the details of any act of administration of the Indian Government, to defend their policy or expound their methods in dealing with any particular situation. I hope to be able to show that they inherited a very difficult situation financially, mainly, that they had been able to overcome that and that they are able to present the people of India at the present moment with a situation in which general peace and contentment prevail and the financial position is satisfactory

Sir, when men's minds were unhinged as a result of the war, the great war, as a result of the war with Afghanistan, as the result of troubles in Waziristan, of unhappy occurrences in the Punjab and elsewhere, as the result of famine which reached the point of acute distress, as the result of failure of crops during 1918-19, as the result of the influenza epidemic which carried away six million souls, what was the situation? The finances of the country were in an abnormal condition. We had to face large deficits and an unbalanced budget. We had to meet short-term Treasury Bills of very large amounts. We had a military expenditure facing us of about Rs. 82 crores. We had also to introduce changes as a result of the reforms. People in this country were persistently agitating in a particular direction and many of them did not help us. They added to the unrest which necessitated the further incurring of expenditure, which might very well have been saved, and the financial position therefore became more acute than perhaps might have been otherwise necessary. The Government with the loyal assistance, with the cordial co-operation of both Houses of the Legislature, embarked upon a policy of retrenchment, of reform where reform was possible, and of an economic policy which was likely to have very beneficent effects upon the financial position of the country. What was the effect of those measures? From Rs. 82 crores we have been able to reduce the Budget demand under military to 56 crores. I am not for one moment suggesting that the Government of India should rest satisfied with the figure at which the military expenditure stands. They are exploring, they will explore, and they must continue to explore every avenue by which they can reduce that item, because there is no denying the fact that unless money can be found for the development departments, the position of the country would not be as good as it might otherwise be. We have as a result of our policy been able to maintain cordial relations with our frontier neighbours. The Government of India may take legitimate pride in that they have brought British India and the Indian States together by devising the constitution of the Chamber of Princes, by making changes which brought the Indian States under the direct control of the Government of India and by making possible the constitution of a federal machinery in the fulness of time and when the opportunity arises for doing so. They had in the 1920-21 accounts a net

[Sir Narasimha Sarma.]

deficit of 26 crores. There continued to be a deficit for two or three years more. Luckily, thanks to the efforts of Sir Basil Blackett and his predecessors, the Government have been able to present the House with a surplus Budget, and with a relief to the provinces, if the two Houses would only help us, on an adequate scale by remission of provincial contributions. Nor have the Government been idle in the matter of expenditure in the economic sphere which has a direct bearing upon the finances of the country. They have embarked upon irrigation expenditure of more than Rs. 50 crores during the last few years under review which would bring about 20 million acres under certain, continuous, fruitful production of crops. They have been successful in separating the Railway finances from general finances, as a result of which they hope without embarrassing the finances to construct 2,000 miles of railway and improve the existing system at an enormous expenditure of 150 crores and more, thereby improving the development of the coalfields, improving the circulation of produce within the country and enriching the country in more directions than one They have helped the cotton industry by research and by placing research institutions upon a solid foundation, and they hope to be able to do so in regard to sugar. Research work had to be starved a little, but thanks to improved resources, they have started on a career where they hope to achieve continuous progress in that direction. It has been a charge levelled against the Government that they had not done anything, that they had not attempted to do anything, to ameliorate the condition of the people by evolving measures in the economic field which would have a direct bearing on the finances, and that is the reason why I had to deal with this aspect of the question. They have enunciated a policy for which the country had been clamouring for more than fifty years, a policy for which they may justly claim credit, of discriminating protection to the industries, so that we may develop industries in a scientific manner, in a correct and proper manner, so that there may be a real division of the people into agriculturists and industrialists thereby enriching the resources of the country. I shall not deal with the question of labour legislation. These are enough to show that in changes connected with the finances they had not neglected the interests of the people. Sir Basil has succeeded in confining his borrowings to India.

Coming directly to the financial field, we in the Congress deprecated the accumulation of outside debt except in productive matters and the policy which the Government of India have been attempting to pursue is exactly in the direction in which the people of this country have been asking us to advance. We do not intend to raise loans outside India unless it be absolutely necessary to do so, and that for productive purposes. Well, Sir, we have Indianised the services to some extent, have enunciated a policy which would lead to a large Indianisation ere long. These are achievements of which any Government can be proud, and a Government faced with the troubles with which they were faced in the years 1920 and 1921 and later, would claim some consideration at the hands of the people of this country. I cannot for the life of me understand the repetition of this cry that the Government have forfeited the confidence of the people of this country. Peace and contentment and order we have evolved. It may be we have made mistakes. No Government can say that it has not made mistakes. No Government can say that it will not make mistakes. But, mark, my friends, we have been told that we carried tolerance

to possibly extreme limits. We undertook a policy whereby those that differed from us may learn by bitter experience that their policy is not calculated to achieve the ends which they and we alike are striving for. We wanted unhealthy activities to sink by their own weight, and I cannot say that we have not succeeded in convincing, at least a section of the people, that the policy which had been pursued in the past might very well have been abandoned with greater usefulness, especially in so far as it affects the finances of the country. For I cannot, speaking as an Indian Member of the Executive Council, but draw attention to one prominent fact and that is this. More than once we had opportunites or rather we might have had a possibility of reducing expenditure on more than one subject if only we had felt confident or if we could make other people feel confident that there is no trouble brewing within the borders of India. But unfortunately we were unable to succeed in that policy which might have led to reduced expenditure at a much earlier date, which would have led to reduced expenditure if only the people had co-operated with Government and inspired confidence in the Government that they would co-operate with Government and stand by them and not add to their troubles. The military expenditure, my Honourable friend has said, stands at a high figure. It does stand at a comparatively high figure, but the true way of assisting Government in reducing this expenditure is by inspiring confidence in Government, by showing not merely that the heart of the people is sound because we are convinced that the heart of the people is sound, but that forces would not be raised in order to take advantage of the general ignorance of the masses which the Government would be compelled to meet as any Government, whether Indian or European, democratic, autocratic or aristocratic, would have to do.

Sir, I shall not deal with the question of the reforms because it has been ruled that we should not go into the details of that question. All of us have entered these Houses, have been working, under an existing constitution. We, the Indian Members, have accepted office under a particular constitution. It may be, it will be perfectly legitimate for you who have entered the Houses of Legislature and for us who have entered the Executive Council to do all that lies in our power to advance the cause of reforms to the extent to which it would be prudent and just. But there is little use in using that as an argument for saying, "Turn down the Finance Bill". That is my quarrel with the opposition, with the obstruction as suggested by my Honourable friend, Mr. Ramadas. He and I have come here under a certain constitution and we have to work that constitution. If there is anything which I have done in the Government of India of which I should feel ashamed, if there is anything in the secret chambers of the Government of India by way of advice which I have given of which I ought to be ashamed, if I feel that in the discharge of the duties of my particular office I am not receiving that co-operation from other Members of the Council as I should have been receiving, I should have felt in honour bound to resign my place in the Executive Council. I was asked both here and elsewhere to resign to build up a convention to show our dissatisfaction. That is asking me to non-co-operate with the other Members of the Executive Government, not because they did not support me loyally in my policy, when I was in charge of another portfolio, but because the world has not yet arrived at a stage when racial warfare and economic warfare can be effaced from human affairs. Sir, if my Honourable friend had shown me that on any particular account the action of the Government of India had been detrimental to the

[Sir Narasimha Sarma.]

interests of the people of this country, certainly it would be my duty without being asked to do so to resign my place. But what was this Resolution passed in another place to which my Honourable friend has alluded, to mark the displeasure of that House with the Executive Council? They wished to show their resentment that a certain report which we had not even discussed, which we had not even considered was unsatisfactory. It may be satisfactory, it may be unsatisfactory, but the Government of India have not considered it, and for a thing to which they have not yet given consideration that House said if my friend's interpretation is to be taken, "The Government of India should stand condemned". I cannot for the life of me see the logic or the wisdom of that procedure. If we had as a Government come to any decision which in my judgment was detrimental to the interests of the people of this country, then and then alone would be the time for me to resign. But to resign before we have even considered as a Government the question of reforms seems to me to ask me to do what would be ridiculous on the part of any reasonable man to do, and that would be, if I understand that vote aright, the *prima facie* meaning of that vote; but I believe all that was intended was to express their displeasure with the majority recommendations. It is true that there was resentment that the question had not been allowed to be discussed. I refuse to discuss that because it is so trivial a point on which a vote of censure could be justified. If the Members of Government were to take their positions of responsibility so lightly as to feel compelled to resign on motions of that description, the position of the Government of India would be parlous indeed. But I for one would refuse to think that any responsible member, whether European or Indian, would give any weight to a vote of that description except as an indication of the feeling of dissatisfaction with the majority report. If it had been on a specific point on which I felt I was doing wrong, I would have submitted to the House and I will submit to the House whether it was right or wrong. I think my Honourable friend, Mr. Ramadas was wrong in alluding to the Indian Members of Council and saying that they are doing wrong in not helping him to build up a convention.

I think I shall not be justified in taking up the time of the House any further. I have shown what the position of India was in 1920-21, how financially embarrassing it was, how there was dissatisfaction everywhere, how the seeds of unrest were sown by previous events for which this Government were not responsible, how they had to meet with unrest outside the frontiers of India and inside and how they faced the situation—I am not claiming credit for it because the Government were simply doing their duty. Good luck helped them. We have had four successive good harvests. Heaven alone knows what our position would have been if we had been confronted in addition to these troubles with bad harvests. But God aided us and with the assistance of Providence, with the assistance of the loyal co-operation of the two Houses, and especially of this House, Government have been able to achieve a position in every field, economic, financial and otherwise, of which they need not be ashamed. They can confidently ask for the confidence of the people of this country. I do not use the word "gratitude" because it is ridiculous asking anybody to be grateful for what the Government had done as a matter of their simple duty. If they had failed in achieving further distinction possibly it was due to the machinery, to the environment and to a number of other circumstances. It is said they were weak in some respects. They

might have been weak. They may have made mistakes, but, Sir, I think I am right in asking that this House should not condemn them in the manner in which my Honourable friend Mr. Ramadas has asked this House to condemn them.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): I shall try to confine myself to the financial aspects of the subject, but before taking up that subject I want to say one word as regards the remarks that fell from my Honourable friend Mr. Ramadas, regarding the attitude that he thought ought to have been adopted by the Government of India as a whole, and specially by the Indian Members of Council when the vote of censure was passed. It has been called a vote of censure but I do not know whether it is a vote of censure.

THE HONOURABLE MR. RAMADAS PANTULU: It was cutting down the travelling allowances.

THE HONOURABLE MR. LALUBHAI SAMALDAS: We know that the Government of India as constituted at present are not responsible either to the Assembly or to the Council of State. If my Honourable friends Sir Narasimha Sarma and Sir Muhammad Habibullah felt that that vote as passed in any way condemned their own action or that the Government of India was carrying out a policy which they could not approve of they would not have stuck to their posts or have been here. We have the full confidence—and I am speaking not only on my behalf but also on behalf of all non-official Members here, both Indians and Englishmen when I say—that both these gentlemen, and with them I also associate the English Members of the Executive Council, would not have stuck to their posts if they saw anything being done against their conscience and would have resigned. They are gentlemen first and gentlemen last. I am really sorry that a remark like that had ever been made in this House against the Indian Members of the Executive Council.

THE HONOURABLE MR. V. RAMADAS PANTULU: On a point of personal explanation, Sir. What I said was that even if non-official Indian Members believed that they were acting properly a vote of censure or no confidence by the popular Chamber would, according to convention in western countries, have necessitated their resignation and our Indian Members should not take advantage of the defect in the Indian constitution but should resign.

THE HONOURABLE THE PRESIDENT: The Honourable Member has already explained it.

THE HONOURABLE MR. LALUBHAI SAMALDAS: The Finance Bill now is before us and as the Honourable the Finance Secretary told us it comes to us for sanction, to get our approval to certain measures by which the Government of India can raise sufficient money to carry on the administration. We had an opportunity of discussing the general policy, the financial policy, as well as the policy of other departments during the time of the budget debate. At that time I referred to the exchange policy of the Government and when I said that there appeared to be an inconsistency between the two remarks made by the Honourable the Finance Member in his speech in paragraph 41 and paragraph 14 about the imports of piece-goods, he interjected a remark. He said that imports were specially low the year before. I am sorry I was not able to catch the exact phraseology at that time. I saw the official report and then I referred to the statistical abstract of the Department of Commercial

[Mr. Lalubhai Samaldas.]

Intelligence to look up the imports of piece-goods for the years 1922-23, 1923-24 and 1924-25. I may say that these figures are for ten months because the statement is up to January 1925. There I find that while the Honourable the Finance Member's statement is quite correct as regards the import of grey and unbleached textiles, it is not correct as regards white bleached textiles and coloured printed and dyed textiles. In the year 1923-24 grey textiles had fallen from 7·88 to 5·81, while the bleached had not fallen. On the contrary it was 9 millions more and coloured and printed dyed textiles were about 1 million more. That means that the imports in 1924-25 of these two qualities were not low as the Honourable the Finance Member's interjection at the time of my speech would lead one to believe. In 1924-25 imports had jumped up. The white bleached had risen only 9 millions in 1923-24 from 1922-23, while in 1924-25 it went up by one hundred millions and coloured and printed dyes went up by 35. That shows that the statement made by the Finance Member . . . .

THE HONOURABLE SIR BASIL BLACKETT: What about the greys?

THE HONOURABLE MR. LALUBHAI SAMALDAS: I am examining the figures of all kinds of textiles. If the Finance Member's remark does not apply to the import of white bleached or coloured dye, then the exchange policy of the Finance Member is not correct to that extent. My contention is that what the Honourable the Finance Member has said in paragraph 41 does not appear to be borne out by the facts as examined from the statistical abstract. This is the first point that requires very careful consideration because it has been said that by increasing the rupee value of sterling and making the price of the sterling Rs. 13½ instead of Rs. 15, you are giving a bounty to imported goods and handicapping indigenous industries. That is a charge that was also made by two distinguished members of the Fowler Committee and these members added that "in the case of India with large foreign obligations which can only be met by surplus exports of produce it would be a fatal course to pursue." That is the policy which the Honourable the Finance Member is pursuing. I know he can say that by following that policy he has been enabled to save in the home charges. I believe the total saving on the home charges both from the General Budget and the Railway Budget come up to 3 crores and a half or a little more. That is a saving but at whose expense? It is at the expense of the producer. The Honourable the Finance Member was good enough to give us in his budget speech certain figures showing the rise in the sterling price of the chief commodities of exports. I tried to take up some of the most impotant of them such as rice, wheat, linseed, jute, tea and coffee. I thought that the examination of exports of these would quite suffice. The Finance Member says:

"The lesson of these figures is that the rise of approximately 12½ per cent. in exchange which has been taking place during the period in question has been reflected not in a reduction of the rupee prices obtained by the exporter but in an increase of the sterling prices paid by the importer who has been forced by India to pay the increased price represented by the increase in the sterling value of the rupee. . . ."

I take it, Sir, that what he meant was that although the price of sterling had dropped from Rs. 15 to 13½, that is to say by 12½ per cent., that was in a way compensated for in the rise in the sterling prices of the exported articles. Sir, I looked at the rupee prices of these exported articles and I found that the rupee price of exports remains practically the same. For rice it was 160 in 1923-24 and 166 in 1924-25, although the rise in the sterling value is 33⅓ per cent.; as regards wheat the figures

are 143 and 150 and the rise in sterling is 59 per cent, as regards linseed the figures are 261 and 260, while the sterling price was raised by 35 per cent. Jute is the only case where prices have gone up as between 1923-24 and 1924-25, the figures of which are 300 and 413 for raw jute, while for manufactured jute they are 489 and 589; the rise in sterling value however is as much as 90 per cent. Tea has not increased in price and yet the sterling rise is 33⅓ per cent. Coffee has increased by 17 per cent. but the sterling price has gone up by 50 per cent. I am quite prepared to sit at the feet of the Honourable the Finance Member and learn, if he can tell me into whose pockets this increase in the price has gone. If the pound had been 15 rupees would not more rupees have come to the producer? As it has not gone to the producer, the question is where has it gone? Has it disappeared? Sterling prices have gone up; rupee prices have remained the same. Where has the profit gone? I am referring to these two points not because I am suggesting any panacea for the evil of high or low exchange, but because I want the Honourable the Finance Member to consider whether the time has not arrived when the promise given by His Excellency of having a committee appointed should not be taken up at once and not delayed for one year, which after all is the maximum period within which it has to be appointed. The times are changing; war prices are settling down and sterling is at parity. The time I think has come when the Honourable the Finance Member should take his courage in both hands and appoint a committee, a committee consisting of experts of all shades of opinion and of all schools of economy, and settle once for all, if they can settle it, the question of exchange.

One other point which I want to take up is the question of debt redemption. My Honourable friend Mr. Ramadas said that the provision for debt redemption has been increased. I have also noticed that. I do believe that a provision for debt redemption should be made, and with that principle I think we are all in agreement. This House as a matter of fact passed a Resolution which was moved by my Honourable friend Sir Maneckji Dadabhoy, that a policy of debt redemption should be laid down. What I object to is the details of the policy. I believe a committee was suggested in the other place and an informal conference was called by the Honourable the Finance Member to which even the Mover of the Resolution in this House was not invited. That is again an instance of the confidence shown in the Members of this House, although it is said that we are strong in finance. When the question of a policy of debt redemption was being considered neither the Honourable Sir Maneckji nor my Honourable friend from Bengal who can easily hold his own against any member of the other House, was invited thereto. I want that committee to meet at once and to consider whether any provision should be made for the redemption of productive debt. If it is decided that such provision should be made then I suggest that out of the total debt of 846 crores, the amount of debt which is not redeemable should be deducted and provision should only be made for the redeemable amount. These are the two alternative principles which require very careful consideration at the hands of the Finance Member, and I hope that he will consult representatives of both the Houses and arrive at a decision before the September Session when this question comes up.

There is only one more suggestion that I have to make and that is this. In reply to Lala Sukhbir Sinha's remark about the advisability of more money being spent on agriculture and other nation-building departments the Honourable the Finance Member said that these departments were provincialised and that as he was providing more money for the

[Mr. Lalubhai Samaldas.]

provinces they will be able to carry on developments in these departments. There is one department, however, which is not provincialised, which is a central department and which the Government of India ought to develop. The report of the Mercantile Marine Committee has been before the Government of India for about a year and no action is taken thereon. This is purely a central subject and as a member of the Indian Mercantile Committee I am really surprised, Sir, that our work completed one year ago has not even received the recognition of a formal Resolution at the hands of the Commerce Member.

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN (North West Frontier Province: Nominated Non-Official): Sir, we the Members of this House have full confidence in the Executive Council of His Excellency. If it was not the case we would not come to this place and ask them to redress our grievances here. But as we all come here, so it shows that we have full confidence, and that is why we bring our grievances before them and ask them to redress them. We have all got important work in our own provinces to attend to and if we had the slightest doubt that deaf ears will be turned to our requests we will not as self-respecting men come here.

But, Sir, as regards this Finance Bill, I have nothing to say regarding the imposition of the salt duty, the rates of postage and the reduction of excise duties on motor spirit; for cost what they may these are after all universally borne by the entire population of India. Every soul on the Indian soil, rich or poor, high or low, cultered or ignorant, has to contribute equally towards these impositions and there can be no exceptions in these respects as whoever eats salt or is inclined to take advantage of the facilities offered by the Postal Department will have to pay something in equal share with others. But the case of the income-tax and super-tax is quite a different one. Here there are good many exceptions which ought to be meditated upon with a cold mind. First of all it is a very complicated imposition, varying by every thousand so to say and increasing by three and six pies till it comes to an anna and half in a rupee as income-tax and six annas in a rupee as super-tax, *i.e.*, seven and half annas in a rupee on the whole. Apart from its being a complicated one it is really a heavy imposition that the tax-payer is made to pay to the Government in the form of income-tax and super-tax. The former history of India provides few examples of such a taxation. I am not certain what the Hindu laws say in this matter, but being a Muhammadan I can safely say that the Islamic law does not impose more than 2½ per cent., which in time of need can be extended to 1/10th of the entire income and that it is never to be exceeded under any circumstances. This has been the system of taxation in every Asiatic country since the seventh century till the end of the eighteenth. Here in India the Moghuls used to collect so much in spite of their confined resources which they called " Ushar ", an Arabic word meaning one-tenth.

Later on the Maharatas too restricted their system of revenue to the same lines which they termed " Surdaish Mukhi ". It is a matter of great surprise that the present system of revenue known as income-tax and super-tax, in spite of a good many other resources of income, far exceeds in value the one prevalent in former times. It is because of this excessive taxation that complaints regarding evasion of payment are generally heard. When a man is made to part with nearly one-fifth of his income of 8 lakhs (Rs. 59,875, as income-tax) and the more his income increases the greater

becomes the demand in the rates of super-tax till it reaches nearly half of the actual income, it is a matter that requires reconsideration of the authorities and some early suitable solution of it is necessary.

Again the imposition of such a taxation is not intended to make a change in the status of a man liable to be taxed. It does not give him any special privilege and there is no distinction whatsoever in law between a heavy tax-payer and a non-tax-payer. On the contrary it is a kind of punishment inflicted on the hard-working man for his zeal and diligence in his work that he gives proof of in enhancing his income. It reminds me of a Persian poet who says: " *Ai roshani-e-taba to bar man bala shudi* ", *i.e.*, " O my clear sightedness you have proved a great evil to me." It does not bring him any relief with regard to the necessaries of life but the heavy tax-payer is expected to pay the same price of a thing as the man beyond the clutches of the income-tax law. Now, Sir, if it does not bring him any advantage in respect of law or any other way of legislature, what justification can there be for a rich man to pay his taxation at a higher rate than a man with less income? Granting that he ought to pay something more of his income in comparison to these with lesser incomes to the Government, I think that the demand should be a reasonable one. There ought to be devised a method that should equally be applied to each and every soul of this country; for why should the rich alone be made to suffer on no account of the increase of his income. The most agreeable method, in my opinion, should be to fix a limit to this form of taxation, say 1/20th or 1/15th of a man's income. This would simplify matters much, bring ample money to the Government Treasury and at the same time lessen the grievances of those grumbling under the present form of taxation. In case the Government cannot see its way to fix the income-tax at 1/20th or 1/15th of a man's revenue I think 1/10th would be quite a reasonable demand. Sir, I do not mean to confuse this tax with land revenue which is paid separately according to settlement in various provinces. I think that this system of fixing the income-tax at a maximum limit of 1/10th can in no way fail to bring more money into the Government Treasury than what is expected under the present system. The system suggested is no new thing to the people of this country but they have been accustomed to it under the Arabic name of Ushar and the Hindi name of Suvdaish Mukhi. This would be an equitable form of taxation and the payers would have no room to grumble on this account. Moreover it will greatly help making matters easy for the Income-tax Department and thus relieve the authorities of much of the botheration that they are now made to undergo because of the various rates of the current bill.

This taxation directly affects the rate of interest in the market and any person trying to get a loan has to pay a high rate of interest for it. Hence he has to sell his articles at higher prices in order to earn his living and make up the high rate of interest that he has to pay on account of this heavy taxation. I think, therefore, that a uniform limit of one-tenth of a man's income should be the maximum in respect to income-tax. The great drawback of this heavy taxation is that it will ultimately drive the capital out of this country and the only way to keep it within this country is to introduce a uniformity in this taxation, by which neither the Government nor the capitalist will be the loser and the burden of taxation will be equally shared by every subject of His Majesty in India.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): Sir, when I was coming to this House this morning

[Lala Sukhbir Sinha.]

I had no idea that I would have to speak at this stage of the Finance Bill, but when I arrived here and heard the concluding portion of the speech of my friend, the Honourable Mr. Ramadas Pantulu, and the long defensive speech of the Honourable Sir Narasimha Sarma, I was determined to say something on the subject. Mr. Ramadas Pantulu has suggested that the Bill should not be taken into consideration. I fail to understand, Sir, the propriety of this motion. When the Demands have been accepted and passed in the other House, if the Bill is not passed here, how will those Demands be met? Without money nothing can be done. It would have been appropriate at that stage in the other House that the Demands would not have been accepted, but it is too late now to move such a motion that the Bill be thrown out. Therefore, I strongly support the proposition that the Bill should be taken into consideration.

Under the Bill itself there are some matters on which I should like to say a few words. The first is about the salt tax, but I reserve my remarks to the stage when the amendment will come on and which I am going to support.

As regards super-tax, my friend, the Honourable Major Nawab Mohamed Akbar Khan has made a suggestion that it should be reduced. I beg to point out in this connection that when there was no surplus Budget, when money was wanted and the revenues were not sufficient, the income-tax rates were raised after the war, but now when we are going to have surplus Budgets, I think the time has come to consider this question whether the super-tax rates should not be lowered. I find that the rates of income-tax are coming down in other countries. There is no reason therefore why in this country also they should not go down this year or the next year. If you will take the figures into consideration, you will find that in the case of those who pay income-tax on about 3 lakhs the rate goes up to 7½ annas per rupee, *i.e.*, half of their income is taken in the form of income-tax. I think this is too much, and I request the Finance Member to consider this question either this year or next year. The second point is about the Hindu joint families. The Hindu joint family system is very old in this country and I think it has been respected all round, but what I find now is that under the rules of income-tax, under the rules of the Arms Act and under other rules the dignity of the Hindu joint family is impaired, and it is becoming difficult to maintain this system of Hindu joint family in this country. For instance, under the Income-tax Act if a Hindu joint family has a total income of Rs. 1 lakh and there are four members consisting of the family, they are charged an income-tax on one lakh with a super-tax but as soon as they are divided, they will pay income-tax only on Rs. 25,000 each. Therefore this is a kind of incentive to the family to be divided and partitioned: and I strongly submit that it is not advisable even from the Government point of view to thus induce a family to be partitioned and to be divided up and ruined, as we find from experience on account of these rules and on account of the want of sympathy by the Government these families are being ruined. Some steps should therefore be taken to maintain them intact because they are a great backbone for the Government as regards money, as regards subscriptions, as regards men. This was illustrated during the war when there was a call for men and for money, and Honourable Members may know well how much help they have given as regards money, men and everything.

Now, Sir, Mr. Ramadas has raised another very important question in his speech. He has said that the people have lost confidence in the British Government, that the Government of India have not done or the Members of the Executive Council have not done their duty and they should resign. This is a very wide question, but I should like to say a few words, a few personal remarks, on this important question, as I cannot or do not like to pass this opportunity without expressing my humble views on the subject. I think it is quite wrong and absurd to say that the people as a whole have lost confidence in the British Government. It is true that a section of the people have lost some confidence, but not the people as a whole. If we go back to old history, we shall find how much chaos there was in the country, and how much of improvements have been made by the British Government as regards railways, canals, roads, posts, telegraphs, education and in many other directions for which we should be most grateful to the British Government. But I cannot admit that the British Government, the Central Government or the Provincial Governments, have been able to do what they ought to have done during the last 150 years. When you find the advance made in other countries as regards education, reforms, general public health, etc., we find ourselves very backward. For instance, here in this country we have not been given reforms as in other countries. There is no doubt that for the last 4 or 5 years we have the new Government of India Act and we have some reforms. But I should like to say that we do not have as much of reform as we ought to have. Everywhere the Councils are handicapped. The Resolutions have no effect. The Governor General or the Governors have the power to veto any Resolution. They may not take any action on the Resolutions, nor on the Budget. We have a good deal of discussion but actually the people of the country have not as much hand in the matter of administration as they ought to have. I do not say that they should have everything all at once, but I submit that they should be given more power.

The second point is about education. What do we find here? The education here is very backward; only 5 or 6 per cent. of the people can read and write; only one per cent. can be called educated. Is it not a very bad state of things? In other countries we find that the educated people are cent. per cent. and they can take part in their administration and other things. But here the masses are all quite uneducated. They do not know what is going on. Therefore they are misled by any party, either Non-co-operators or Extremists; when they go to them they at once join them. If they had been educated and if they had learnt something about the administration, they would be able to consider what they ought to do. But here the case is not as we find in other countries.

Now, the same is the case with regard to health. What we find is that different kinds of diseases are taking away the people of this country; diabetes, consumption and many other diseases which are fatal are spreading. Leprosy, for which we had a big meeting here under the presidency of His Excellency the Viceroy, and other similar diseases are found everywhere. As I pointed out the other day, Government are giving medical help, but not as much as they ought to. The health of the people is going down every day. We find the same thing in schools and colleges; no military training is given there. Even in villages the health of people is going down. Therefore, when we find that the health of the people is degenerating, when we find that education has not advanced as much as it should have advanced, when we find reforms not up to the level, then of course it cannot be denied that the Central Government or the Provincial Governments have not done

[Lala Sukhbir Sinha.]

what they ought to have done. When we have these Executive Councils in the Central and Provincial Governments, when we have Indian Members, when we have Ministers in Provincial Governments, when we have Legislative Councils, there is no reason why this country should not make a rapid advance in all directions. For instance, Sir, I will say a word about agriculture and industries. What have Government done in those two directions? They have got the Agricultural Department in the Central Government and in the Provincial Governments, but they have done very little. My Honourable friend Sir Narasimha Sarma was Member in Charge of Agriculture. An advisory committee was appointed last year. Was there any meeting held to advise the Department? I was a member of that Committee; I was never asked to attend any meeting . . . . .

THE HONOURABLE SIR NARASIMHA SARMA: There was a meeting and we arrived at various conclusions. I think the Honourable Member was not present perhaps owing to ill-health.

THE HONOURABLE LALA SUKHBIR SINHA: I do not remember to have received any notice. I have searched my papers. Then I put a question in this House as to why any meeting was not held and the reply given was that there was no business. So also in the case of the Industries Department. There was a proposal to hold an all-India Conference for agriculture and cattle but nothing has been done as yet. Therefore, my Honourable friend Mr. Pantulu is right in saying so much that the Government of India and the Provincial Governments have not done as much as they ought to have done in the nation-building departments, in taking up those matters that are useful for the people of the country, in those matters that would raise the condition of the people. Our agricultural condition is just as it was 50 years ago. There ought to be some reasons; and it is for the Government, the Members of the Executive Council, the Members of this Council and the other House to find out what can be done and to adopt such measures as are necessary and proper for developing the economical state of the people of this country. With these few remarks, I strongly support the motion that the Bill be taken into consideration.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab: Non-Muhammadan): Sir, I am sorry to find that my Honourable friend Mr. Ramadas has used language in this House to which we hitherto have been unaccustomed. He accused the Government of having lost the confidence of the public. I am sorry, Sir, that I cannot at all agree with him in this. Being a business man I always believe in mutual trust; when we have trust in a certain person it is quite natural that the other person in whom we repose trust will reciprocate our trust. Being a co-operator, I am convinced that it is co-operation which will lead soon to our attaining Swaraj; by co-operation and working the present institutions, we shall be able to get more concessions and more voice in the Government than we at present have. Taxes, Sir, are always unpopular, but the administration of the country needs that taxation should be resorted to. Taxation, if evenly distributed, is always regarded as better than taxation which is unevenly distributed. I have been always advocating that the burden on the poor ought to be removed as early as possible. Last year I opposed the high duty on salt. But this year I find that the duty has been reduced by 4 annas a maund by the other House which means a reduction of about three-fifths of an anna per head per year. So I do not think there is much burden on the poor so far as this duty is concerned. Even a beggar can meet another half an anna per year. In case the abolition of this duty would have been possible without sacrifice of the provincial contributions or without imposing any extra taxation, I would have advocated for it. But I do not think the small increase in duty will sensibly affect the poor people.

I would have welcomed the abolition of the excise on kerosene oil. Kerosene oil is comparatively consumed more per head . . . . .

THE HONOURABLE THE PRESIDENT: Order, order. I think the Honourable Member had better reserve these remarks till the Bill is actually under consideration. They will be more appropriate on the clauses of the Bill.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Very well, Sir. I will reserve my remarks when this Bill is taken into consideration. Now I simply move that the Bill be considered.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, I have got so much sympathy for our friend, the new-comer, that, although I did not belong to any party before, I will to-day for a while, become a Swarajist. The Swarajists are quite right, I think, in saying that Government spend a lot and therefore they should pack up and go. But if this was done and the Bill was thrown out, it will serve two purposes. The first is that everything which is now going on in the country will come to a standstill. There will be no police, no magistracy, no Councils because there will be no money. I think, if the Government were only suspended for a month, circumstances will soon restore the confidence of our friends in the Government. They will cry and ask them to come back again. Secondly as far as the Punjabis are concerned, such a suspension of Government will also be beneficial as they will become very much better off financially. (*The Honourable Major Nawab Mohamed Akbar Khan*: "Six months will be better.") I think one month will be enough. Then, Sir, we have a saying in the Punjab that such and such thing is as negligible as salt in the flour. In the same way, I think the voice against the salt duty in this House is so negligible as salt is in the flour. There is only one man, or perhaps there may be two. We do welcome our new friend the Honourable Mr. Ramadas but he would have been no doubt more welcomed elsewhere. (Laughter.) About the salt tax, Sir, although there was not much discussion in this House, I said as much as I could during the general discussion on the Budget. I think it was a mistake that the Finance Member acted so very straight for the purpose of bargaining. What he really ought to have done was that he should have increased the salt tax by, say, one rupee. If he had done so, all this energy of our friends to reduce the present amount would have been spent on bringing it to its former level and all this difficulty would not have occurred. The other day I went to the Punjab and it so happened that when I was passing Lahore the local Council was in session there. When they heard about the decrease of the salt duty, they were furious, especially the zamindars, because last year they had suffered heavily as they had to pay to the central revenues a very heavy tax on irrigation. Now, when they heard that they were going to get something from the Government of India in the shape of remission of provincial contribution they were very pleased that this burden will be taken off their shoulders. But when they heard about the decrease of the salt tax, they at once accused their own Members in the Assembly. The Members of the Punjab

[Colonel Nawab Sir Umar Hayat Khan.]

who have worked more or less as spies against their province do know that the Punjab is a province of war-like people and most of the war-like classes are zamindars. They knew that the zamindars are very displeased with this Irrigation tax and thought if the Punjab was to get all this money, this tax would have been removed, and everyone of them would be satisfied with the Government. But that they did not want. All that they want is obstruction. They want to bring forward some plea in order to discredit the Government with the martial classes.

Sir, the Punjab has special claims on India. Every onslaught from without that this country has had, has come on that province first and all our friends in the down country have never had any trouble. So, if this salt tax was not reduced, naturally Punjab would have got its full share, and there would have been contentment and we would have got something as compensation for the service that we have always rendered to the whole country.

Sir, I am not a medical man. But I think those who eat meat know that there is salt in the meat and even those who eat vegetables know that there is some salt in the vegetables also. It is a natural salt. In our system there is only one teaspoonful of salt in a pint of our blood. So, excessive salt is not wanted in the system. As a man becomes addicted to the habit of drinking whisky or taking tobacco, so is the case with the use of excessive salt.

Sir, we all know that the ordinary labourers in this country get very much more money than the labourer on the land. And all the politically minded people are very loud in saying that every one should be ready to help their mother country. Now, in what way can these poor people help their mother country? The income-tax and super-tax, as my Honourable friend Nawab Mohamed Akbar Khan has said, is not levied on them. Having no land, they do not pay anything in the shape of land revenue. Similarly, they do not pay much towards the cotton duty as generally in the hot season they do not spend much on their clothes. So, if they really want to help the State, in what way can they do it? I think the salt tax is the only way by means of which every man can bear the burden of the country and can help towards the upkeep of its Government and its protection from abroad. Supposing the country was not so protected where would all these factories be, and if there were no factories where would these labourers from whom we ask a pice or two a year get employment? Some of them are so well off that they drink toddy and various other things; and naturally after the effects of these drugs they require salt for their liver, but what the country needs is that instead of spending all that money on toddy they should contribute towards the salt tax before they resort to those obnoxious things.

We were very thankful, Sir, to the Government when we heard that we were going to get this very nice round sum, but now of course the Punjab will be the greatest sufferer if this salt duty is reduced, and I will ask all the House to join me, especially the zamindars. (*The Honourable Major Nawab Mohamed Akbar Khan*: "Every one of us is with you!"). I know the whole House is with me with one exception, and that is very useful because our whole House being so good it will invite the evil eye if there were no exception. Therefore I say it is just as well that we have a dissenting voice sometimes.

I do hope that the Bill will be passed in its present shape: we only propose a little change in which I agree with my Honourable friend Nawab Mohamed Akbar Khan.

THE HONOURABLE MR. G. S. KHAPARDE: I move that the question be now put:

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): Sir, with the political question which was raised by the first speaker I do not propose to deal. It has already been dealt with fully and admirably by my Honourable friend Sir Narasimha Sarma. The policy of throwing out this Bill for the sake of throwing it out is one I have never been able to understand. If it is pursued for the sake of proving that the framers of the present constitution were wise enough to include safeguards in order to deal with such a situation should it arise, I should have thought that was a fact that needed no demonstration, and to demonstrate it again and again day in and day out does not, as far as I can see, take us any further forward. I was delighted to hear from the Honourable Nawab Sir Umar Hayat Khan that he was a Swarajist. I have always suspected it, though I think the sense in which he is a Swarajist, if I may convert the Sanskrit into Latin, is that he likes converting other people's *meum* into his *suum*.

Let me come back to the financial questions which have been raised. My Honourable friend Mr. Lalubhai Samaldas complained that when I interrupted him in the general discussion on the Budget here on the 5th March, I made a general statement about imports of textiles which he demonstrated to be incorrect in detail. The general statement came in at a point where he was speaking; he said:

> "If the income under the import duties on cotton piece-goods has increased it means larger imports of cotton piece-goods and unless there is some special explanation it must be due to the fact that exchange was high."

I interjected the simple remark, "Imports were specially low the year before"; and if you take the total figure that is clearly the fact. That in particular cases the imports under particular heads were higher does not in any way impugn my general statement that taking the total figure, the imports of cotton goods were specially low the year before. On the general question as regards exchange it is I think a sufficient answer to any charge that the movements in exchange during the last year have specially favoured imports or specially disfavoured exports—I think it is a sufficient answer to show that during the ten months from April to January exports of Indian merchandise went up from 273 to 296 crores compared with the corresponding period of the previous year while imports went up from 181 to 205 crores, the increase in both cases being about 24 crores. It is clear that whatever effect exchange has had it has not had any particular effect in increasing imports or reducing exports during that period.

THE HONOURABLE MR. LALUBHAI SAMALDAS: In value, not in quantity.

THE HONOURABLE SIR BASIL BLACKETT: I am speaking in value. As the Honourable Member has pointed out values have remained remarkably stationary. He made it an accusation against the Finance Department that values had remained stationary in terms of rupees and he produced several figures to show that in fact rupee prices had remained stationary or gone up very little. But that was exactly the fact to which I myself drew attention in my budget speech and for which I took some credit to the Finance Department and to the Government of India because

[Sir Basil Blackett.]

I believe it to be very much in the interests of any country if it is possible for its prices to remain fairly steady and for the value of the counter in which it pays—whether it is the rupee or the pound sterling—to remain fairly stable, and I think the answer to the question as to where the profit has gone between a rise in the sterling prices and the absence of a rise in the rupee prices is that there has been no profit; it has merely been a change in the value of sterling as a counter; the value of the rupee has remained steady, while the value of the pound sterling has gone down; the pound sterling buys less than what it did before, whereas the rupee buys just what it did a year ago. Ten rupees now can buy very much what they did a year before, whereas £15 buys to-day what £13 would have bought a year ago. The value of the pound has gone down in terms of commodities. It is one of the difficulties we have, that people invariably think the rupee or the pound does not change; but it is really only a counter which is constantly changing in value, and the answer to the question, what has happened, is that the pound sterling has lost some of its value as a counter. That is a point which has a wider bearing than merely in relation to the question of exchange.

During the course of these debates here and in another place a good deal has been said at times about the unbearable burden of taxation, about the tremendous increase that has taken place in taxation since the period before the war and about the tremendous increase in our expenditure generally and the necessity for getting back to something like pre-war figures. Now, I have taken the trouble to work out a comparison between the present time and 1913-14. It is often said that we have imposed additional taxation bringing in—I think 48 crores is the usual figure given. It is very difficult after a certain time to give the exact yield of the new taxation that you have imposed; but I have got the whole of our taxation both central and provincial for 1913-14 here and the corresponding figures for 1923-24 which is the latest date for which complete figures are available. In 1913-14, taking central and provincial together, Customs brought in 11·12 crores, Taxes on income brought in 2·90 crores, Salt 4·77 crores, Excise 13·19 crores, Stamps 7·89 crores, Registration 78 lakhs—total 40·65 crores. Land Revenue which to some extent is rent rather than taxation, but the proceeds of which come to . . . .

THE HONOURABLE LALA SUKHBIR SINHA: It is taxation, not rent.

THE HONOURABLE SIR BASIL BLACKETT: I do not want to enter into a controversy with my Honourable friend now as to whether it is rent or taxation. I do not agree with him; I think to a large extent it is rent and to some small extent taxation; but the proceeds of it are used for Government expenditure. Land revenue in 1913-14 brought in 31·20 crores—so that we have a gross total revenue from taxation and land revenue of 71·85 crores in 1913-14. The corresponding figures for 1923-24 are Customs 39·64 crores, Taxes on income 18·23 crores, Salt 9·64 crores—*i.e.*, when the rate was at Rs. 2-8 per maund, Excise 19·20 lakhs, Stamps 12·71 lakhs, Registration 123 lakhs, Scheduled taxes 33 lakhs; total 101 crores 24 lakhs. Land revenue brings in 34 crores 62 lakhs, making the total 135 crores 86 lakhs, as compared with 71 crores 85 lakhs in 1913-14. That is an increase per head from 100 to 187. If you take 100 as the index figure for the amount in 1913-14, the figure for 1923-24 is 187. The land revenue is little more than what it was in 1913-14. The total including land revenue is 187 as against 100. During the same period the population of British India has increased from 243 million 900 thousand

to 247 millions, so that the charge per head including land revenue was Rs. 2-15-0 in 1913-14 and it is Rs. 5-8-0 in 1923-24. Now it may be said that it is a very large increase. It will be observed that there is hardly any increase under land revenue. Most of the increase is really under Customs and Taxes on income with some increase under Excise, but most of it is under Customs and Income-tax. Now it must be remembered that customs duties are paid to some extent by the whole of India, and not merely by the population of British India. It is one of the effects of customs duty that it really affects to some extent the whole of India.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Do not please lay too much stress on that point.

THE HONOURABLE SIR BASIL BLACKETT: One ought to take that also into consideration, but as the Honourable Mr. Lalubhai Samaldas says, I will not lay stress on it. But even leaving that point out, let us compare this increase of 100 to 187 with the increase in prices. Wholesale prices in Bombay have increased from a figure of 100 in 1913-14 to a figure of 182 in 1923-24, which is very little different from the increase in the taxation per head. I think the Bombay figures are high for the whole of India. The general index number has increased during the same period from 100 to 165. If you take the Bombay figure, you will see that taxation has gone up almost exactly in proportion to the increase in prices, so that the burden of taxation has hardly gone up at all on that basis,—just as in the case of other prices in trade, the value of your rupee as a counter has changed. Therefore, the amount that you are collecting in taxes in commodity value to-day is very little more than the amount that you were collecting in 1913-14. I do not want to stress the argument too much. It is open to question in various directions, but it is a useful corrective to the sort of unthinking statements about the staggering increase in the cost of Government, the staggering increase in the military expenditure, and things of that sort which are frequently hurled at the devoted head of the Government whose record, as the Honourable Sir Narasimha Sarma pointed out to-day, is perhaps rather better than its critics would admit.

The same argument applies to our military expenditure. In 1913-14 it was 29·84 lakhs; in 1923-24 it was 56·23 lakhs, an increase from 100 to 188, almost exactly the same proportion as the increase of our revenue from taxation and land revenue and not very much larger than the increase in prices. Now, when you come to railway rates, as was shown the other day in another place, railway rates have not gone up in proportion to the increase in prices. The Government are, therefore, giving the service of their railways cheaper in terms of commodities than they were before the war. Whereas everybody who goes into a shop to buy the things that he buys in a shop, for example to have his hair cut, is paying now a very much larger sum in rupees for the service he gets from that shop or for the goods which he buys in that shop, they are getting from Sir Charles Innes or the Railway Depatment goods and services at a comparatively cheaper price as compared with the other increases. And they are getting from the Government as a whole the service which the Government are rendering to-day for a price very little more in proportion than the price at which they are getting goods and services from the shops when they go to buy things there: and that, in spite of the fact that this Government have had to incur very considerable expense in connection with a large war. That does not, of course, mean to say that the burden on the individual payer is necessarily much the same as it was before. That

[Sir Basil Blackett.]

depends on what has been happening in regard to his economic progress, whether he has become better off during that period to the extent of the rise in prices or whether he has on the whole not been improving his position. But it is clear that the charges that are levelled against Government of being extravagant and extortionate and of wasting huge sums by comparison with 1913-14 are not borne out by the facts if you examine them carefully. A very interesting lecture was delivered not very long ago by Professor C. J. Hamilton of Patna which I see is known by some Members here in which a comparison is made, I think, between 1900 and the present day, and it is brought out that the charge per head of the population for the cost of Government to-day is probably less than it was at that time. I do not say I would confirm all his figures, but this economic examination of the facts is a useful corrective to some of the statements that are made in the heat of attacking the Government. I would draw the particular attention of the Members of this House to the figures about land revenue. The total collected in land revenue in 1913-14 was 31 crores and 21 lakhs, while in 1923-24 it was 34 crores and 62 lakhs. If you consider the change in the value of money during that period, it is quite clear that the burden of land revenue has been considerably diminished during the period of ten years—quite considerably diminished. Of course, where there are permanent settlements, the burden always goes on diminishing as prices rise. Where there are not permanent settlements, there is a corrective applied, I think, every 30 years when a reassessment is made, but not necessarily to the full extent. I have drawn attention to these figures because the whole subject of our taxation is under examination by the Taxation Inquiry Committee at the present moment, and we are hoping that this subject may be one in which the country as a whole will take a considerable interest when that report is received. It is important if you are to think correctly on these subjects to remember that the rupee is essentially a counter in exchange and is not something which is immutable in value from generation to generation.

Several Honourable Members spoke about the desirability of reduction of super-tax. I expressed some views on that subject in this House about a fortnight ago recognising that if high rates of taxation are taking away resources from the people who would otherwise have money which they would use for industrial development or for the development of the country, to that extent high rates of taxation may impair the position of the country and that it is important not to regard super-tax as simply money wrung from the well-to-do rich men which they would otherwise waste on riotous living. It may be money which in his hands would be used to the advantage of the country and taxation of the rich cannot be separated from taxation of the poor into water-tight compartments in the way that is sometimes done. I hope Honourable Members will not think from what I have been saying that I am a confirmed advocate of maintaining all our taxes at the present rate or of putting them up higher or of preventing our military expenditure from going down lower. But I would like to say that though I do hope to see a continuous and steady reduction in our military expenditure, I think we have passed at the moment from the era in which big reductions in military expenditure are possible. There was of course a saving of 4 crores as between the original Budget for the year 1924-25 for military expenditure and the revised Budget, and it has been suggested more than once in another place that over-budgetting of that sort may have recurred in the present Budget for 1925-26. I do not think that we have

any reason to look forward to any large saving on our military Budget for 1925-26. We think that our estimate of about 56¼ crores is one which will be closely realised. There is no reason to suppose after what has happened in the last two years that we shall be able by special economies to secure a large saving in that figure. We do look to a reduction in our military expenditure in 1926-27 owing to the cessation of special non-recurrent charges due to the aftermath of the war. The actual established charges in our military expenditure this year are only 55 crores, and there is good hope that we may be able gradually to work our military expenditure down. But generally speaking I look for improvement rather in the direction of increased yield from our existing sources of taxation. In particular, I think the income-tax is capable even without any alteration of the figures of producing a larger revenue in a good year, and as trade generally improves, customs ought to continue to bring us in a steadily increasing revenue, and we can look forward to a progressive increase in our receipts from Railways. Meanwhile, as we use our provision for reduction or avoidance of debt to advantage, we may bring down the burden of the charge for interest quite considerably and find means in those ways of increasing our surplus by slightly reducing our total expenditure and increasing our total revenue from the existing sources. It is out of that difference between revenue and expenditure that I personally look forward to getting rid of the remainder of our provincial contributions and possibly making certain reductions in other taxes. We have, however, to remember that some items of our revenue, both central and provincial, are not altogether on a secure footing. If the policy of prohibition, for example, is to be enforced either locally or centrally, or if a stricter policy in regard to opium is to be enforced, we shall have large gaps in our central or provincial revenues, mainly provincial, which will have to be made good from other sources. We cannot, in particular in the case of excise from liquor, hope to make good loss of revenue due to a social policy, such as prohibition or local option, except by recourse to other sources. That will, of course, be a matter not for the Central Government but for the Provincial Governments themselves to meet their own difficulties if they desire to undertake social legislation of that sort. But leaving those questions aside, I do look forward to a gradual improvement in our position owing to an increase in the yield on the existing basis of our existing sources of revenue, some slight decrease in our expenditure on military charges and for interest, and an increase in the productiveness of such sources as my Honourable friend, Sir Charles Innes has, in his Railways.

I do not know whether my Honourable friend, Mr. Lalubhai Samaldas, will desire me to say much about exchange. I notice that he confirms my suggestion that this outworn theory is getting rather old because he quotes in support of it the minority report of the Fowler Committee of 1898, which minority report itself had been completely demolished by the evidence of Professor Marshall before the Gold and Silver Commission ten or twelve years before. I do not think that the minority report of the Fowler Committee is a very strong ground to stand on. The whole of the point that has been made by my Honourable friend here and by other speakers in another place comes down to this that high prices are in their opinion desirable. It is simply a claim that it is for the general good of the country that prices should be rising and should be high. The Honourable Member's complaint was that the policy of the Government of India had successfully kept prices in India steady for last year . . . . . .

THE HONOURABLE MR. LALUBHAI SAMALDAS: I said that the natural rise in the sterling prices has not been reflected in the rupee prices by your keeping the rupee higher in sterling value.

THE HONOURABLE SIR BASIL BLACKETT: The rise due to natural causes in world prices has been reflected not in an increase in the rupee prices, but in a change in the value of the rupee. That is the simple statement. And the complaint is that the rupee has been allowed to rise instead of prices being allowed to rise. Is it really in the interests of the country at the moment that the price of wheat should be allowed to rise even beyond the figure to which it recently rose? I believe there has been a break in the last few days, but I am sure everybody recognises that it is not for the good of the country that wheat prices should be very high. Is it desired that we should pursue a policy by which we should put up the price of wheat considerably higher and are the Government of India to be blamed because owing to their policy the price of wheat in terms of rupees has been kept from rising unduly? That brings down the controversy to the narrow point at which the issue is really joined. There is, I think, now very little division of opinion between me and my critics on the facts. It is merely a question whether or not it is desirable that prices in India should be higher than they are to-day.

THE HONOURABLE MR. LALUBHAI SAMALDAS: I want to know from you whether exchange should be manipulated by Government to keep it lower?

THE HONOURABLE SIR BASIL BLACKETT: Exchange, as I have said, has always to be manipulated in a certain sense. It is impossible to have an exchange that is entirely automatic. I agree that if during the last few years exchange had been in a fixed ratio to gold we should have been powerless to prevent the wild fluctuations in gold prices that have taken place from being reflected in India, and I think it has been to the advantage of India that during that period we had been in the fortunate position of having the power to prevent the full effect of the large fluctuations in gold prices from being reflected in Indian prices. (Applause.)

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to remit or vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to reduce the import and excise duties on motor spirit, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

The Council then adjourned for Lunch till Twenty Minutes past Two of the Clock.

The Council re-assembled after Lunch at Twenty Minutes past Two of the Clock, the Honourable the President in the Chair.

THE HONOURABLE THE PRESIDENT: The House will proceed with the detailed consideration of the Finance Bill.

Clause 2. The question is:

"That that clause do stand part of the Bill."

THE HONOURABLE MR. A. C. McWATTERS: Sir, I rise to move the amendment which stands in my name:

"That in sub-clause (*1*) of clause 2 of the Bill for the words 'one rupee' the words 'one rupee and four annas' be substituted."

Sir, the object of my amendment is simply to restore in the Bill the existing rate of salt duty. It is the rate which this House agreed to last year when it passed the Finance Bill. It is the rate which has been in force for the last nine years, with the exception of one year when it was higher. It is the rate, and this is important, which was in force at the time the reformed constitution was inaugurated, that is to say, at the time when we gave our promise that we should so shape our policy as to secure the reduction and eventual extinction of the provincial contributions. We are asking the House now, by accepting this amendment, to enable us to redeem that promise, and in this year when we are able for the first time to make a reduction we are asking the House to assist us to make that reduction a substantial reduction, a real relief to provincial burdens.

For the amount involved *is* substantial. This change of four annas per maund in the salt duty means a recurring loss of 125 lakhs of rupees. In the Budget year the loss will be 90 lakhs which is due to the fact that under our system of credit sales a certain amount of salt in Madras and in Bengal and to a smaller extent in Bombay will continue for six months to pay duty at the rate in force in the preceding year. The loss next year will therefore be 90 lakhs. But the recurring loss will be 125 lakhs, and this is the figure which I must ask Honourable Members to keep in mind because clearly it is the amount of the recurring loss which affects the extent of the reduction which we can make in the provincial contributions—125 lakhs of rupees a year, that is to say in five years' time you will have sacrificed over six crores of rupees, and this at a time when every province in India is crying for money; when schemes are being held back, schemes which will benefit public health, improve sanitation, purify the water supply, develop industries, stimulate agriculture and extend and improve education. Schemes for all these and other purposes of really national benefit are being held back for want of money. And we know what the opinion of the provinces is. Only this morning we saw in the telegrams that a motion for adjournment was carried in the Madras Legislative Council to emphasise the urgency of the remission of the provincial contribution. An interpellation was also made in the Punjab Legislative Council . . . .

THE HONOURABLE MR. G. A. NATESAN: May I ask the Honourable Member to state again what has happened in the Madras Legislative Council?

THE HONOURABLE MR. A. C. McWATTERS: A motion for adjournment was moved by Sir James Simpson and that motion was carried without a division in the Madras Legislative Council. (Hear, hear). And it is not only a question of the material benefits which this money will confer. There is no doubt whatever that one of the causes which have operated most of all to retard constitutional progress has been everywhere the lack of funds.

[Mr. A. C. McWatters.]

I now turn to the question of the burden which this extra four annas imposes. The figure was quite correctly given this morning by my Honourable friend, Lala Ram Saran Das. We know that the amount of salt consumed per head in this country is roughly six seers per annum, and therefore the incidence per head of this extra four annas is not more than three-fifths of an anna per head per annum. No one desires taxation which presses upon the poor, but I ask this House whether this can seriously be considered a great burden even upon the poorest tax-payer. And more than this, the whole of this benefit will certainly not reach the tax-payer. In the case of a reduction so small as this, it is certain that a considerable proportion will be taken by the middleman. Therefore, while we have the certainty if this amendment is not accepted that we shall lose 125 lakhs of recurring revenue, the resultant relief to the tax-payer will be small. I can assure the House without any hesitation that we shall simply be sacrificing the substance for the shadow: The House has now an opportunity of enabling this important matter to be reconsidered, and I trust that it will accept my amendment.

THE HONOURABLE MR. V. RAMADAS PANTULU: Sir, I have no doubt, the House is aware of the fact that the Assembly by a clear majority of 61 to 56 voted for the reduction of the salt tax from one rupee four annas to one rupee. I would earnestly appeal to this House not to upset that decision but to accept it as the decision of the representatives of the people. The Assembly, you are aware, Sir, is the body which is primarily responsible for the taxation, and the Bill then comes to us (*An Honourable Member*: "No, no, we are equally responsible.") But we are not voting on the grants, we are not considering the Budget in detail—and therefore I would request this House not to upset the decision of the Assembly. Apart from that, Sir, I would state briefly my reasons for not putting it back at Rs. 1-4-0. First of all, salt is a commodity on which no tax ought to be levied. It is not merely the dictum of Professor Fawcett that a man's right to use salt is as much his right as his right to breathe air or to drink water. Nearer home in 1923 Sir Charles Innes speaking on the budget said that the salt tax was theoretically a bad tax and in 1890, Sir John Gorst said in the House of Commons "that the tax on salt was no doubt a tax which ought to be removed and would be removed as soon as it is financially possible to do so." Every Indian publicist of any note has been struggling to get this tax reduced from time to time. The late lamented Professor Gokhale made a heroic effort to get it reduced from Rs. 2-8-0 and we know, Sir, that since 1907 to 1914-15 it remained at Re. 1. In 1914-15 it was raised to Rs. 1-4-0 on account of the exigencies of the war and now we are in the year of grace 1925. We have got over many difficulties created by the war and I respectfully ask the House to go back to the Re. 1 rate which prevailed up to 1914-15. The main argument that was adduced by publicists on former occasions was that the consumption of salt always went down with the increase in the duty and with the decrease in the consumption of salt disease and the death rate increased. Therefore the poor in this country wanted salt at a very much reduced duty. That argument, Sir, bears repetition till the heart of the British Financier melts. I would only quote a few figures to this House and I respectfully beg the attention of this House to those few figures. In the year 1902 when the salt tax stood at Rs. 2-8-0 a maund the consumption was 8·2 crores of maunds. In the years 1903-04 when the salt tax was reduced to Rs. 2 consumption rose to 3·82 crores, in 1903 (that is, by 80 lakhs of maunds) and to 3·97 crores in the next year 1904 (that is by 95 lakhs). In 1906 when the tax was further reduced to Rs. 1-8-0, the consumption rose to 4·11 crores of maunds. Between 1907-1915 when the salt tax was further reduced to Re. 1 the consumption grew from 4·27 to 5·22 crores of maunds. Between 1916 and 1922 when the salt tax was again raised to Rs. 1-4-0 the consumption came down and ranged between 4·41 and 5·1 crores of maunds. In 1914 with the salt tax at Re. 1 the consumption was 5·22 crores of maunds, while in 1921 with the tax at Rs. 1-4-0 the consumption was 4·78 crores of maunds, although the population must have increased in these 7 years. Have not these figures a significance? Sir, it is said by the Financial Secretary that the increase of 4 annas or decrease of 4 annas would not make any material difference in the burden of the poor man. If that were so, may I ask why this decrease and increase in the consumption followed that unerring sequence of cause and effect when the increase or reduction was only 4 annas? I can roughly state the effect, from these figures, of increase by 4 annas has been to reduce consumption by ¾ crore or 75 lakhs of maunds and a decrease by 4 annas has increased the consumption by ¾ crore or 75 lakhs of maunds. Therefore, if it is such an insignificant thing, why did it decrease? Is there no significance in this? Therefore it is not as if it is very insignificant. Sir, it is said that 4 annas a maund works out to nearly a little more than a pice per seer and the average consumption of salt in this country of an individual is 6 seers, and therefore it will be ¾ anna at the most for each man, and therefore it would not be a burden. I beg to submit that it is entirely a wrong view to take of the matter. The average of 6 seers is misleading. In my province it is at least double that. I think in the year 1882 Lord Cromer made certain calculations and found that the consumption varied very widely in various provinces. In my province the people take Kanji and other kinds of things which require salt, and the consumption is 12 seers. If you take that figure and if there are 4 or 5 members in a family and there is only one earning member, then he has got to pay for all the salt required by the family. It has been estimated by statisticians that a man on the average has got to pay 4 days' wages for a year's salt. And if in a family of 5 or 6 there is only one earning member he will have to pay one month's wages to get salt for the whole year. Therefore the question to be looked at economically and financially is, what has he got to pay on the whole with reference to his earning capacity as a whole? That is the question to be looked at. Viewed from that aspect, there is not the slightest doubt that an increase of 4 annas a maund has been too heavy a burden to bear and therefore there was certainly a decreased consumption of salt. That is the position. Therefore this jugglery of simply working out at 1 pice or 6 pice per seer really does not solve this problem.

THE HONOURABLE MR. LALUBHAI SAMALDAS: May I know the basis on which the Honourable Member has based his calculations?

THE HONOURABLE MR. V. RAMADAS PANTULU: I have read the book which gives the cost of salt in various parts of the world. In India it is 4 days, France half a day, Germany 1 day. If my friend wants the book, I will send it to his house. Therefore, Sir, it is not correct to say that because it is 4 annas a maund it works out to a trifle and the burden is not felt by the tax-payer. Then, Sir, even with regard to these 4 annas, when it is worked out in retail, the consumer has got to pay much more in the bargain. When there was an increase in the salt tax in 1922, the retail price of salt reached Rs. 3/4 in Madras, Rs. 3/8 in Bombay, Rs. 4 in Bengal,

[Mr. V. Ramadas Pantulu.]

Rs. 4/5 in Assam and Rs. 5/4 in Burma. Therefore, when it comes to the retail price and the actual cost that the consumer has got to pay, the burden is much more than what is calculated at the rate of 4 annas a maund.

Then, let us see whether this tax is justifiable on its merits. It is estimated that the cost of manufacturing a maund of salt is anything between 1½ annas and 2 annas. Then, why should we levy a tax of Rs. 1/4, which is really a thousand per cent. and sometimes it is levied at Rs. 2/8 which is two thousand per cent.? What justification is there to raise the tax to that extent? Even under this system of monopoly, the necessary amount of salt for the consumption of the people of India is not produced here. A very large quantity is imported from foreign countries like Liverpool and other places, and facilities are not given to private manufacturers to manufacture the salt required for the consumption of the people of this country. I know somewhat to my cost that in Madras in 1921-22 we sent 622 lakhs of maunds to Bengal. In 1922-23 we sent 397 lakhs and in 1923-24 we sent nothing at all. The Madras Government, when giving reasons for the diminution in the export of salt to Bengal, have put it down to the larger import of salt among other reasons. Therefore, I submit that this policy of levying a heavy tax under the system of monopoly, preventing private enterprise, and importing large quantities of foreign salt and thus adversely affecting the health and the happiness of the people of India, who are unable to consume the necessary amount of salt at this enhanced duty, is not justified. I am confident that if the duty is put back at Re. 1 there will be a considerable increase in the consumption of salt and the revenue will not suffer very much. Therefore, I would appeal to the Honourable the Finance Secretary to realise fully the correct financial principle of realising an expanding revenue by encouraging larger consumption by a system of diminished scale of duties.

I will only say just one word more, Sir. I want some relief to be given to the poor, but it is said that 90 lakhs will be lost to the Government of India by this reduction this year and a crore and a quarter from next year onwards. Therefore it cannot be done, and the threat is unless you vote the salt tax provincial contributions will have to go. I submit it is hardly a fair argument to advance; both things must be judged on their merits. (*The Honourable Sir Basil Blackett*: "It is not a threat, Sir, it is a fact".) I know the figures are a fact, I know that; but what I mean is to say that if you vote down the salt tax provincial contributions will have to go is not a statement which ought to be made. The Government must decide on the respective merits of these two things in the best way they choose to do. It is not for us to do that but we can point out that in the Budget as presented to the Assembly and the House we find there are various sources from which provincial contributions can be paid without enhancing the salt tax. There is enough money, as I have already pointed out, in the provision under debt redemption. There is a large amount under Railways of 90 lakhs which is unjustifiable. There is the promised diminution of expenditure of a crore and 82 lakhs under military, and similarly some sums in other items discussed in the Assembly which it is unnecessary for me to go into now. I find there is enough money to pay for provincial contributions without touching the salt tax; and if you cannot do it, it is for you to find ways and means. It is not for you to tell us either leave the provincial contributions alone or tax the poor man's salt. I do not think the alternative is a

reasonable one. And this threat of provincial contributions has been held out both in the Assembly and here, and I hope that Honourable Members in voting upon this question will look at the question of the salt tax on its own merits and how it will affect the poor man and not be guided by other considerations. Other considerations can take care of themselves. When that is carried the advisers of the Government will know what to do. It is not our duty to frame Budgets. It is for the Government to frame Budgets. (*The Honourable Sir Basil Blackett*: "And for you to spoil them.") I have already told you we have no responsibility in the matter and I find today that the maxim of redress of grievances before voting of supplies has also not been followed in this House. Therefore I would humbly appeal to this House not to go by other considerations but to take the figures I have given you, that whenever there is a diminution or increase in the salt tax there is a corresponding increase or diminution in the consumption of salt; and the best medical opinion quoted by Mr. Gokhale showed that with a diminution in the consumption of salt there has always been an increase in disease and the death rate. Medical opinion says at least 20 pounds of salt is necessary for a man to be healthy and comfortable. And besides the salt required for man, in my part of the country salt is used for cattle by agriculturists. Therefore I would ask you to vote against the enhancement of the salt tax and adopt the Bill as amended by the Assembly.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, I confess that I was a little out of temper this morning at some of the remarks of my Honourable friend Mr. Ramadas Pantulu; but I must confess equally frankly that I am somewhat amused at his attitude. My Honourable friend is a Swarajist. He comes from the people and he comes here to plead for the people, and I am surprised that even after the announcement of the Honourable Mr. McWatters (and I requested him to repeat it once more) that in the Madras Legislative Council a motion against the reduction has been adopted unanimously, that he should still persist in his course. I would ask my Honourable friend Mr. McWatters to state it again, and I hope my Honourable friend Mr. Ramadas will then put his notes in his pocket and vote for this amendment which I think is a very just one. One of my own grievances, which was justly the grievance of my Honourable friend this morning also, was that the reforms are not advancing because provincial autonomy has not been given. But here we have the information given to us authoritatively by the representative of my province that they are keen about having provincial contributions the absence of remission of which has very greatly obstructed the path of the nation-building departments in the past and which is greatly hampering it now and is likely to obstruct it still further if the present financial situation were continued. I must say, Sir, that I am amused at the attitude of the Honourable Mr. Ramadas. I am hoping that at least when the voting comes he will not press his views.

Last year when the Budget was presented to us, I was one of those who complained bitterly that the salt tax was not reduced to Rs. 1-4 a maund and the provincial contributions were not remitted. This year the Finance Minister has done exactly what was wanted by the people not only here but elsewhere; and I very gladly give him the support which I think he is entitled to. My Honourable friend, Mr. Ramadas, referred to something which took place elsewhere. Let me repeat for his information again what actually happened. I have satisfied myself after looking at the agenda paper of the Legislative Assembly that the Honourable Member there who

[Mr. G. A. Natesan.]

moved for the reduction of the salt tax from Rs. 1-4 to Rs. 1 had another amendment to put a higher duty on imported salt to counterbalance the reduction; and it was his object, as he himself declared not only there but elsewhere, that we should get a remission of this provincial contribution at any cost; and the Honourable Member who moved this unfortunate amendment that has caused all this trouble was careful to state, not once, not twice, but many times that he was one of those who were keen on provincial remission. If we now interfere with this the surplus of Rs. 2½ crores will have to be lessened; and in the usual course according to the Devolution Rules the province of Madras—I speak for that province only—would get a reduced share, instead of getting the 126 lakhs that she will now get.

Now, Sir, this is not a question of politics; it is not a question of economics even. As a humble business man I would ask my Honourable friend, Mr. Ramadas and others who are likely to take his view, to consider this as a plain business proposition. And here I may state at once that when I talk of Madras it applies to all provinces which have been oppressed, which are being oppressed and perhaps will continue to be oppressed till the Honourable Finance Member removes these provincial contributions altogether. Here is a proposal made by the Finance Minister during the course of the Finance Bill to give Madras 125 lakhs; and my Honourable friend, Mr. Ramadas says: "No; reduce salt duty by four annas per maund." What would that lead to? It would result in a reduction of the total remission by 90 lakhs and alternately by 125 lakhs which probably would be distributed among all the provinces and the loss to my province will be at least 60 lakhs. I have taken some pains to work out the figures and I take it even after making all allowances for grievances about reserved and non-reserved, though I think there is a proper time and a proper place for making fair use of these arguments—making these allowances, I say, that there will be a difference of at least 60 lakhs. Here you have the representative of the Madras Presidency preventing the presidency from getting this 125 lakhs for this alleged increase of salt duty by four annas. Even granting that a great deal of this 125 lakhs is not to be used as he wants, I would ask my Honourable friend, Mr. Ramadas and others to remember that the amount which will be available for some good purposes would be considerably more than 50 lakhs. He knows full well as I know and as every body else who comes from my province knows, that not only have new schools not been started, but some institutions have had to be closed. Many institutions which had branches which were doing useful work were denied grants by Government; there are still schools and institutions in the Madras Presidency which have been denied building grants. There are still villages without schools, there are still villages, many important villages with a considerable number of inhabitants, which have no hospitals. There is the Irrigation Department being constantly reminded of its ordinary obligations to the ryot and the landlord. There are many things, sanitary, educational, medical and otherwise which have not had funds. Now, will any one who really feels for the people of this country commit this very unfortunate, this very lamentable mistake of refusing 125 lakhs and be content with only 50 lakhs which will be distributed? I cannot for a moment think of this, and I may state that it is not after the receipt of this telegram, the announcement of which has been made, but ever since the budget statement has been presented here and elsewhere, I have

been persuading my friends from Madras not to make this mistake, and I deeply regret that in the Assembly, owing to some misconception of what the implication of this voting would be, this mistake has been made. I now look forward to the fact that,—apart from the fact that this House will, as I am sure, stand by this,—when this Bill goes back to the other House, those Members who have realised the implications of this, will set this right, and thus relieve not only Madras but other provinces as well, as they have for too long borne this unfortunate burden, and enable them to pursue the task which I think under the reformed Government we are entitled to pursue. It is well known, Sir, that most of the Ministers in the provinces have complained that among the many causes which have contributed, barring in some cases, to the failure of dyarchy, or in other cases where they have not been able to work it happily, the chief obstacle among other things has been the want of finances, and if my friend Mr. Ramadas, who represents Madras, and other Members who are elected, now take upon themselves the responsibility, despite the news given to us, despite the warning that the Madras Legislative Council as a body objects to this, I really should be surprised at the end of this debate he should still persist in his view.

May I also point out that a reference was made to the late Mr. Gokhale. There is no more honoured name in Indian politics than that of Mr. Gokhale, and he had more than once said that he would be quite content if the duty on salt was fixed at Rs. 1-4-0. May I also remind the House that Rs. 1-4-0 per maund was the basis of the Meston Settlement. We are now anxious to re-open the whole question, and so why should you add to our difficulties.

I shall give the House one more warning from experience which I have had as a non-official associated with certain administrative bodies. Only the other day the Finance Minister to the Government of Madras said that he had a deficit of 88 lakhs. This contribution of 125 lakhs enables him not only to cover the deficit, and I know as I have read in newspapers, that out of the surplus which he will have he has budgeted already for education, sanitation and for many other nation-building departments, and so I consider it is not only a mistake but a great crime now to ask him to go back on his Budget and deprive these institutions of the money which we are going to get. Of course, there is many a slip between the cup and the lip. But let me remind Honourable Members, it is entirely the result of an accident, and it is not due to the deliberate action of any individual or individuals who, representing the people and pleading for the people, should be inflicting a very disastrous result on the province which they are representing here. May I also point out that if 125 lakhs is not given to them, what happens invariably is that in the Legislative Council in a province somebody gets up and proposes a retrenchment, and I say to my sorrow that the result of the retrenchment committee has always been that the poor have been thrown out of their jobs. The retrenchment committees cannot touch the high officials, they cannot touch the Civil Service; they are hardly able to come down even to the clerks who draw Rs. 100 or Rs. 150, some of whom are able to go round and canvas people. Invariably this retrenchment has resulted in many cases of actual proposals for reduction in some small clerks or peons being thrown out. Now, I ask my Honourable friend Mr. Ramadas and others to take the situation like this. If you are not able to give them this grant and their reply is that they must cut their coat according to their cloth, the inevitable result will be that they will be compelled to have retrenchment and the retrenchment

[Mr. G. A. Natesan.]

generally is visited on the poorest of the poor, the peons and the clerks. Is this a happy state of things—a consummation which the people who are pleading for the poor would like? Sir, I do not wish to take the time of the House. Nobody dislikes the salt tax as much as I do. I have said so not once, not twice, but several times, and I have said so loudly. But notwithstanding the fact that the Demands have been voted, and when a small thing like 4 annas is likely to affect very seriously the prosperous and perhaps the useful career not only of the province to which I belong but of other provinces as well, where the relief will be very greatly appreciated, I feel that I shall be wanting in my duty if I do not support the amendment just moved. It seems to me that there is only one path open to us and it is clearly the path of duty, the path of honour and the path of dignity also.

*THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): Sir, it is very easy to apply theories to facts which do not exist. My Honourable friend Mr. Ramadas has tried his best to apply his theories without studying the actual life of the poor people. I daresay he has been very honest in his endeavours but he has been ignoring a great deal which he ought to have studied before speaking on the lines on which he has spoken. We all know how a poor man purchases his daily necessities of life. A poor man goes into the market; he pays up only a pice and he purchases pepper, salt and all kinds of things for one pice in the day. But he does not care whether he gets correct weight or whether the weight is less than what he is actually entitled to get. The whole profit goes into the pockets of the middleman, the dealer who deals with these retail shops. When my friend says and calculates his figures by saying it would be something like 6 seers in the whole year and that it would cost a poor man say about three annas and a whole family about twelve annas and then when he goes on calculating on this basis for his grand-children also, I think he is absolutely forgetting that this will never happen. Whether the salt duty remains at one rupee or whether it remains at Rs. 1-4, it will make no difference to the actual consumer. If my friend is very anxious to put the four annas into the pockets of the middleman, well he should vote for it, and the whole Council should be willing to vote with him if they also see their way to benefiting the middleman. He is fighting for the consumer. When the consumer will not benefit, then it is ridiculous to take away the great relief which this little increase is bringing to the provinces. The money would be much better utilised in the provinces for giving relief towards education, sanitation and other improvements in the provinces. But my friend's idea and his whole point is to ignore what this duty will bring towards improvement in the provinces but simply to talk just on the popular lines and to appeal to the gallery that only the poor man is going to suffer and do not trouble him more. This is the constant view, this is the constant thing, which we hear from certain popular factions, without giving a minute's thought to the real facts and to the thing that they are talking about. If this House really intends to benefit the poor man and is desirous of curtailing Rs. 90 lakhs from the provinces, let it so plainly and frankly. It is a petty relief which will neither be felt by the poor man nor will it bring him any substantial relief in his finances. If my Honourable friend wants to sweep away the whole of the surplus of 3 crores let him move an amendment that instead of its being one rupee, the salt duty

3 P.M.

*Speech not corrected by the Honourable Member.

should be removed altogether, and that will take away the 3 crores altogether. That would have given a little bit of relief to the poor man. But I find that my friend is not very anxious to move such an amendment, which might bring some relief to the poor man and take away a greater relief from the provinces. This is a petty relief. 4 annas on one maund, even if he calculates in the way he does, would come to about less than half a pice per seer. I doubt the figure quoted by the Honourable Mr. McWatters that six seers are consumed by one person. That may be when you take into account cattle and salt for other purposes. But one man certainly does not consume so much as six seers. It may be consumption per head including cattle. May I ask my Honourable friend, how many poor people keep cattle or horses or such other kind of animals for which salt is mostly needed? The poor man and his family consume a very little amount of salt. These figures that he has worked out will never apply to the poor man or the labourer. Mostly they fall on the agriculturists. As has been pointed out by my Honourable friend Nawab Sir Umar Hayat Khan, if the agriculturists do not pay in this shape, they will have to pay an indirect tax in other shapes, which will be felt more acutely rather than this indirect tax. As I have explained, this will bring no relief to the poor man and the whole of the money will go into the pockets of the middleman. I think, Sir, that the amendment moved by the Honourable Mr. McWatters should be supported by the whole House, and with these few words I give my hearty support to it.

THE HONOURABLE MR R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I rise to oppose the amendment to enhance the duty from one rupee to Rs. 1-4-0. It is not surprising that the Honourable Members of this House should speak in such a patronising tone about the poor of the country and describe to themselves the figure of the poor man and the conditions that apply to him. They also make arithmetical calculations about him and say that four annas per maund will only mean half a pice of tax on the poor man and that ought not to matter much. It is consistent with the dignity of this House and generally the tone that is adopted towards questions affecting the poor. It is only surprising that the tone is not a little higher than that. Why not in more audible terms convict those who like myself and my Honourable friend, Mr. Ramadas, are in favour of reducing the salt duty from Rs. 1-4-0 to Re. 1. For the information of this Honourable House, Sir, I will say this much that those who advocate a reduction in salt duty are in better company and are not joking. They have shown by instance after instance that in the case of the salt duty, which is the only reserve for Government in any difficulty and which every living soul in India has to pay, the greatest care is needed in fixing the rate of taxation on a commodity which every living soul needs. Ever since 1888—I will not carry the House back before that—from 1888 to 1903 the duty was Rs. 2-8-0. In 1903 it was reduced to Rs. 2. Would it be advanced in argument that those who went in for a reduction of annas eight were unmindful of the relief that would be afforded to agriculturists and labourers and were playing with the House in which they were fighting like anything? Take another case. Two years after in 1905 the tax was reduced to Rs. 1-8-0. Again the same argument about a pice or half a pice—what does it matter to those people who wanted reduction in the tax? Take another instance. Within about two years, in 1907, the tax was reduced to one rupee. And the same argument would apply that those who advocated it were joking with the Council merely for the purpose of elocution and cheap popularity. Then for eight long years the tax continued at one rupee. It is only under sheer stress of

[Mr. R. P. Karandikar.]

circumstances that the tax can be increased. I cannot yield to the proposition that because it inflicts about three-fifth of an anna more on the poor man therefore it is bearable. It is a most vicious doctrine that can be raised by a House like this. In 1916 the tax was raised to Rs. 1-4-0 under stress of circumstances. If a difference of four annas made nothing were Government joking with the people when they wanted to have a large amount knowing that everybody would pay it? I refuse to believe the proposition urged that the news of the reduction of the salt duty does not reach the farthest corner in the land and that it is not known to the agriculturist and the labourer that the salt tax has been reduced? Do you believe that when any seditious writing is proclaimed it reaches the farthest end of the land? It would be idle to suggest that directly this House passes a Resolution that the tax be reduced from Rs. 1-4-0 to one rupee, the consumer may not know it and that the middlemen will pocket it and not extend what is due to the consumer. I really find that four annas in a maund means 125 lakhs altogether, I am speaking under correction, and that is exactly the amount which was reserved last time for the increase in the pay of those in whose favour recommendations were launched by the Lee Commission. (*A Voice*: "That is not in the Central Government. It is in all provinces.") I am not going to refute the arguments of the other side. I am trying to place my own views because this matter has two sides. You find a divergence between the two Houses, one speaking for the poor people and the other also speaking in the interest of the poor people. That is the difference. I asked in September last this House to consider from whose pocket the 125 lakhs that were needed for the purpose of meeting the demands made by the Lee Commission recommendations, recommendations which have come to be properly designated, some people may not like the expression, the Lee loot were to be paid. How is that going to be made up if this tax of four annas is not added on now.

THE HONOURABLE SIR BASIL BLACKETT: It is a charge on Provincial Governments mainly.

THE HONOURABLE MR. R. P. KARANDIKAR: I am glad that the Honourable Sir Basil Blackett has referred to this. Coming from Bombay, if I do not voice this sentiment here, I should have been taxed as coming from a locality which has not got any concession whatsoever and was smarting under that sense, while other presidencies have got something.

THE HONOURABLE MR. LALUBHAI SAMALDAS: We have got 22 lakhs.

THE HONOURABLE MR. R. P. KARANDIKAR: I know that Bombay has got 22 lakhs. It is because of that that I warn my Honourable friends from Bombay not to be hoodwinked. 22 lakhs have been assigned to Bombay. That exactly represents the portion that would fall upon the Bombay Government in respect of the increment that is due to officers concerned who may get an increase in pay under the Lee Commission recommendations. The Bombay Government would say that this is the business of the Central Government and the Secretary of State to pay these high paid officers and why should we be taxed to the extent of 22 lakhs?

THE HONOURABLE SIR BASIL BLACKETT: May I ask where that figure comes from? It disagrees with anything that I have got.

THE HONOURABLE MR. R. P. KARANDIKAR: I speak subject to correction. I am quite open to correction. Instead of asking me a question it would be better if the Government Benches were to supply me with information.

THE HONOURABLE SIR BASIL BLACKETT: I gave those figures last September.

THE HONOURABLE MR. R. P. KARANDIKAR: However, what I would point out to my learned friend Mr. Natesan . . . . . (*The Honourable Mr. G. A. Natesan*: "I do not think he is far wrong with that figure".) Very well, then assuming for a moment that I am wrong in the figures that I have given, my position is this, that the Local Government cannot be taxed for any increase in pay of officers regarding whom recommendations have been made by the Lee Commission. Consequently, it behoves this Central Government to go to their rescue and to give the Bombay Government what perhaps they want and what they deserve. But whether that is so or not, I would ask this House to consider and not be led away by the theory that it is only an infinitesimal portion of the budget of a poor man that is being attacked and that the poor man ultimately does not feel it. I will just quote figures which perhaps were wanted by the Honourable Mr. Lalubhai Samaldas when my friend Mr. Ramadas spoke about the incidence of taxation. Those figures Honourable Members will find at pages 170-171 of the Imperial Legislative Council proceedings dated 27th March, 1908, where the incidence of taxation and the annual income per head of the various nations are grouped together. India is also mentioned. For instance, France where the income was calculated at £25 has only half a day's income devoted to salt; Germany £18, one day's income; Italy £12, four days' income; Austria £16, a day and a half's income; the Netherlands £26, half a day's income. And what of India? The Member who was quoting these figures quoted the authority of no less a person than Lord Curzon, regarding whose health to-day we are all anxious. Well, I am sorry here to make any remarks about that great soul who is so often quoted. In India £2 per head annually.

THE HONOURABLE SIR BASIL BLACKETT: That was 20 years ago.

THE HONOURABLE MR. R. P. KARANDIKAR: Quite so. The value of the rupee has increased and expenditure has also increased proportionately. £2 per annum. Those are not my figures; they were quoted in the Imperial Legislative Council, quoted from Lord Curzon's estimate. And then in spite of such a low figure of income the consumer had two days' income devoted to this salt duty. Now, just look at that. That is the figure which you will find at pages 170-171 of the proceedings of the year 1908. And people have been striving to bring down the salt tax to the lowest possible level. Why, because it may stand in need. What is the dire necessity now to bring it up to one rupee four annas when the other House has decided, rightly or wrongly, to lower it to one rupee. While speaking with reference to this question in the other House my Honourable friend Mr. Natesan said that they had shouted very loud in respect of the salt tax; but I never heard a louder voice than what I heard this morning. Even now I say I cannot expect him to speak much louder than what he has done. He is loud in his denunciation but why is he not pushing on his denunciation to the logical end if the situation is improved by what he considers to be the right course?

THE HONOURABLE MR. G. A. NATESAN: May I explain? I have said three times last year in the course of my budget speech—I read it this morning—it was three times—that it should be reduced to Rs. 1/4. It has been so reduced, and I am quite content.

THE HONOURABLE MR. R. P. KARANDIKAR: I am glad the Honourable Mr. Natesan has got what he wanted. But the people are not satisfied. However, the position is this. The point is, when any reduction of taxation is to be pushed forward, whether it is to be independently considered or relatively considered. I consider now that the attitude taken up by some friends is that they relatively consider it in opposition to the remission of the provincial contributions. This tantalising contribution last year also was in the way of some persons coming to the right conclusion for one whole year. But while their restraint was operating, another class of expenditure was marching, and that was the recommendations of the Lee Commission. While therefore last year these contributions have been continued for the purpose of making both ends meet and that was quite right,—nobody complains— now it is said that the time has come when, if the tax is not made Rs. 1/4, all the remissions of contributions will go. Honourable Members will please consider that it is not so much a question as between two Departments or two comforts or two conveniences—for instance, sanitation and education on the one hand by means of concessions to the provinces as against the relief that is to go to the poor people by way of a reduction of the salt duty. This is in fact a contest between the higher pay which is given to gentlemen who are already in possession of large salaries and relief to the poor people, and that money is to be contributed by the poor people bearing this extra four annas. We have to visualize to ourselves these conditions. It is urged that the contributions given by the provinces to the Government of India eat away much of what would be otherwise left to the provinces for the purpose of improving sanitation and education. In order to remit these contributions poor people, who should be considered to be really the staying power of the country, have to pay a high taxation for their salt, rather than that economies should be effected in the Budget. Now who are these poor people? My Honourable friend over there said, who are these poor people? I can quote merely what was said some years ago. Lord Curzon in 1905, speaking generally, said what is the tax which touches all classes down to the humblest? And he answered, it is the salt tax. His Lordship observed further:

"And who are the people of whom I speak? They are the patient, humble millions toiling at the well and the plough, knowing little of the Budget but very painfully aware of the narrow margin between sufficiency and indigence. It is to them that my heart goes out."

Will not the heart of Members here also go out to these people? They are the real backbone of our economic prosperity. They give us nearly 20 million sterling per annum in land revenue alone, or about one-fourth of our entire receipts. But their taxation does not stop here. His Lordship was told that among those things that accounted for a heavy burden on the poor people could be safely classed the customs, stamps, railways—who pay the third class railway fares? It was once said here that comparatively the third class fare is very very low. But remember the income of the man and then talk of the expenditure. What was the income of the man 30 years ago and what is it now? Has it increased to Rs. 100? Is that the latest development? (*An Honourable Member*: "72".) In these

men's case, Honourable Members will remember that this House is to stretch out their hands in sympathy, at least not to withdraw from them what has been given to them by their real representatives, popular representatives.

THE HONOURABLE MR. LALUBHAI SAMALDAS: Are we not representatives?

THE HONOURABLE MR. R. P. KARANDIKAR: You are magnified representatives.

THE HONOURABLE MR. G. A. NATESAN: What are you here?

THE HONOURABLE MR. R. P. KARANDIKAR: I am nobody here. I will proceed further. I will say this. When the franchise is increased from Rs. 48 annual assessment on land, the qualifications of electors to other Houses, to Rs. 2,000 per annum, for this House whom does this House represent? It represents all those who pay Rs. 2,000, the rich of the country.

THE HONOURABLE MR. G. A. NATESAN: Then you should become poor.

THE HONOURABLE MR. R. P. KARANDIKAR: I am poor. By accident I am here. I have heard magnificent speeches made in favour of the poor people. As I said, it is an accident that I am here. I watch these poor people and I have moved among these people and realised that the budget is the real budget that was put forth in those days. My submission is that this House will be pleased to consider that it is ignoring the real situation when it is said that it is only a flimsy addition; imperceptible to the poor consumer because if that argument is pushed to the extreme, even if His Excellency the Viceroy is pleased to raise it to the utmost limit available, Rs. 3, what does it matter? It might come to Re. 0-1-6. That is nothing to us here, sitting as we do in this atmosphere. But I really think that this is a tax which should be avoided, even the smallest tax should be avoided. I am certainly indebted to Sir Basil Blackett when in the other House he very lucidly pointed out the two functions on such an occasion. I really admire the lucidity with which the whole position was explained to the House and I wish every one of us to remember what the Honourable Sir Basil Blackett said:

"The function of the House (*he meant the other House*)—in dealing with the Budget was two-fold, namely, to vote for supplies and to vote for ways and means. That was the constitutional position in the House of Commons. In the Commons, however, ways and means were voted first. The Finance Bill was passed first, and after that, week by week, supplies were voted and were made the occasion for criticism and a general review of policy."

I wish that had been done. The situation must be explained. If the Bill was passed first and then supplies were voted, we will be in a position to say how much is necessary for what purpose. We are told that if we interfered in the smallest degree with Rs. 1-4-0, there would be great danger to all the contributions to the provinces. My friend the Honourable Mr. Natesan made a very pertinent inquiry while the Honourable Mr. Ramadas was arguing the matter and he pointedly asked, having known it himself, in what way the Madras Council determined the question, as if quoting an authority for the purpose of showing that if we interfered with this, there would be similar Resolutions passed by other local Councils. My contention is that there must be some limit. We cannot go on adding taxation after taxation. We cannot go on increasing the expenditure. There is a limit of

[Mr. R. P. Karandikar.]

taxation. If there is to be a reserve, let it appear as a reserve. You cannot say that 4 annas has no value. I therefore appeal to this House not to be carried away by the exigencies of the situation created by the remission of provincial contributions and stick to the proposition. They may do it relatively or they may do it independently of the reduction. Talking independently, the reduction to Re. 1 must commend itself to this House. Talking relatively, of course you have to choose between these two things—whether you will continue the present taxation on the poor people which is not likely to be reduced so long as the higher expenditure due to the "Lee" increments is there. I, for one, would appeal to you to let it stand at Re. 1 at which it was between 1907 and 1916, when it had to be increased to Rs. 1/4 owing to the stress of circumstances.

Before concluding, I should like to say that I shall gratefully acknowledge the correction with reference to the figures if I have quoted them wrongly. My argument, however, remains the same.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): Sir, I am quite ready to agree with the Honourable Mr. Karandikar that his argument is entirely independent of the correctness of his figures. I do not think, if I may use again his own words, that he was treating the House fairly in standing up here and posing as the representative of the poor man, or standing up here and founding arguments on figures 20 years old in regard to the relative weight per head of the salt tax in Italy, France and this country and so on. I am afraid that some of his figures,—though I do not know where he got them from,—do not bear scrutiny. The only figure that I know of as to the cost of the Lee Commission's recommendations to the Bombay Government, is the estimate that I gave in another place on the 12th September last of the probable maximum cost in the first year. The figure for Bombay was 9·7 lakhs and not 22 lakhs as given by him. I do not know what the correct figure actually may be, but I should not think it can be much bigger than that, particularly having regard to the fact that it was based on 1*s*. 4*d*. exchange and the exchange now is 1*s*. 6*d*. I do not think that the Honourable Member has any right to come here and pose as the representative of the poor man. Most of his argument was founded on the point that if each time you reduce the salt tax you point out that it is so infinitesimal that it would hardly help the poor man, you would have no good reason for reducing it. But he realised towards the end of his speech that you have to consider the thing in relation to other things. On the occasions of the reduction of the salt tax to which he referred, the Government of India had a budget which showed a surplus and they were in a position to relieve taxation. The question was—what taxation should they relieve? They decided to relieve the salt tax. This year we are in a position of having a surplus in the Central Government's Budget but there is a large amount of provincial contributions still outstanding, and I have more than once expressed the view that you cannot strictly say you have a surplus till you have got rid of provincial contributions. Your choice is not between relieving one set of tax-payers and relieving another set of tax-payers. Your choice is and must be between reducing some item of central taxation or giving relief to the Provinces. And be it remembered that the Government of India are strictly pledged to give priority to the claim of the Provinces. It is therefore very germane to remember that the salt tax at Rs. 1/4 is at the same figure at which it stood at the time when

the reforms were introduced. At Re. 1 it is being lowered below the level it was at when the reforms were introduced. So that you are definitely giving priority to the reduction of the salt tax over the reduction of the provincial contributions if you do that. The argument was not quite the same last year because the tax was being reduced from a higher level to the level at which it stood when the reforms were introduced. This year the position is not the same.

As regards the claim to help the poor man by relieving him in the matter of the salt tax, I ask the Honourable Member and I ask this House how you are going to help the poor man most? You say he is in a state of very great poverty. I do not think anybody in this House is without great sympathy with the obvious poverty of masses of people in India. What is the reason? At any rate one of the big reasons for that poverty is the absence of education, the absence of sanitation, the absence of measures for combating such diseases as malaria and *kala azar*. How are you going to combat them without money and who is going to combat them? It is the Provincial Governments who will have to do that, and surely far and away the best way in which you can relieve poverty and assist the next generation of Indians to escape some of the poverty is to give them opportunities for a better life by spending money in giving those opportunities. I claim that it is the people who are supporting a slightly higher level of salt tax who are thinking most truly of the real interests of the poor man, not the people who come here and in the same breath—this I am afraid applies to others besides my Honourable friend Mr. Karandikar—who argue that the salt tax is a thoroughly bad tax, a doctrine to which I refuse to subscribe, and that the import duty on imported salt should be raised to Rs. 2. How do they manage to hold both views? If you raise the import duty to Rs. 2, for a large number of people in Bengal you are putting up the price of salt very materially. You begin by almost doubling it. It would gradually come down as the imports fell off; but of course any receipts of the Government of India would fall off correspondingly as salt from elsewhere managed to get conveyed to the remoter parts of Bengal and Assam; but it would always remain very much higher because the salt would have to be carried over great lengths of railway or by other means of transportation at very considerable expense, and the proposal to increase the import duty on salt, besides being one which you would have to consider and introduce with very great care after having prepared yourselves with a stock of indigenous salt with which to meet the needs of the market which is being cut off from abroad, is one that would have to be examined with enormous care to see that you are not seriously endangering a large portion of Bengal in the matter of price of salt and whether you are not going contrary to all the laws of nature in trying to prop up unnecessarily an inferior industry: because it is a question largely of the difficulties of making good salt in the waters of Bengal and Orissa where good salt—and the same applies to Burma,—where it is extremely difficult to make good salt owing to the climate and the muddiness of the water. I say that the House has really got to consider one point, and one point alone in this matter. This question has to be considered in its proper relation. Is it more to the interest of India to reduce the salt duty from Rs. 1-4 to Re. 1 or to relieve provincial contributions? A good many figures have been given in regard to various items which purport to prove that the consumption of salt goes up with a lower tax. I have studied all the statistics I could get for the last thirty years, and I have found no evidence to prove

[Sir Basil Blackett.]

that assertion. There is quite clearly a tendency for a slow increase in the consumption per head of salt in India. That is one thing you can find from the statistics. The only other thing that you can deduce from the statistics is that the traders in salt are clever enough always to get wind of the fact that a rise or reduction in the rate of duty of salt is under consideration or is likely to be under consideration and they proceed to increase their stocks just before the date on which the rise comes off or to let their stocks run low if they think a fall is likely to take place. If you take the figures for 1922-23, the average issues of salt for each month are something under 4,000 maunds a month. In January 1923 the issues were 5,400 maunds and in February they were 7,400; you have over three months' issues in those two months; and the rate of duty went up on March 1st. That is characteristic of what happens every time. Beyond that, I have studied those statistics with the greatest care and the only other conclusion, as I said, is that there is a regular tendency for a slight increase in the consumption of salt per head for the last half-century.

We come back to the point, that is the only point at issue; are we to prefer reduction of salt duty to a reduction of the amount available for the relief of the provinces? I do not propose to spend time in arguing that, that is the alternative. It has been suggested that we should not accept the vote of the Assembly in regard to the provision for reduction or avoidance of debt, but should ourselves raid the sinking fund in order to finance this particular reduction of duty. I remember, Sir, that exactly the same source has been earmarked for the reduction of the cotton excise duty. Apart from the fact that the Government of India could not with equanimity view a raid on the sinking fund in the present circumstances without feeling that a very vital interest of India was being jeopardised by any such action, the House must remember that that sum has been voted by the Assembly and that the rest of the estimates have been voted by the Assembly so far as they are votable, and they must take it, I am afraid, from the Executive Government that this recurring loss of 125 lakhs which is involved in the reduction of the salt duty from Rs. 1-4 to Re. 1 can be met only from a recurring reduction in the amount available for the relief of the provinces and that if the figure remains at Re. 1 it will be so met.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: I move, Sir, that the question be now put.

THE HONOURABLE THE PRESIDENT: The question is that the question be now put.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The original question was:

"That clause 2 stand part of the Bill."

Since which an amendment has been moved:

"That in sub-clause (1) of clause 2 for the words 'one-rupee' the words 'one rupee and four annas' be substituted."

The question is that that amendment be made.

The Council divided:

AYES—35.

Abbott, Mr. E. R.	McWatters, Mr. A. C.
Aftab Ahmad Khan, Sahibzada.	Misra, Pandit S. B.
Akbar Khan, Major Nawab Muhammad.	Mitter, Mr. K. N.
Aman Ali, Khan Sahib.	Muhammad Habibullah, Sir.
Barua, Mr. C.	Naidu, Mr. V. R.
Bell, Mr. J. W. A.	Natesan, Mr. G. A.
Berthoud, Mr. E. H.	Patterson, Lieut.-Col. S. B. A.
Chadwick, Mr. D. T.	Ram Saran Das, Mr.
Crerar, Mr. J.	Ray, Raja P. N.
Dawn, Mr. W. A. W.	Raza Ali, Mr.
Dutt, Mr. P. C.	Sarma, Sir Narasimha.
Froom, Sir Arthur.	Singh, Mr. Charanjit.
Harnam Singh, Raja Sir.	Sinha, Mr. Sukhbir.
Khaparde, Mr. G. S.	Tek Chand, Mr.
Lalubhai Samaldas, Mr.	Umar Hayat Khan, Col. Nawab Sir.
Ley, Mr. A. H.	Wild, Mr. A. C.
MacWatt, Major-General Sir Robert.	Yamin Khan, Mr.
	Zahir ud-din, Mr.

NOES—4.

Ayyangar, Mr. K. V. R.	Ramadas Pantulu, Mr. V.
Karandikar, Mr. R. P.	Vedamurti Mr. S.

The motion was adopted.

Clause 2, as amended, was added to the Bill.

Clauses 3, 4, 5, 6 and 7 were added to the Bill.

Schedule I was added to the Bill.

THE HONOURABLE MR. V. RAMADAS PANTULU: Sir, I beg to move:

"That in Schedule II to the Bill for the entries under the head 'Postcards' the following be substituted, namely:

'Single ... ... Quarter of an anna,
Reply ... ... Half an anna'."

I am confining my amendment only to postcards—I am not touching the cover—because I feel that the poor man is not hit by the postal envelope to the same extent as he is hit by the postcard. A cheap postcard is one of the few amenities of a poor man in this country. The House is aware that until the year 1922 we had a quarter anna postage. The postal rate on postcards and covers was raised in that year. As a consequence of that there is a diminished use of the postcard in this country. The postcard has of late been becoming gradually and increasingly popular. I have got a few figures to show that every year there has been a steady increase in the use of the postcard. In the year 1916-17, 509,860,270 cards were used. In the next year 1917-18, 531,629,566 were used. So that there was an increase of 22 millions over the previous year. In 1918-19, 565,131,610 were used, showing an increase of 34 millions again. In 1919-20, the number of postcards used was 605,790,630, an increase of 40 millions. In 1920-21 the number used was 630,401,432, an increase of 25 millions. In 1921-22, the number used was 648,470,932, an increase of 18 millions again. In 1922-23, when the rate was increased, it remained stationary at 648 millions notwithstanding the fact that during a part of the year, the lower postage was in vogue and there must have been some increase in that part of the year. Therefore, Sir, to my mind, the conclusion is irresistible that as soon as the postal rate on the card was raised, people began to use it much less than before. It ceased to be increasingly popular as before. I think it is not right to deprive this benefit of a cheap postcard to the poor man. Therefore, I am in favour of a reduction, and I earnestly appeal to this House to vote for the reduction.

[Mr. V. Ramadas Pantulu.]

In doing so, I shall only deal with three or four arguments which are generally advanced against the reduction. The first argument that is generally advanced is that the postcard was introduced in the early eighties and during the last 40 years the price of every article of consumption has gone up and is it not right to ask the man who uses the postcard to pay a little more, just as he is paying for the other articles of consumption? There is a very patent fallacy in this argument. It is true that the cost of living has gone up, but may I ask the Honourable Members to say whether the earning capacity and the average income of every man in India has also increased proportionately? If that is not so, the man must be considered to be poorer than he was 40 years ago. If you take the additional cost of living coupled with the fact that there has not been a proportionate increase in our income or our earning capacity, any additional burden by way of taxation is bound to become more heavy. Therefore, I think this argument is a fallacious one and economically an unsound one. There is nothing in it.

The second argument that is advanced is that there is a loud cry in the Postal Department for enhancement of the pay and pensions of the subordinate services, it is a crying evil, and where is the money to come from unless the postage is enhanced? This argument, Sir, requires some scrutiny. I am not sure whether it is necessary to increase the postage in order to redress the grievances of the subordinate staff. I have also heard the cry in many quarters that this is a top-heavy department with a number of redundant supervising officers at the top, and that if there is retrenchment at the top, there can be strengthening at the bottom without taxing the general consumer of the postcards. I do not know how far these facts are correct. They have not yet been investigated, and we are not told how far retrenchment at the top will be available and how far it will go to ameliorate the condition of the subordinate staff. I have read a great deal of discussion in the newspapers about this matter and therefore I am not at present disposed to place any reliance upon this argument until ways and means are found to retrench the top-heavy department and to strengthen the subordinate service.

The next argument that is advanced is that the Post and Telegraph Department ought to be self-supporting and it will not do to ask the general tax-payer to pay a portion of the revenues derived from general taxation for the upkeep of the Postal Department. This again is an argument which requires a great deal of investigation. In the first place, the Postal Department discharges many other duties besides serving the purely postal needs of the people of this country. There are very many other services which are rendered by the Post Office to the general tax-payer. To quote only a few. The savings bank, cash certificates, postal insurance funds, Army mobilisation stores, collection of customs and duties discharged by the post offices in respect of Native States—these are not the legitimate functions of the Postal Department. I know that an attempt has been made to commercialise the postal accounts, and as a result of that process I find that for the current year a sum of Rs. 24 lakhs has been credited for some of the services. It is further admitted that there is a possibility of credits being obtained under various other heads. I am told that the accounts at present given are not quite so satisfactory because the postal and the telegraph accounts are not separated, and under the head of combined offices we really do not know what surplus there will be under the Postal Department. I am told that we can get about Rs. 60 lakhs if accounts are properly made up. I am told that if accounts are properly made up we will have a surplus of Rs. 126 lakhs and not merely Rs. 20 or 25 lakhs. Therefore these are matters which require further investigation and we have not got sufficient data to go by and cannot accept the argument about the general tax-payer being charged for these services. The Postal Department renders several services to various other departments of the administration, and unless the accounts of the Postal Department and the Telegraph Department are commercialised to a proper degree and they are also separated and sufficient data are placed before the Council, we cannot accept that argument.

Finally, there is the argument that the postcard in India is about the cheapest and that in England it is much more costly and so on. This kind of comparison is very misleading. I know that in England a single postcard costs a penny and a quarter, but various facilities are given when cards are purchased in numbers. 2 cards when purchased at a time cost $2\frac{3}{4}d$. 5 cards $5\frac{1}{2}d$. and 11 cards 1*s*. One reply card costs $2\frac{1}{4}d$. 4 reply cards $8\frac{3}{4}d$., and 11 reply cards 2*s*. Again cards in England do not appear to be so popular as letters, for in 1922-23, 475 million cards only were used as against 648 millions in India. But my main answer to this objection is this. It is a fallacious comparison. We must compare the capacity of the average Indian to pay for a higher postage with that of the Englishman to pay for his postage. An Englishman's average income per day is 33*d*. I am told. I saw that in some statistics and I speak subject to correction by the Honourable the Finance Member. I believe in India the average daily income is estimated by official statistics at 3 annas per day. Therefore by laying out the income of a day an Indian can purchase no more than 6 postcards at half an anna per card, while the income of a day of an Englishman can purchase no less than 30 postcards. Therefore the argument based on the postcard in India being cheaper than in England is misleading. It must be based on the capacity of the Indian to pay a higher postage. I think that it is one of those benefits which the poor man will appreciate very greatly and the fact that the use of the postcard has gone down immediately the rate was doubled in 1922 is a certain indication that the amenities of the Post Office are lost to the poor man by the increased rate. I therefore appeal to this House to go back to the rate of 1922 and not to give weight to those arguments advanced by Government unless they are substantiated by better materials than we have at present in the accounts furnished by the Government. With these words I beg to propose my amendment.

THE HONOURABLE MR. A. H. LEY (Secretary: Department of Industries and Labour): Sir, I imagine that there are few people in this Council who will not sympathise with the idea underlying my Honourable friend's motion, that is to say, to have as cheap postal rates as possible in this country. It is obviously in the interests of trade. It is obviously in the interests of the poorest classes in this country, and I for one fully sympathise with that idea. I always look upon the Post Office as a civilising and educative influence, and obviously anything which can bring that civilising and educative influence within the reach of the poorest classes must deserve serious consideration. But it is of course essential that the Post and Telegraph Department must balance its accounts, and it is only on that strictly financial ground, that I need oppose my Honourable friend's amendment. I do not quite understand what he said on the financial

[Mr. A. H. Ley.]

accounts of the department. He complained, as far as I could understand him, that the accounts were not complete or were not properly put forward. If I caught him correctly he made some reference to proper credits not being taken for services which the Post Office renders to other departments. He did not mention any particular instance in which that has happened. As far as I know that is not the case, generally speaking. I think I heard him say that we did not take credit for services rendered to the Customs Department, in the matter of customs revenue on parcels and so on. We do take credit for such services. I do assure the House therefore that there is nothing on that ground.

THE HONOURABLE MR. V. RAMADAS PANTULU: What about Indian States?

THE HONOURABLE MR. A. H. LEY: The position as regards Indian States is that there is a certain small loss on the running of the Post Office in the Indian States. It is a matter of a small amount, one or two lakhs of rupees, and I think it is really a question of the political arrangement with the Indian States as to whether the Post Office should or should not carry on the postal operations in those States. It is the policy of the Government of India, as far as possible, that they should run the Imperial Post Office in those States. It is quite true that there is a small loss there but it is just the same case as with the many unremunerative offices throughout the country. You cannot expect that every office should pay its way always. There must be certain portions of the service which are run at a loss and other portions which are run at a profit. My point is this, that taking the department as a whole, the department must pay its way and the Council is very well aware that it does not quite pay its way at present. If it could pay its way sufficiently, I for one should be very glad to see the postal rates reduced. I come back now to what I said at first. I think it is far more important that the Post Office should be in a position to extend its operations as far as it possibly can, with the money at its command. It is certainly not right that the department should be subsidised, that it should carry letters at the expense of the general tax-payer. And what will happen, if that is done? I will first explain what the precise financial effect of my Honourable friend's amendment is. He wishes to reduce the price of postcards to a quarter of an anna and I understand he would leave the price of letters unchanged. The effect was explained in this Council last year. The actual effect of that financially, taking the number of postcards alone and allowing for 20 per cent. increase in traffic which would result from reducing the rate, is that it would mean a loss of practically 60 lakhs of rupees. That was what was stated in this Council last year. I should like to add however that this is by no means the whole extent of the financial loss which will be involved, that is to say, if you leave the letter rate unchanged at one anna. Because it will mean, and this is the experience of every country in the world, that if you have a difference between the letter and the postcard rate exceeding a very small sum of not more than a half-penny or half an anna, there will be, and must be, a very large diversion from the letter to the postcard traffic. So that you have not only got to take into account the actual loss on the estimated numbers of postcards carried, taking the estimate of the numbers carried in the last year of which I have got the figure, but you have also

to add to that a sum which cannot be estimated and which could only be guessed at, to include the diversion from the letter to post-card traffic. That would bring the total loss which my Honourable friend's amendment would involve to certainly a great deal more than 60 lakhs. It would certainly be three-quarters of a crore and possibly more than that. Well, now of course the Postal and Telegraph Department, as this Council is perfectly well aware, is not able to afford that loss. And what will it mean? If that were carried into effect it would mean that the whole operations of the Department would be crippled for some years to come, because it would be necessary—that would be forced on the Department—to effect every possible retrenchment in other ways in order to make that loss up. It would mean the wiping out of all the plans for extending the operations of this Department in other ways. The provisions, for instance, for extending postal facilities to rural areas, for which we are finding money this year and also did last year, would all have to go. A large number of post offices which are hardly paying at present or are not paying at present would have to be closed down. There is no question whatever that that would be the immediate result of carrying this Resolution into effect.

There is one other point which my Honourable friend raised. He said "Well, why don't you reduce the cost of this department?" He called it a top-heavy department. I am not prepared to agree with him in that. He gave us no figures to show why he thought it was a top-heavy department. You must remember that we are dealing with a very large organization, an organization which employs labour—I forget the exact figures, but at any rate over one hundred thousand men. You have got to deal with that organization, a number of superior officers, amounting to 130 in all. That is a superior officer to nearly every thousand men; and it is important and essential for the efficient administration of the Department that there should be adequate supervision by the superior officers. You have got a number of post offices scattered all over large distances right away from the main towns, and it is absolutely essential, I can assure this Council it is essential, that unless there is supervision in those post offices by the superior officers of the department, Superintendents of Post Offices and above, the loss which would be caused to the Post Office would be far greater than any saving you could effect by reducing the number of officers of the department. I do not want to refer to the arguments which were taken in another place on that subject, but I think that I shall have the support of this Council as a whole in stating that as a general proposition it is absolutely essential in a scattered department like the Post Office that you should have efficient supervision. I do not intend to press the argument that the value of money has fallen and the price of everything else has risen, and that there is no particular reason why the price of post-cards should not rise in sympathy. That was an argument which my Honourable friend wants me to dismiss. I do not want to press it, because I entirely agree with him that if we could find the money to do what he wants us to do, then that argument would disappear. We should like, as I started by saying, to have cheap postal rates, but it would be false economy to have rates which are so cheap that the department cannot work except at very considerable loss, and would consequently have to effect every possible measure of retrenchment and cut down its activities in every possible way in order to try and balance its budget. That is my principal argument, Sir. Even if the Post Office did effect every possible economy, every

[Mr. A. H. Ley.]

possible retrenchment, they could not possibly hope within a period of some years—I will not say within a period of some years—at any rate within a certain period, to meet the very considerable deficit which my Honourable friend's motion would entail; and I do ask him very earnestly to consider whether it is desirable to put the department into a position in which it would have to curtail its activities in every direction. I would ask him to consider that very seriously—and perhaps he might consider it advisable to withdraw his amendment when he considers that point of view.

THE HONOURABLE THE PRESIDENT: The question is:

"That in Schedule II to the Bill, for the entries under the head 'Postcards' the following be substituted, namely:

'Single	Quarter of an anna,
Reply	Half an anna'."

The motion was negatived.

Schedule II was added to the Bill.

Schedule III was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

THE HONOURABLE MR. A. C. MCWATTERS (Finance Secretary): Sir, I move:

"That the Bill, as passed by the Legislative Assembly and amended by the Council of State, be passed."

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, the action of the other House has placed Honourable Members of this Council in such an awkward position that I feel I can ill-afford to cast a silent vote in favour of the passing of the Bill as it now stands. After having very carefully listened to the speeches made by the Honourable Members on my right, I was surprised to find that the argument in another place was not repeated that Sir Basil Blackett had held up his sleeve crores of rupees. Had that argument been repeated, Sir, I believe my Honourable friends would have succeeded in converting my views to this extent that I would have joined them in making a close search of the person of Sir Basil Blackett (Laughter). The fact that these crores do not in all likelihood exist is further supported from the circumstance that the Finance Secretary, the Honourable Mr. McWatters, who has twice performed a wonderful feat of memory by giving the whole budget figures to the House without looking at a single note, did not make any hint at the existence of these fabulous amounts. It may be that he is in conspiracy with his chief. But if these sums had existed, as was hinted, if I mistook not, by the Honourable Mr. Karandikar when he said that it is for the Government Benches to find the money then I believe (*The Honourable Mr. R. P. Karandikar*: "I never said that.") I am glad that my Honourable friend did not say that if these sums had been in existence, we might have had some inkling from Mr. McWatters' speech.

Now, Sir, the position in which the action of the Assembly has placed us is this. A false issue has been raised over the question of the salt tax. I propose to go into the question briefly as it is a late hour now. Let me begin by at once confessing that there were many points made by my friend the Honourable Mr. Karandikar on which I for one feel

inclined to agree with him. He dwelt at considerable length on the iniquity of the salt tax and adduced a number of authorities including Lord Curzon to show that the salt tax did really operate harshly on the poor. I for one have no desire, Sir, to differ from that statement. I myself feel that every tax is a burden on those who have to bear it; especially, Sir, is it the case with the salt tax that it falls on the poor. I admit that. I further say that if we had no commitments and if we were free to utilise this large surplus for the relief of the poor, the reduction of the salt tax would have been a most laudable object. But, Sir, where I do differ from my friend, the Honourable Mr. Karandikar and differ strongly, is that he has treated the whole question as if this surplus was in our hands and we had no commitments by way of reducing the contributions made to the Imperial exchequer by the provinces. He treated the whole question not as a relative one but as an absolute question. The Honourable Mr. Ramadas Pantulu, who I am glad has given very considerable thought and time to this question, has made a number of speeches which have put the other side of the question before this House. I welcome these speeches inasmuch as I think it is a great advantage to have before us a point of view which hitherto was not represented in this Council. I have my own doubts about the political creed of the Honourable Mr. Karandikar. I do not think he is a whole-hogger and is prepared to go as far as we know the Honourable Mr. V. Ramadas goes. But, Sir, I would have been delighted to be enlightened on the point as to what led the Honourable Mr. Ramadas to bring forward not a negative proposition, namely, that such and such items be rejected, but also to make constructive proposals. It was announced this afternoon—and the Honourable Member did not disown it—that he was a Swarajist. I take it that the creed of the Swarajist was to destroy, to annihilate. I cannot help comparing the professions of my Honourable friend with his practice. Unfortunately for us he has been with us only for a short time. Let us see how he has acted. If he had rested content with a proposal that such and such items be deleted, I would have had nothing but respect for the views which he entertains, though I might differ and strongly differ from those views. But let us see what he has done. To-day he has preached non-co-operation in its purest and most unadulterated form. Let us see what was his attitude the other day when he stood up and threw the whole weight of his authority on the side of the minority report of the Frontier Inquiry Committee. The position taken up then by my learned friend was that effect should not be given to the majority report but effect should be given to the minority report. I thought, Sir, that that was the position which was hardly consistent with the political creed of a Swarajist. Again, this morning my Honourable friend in the interests of the Indian members of the Executive Council wanted to establish a convention that when the Indian members of the Executive Council went against the wishes of what is supposed to be the feeling in the country on certain questions, they should be made or should be asked to resign. His desire to establish a political convention was a clear demonstration of wholehearted co-operation with Government. The same thing is illustrated by the subsequent amendment for which he was responsible. True, the amendment was rejected. But my Honourable friend cannot escape being charged with having taken up inconsistent positions, namely, at times he wants to destroy and at other times he wants to co-operate. Sir, the political aspect of the question has already been dealt with at a considerable length and I do not think I am required to go through the same question over again. Suffice it to say, that the position which I believe has been taken up by a large number

[Saiyid Raza Ali.]

of the Honourable Members of this House is this. True, the salt tax is an evil. It is equally true that provincial contributions are an evil too, perhaps a greater evil. The simple question therefore is as to which is the greater of these two evils which should be remedied first.

THE HONOURABLE THE PRESIDENT: I would remind the Honourable Member that the House has already decided that question.

THE HONOURABLE SAIYID RAZA ALI: Sir, in fact, I was waiting for the Honourable Mr. Karandikar to speak first. It is open to every Member of this House to propose now that the whole Bill be rejected which my Honourable friend Mr. Karandikar is perhaps going to do. It is only in anticipation of those remarks that I am making these observations. (Laughter).

THE HONOURABLE MR. R. P. KARANDIKAR: I may satisfy my friend that I am not going to do anything of the kind. (Renewed laughter).

THE HONOURABLE SAIYID RAZA ALI: So far as I am concerned and so far as this House is concerned, the assurance is most welcome. Whether it would be equally welcome to his Swarajist friends, is more than I can say.

Now I propose that this Bill be passed and one of the arguments that I think it is high time should be placed before this Council in support of the Bill as amended is the attitude taken up by the other House as disclosed by the division lists. I do not wish to go behind the screen to find out as to what the constitution of the Parties in that House is. We know, as was pointed out, that 61 voted in favour of the salt tax being reduced to Re. 1, whereas 56 voted for its being maintained at the present level, namely, Rs. 1/4. It will interest Honourable Members to learn that practically all the leaders of the Independent Party voted in favour of the tax being kept at Rs. 1/4. What really happened, Sir,—in spite of my Honourable friend's impatient signs I must say that I am quite correct according to the division lists I have got here—was that all the prominent leaders of the Independent Party voted for the tax being maintained at Rs. 1/4. The object of the Swarajist Party being destruction, annihilation, they naturally voted against the principle enunciated in the amendment of the Honourable Mr. McWatters. Unfortunately the Independent Party was divided with the result that some voted on this side and some on the other and the result was that a non-official amendment which proposed that the tax be kept at Re. 1 was carried. Let it therefore be quite clearly understood, Sir, that this Council is voting in favour of the tax being retained at Rs. 1/4 because it would be paralysing the sources of activity in a number of provinces if provincial relief were any longer to be denied to the provinces concerned. I am not, Sir, here to argue the case of any one province in particular in preference to that of another. I base my case on the broader issue that whether it is Madras or the United Provinces, the Punjab or Burma that is going to be affected—and that is why I am casting my vote in favour of this Bill—unless Honourable Members are prepared to starve out those departments which are known as nation-building departments, they should not prefer a reduction of the tax by 4 annas which has been advocated by my Honourable friend on my right to affording provincial relief. The reasons, Sir, are obvious. The provinces are in financial straits, especially the transferred departments in those Provinces to whom it is proposed to give relief. Therefore I think that

though it is our duty, and our imperative duty, to take the case of the poor man into consideration and to lighten his burdens as much as we can, I am convinced that it is our duty to devote this money to provincial relief. I hope that next year the Finance Member will find it possible to reduce the salt tax from Rs. 1-4 to Re. 1. It would no doubt deprive Government of a large sum of money, but the object being most laudable, I trust that any surplus next year will be devoted in the first instance to the reduction of the salt tax.

THE HONOURABLE MR. YAMIN KHAN: I move, Sir, that the question be now put.

THE HONOURABLE MR. R. P. KARANDIKAR: I shall only add one word, Sir, and utilise the time at my disposal better. I am a constitutional fighter; I have placed the case before the House and I wish to emphasise the need of looking into the working of the Salt Department. Much has been said in the other House and the remarks, especially of the Mover there on certain propositions, as well as the remarks of Sir Sivaswamy Aiyer at page 2140 of the debates as regards the need for looking into the working of the department will, I hope, be carefully considered. There is need to look into the question, as well as into the propriety of imposing an import duty on foreign salt—a very vexed question. Sir Dinshaw Wacha in 1917 in answer to a question elicited information which went to show that an additional supply of salt could be secured from certain States. If this could be done it would help to supply the needs of India largely. Then there were so many difficulties pointed out. We do not get pure salt; we do not get enough quantity for the money which we pay; we have not got in some places proper weights, in other places proper measures; and indeed Bengal looks to foreign salt because of the purity of that salt. If the department therefore looks more closely into this matter there is no reason to grumble. Now that the tax is going to be Rs. 1-4 I hope and trust that the department will, even if the Report of the Taxation Inquiry Committee is not received—the quicker it is done the better—look into the matter carefully.

THE HONOURABLE COLONEL SIR UMAR HAYAT KHAN: I move, Sir, that the question be now put.

THE HONOURABLE MR. V. RAMADAS PANTULU: May I offer a word of personal explanation, Sir? It is in reference to what my Honourable friend, Mr. Raza Ali, said. Of course I do belong to the Swaraj Party. When I moved that the Bill should not be taken into consideration I wanted to enter my protest against the policy of the Government to the extent to which I was entitled to discuss it under the ruling of the President. I know, Sir, that by such a motion Government cannot be paralysed any more than by the vote of the Assembly refusing travelling allowances to Executive Councillors or by the cuts made in Demands for particular departments. It is a constitutional way of protest and we Swarajists have always lodged such protests when I moved for the amendment of Schedule II on the question of the postal rates or when I opposed the salt tax at Rs. 1-4 it was in the same spirit—that these taxes are not levied with the consent of the representatives of the people of whom I consider myself to be one. There is therefore nothing inconsistent in this course as imagined by my Honourable friend. Pandit Motilal Nehru, the leader of the Swaraj Party,

[Mr. V. Ramadas Pantulu.]

pursues in the other House, exactly the same course I pursue in this House of opposing the passing of this motion and of moving amendments.

THE HONOURABLE SAYID RAZA ALI: And it would be a most inconsistent policy.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to remit or vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to reduce the import and excise duties on motor spirit, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, as passed by the Legislative Assembly and as amended by this House, be passed."

The motion was adopted.

DEATH OF THE MARQUESS CURZON.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, it is with deep regret that I rise to announce to the House the news which has just been received of the sad death of a distinguished ex-Viceroy, the Marquess Curzon. A man of powerful intellect, great knowledge, a masterful personality, an indefatigable worker of untiring energy and supreme self-confidence, he played a very prominent part both in the field of politics and of administration in his own country as well as in India. We remember with gratitude the very noble part he played in securing for India the reformed constitution under which we are now working. I ask, Sir, the leave of the House to request to convey the sense of the great loss which this House feels and to send a message of sympathy and of condolence to the members of the family of the late Marquess.

THE HONOURABLE SARDAR CHARANJIT SINGH (Punjab: Nominated Non-Official): Sir, I beg to associate myself on behalf of my province and also on behalf of all the Punjab Members here with the tribute of respect which has been paid by the Honourable the Leader of the House to the memory of Marquess Curzon of Kedleston. He was one of the foremost statesmen of the British Empire, and undoubtedly one of the ablest Governors General we have had in India. The news of his death will, I am sure, be received all over India with deep regret, and we sympathise most sincerely with Lady Curzon in her irreparable loss. I think it is only right and fitting that a message of condolence and sympathy should be sent to her from this Council.

THE HONOURABLE THE PRESIDENT: I desire also to associate myself, and I think I may associate the House as a whole with what has fallen from the lips of the Honourable the Leader of the House, and I shall take steps to give effect to what is obviously the unanimous desire of this House that a message of sympathy and condolence should be conveyed to the members of the family of the late Marquess Curzon.

STATEMENT OF BUSINESS.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): I am now in a position, Sir, to state the business which remains to be disposed of before the close of the Session. If by Monday next the Finance Bill

has been passed by both Chambers in a form which will admit of Government pursuing its proposals in the matter of the reduction and remission of provincial contributions, the Honourable Mr. McWatters' Resolution in that connection will be moved on that day. In any case motions will be moved on the day for the consideration and passing of the three Government Bills which have been laid on the table to-day, namely, the Bills to amend the Indian Tariff Act; the Indian Income-tax Act and the Indian Stamp Act, respectively.

Another Government Bill to amend the Cotton Cess Act will, it is hoped, be passed by the Assembly to-morrow in which case, it will be laid on the table here on Monday. The Bill is of a non-controversial character and the convenience of the House might, I suggest, be promoted if you permitted the consideration of the motion to be put down for the following day, namely, Tuesday, the 24th. On the same day, Sir, you will, I understand, yourself move for the appointment of Members of this Council to the Joint Committees on the Indian Succession Bill and on Mr. Sethna's Bill to amend the Succession Certificate Act. In that event time would be given to the Honourable Sir Arthur Froom to move a similar motion with reference to his Bill to amend the Indian Succession Act. The only business outstanding would then be the consideration and passing of a Bill to supplement the Bengal Criminal Law Amendment Act, 1925, which will be introduced in, and we hope passed by, the Legislative Assembly on Monday next. In that event the Bill would be laid on the table here on Tuesday, and since copies of the Bill have already been circulated to Honourable Members, they would perhaps be prepared with your permission to proceed forthwith with the consideration of the Bill. Should you find yourself unable to reduce the normal 3 days period in the case of this Bill or of the Bill to amend the Cotton Cess Act, the period for which the Council will remain in Session would of course be prolonged by 2 or 3 days beyond Tuesday next.

THE HONOURABLE THE PRESIDENT: I think it will be more convenient to postpone a decision as to the dates on which certain Bills not yet passed in another place should be taken up here until those Bills have been passed and have been laid on the table in this House.

The Council then adjourned till Eleven of the Clock on Monday, the 23rd March, 1925.

COUNCIL OF STATE.

Monday, 23rd March, 1925.

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

ABSENCE OF MEMBERS ON DAYS ON WHICH THEIR QUESTIONS ARE PUT DOWN.

THE HONOURABLE THE PRESIDENT: The Honourable Mr. Haroon Jaffer. (The Honourable Member was not present.)

THE HONOURABLE SAIYID RAZA ALI: May I, Sir, put question No. 166 on behalf of the Honourable Mr. Haroon Jaffer?

THE HONOURABLE THE PRESIDENT: I will allow the Honourable Member to put the question in a moment. As the House is aware, comments have been made more than once from the Chair on the impropriety of Honourable Members absenting themselves on the day on which their questions are put down. I take this opportunity to say that I associate myself with all that has fallen from my predecessors on this subject. At the same time, in justice to the Honourable Member whose questions are on the paper to-day, I wish to tell the House that he did inform me that he would not be here and that he took steps to get his questions put. Unfortunately the Member who was to ask these questions for him has himself fallen ill, and it is perhaps understandable that there is no one here to ask the questions to-day. I make this clear so that the Honourable Sir Muhammad Habibullah should not think that he has a grievance in the matter.

The Honourable Saiyid Raza Ali.

THE HONOURABLE SAIYID RAZA ALI: Question No. 166.

QUESTIONS AND ANSWERS.

INCLUSION OF EXECUTIVE OFFICERS IN SUB-COMMITTEES OF CANTONMENT BOARDS.

166. THE HONOURABLE MR. HAROON JAFFER: (*a*) Will Government be pleased to state whether in the Lahore and Ambala Cantonment Boards, the Executive Officer has been included in the various sub-committees of the Boards formed under the New Cantonment Act?

(*b*) Do Government intend to issue any instructions in the matter of the inclusion of Executive Officers in sub-committees of Cantonment Boards?

A

THE HONOURABLE SIR NARASIMHA SARMA (*on behalf of His Excellency the Commander-in-Chief*): (*a*) and (*b*). The Government of India are making inquiries. I will let the Honourable Member know the result as soon as possible.

GRIEVANCES OF THE HAJ PILGRIMS.

167. THE HONOURABLE MR. HAROON JAFFER: (*a*) Will Government be pleased to state whether a deputation of the Anjuman-e-Islam, Poona, waited upon the Honourable Sir Narasimha Sarma in December last at Poona?

(*b*) What grievances of the Haji pilgrims were placed before him?

(*c*) What steps have been taken to alleviate them?

(*d*) What further steps do Government intend taking?

(*e*) Has any sum been provided in the Budget? If so, how much?

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: (*a*) Yes.

(*b*), (*c*) and (*d*). Stated briefly the difficulties under which according to the deputation, pilgrims to the Hedjaz labour related to:

(1) Accommodation at Bombay and Karachi.

(2)-(3). The securing of passports and fares charged by shipping companies for children.

(4) Discomforts of the voyage.

(5) Lack of banking facilities.

(6) Danger of travel in Arabia.

I shall deal with each of those in the order of their enumeration.

(1) The Government of India have recently sanctioned subject to the approval of the Legislative Assembly an expenditure of about Rs. 33,000 to improve the accommodation at Karachi. At Bombay the difficulties cannot be said to be serious as private houses are engaged whenever the regular Pilgrim Musafirkhanas are full. Moreover it is anticipated that when the port of Calcutta is opened to pilgrim traffic the congestion at Bombay will materially decrease.

(2) Pilgrims are advised to supply themselves with passports in their own districts and those who follow this advice generally have correct passports. Pilgrims who do not bring passports from their districts are supplied with passports at the ports of departure by the Pilgrims Department after making necessary inquiries. The Government of India do not consider that the existing arrangement suffers from any serious defect. The only change contemplated by them relates to the quality of paper on which the passports are printed. The paper now used is said to be unsuitable for the purpose and the Government of India hope soon to substitute better paper for it.

(3) So far as the Government of India are aware the pilgrims have no difficulty in obtaining tickets either at Bombay or Karachi. As regards the charging of full fares for children under twelve years of age, the shipping companies have, except in the case of infants under one year of age, to provide the same accommodation for children as for adults in view of the Paris Sanitary Convention of 1912, which requires the provision of the same amount of space for each person on a pilgrim ship irrespective of age. The Government of India are therefore unable to direct that two children under 12 years of age should count as one pilgrim.

(4) Travelling steerage is never very comfortable and a first experience of the sea is attended for the majority of people with a natural discomfort which I need not describe. The Government of India do not consider that any useful purpose will be served by the appointment of Travelling Inspectors on pilgrim ships as suggested by the deputation. The suitability of a ship from the point of view of sanitation and general fitness, for a voyage is the subject for careful examination by the port authorities before it is allowed to sail. Special inspectors to look after the property of pilgrims who die on the voyage would prove an expensive luxury as shipping companies will pass on the cost to the pilgrims in the shape of increased fares. The master of the ship can be trusted to discharge this duty satisfactorily.

(5) The Indian Pilgrimage Officer, who has had special experience of the Haj during the last two seasons and was asked to investigate this matter, has reported that for the class of pilgrims concerned no banking arrangements at Bombay or Jeddah are possible.

(6) I regret that under rule 8(1) of the Indian Legislative Rules I cannot deal with this subject on the floor of this House.

(*e*) Yes, a sum of Rs. 50,000 roughly has been provided in the budget estimate of 1925-26 for expenditure in connection with the Haj and it is proposed to make, with the approval of the Legislative Assembly, a further allotment of Rs. 33,000 for the improvement of accommodation for pilgrims at Karachi.

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table a copy of the Bill further to amend the Indian Cotton Cess Act, 1923, which was passed by the Legislative Assembly at their meeting held on the 21st March, 1925.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

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

"In accordance with Rule 36 (*1*) of the Indian Legislative Rules, I am directed to inform you that the amendment made by the Council of State in the Bill to fix the duty on salt manufactured in, or imported by land into, certain parts of British India, to remit or vary certain duties leviable under the Indian Tariff Act, 1894, to fix maximum rates of postage under the Indian Post Office Act, 1898, to reduce the import and excise duties on motor spirit, further to amend the Indian Paper Currency Act, 1923, and to fix rates of income-tax, was taken into consideration by the Legislative Assembly at their meeting to-day, the 21st March, 1925, and that the Assembly have agreed to the amendment."

RESOLUTION *RE* PROVINCIAL CONTRIBUTIONS.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I beg to move the following Resolution:

"This Council recommends to the Governor General in Council that he be pleased:

(*a*) in pursuance of sub-rule (1) of rule 18 of the Devolution Rules, to determine the sum of Rupees 733 lakhs as the total contribution to be paid to the Governor General in Council for the financial year 1925-26 by the Local Governments mentioned in rule 17 of the said rules;

(*b*) to take the necessary steps to amend sub-rule (2) of rule 18 of the Devolution Rules in such a way as to secure to the Local Government of Bengal the remission of the contribution payable under sub-rule (1) of rule 18 of the said rules by that Government to the Governor General in Council in the financial years 1925-26, 1926-27 and 1927-28, and further to provide that for the financial year 1928-29 the last previous annual contribution of the Local Government of Bengal shall be deemed to be the remitted contribution for the year 1927-28;

(*c*) further to amend the Devolution Rules in such manner as to provide that out of the sum of Rs. 733 lakhs recommended to be determined by the Governor General in Council as the total contribution to be paid by the Local Governments to the Governor General in Council for the year 1925-26 the following remissions be made, namely:—

to the Government of Bombay 22 lakhs
to the Government of Burma 13 lakhs
to the Government of the Central Provinces 9 lakhs
to the Government of Assam 6 lakhs;

and further to provide that the sum determined by the Governor General in Council as the total amount of the contribution for the year 1925-26 shall include the amounts so remitted and that for the year 1926-1927 the last previous annual contributions of the said Local Governments shall be deemed to include in each case the amounts remitted as aforesaid."

Sir, this Resolution may appear somewhat involved, but the substance of it is quite clear. Out of our recurring surplus of Rs. 268 lakhs, we propose to make a recurring remission of Rs. 250 lakhs in the contributions of the four Local Governments who would obtain it under the formula in the Devolution Rules. Further, we propose to suspend for a further period of three years the contribution of Rs. 63 lakhs which is payable by the Government of Bengal, and this amount has not been taken into consideration on the receipt side in our Budget. And further, out of the Rs. 56 lakhs which we estimate will remain as non-recurring surplus, we propose to distribute Rs. 50 lakhs in the proportions I have just read out in my Resolution, to the four Local Governments who do not obtain any relief, or any substantial relief, under the formula in the Devolution Rules.

I do not think I need say anything to the House with regard to the recurring remission of Rs. 250 lakhs, which is made in accordance with the formula in the Devolution Rules. But with regard to the proposal in respect of the Government of Bengal, the Financial Relations Committee, in their report referred to the position of the Government of Bengal in somewhat special terms. They said that:

"Bengal has a low scale of expenditure and an inelastic revenue, and it will receive only a very moderate start in its new financial career."

The Joint Select Committee of Parliament, who considered the report of the Financial Relations Committee further said:

"The Committee desire to add their recognition of the peculiar financial difficulties of the Presidency of Bengal, which they accordingly commend to the special consideration of the Government of India."

The Government of India have from the beginning considered that this recommendation for special consideration put Bengal in a peculiar place as compared with other Local Governments. Three years ago when the contribution of Bengal was remitted, the Government of India were in a very much more difficult financial position than they are to-day. They had had a series of very large deficits, and they had had to impose a great deal of fresh taxation; yet even in those circumstances they felt the position of Bengal to be so serious that a remission for a period of years should be given. In the present year our position is fortunately very much better, and we think it is only fair and in accord with the spirit of the Devolution Rules, that a further respite should be given to the Government of Bengal. I do not think that I have heard outside this House much in the way of opposition to this proposal, and I hope all Members of this House will not grudge what we are now proposing to do for Bengal.

Finally, there is the temporary remission of Rs. 50 lakhs out of our temporary surplus of Rs. 56 lakhs. That is a special arrangement. It is obviously impossible out of the temporary surplus to make a permanent remission of contributions, and we feel that in this year, when we are able to do something in the way of a permanent remission for the other provinces, it is only fair that we should make the distribution of our surplus as widespread as possible, and we know that every one of these Governments has non-recurring expenditure of a useful character in excess of the amount which we propose to give them. I think, Sir, that is all I need say at this stage of the debate in moving my Resolution. I think the vote which this House gave on Friday last was a clear indication that they desired the distribution of our surplus to be on this scale, and I need only add that we are appreciative of, and extremely grateful for, the action both of this House and of the other House in passing the Finance Bill in the form in which it was presented by Government so as to enable us to make this relief on a substantial scale.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, I beg to move the amendment which stands in my name, that after clause (*c*) of the Resolution moved the following be added, namely:

"(*d*) to take the necessary steps immediately to secure the revision of the Meston Settlement by reference to a new tribunal."

Sir, this amendment is one which I feel sure will commend itself to every Member of the Council of State including the Government Benches. The recommendations which the amendment contains should not be regarded by Government in any light but that of a sincere representation to Government to provide means by which a crying wrong should be investigated and long felt grievances removed. And here, Sir, if I may be permitted I should like to ask the Honourable the Leader of the House if the Government official Members of this Council have a free vote on this occasion. (*The Honourable Sir Narasimha Sarma*: "I am afraid the normal convention cannot be departed from in this particular case".) I regret, Sir, to hear the Honourable the Leader's announcement because we have the peculiar position in this House of official representatives from the various provinces voting against the wishes of their own Local Governments. I regret, as I have said, to hear the announcement of the Honourable the Leader. The Meston Award has invoked widespread damning criticism from nearly every province and stands condemned by the Finance Department itself in the Resolution which has just been brought before this Council by the Honourable the Finance Secretary.

[Sir Arthur Froom.]

I will now, Sir, speak briefly for my own province which province has been treated with scant courtesy by the Central Government in the matter of its financial difficulties. Bombay has protested against the extraordinary and fallacious conclusions arrived at by the Meston Committee ever since the report of that Committee was published. In July 1920 a public meeting of all the citizens of Bombay, of all communities, assembled in the Town Hall to protest against the recommendations of the Financial Relations Committee, and at that time my Chamber sent a respectful cable of protest to the Secretary of State. And what happened? Nothing! Just a minute, Sir. Something did happen. I am wrong in saying nothing happened, because as a result of the continuous protest from Bombay the Secretary of State himself overruled the Meston Award and sanctioned a special rule, No. 14 (c), in the Devolution Rules thereby granting "a share"—(I am now quoting, Sir)—"in the growth of revenue derived from income-tax collected in the provinces so far as the growth is attributable to the amount of income assesses". Then Rule 15 fixed the year 1920-21 as the datum year for the calculation of a refund to the provinces of 3 pies in the rupee of the excess of income-tax paid in any subsequent year. This presumably, however, was a jest so far as Bombay was concerned as the datum year 1920-21 was a year of exceptional trade and prosperity. It is true that the following two years were also exceptionally good years and the Government of India benefited therefrom. The Government of Bombay in those 2 years did receive a small refund of their income-tax. I think it amounted to something like Rs. 12 lakhs and Rs. 16 lakhs, respectively. The boom, however, of course did not last. No booms ever do; and Bombay got nothing in 1923-24, nothing in 1924-25, and expects to get nothing in 1925-26. That is where I presume the Secretary of State's jest comes in. But it is a joke that my province does not very much appreciate.

As I have mentioned, Sir, Bombay protested in 1920 against the Meston Award and has continued to protest ever since, culminating, as Honourable Members of this Council are aware, in the Bombay Provincial Council recently moving the adjournment of their House, agreed to on all sides, as a protest against the unfair treatment accorded to them. I referred to this in my speech on the general discussion of the Budget and I refer to it again with emphasis. This last protest presumably has had some effect and has resulted in clause (c) in the Honourable the Finance Secretary's Resolution under which Bombay is to receive a temporary remission—of what? Of 22 lakhs!

Now, Sir, the Bombay Chamber of Commerce does not protest against the relief accorded to Madras, the United Provinces, the Punjab or Burma, which will take effect under clause (a) of the Resolution. Nor does Bombay make any objection to the further 3 years' remission to be enjoyed by Bengal; but Bombay does heartily press for a revision of the Meston Settlement by its reference to a new tribunal.

Sir, I will not weary this Council by a recital of figures which have been clearly set forth in a manifesto issued by the Bombay Government which has been widely circulated in the press. But I will content myself by reiterating that the whole of the Meston Award has been shown conclusively to be based on erroneous conclusions. The anticipations of the Meston Committee have been proved by events to have been false. As I said, I am not opposing the proposal for remission to the provinces, but I do contend that the allocations of revenues and their application to the various provinces were wrong and were arrived at in an extraordinarily haphazard and unconvincing manner. The Meston Committee compared the revenue of Bombay in the year 1920-21 with that of 1912 13 and pointed out how, in the 8 years which intervened, Bombay had increased its revenue —its Excise Revenue, its General Stamps revenue, its Land Revenue— by some very considerable percentages. This reminds me, Sir, of a conjuror performing a trick; he produces something very extraordinary out of a hat, then says "Isn't it marvellous!" But when I explain to the Council that the year 1912-13 in Bombay was one of famine throughout the Presidency it will be seen at once by all Honourable Members that the trick falls somewhat flat. Sir, I contend again that the allocations of revenue were woefully miscalculated. The actual realisations of revenue in Bombay during the 4 years of the Reform Government are short by something like Rs. 9 crores compared with the conclusions of the Meston Committee. Can I say more? Is it any wonder that with this stupendous miscalculation we condemn the Meston Award? What use would it be to Bombay even if the whole of their contributions were remitted? What use is it to Bengal, who is suffering from a similar miscalculation, that her contribution of 63 lakhs is remitted for a further period of three years? Sir, the remedy lies only in a further examination of the whole question; and what better time than now when the revenues of each province under the reforms can be ascertained and given proper attention to?

Sir, I would invite the attention of Honourable Members to the Report of the Reforms Inquiry Committee. On that Committee sat representatives of the people of the Punjab, of Bengal, of the United Provinces, of Madras and of Bombay and this, I take it, may be claimed to be a fairly representative Committee. The Committee presented two reports, a majority report and a minority report; but in both these reports the Meston Settlement was condemned. The majority gave it as their opinion that the Meston Settlement should be revised as soon as a favourable opportunity occurred. The minority report stated that the Meston Award was crippling the resources of the provinces and further added that it has prevented Ministers from developing the nation-building departments to the extent which would have enabled them to produce any substantial results.

I contend, Sir, that the favourable opportunity quoted in the majority report is now, now at a time when the Central Government should not, nay, cannot ignore the conclusions arrived at by both these reports. The reports say that the crippling of the finances of the provinces under the Meston Award has gone far to prevent the reforms instituted under the Government of India Act of 1919 from attaining that success which we all hoped they would attain.

Sir, what does this amendment ask for? Nothing very alarming; nothing alarming to any province, nothing disturbing even to Government. It merely asks that the whole question of the financial relations between the Central Government and the provinces should be re-examined now. I appeal to all Honourable Members of this Council to support this amendment. I appeal with confidence to Members from Bengal, seeing that their needs are little less than those of Bombay. I appeal to the Members from the Punjab and would remind them that the Meston Award has been condemned by Sir Muhammad Shafi who hails from that province. I appeal to Members from the United Provinces and in doing so would

[Sir Arthur Froom.]

remind them that the Meston Settlement has been condemned by Sir Tej Bahadur Sapru. I appeal to Members from all the provinces to support this amendment—and I include Madras and would remind my Honourable friends from Madras that their esteemed representative from that province Sir P. S. Sivaswami Aiyer also condemned this Meston Award.

I now turn to the Government Benches and would remind the Honourable Finance Secretary that the Honourable Member in charge of the Finance Department himself has clearly shown his disagreement with the Meston Settlement. I remind the Honourable Home Secretary that his Chief has condemned the Meston Settlement. Can he vote against that? I would remind the Commerce Secretary that he cannot very well vote against the opinions of large centres like Bombay and Calcutta. I would also remind our esteemed Leader of the House, the Law Member, that his illustrious predecessor heartily disapproved of the Meston Award. I am sure the Honourable Sir Muhammad Habibullah too cannot honestly oppose this recommendation which has for its object the furtherance of the legitimate progress of the provinces. Finally, I would remind all the Honourable Members of this Council, both official and non-official, that our President himself has condemned the Meston Award.

THE HONOURABLE THE PRESIDENT: Amendment moved that after clause (*c*) the following be added, namely:

"(*d*) to take the necessary steps immediately to secure the revision of the Meston Settlement by reference to a new tribunal."

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): Sir, my Honourable friend Sir Arthur Froom is reputed for his strong loyalty and constitutionalism, but yet on this occasion he has tried to gather together for his purpose the discontent and perhaps the disloyal elements of this House. I was somewhat amused at the way in which he utilised certain observations of the majority report of the Muddiman Committee and I was wondering whether he remembered that he also was one of them and of the majority. The case against the Meston Award has been so firmly established that nobody has a good word for it, and I think it is hardly necessary for me to attempt to flog a dead horse. And speaking for Madras, let me state that I and my colleagues here or elsewhere do not grudge what has been given to Bombay and to Bengal on the present occasion. Bombay has got a gift of 22 lakhs which I think was acknowledged very gratefully elsewhere as a very generous act of the Government of India. Bengal has had its remission for three years—which I understand according to some legal authorities is a doubtful procedure according to Rule 18 of the Devolution Rules—but I do not pose as a lawyer. If anybody is hit very hard—and I want my Honourable friend, Sir Arthur Froom, to listen to me—by the Meston Settlement it is not Bombay, it is Madras and other provinces; and perhaps he will be very disagreeably surprised to hear that a leading Anglo-Indian paper of his province, the *Times of India*, made these remarks only the other day. I luckily got a cutting from it this morning. The *Times of India* recognises the injustice done to Madras under this Award. It writes:

"The contributions press more heavily on other provinces than they do on Bombay."

THE HONOURABLE SIR ARTHUR FROOM: I never said in my speech that Madras was treated fairly. I said that all Provinces disliked this Meston Award and I take it Madras is a Province.

THE HONOURABLE MR. G. A. NATESAN: I was only going to make out that if anybody suffered most under this Award, it is Madras and we have the testimony of a leading Bombay newspaper; but my point is this. My Honourable friend Sir Arthur Froom has pointed out that the majority report of the Muddiman Committee says that we should wait for a favourable opportunity and he thinks, when not even four weeks, I should say not even three weeks, have elapsed since this report has been in our hands, that the time for considering this matter has arrived. I request him to read five lines above the passage he has quoted, where they say:

"It is clear that we have not the information upon which to base any recommendations for the revision of the Settlement." . . .

THE HONOURABLE SIR ARTHUR FROOM: The object of my amendment is to get the correct data.

THE HONOURABLE MR. G. A. NATESAN: My Honourable friend is anxious to get correct data. Now, I would like to put one or two difficulties before him. I am not pleading for Madras or any other province. What are the data upon which these contributions can be settled or the revision of the Meston Settlement itself can be made? The Meston Settlement is in consonance with the Montagu-Chelmsford Act which has come into force. The principle of the Montagu-Chelmsford Act is the dyarchy system. Is a Committee now called upon to revise it, to base its recommendations upon the assumption that dyarchy—a thing which is condemned, or which at any rate has not proved satisfactory in the eyes of many? Is it to base it upon that or is it to base upon the assumption that complete provincial autonomy is to be given? If it is to be the latter, what are to be the financial sources of revenue for the provinces? What sources for the Central Government? These are all very difficult problems which will have to be solved. If, according to my Honourable friend Sir Arthur Froom, a case has been made out for going into the whole question of the terms of the Meston Settlement, raking it up and finding a new system of provincial adjustments, then I think a much better case has been made out to say that this cannot possibly be done unless the whole question of constitutional reforms under the present system of dyarchy is taken up together with this. I cannot possibly conceive of any one suggesting that the one can be done without taking up the other. Indeed, they are so closely interwoven, they are so interdependent, if that word can be used with appropriateness in any case, that there cannot be any stronger case than this. While, therefore, I admit that the Meston Award has been hitting every one hard, I do think that it cannot with any advantage to the public or to the provinces or even to the Central Legislature be possibly considered now unless we take up the larger question with which it is bound up, with which it is so closely interwoven, namely, the question of provincial autonomy. The majority report, I think, made it perfectly clear, and I hope I have shown that my friend the Honourable Sir Arthur Froom who has displayed the skill of a lawyer in reading only that portion of the Report which is most favourable to him in support of his proposition, has failed to make out a case for taking up the inquiry now.

THE HONOURABLE SIR ARTHUR FROOM: I quoted *verbatim* from the report of the Committee.

THE HONOURABLE MR. G. A. NATESAN: This sentence, I thought, was not quoted. "It is clear that we have not the information upon which to base any recommendation". If I am wrong, I owe him an apology, but having sat very near to him and with ears open, I can say that I think he did not read this sentence.

THE HONOURABLE SIR ARTHUR FROOM: I said that I want a Committee and that the necessary data can be found.

THE HONOURABLE MR. G. A. NATESAN: Anyway, my statement is correct, that this particular sentence, the fifth sentence, was not quoted. I think, therefore, this is not the proper time to take up this question. My first contention is, and in this matter I am glad there is also the view of the Government of India and the Finance Minister, that before any attempt in the direction suggested by the Honourable Sir Arthur Froom is made, you must wipe off the provincial contributions. It produces a feeling of jealousy between the Provincial Governments and the Government of India, and as this House is aware, if there is one question on which in the provinces officials and non-officials, and people of all political parties and creeds feel alike, it is this, and so long as you allow the provincial contributions to stand as at present, you will have a great deal of difficulty, and the difficulty which has been experienced in the past will, I think, crop up with considerable acuteness in the future. You must therefore as sound financiers do your best to wipe off these provincial contributions at the earliest possible moment. I am willing to join all the Members from the different provinces to compel the Finance Minister now to make a declaration that efforts will be made without undue delay before three years elapse to see that the whole of this is wiped off, and if it is done, I should have no objection to the other question being taken up, but you cannot now ask for an independent committee to inquire into the question of the Meston Award without taking the other question which is very closely connected with that of constitutional reforms. My Honourable friend Sir Arthur Froom ought to have thought about this before he signed the majority report of the Muddiman Committee If he was interested in the provinces so keenly, if he felt the financial oppression was cruel, he had no other alternative but to say that the present system on which the Government are working is hopelessly bad, that the financial portion is oppressing not only his own province but other provinces as well. But he did not say anything of the kind, and I think he has lost the best chance of his life, and I fear there is no use his coming here now with his tale of woe.

THE HONOURABLE SIR ARTHUR FROOM: May I rise to make an explanation, Sir? I did not want to interrupt unduly the Honourable Member from Madras. I made it perfectly clear in my speech that I had no objection to the remission of these provincial contributions. But what I do object to is the way in which the allocation of the revenue has been arrived at.

THE HONOURABLE DR. DWARKANATH MITTER (West Bengal: Non-Muhammadan): Sir, I understand that both the original Resolution as well as the amendment are now open to discussion. That being so, I have in the first instance to thank the Honourable Mr. McWatters on behalf of Bengal in regard to the proposals contained in his Resolution to give a

remission for three years to Bengal. Of course, in thanking the Honourable Mr. McWatters, I certainly couple with him the name of the Honourable the Finance Member who is present here to-day. Sir, Bengal cannot be too grateful to the Government of India for recommending that a remission be given for three years, but that is just in accordance with the spirit of the Report of the Joint Parliamentary Committee which drew attention to the peculiar financial difficulties of the Presidency of Bengal, and accordingly commended that special consideration should be shown to Bengal in the matter of giving a further equitable relief. Sir, reading the Devolution Rules as a lawyer, I consider that the recommendation is really a part of the Devolution Rules which were formulated by the Government in accordance with the powers given under the Government of India Act. Instead of the members of the Committee themselves directing that that should be made a part of the Devolution Rules, they left it to the discretion of the Government of India to grant special relief to Bengal on account of her peculiar financial difficulty.

Sir, I have heard it suggested, though I cannot refer to it here, but it has been suggested elsewhere, that in granting this special equitable relief to Bengal, which formed the recommendation of the Committee, the members of the Committee were influenced, as it were, perhaps unduly influenced, by the opinion or by the pressure of influential bodies in Calcutta. I submit, Sir, that there is absolutely no foundation for this suggestion. You will remember, Sir, as has been pointed out by the Honourable Mr. McWatters, that at the time when this recommendation was made, the Government of India themselves were faced with a deficit, and notwithstanding that because they made that recommendation, they considered that the need of Bengal was so peculiarly pressing, Honourable Members may not be aware that the Meston Committee did not take into account the fact that there was certain expenditure in the year 1921 which Bengal had to incur and this expenditure they should have taken into account in making the Award. I shall just for the sake of illustration allude to one item. A promise was made by the Government of India to open the new Dacca University. That meant a recurring expenditure of 9 lakhs of rupees. That was not taken into account by the Meston Committee when they made their Award. Another fact which they did not take into account was that Bengal at that time, like other provinces, was carrying on its government with the greatest possible economy. That also is a circumstance which was not taken into account by the Meston Committee. In these circumstances, I think, Sir, that Members from the other provinces will not grudge to Bengal the relief which is proposed in the Resolution of the Government of India. I am not here, Sir, to raise any question of provincial recrimination or jealousy. As the Honourable Sir Arthur Froom said, we are all willing if, as a result of the examination which forms the subject of his amendment, there will be an equitable adjustment of the financial relations in respect of all the provinces, and no one will be more pleased than I myself coming as I do from Bengal.

This brings me, Sir, to the consideration of the amendment which I support, and I do not think that the Resolution is in any way in conflict with the amendment, for I think we are all agreed, and I think Sir Arthur Froom agrees with me, that so far as the Resolution is concerned, it should be given effect to in its entirety. In the meantime an inquiry should be directed by the Government of India to have a revision of the Meston Settlement. Now, with regard to this Meston Award itself, I think opinion is almost unanimous, and Sir Arthur Froom has referred to the opinion not

[Dr. Dwarkanath Mitter.]

only of non-officials but also of officials to show that the Meston Settlement cannot stand scrutiny for very long. Sir, if the basis of the Meston Settlement is examined, I may just submit to this Honourable House that it is radically wrong. It is intended really to effect for all time, as it were, a separation of the central and the provincial revenues. It determines the tax jurisdictions and it effects the separation between the central and the provincial revenues once for all in the same manner as the separation now obtains in the United States of America. But the analogy of the United States is wholly misleading, for there it was the different States Governments that came into existence prior to the Central Government. In the case of India the position is just the reverse. If we are to search for an analogy, we might just look to the Colonies. In the Colonies, as far as I understand from the literature which I have read, the provincial revenues are supplemented by the revenues from the Central Government. That also, Sir, is a system which appears in a more pronounced form in the Australian Commonwealth. Looking to the Continent, in Germany also, the central revenues do supplement the provincial revenues. Therefore, the Meston Settlement proceeds on a basis of which we find a parallel only in the United States where the position, as I have already shown, is just contrary to what happens in India. It has been said, Sir, by a very distinguished financier that the tests with regard to the separation of tax jurisdictions and the real considerations involved in the choice of revenues from conflicting tax jurisdictions are the considerations of efficiency, suitability and adequacy. Now, with regard to the first two tests, I am bound to say that the settlement made by the Meston Award perhaps satisfies these tests. One can understand the customs and railways being put as a part of the central revenues, whereas land revenue and excise do naturally fall to the provincial revenues. With regard to the income-tax, I think the Government of India practically admit that this really ought to form part of provincial revenues because it is being provincially administered. If that is to be taken as an admission, direct or indirect, that is a matter, of course, which is to be taken into account. But however that may be, judged by the last test, namely, the test of adequacy, I respectfully submit to this House that the Meston Award will not stand scrutiny, for one of the great elements which the Meston Award did not take into account so far as my province is concerned is that it ignored altogether the historic circumstance, a circumstance which has existed ever since 1793, namely, the permanent settlement, and that the land revenue there is consequently inelastic. That was the thing which the Meston Award did not take into consideration. The result is that by arbitrarily marking off the revenues with a view perhaps to attain a certain symmetry they have retained the rigidity which has affected very unfairly some of the provinces, to wit, Bengal and Bombay. If this Committee had taken into account, instead of making this arbitrary decision the causes arising out of the historical circumstances, on which it is impossible now to go back, the result of the Meston Award would have been very different. Sir, in this connection I have one other thing to suggest, which is forgotten now. Honourable Members will not forget that Bengal which now contributes the largest share of the central revenues, is left with slender resources, because the heads of revenues have been marked as provincial and central. What are the results? We find this spectacle that by reason of the arrangement which has been arrived at, the Central Government are furnished with surpluses, but what is the position of the provinces? There are deficits

in some provinces which make it impossible for the Governments of those provinces to run their administration. Complaints must have reached the Government of India from Local Governments which suffer in that way. There are, on the other hand, certain provinces which are financially better off and are showing signs of affluence. That is the position which has to be encountered. It is because of this position that we ask that the amendment of Sir Arthur Froom should receive the attention of the Government of India and that there should be a revision of the Settlement in which the claims of all the provinces should be considered on an equitable basis having regard not only to a perfectly clear-cut standard but to the needs of each province. I therefore support the Resolution as well as the amendment. In my view the amendment does not really conflict with the Resolution, and the inquiry which the Honourable Sir Arthur Froom suggests is an inquiry during which, of course, relief might be given to the provinces as has been indicated in the Resolution. With these words, Sir, I support the amendment.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, I need hardly say that I rise to support the amendment moved by my friend Sir Arthur Froom. My amendment was practically on the same lines, the only difference being that I suggested an independent authority. However, I support the amendment moved by the Honourable Sir Arthur Froom. I shall not repeat the arguments that were used by Sir Arthur Froom. But I will go a little more into details to satisfy this House and satisfy the Government of the injustice done by the Meston Award which, as my Honourable friend Mr. Natesan said, is almost a dead horse. Sir, the first mistake that the Meston Committee made was about the fixing the datum line at 1912-13 which, as has already been referred to by Sir Arthur Froom, was a famine year. All the Members here from Bombay know that there was a very bad monsoon in 1912 and the year was a bad one. We had to start a famine relief fund. It was not only the dry tract of Deccan that was suffering but the usually fertile Gujrat tract was also suffering. Both Gujrat and the Deccan suffered to such an extent that at that time we had about a crore and a half of less land revenue. Now, if the Meston Committee took that year, when we had about a crore and a half less land revenue, and then took the year 1920-21, and then took the average, naturally they came to the conclusion that the average would be 4 per cent. Now, Sir, there is a story of a man who drowned the whole of his family by going on averages. He went with his family to a river. The river was in flood. The man knew the arithmetical rule of three, and of calculating averages, and he said to other people on the bank of the river, "I want to cross the river". They said "You cannot; it is in flood." He said: "Let me ask you a few questions: How low is the water here?" He was told only one foot, but later on in the middle it was 8 feet and that at the other end it was again 1 foot. He made the average and said: "It is less than 3 feet and a half, and we are 5½ feet tall, and we will be able to walk through." And the whole family was drowned. The Meston Committee in advancing this solution has drowned not only Bengal and Bombay but the other provinces as well. It is time therefore that the Government of India awoke to the fact that the Meston Committee have made a mistake, that the premises on which their decision was based were quite incorrect, and as my friend Sir Arthur Froom pointed out, the expectations which they raised have not been fulfilled. We have got 9 crores of rupees less

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[Mr. Lalubhai Samaldas.]

during the five years that the Meston Committee's Award has been worked. But, Sir Arthur Froom did not mention one other fact. We had 9 crores less, but he did not say what the Government of India got. The Government of India, according to the Meston Award were to get 12½ crores from income-tax during five years. But what did they get? They got 32 crores and more. That is to say the Government of India have got 20 crores more than what the Meston Committee thought they ought to get under income-tax, while the Government of Bombay has got 9 crores less than what the Meston Committee thought they ought to get in Land Revenue, Excise and Stamps. That is to say we are down by 9 crores and the Government of India are up by 20 crores, and yet whenever the name or the demand of Bombay comes up here, we see a deaf ear turned to us. I cannot understand how my friends from Bengal were able to get on the right side of the Finance Member three years back when the Government of India showed a deficit balance. I wish they could teach us the way in which they approached the Finance Member so that we could go and get their support by adopting the same methods. It is really some sort of diplomacy which we in Bombay do not understand. And Bengal has been able to get round the Finance Member twice, once when there was a deficit they got a moratorium, and this second time when there is a surplus they have got a three years' moratorium. We do not grudge Bengal its remission. It has suffered and it ought to get it, but we want the same justice that has been extended to Bengal to be extended to Bombay.

Sir, I will now come to the two main heads under which the Meston Committee thought the Bombay Government would get a larger income. The Meston Committee have, as I said, gone by the rule of averages and done harm to everybody. The Meston Committee, referring to Bombay, I do not know whether it was meant as a compliment—said: "The former has obtained a scale of expenditure far above the Indian average." Because we are spending more, therefore we should not be given any concession. That may be one argument. The second part of the sentence is: "And the pace of expansion of its revenues is higher than any other province." For land revenue they put down that the percentage of expansion would be 4, while if they had a little more patience, if they had gone into the accounts of the previous ten years as they ought to have done, they would have found, as the Bombay representation says, that in 20 years the land revenue has increased by 14 per cent. only. This means that the percentage per annum is less than 1 per cent., and yet the Meston Committee said our percentage would be 4 per cent. Sir, possibly none of the Meston Committee knew what the ryotwari land revenue system in Bombay is. Had they known, they would have known that for 30 years there is no revision of settlement, and it is only at the end of 30 years that the revision of the settlement comes, and the percentage has been less than 1 per cent. And yet my Honourable friend the Finance Member says he can sit on the stile and keep on smiling and care not what happens. The time may come when both the stile and the smile will go and justice will have to be done to all the provinces including Bombay and Bengal.

The second head, Sir, is excise. As regards excise the Meston Committee never perhaps made inquiries that the sudden rise in excise was due to a change in the system. We had first one system and then later the auction system, and the sudden rise which occurred as a result of

the change led them to fix the average at a very high percentage. The same rule of averages, if not properly understood, does harm in this case also. As a result what happened? The Meston Committee thought that we would get 645 lakhs in the first year and 17½ lakhs more every year. As a matter of fact we have not in any year got 6,45 lakhs. The maximum we got in 1922-23 was just over 6 crores, and yet the Finance Member has no soft spot in his heart for Bombay. Sir, if I have not misunderstood him, I heard him the day before yesterday say that he is not going to stick very strictly to the dictum he first laid down; that he will not stick to the rule that no other taxation should be considered until all the provincial contributions are wiped off. If my understanding is aright, it means that the agitation we are carrying on in Bombay and elsewhere had had some effect. Either it may be the general taxation or it may be the cotton industry. As regards the cotton industry I want to say the cotton excise duty ought not to go to the Government of India. What have the Government of India done for the Bombay mill industry? Why should it go to the Government of India? Give it to us and the Government of Bombay and the cotton industry will decide what to charge and what not to charge. Can the Government of India honestly say they have done anything to help the cotton industry? The Government of Bombay have done everything to try and improve the conditions in Bombay; they have taken all the trouble to see that the labour does not live in slums; and all this at whose expense? At the expense of the Bombay general tax-payer. Therefore why should not the cotton excise duty be transferred to us? I believe the cotton excise must go. I was pleased to see, and I congratulate Madras on it, that on the last Resolution moved in the Madras Council two Madras Members, Mr. Satyamurti and Mr. Reddy, said they will not put the removal of the cotton excise duty against Provincial reductions.

THE HONOURABLE THE PRESIDENT: The Honourable Member must not raise a discussion on the abolition of the cotton excise duty. He must confine himself to the transfer.

THE HONOURABLE MR. LALUBHAI SAMALDAS: I want to say that the cotton excise duty should go to Bombay because the Government of India have no claim on it. We are spending money on improving Bombay and that money should come to us.

I have very little more to add. I only want to say that what the Muddiman Committee recommended ought to be accepted. Sir Arthur Froom did not read the whole of it not with the idea of keeping any thing back. The previous sentence to which the Honourable Mr. Natesan referred did not affect the sense of the sentence that he read, which is the really important portion. The Honourable Mr. Natesan said that we have not all the facts before us. We do not say we have all the facts. As we have not got them we suggest that an independent authority should be appointed immediately to examine and revise the whole Settlement. It may be that the Central Government may have to pay a little more to the general pool or it may be that Madras has to pay more, but we want justice to be done to our cause; we do not want doles nor do we want charity.

THE HONOURABLE MR. A. C. McWATTERS: Sir, I rise to oppose this amendment and I hope to be able to convince the House that it is inappropriate that an amendment of this kind should be made to the Resolution which I have just moved. I propose to avoid entirely all comparative analysis of the position of the various provinces, what they have

[Mr. A. C. McWatters.]

done and what they have suffered. Any discussion of their rates of expenditure and of taxation would be fruitless and lead to nothing. But I can scarcely pass over one remark that was made by the Honourable Dr. Mitter when he contended that income-tax should be provincial revenue on the ground that it is provincially administered. I should like to assure him that it is not provincially administered. It is administered by the Central Government.

At the outset I should like to say that the Meston Settlement was undoubtedly made at a very difficult time and there is no doubt also that a great many of the assumptions on which that Settlement was based have not been borne out in practice. That we admit; we admit that practically every province has suffered. They have had to impose additional taxation. They have had to retrench much more than was expected. But who has been the greatest sufferer? The Central Government. They have had to face a series of deficits. They have imposed more taxation than any of the Provincial Governments. They have retrenched, I may say, more than any of the Provincial Governments. They have been the greatest sufferers from the Meston Settlement. And I should also like to say that we do recognise the particular difficulties from which the great industrial provinces of Bombay and Bengal are suffering. We do agree that when the financial relations of the provinces come to be revised, the question of putting the finances of the industrial provinces on a more secure basis is one which will have to be considered. But the greater part of the debate we have heard to-day has been entirely irrelevant to the amendment moved by the Honourable Sir Arthur Froom. The question before us is not whether the Meston Settlement is a good or a final settlement, or whether it is approved by the Home Member or by Sir Tej Bahadur Sapru. The question is whether it can be or should be immediately revised, which is an entirely different proposition.

Now the Government of India's position in this matter is perfectly clear. They have just received the Report of the Reforms Inquiry Committee to which reference has been made, and both the majority and the minority of that Committee have made recommendations regarding the financial relations of the provinces. The Government of India have not yet had time to consider the recommendations of that Committee, and until they do so it is obviously impossible for me to accept an amendment which says that the Meston Settlement should be immediately revised.

Some remarks made by the majority of the Reforms Inquiry Committee have been read out, but it is curious that neither the Honourable Sir Arthur Froom nor the Honourable Mr. Natesan have read out the whole of the relevant passage which bears an entirely different meaning to that conveyed by the two extracts they read out. This is what the majority said:

"We hope that with an improvement in the finances of the central government it will be possible to begin the work of reducing the provincial contributions. As we have shown, however, this is not likely permanently to meet the needs of certain of the provinces. It is clear that we have not the information upon which to base any recommendations for the revision of the settlement. We consider also that it is probable that an adequate revision will have to await a considerable improvement in the finances of the central government. We think, however, that the settlement should be revised as soon as a favourable opportunity occurs."

(*The Honourable Sir Arthur Froom*: "The opportunity has come.") Does the Honourable Member seriously contend that a favourable opportunity has suddenly occurred after he wrote that report? He was a signatory to that report. I appeal from him as the representative of Bombay Presidency to him as a signatory to this report.

Now, Sir, what does the minority say? The Honourable Member quoted one or two sentences but he curiously omitted the most important portion of what they said:

"Upon the materials before us it is impossible to examine the merits of the case for each province or to suggest an alternative to the Meston Award. We think that this is a task which can best be performed by a body of financial experts and even so we apprehend that it would be extremely difficult to arrive at any satisfactory solution independently of large and substantial alterations in the Constitution. Any temporary expedient which may be adopted for the relief of any particular province is bound to be resented by other provinces."

Well, Sir, that is the position. The Government of India have that report before them and they have to consider that report; and in the quotations I have read out, both from the majority and from the minority report, there is nothing which suggests an immediate revision of the Meston Settlement.

That being the position, I can only put before the House certain other considerations which will have to be borne in mind when this matter is considered; and the first is this,—that until there is sufficient money to go round it is obvious that any relief which is given to particular provinces must be at the expense of some of the others. I do not lay great stress upon it. It is simply a matter of arithmetic; but it is a consideration which I would commend to the Members from other provinces here present. The second is that unless there is a prospect of any settlement which might be made in the next year or two being reasonably permanent, there is no object in undertaking it. It is essential that the revision must have some prospect of permanency, otherwise all that will happen will be that you will make your task of obtaining a successful and final settlement more difficult. You will simply be creating a number of new vested interests. Thirdly, I may recall to the House that we have now sitting a Taxation Inquiry Committee. It is perfectly true that the terms of reference to this Committee do not include the distribution of the proceeds of taxation between the provinces. They are not there to revise the Meston Settlement; but they are there to give advice as to the correct theoretical distribution of taxation, imperial, provincial and local, and as a result of their recommendations there is no doubt that we shall be in a better position to arrive at a solution of some of the problems which are raised by what is called the re-opening of the Meston Settlement.

Then, Sir, there is one particular point which is important and which has been referred to both by the Honourable Sir Arthur Froom and the Honourable Mr. Lalubhai Samaldas; that is the inequitable working of Devolution Rule No. 15. That rule was inserted on the recommendation of the Joint Select Committee of Parliament and was intended to give all the provinces some share in the income-tax based on the growth of assessed income. It is perfectly true that that rule has not worked out satisfactorily for Bombay and Bengal and some of the other provinces, and the Honourable the Finance Member in another place has definitely promised

[Mr. A. C. McWatters.]

that he will consider the revision of that rule. It is possible that the opinion of some independent body such as the Taxation Inquiry Committee might be taken on it; and in any case it will come up for consideration at the next meeting of the financial representatives of the provinces. This particular question is important because it may lead to some relief for the bigger industrial provinces.

That, Sir, is really all I have to say with regard to this amendment. The Government of India's position is quite clear. They cannot, until they have considered this report which is now before them, commit themselves to accepting an amendment of this kind. I should also like to appeal to the House. This Council represents the whole of India and I should like Honourable Members to take a statesmanlike view of the question, not from the point of view of their individual provinces but from the point of view of India as a whole.

THE HONOURABLE MR. V. RAMADAS PANTULU (Madras: Non-Muhammadan): Sir, with the first portion of the Honourable Sir Arthur Froom's contention I am in perfect agreement. There can be no denying the fact that every province is dissatisfied with the Meston Award. The principle of allocating the same sources of revenue so widely varying in different provinces and provincialising those sources of revenue has worked hardship. Coming from Madras I also have a further grievance, that even in the working of the Devolution Rules framed under section 45 A of the Government of India Act, the Government of India have not treated Madras fairly. They seem to have acted in a most erratic manner without any definite principles. In the year 1923-24 they showed a deficit of some 38 lakhs and got all the contribution from Madras. But as a matter of fact we find that they had a surplus of 239 lakhs, out of which we would have got 121 lakhs if Rule 18 was worked properly. Again in the year 1924-25 they showed a small surplus of 18 lakhs but as a matter of fact they had a surplus of 400 lakhs, and if Rule 18 was worked properly, we should have got 190 lakhs for Madras under the Devolution Rules. Sir, in this particular year 1925-26, taking the surplus as 387 lakhs we would have got 185 lakhs if Rule 18 had been applied, instead of which we are only given 126 lakhs. Even if we acquiesce in the favourable treatment accorded to Bengal we should have got 158 lakhs, and not 126 lakhs. Therefore by the non-application of Rule 18 and by not working it properly, Madras has lost some 400 lakhs during the last three years. Therefore I am one of those people who are hit very badly, not only by the Meston Award but also by the very erratic manner in which it has been worked by the Government of India. I am in entire sympathy therefore with any demand for its revision. But unfortunately I cannot accede to my friend's amendment for two main reasons. In the first place, Sir, I do not feel that any useful purpose could be served by undertaking the revision of the Meston Settlement at this time. The constitutional position under the Government of India Act is that really the provinces have no separate revenue fund at all and unless we solve that question we cannot usefully revise this Settlement. Any other independent tribunal will have to proceed theoretically upon the same basis as Lord Meston did, whatever may be the conclusions at which it arrives in regard to details. My Honourable colleagues are aware of the fact that under section 20 of the Government

of India Act all the revenues are raised in the name of and for His Majesty the King-Emperor, and both the Central Government and the Provincial Governments act merely as the agents of the Secretary of State in raising revenues and in borrowing funds. Therefore, until we constitute a provincial revenue fund there can be no real possibility of dividing the central revenues from the provincial revenues from a constitutional point of view. When our demand for self-government is outstanding and the Government have not made any announcement on that matter, I feel that any attempt at a partial adjustment of the financial relations between the Central Government and the Local Governments in certain matters will only tend to retard the advancement of our demand for further reforms. I feel strongly on that matter. Provincial autonomy is intimately connected with financial autonomy; the two are so inseparable that you cannot really claim one without getting the other. I shall only read one passage from the Report which has already been quoted. At page 44 the majority say:

> "The revenues allocated to Local Governments must in fact be separated and held in separate accounts from the central revenues before anything in the nature of provincial autonomy could be set up. So long as the Central Government is responsible for the provincial ways and means programmes, so long obviously must it retain control in certain financial matters. For full provincial autonomy separate consolidated funds for the provinces would have to be constituted, and, as the right to sue Government is recognised in section 32, it would further be necessary to provide that, when the claim, if established, would have to be met from such consolidated funds, the suit would lie against the province."

It only lies now against the Secretary of State under section 32 of the Act. The minority also say the same thing at page 169 of their Report: They say:

> "In any scheme of provincial autonomy it seems to us to be vitally necessary that the finances of the provinces must be separated from those of the Central Government. This will necessarily entail a determination of the sources of revenue to be assigned to each, of the limitation of the field for taxation for each so as to avoid conflict between the two and of the prescription of the limits within which and the conditions subject to which Provincial Governments may go into the market for the purposes of borrowing."

With this definition of the functions of the Central and Provincial Governments on financial matters and with the provisions of the Government of India Act as they stand now, I do not think any tribunal can really adopt any other principle except what Lord Meston adopted, though it may differ from him in regard to actual amounts. Therefore I strongly object to this question being taken up before we solve the question of self-government for India.

The only other objection I have is this: I certainly detest the idea of an outside tribunal. I do not like it. The question is essentially one between the Central Government and the provinces, or between the Government of India and the representatives of the people. There is no use appealing to another oustide tribunal. The Honourable Sir Arthur Froom is right in saying that provincialising the same sources of revenue in all provinces does lead to great hardship. I do concede that. But if that is not the basis, then the matter of what revenue should be central and what revenue should be provincialised in each province must be a matter for each province to consider and agree. We in Madras may be content with revenue and excise; but another province like Bengal (when there is a permanent settlement) may not be content with land revenue.

[Mr. V. Ramadas Pantulu.]

Therefore let the Government of India fix these sources after negotiation and bargain with the provinces. But certainly an independent authority can do nothing. Moreover in all matters of constitutional advance we the Swarajists always hold that the representatives of the people and the Government should sit side by side and thresh out the matter. Therefore I am frankly against any outside tribunal or arbitrator being asked to mediate in this matter. Other objections have been very ably put forth by the Honourable Finance Secretary but I do not allude to them. I have only dealt with two constitutional objections and on these grounds, much as I sympathise with the desire of the Honourable Sir Arthur Froom to get this Meston Award revised, I am constrained to oppose his amendment.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I will at once make it clear that I do rise to support the amendment of the Honourable Sir Arthur Froom. I know that some judges look upon those awards as best that do not satisfy anybody. The Meston Award looks very much like those awards. All provinces are agreed that the Meston Award cannot stand. Consequently there is a body of opinion that says, "Since that is so, the Meston Award is good." It is the wearer of the shoe who knows where the shoe pinches. The representatives of the people have seen that the Meston Award cannot stand. There have been representations made now and again. Lately there has been a Resolution passed by the Bombay Legislative Council and the matter has been voiced by the Local Government in a memorandum which contains most of what can be said on the point. Those that have time to go through this memorandum may satisfy themselves as to most of the reasons, that they are legitimate and sufficiently cogent. I should think therefore that the time is long past when the Meston Award does require reconsideration. The question of provincial contribution is, again, like an apple of discord. When the question is started some provinces think that other provinces are going to tread upon their toes, and take away what is held out to them by the Treasury in a manner of speaking. But let me satisfy them, standing as I do on behalf of Bombay, that Bombay does not grudge the concession that is shown to Bengal. The question that would be raised is whether we are entitled to put the matter through for three years successively or whether we could not legitimately restrict it to one year only as is being done with regard to other provinces. The question of law has been started by the Honourable Mr. Natesan who says he is not a lawyer—nor am I to that extent; but I rather think that it would not be quite consistent to hold out any very strict promise to Bengal with reference to the two years beyond what has been promised to most provinces generally. I should think therefore that this is a matter worth considering as to whether the two other years that have been included in the second part of the first Resolution ought strictly speaking to be included, especially as I apprehend that if the concessions are to depend, as I said the other day, upon the salt tax—a tax upon the poor—I cannot promise to Bengal that I will continue the salt tax next year, if I am here at all, and that the Bengal contributions should share in any surplus created by the salt tax; unless that is guaranteed it is not quite consistent to hold out any promise to Bengal that any concessions would be available to that province beyond the year that we are passing through.

Then as regards the tribunal, I entirely agree with the remarks that fell from my Honourable friend, Mr. Natesan and the Honourable Mr. Ramadas; and indeed if the Bombay memorandum is carefully gone through they advert to very suggestive and pithy remarks collected from the Montagu-Chelmsford Report chapter 8, as also the remark that appears in their paragraph 19. The Bombay memorandum says:

"Immediately after the memorable declaration of August 1917, inquiries began as to the method of financial provision for the autonomous governments then foreshadowed. The principle of entirely separate financial sources of revenue was laid down by Sir James Meston (as he then was) and accepted on behalf of the Government of India."

The Local Governments accepted the principle in theory; but even at this early stage the Bombay Government claimed a share in the income-tax. In June 1918 appeared the Montagu-Chelmsford Report, and in Chapter VIII we find this principle again enunciated:

"Our first aim has, therefore, been to find out some means of entirely separating the resources of the Central and Provincial Governments. If provincial autonomy is to mean anything real, clearly the provinces must not be dependent on the Indian Government for the means of provincial development."

Sir, that is a very large question, and the position stated in the Montagu-Chelmsford Report is attempted to be contested in paragraph 20 of the Bombay memorandum. That is really a very very large question, and unless the provinces are given full liberty to manage their functions with reference to the finances and the agency through which they have to be managed it will be futile to talk of provincial autonomy. It raises really a very large question, and therefore it is perfectly clear to appreciate the reasoning of the minority, and I think my friend Sir Arthur Froom would have done better if he had sided with the minority. But there is now no question about it, and, since the Meston Award itself requires re-adjustment, nothing will be lost by accepting the proposition contained in the Honourable Sir Arthur Froom's amendment. He does not say anything about the personnel of the tribunal; nor does he say anything about its procedure. And therefore, the question raised by the Honourable Mr. Ramadas does not arise in this respect at all. Consequently, there is nothing to prevent the whole House voting for the proposition that the Meston Award cannot stand.

THE HONOURABLE THE PRESIDENT: The original question was:

"That the Resolution moved by the Honourable Mr. McWatters be adopted."

Since which an amendment has been made by the Honourable Sir Arthur Froom:

"That the following clause be added to the Resolution, namely:

'(d) to take the necessary steps immediately to secure the revision of the Meston Settlement by reference to a new tribunal.'"

The question is that that clause be added to the Resolution.

The Council divided:

AYES 11.

Aman Ali, Khan Sahib.
Ayyangar, Mr. K. V. R.
Froom, Sir Arthur.
Karandikar, Mr. R. P.
Lalubhai Samaldas, Mr.
Mitter, Dr. D. N.
Moti Chand, Raja.
Ray, Raja P. N.
Sinha, Mr. Sukhbir.
Umar Hayat Khan, Col. Nawab Sir.
Vedamurti, Mr. S.

NOES 26.

Abbott, Mr. E. R.
Aftab Ahmad Khan, Sahibzada.
Akbar Khan, Major Nawab Muhammad.
Amiruddeen Ahmad, Nawab Sir.
Barua, Mr. C.
Berthoud, Mr. E. H.
Chadwick, Mr. D. T.
Dawn, Mr. W. A. W.
Dutt, Mr. Partap Chandra
Khaparde, Mr. G. S.
Ley, Mr. A. H.
MacWatt, Major-General Sir Robert.
McWatters, Mr. A. C.
Misra, Pandit S. B.
Mitter, Mr. K. N.
Muhammad Habibullah, Sir.
Muhammad Hussain, Mr. Ali Baksh.
Naidu, Mr. V. R.
Natesan, Mr. G. A.
Pantulu, Mr. Ramadas.
Patterson, Lieut.-Col. S. B. A.
Raza Ali, Mr.
Sarma, Sir Narasimha.
Singh, Mr. Charanjit.
Tek Chand, Mr.
Zahir-ud-din, Mr.

The motion was negatived.

THE HONOURABLE THE PRESIDENT: The question now before the House is the Resolution moved by the Honourable Mr. McWatters.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay: Non-Muhammadan): Sir, I beg to move an amendment to the original Resolution that after clause (*c*) the following be added:

"(*d*) to convey to the Local Governments concerned the opinion of the Council of State that the amounts hereby released or given may be devoted mainly for expenditure in the Transferred Departments."

Sir, both at the time of the General Budget debate and at the time of the discussion of the Finance Bill, the Honourable the Finance Member and the Honourable the Finance Secretary said that the chief idea in reducing the contribution of the provinces was to help the nation-building departments. Sir, the nation-building departments, as they are called, are mostly dealt with in the Transferred Departments which are in the charge of Ministers. It has been said both in the majority and the minority reports of the Reforms Committee that Ministers have felt handicapped owing to the want of funds and that one of the reasons why the Reforms have not been the success that they ought to have been is due to this financial difficulty. Now, Sir, what is wanted is that the money that is thus released or given should be utilised in those departments which will lead to more education, better sanitation, more medical facilities and improvements in agriculture and co-operation. I therefore suggest that the House should accept this amendment so that the money thus released may be utilised for the purpose for which the Honourable the Finance Member has kept the salt duty at Rs. 1-4-0.

THE HONOURABLE MR. G. A. NATESAN: Sir, I wish to associate myself with all that has been said by the Honourable Mr. Lalubhai Samaldas. Speaking for Madras, I would point out that for some years past there has been a very great cry that the Transferred Departments have not had as much of finances as they were entitled to and that their work was very seriously crippled. The figures of the last three years that are quoted in the Report of the Muddiman Committee make it clear how unjustly the Transferred Departments had been treated in Madras. Whereas in 1921, 68 per cent. of the total expenditure was confined to the Reserved Departments, only 32 per cent. was spent by the Transferred Departments. In 1922, 67 per cent. was the amount utilised by the Reserved Departments and in the same year only 33 per cent. was utilised by the Transferred Departments. In 1923, 66 per cent. was utilised by the Reserved Departments and only 34 per cent. by the Transferred Departments. I also wish to point out, and the Honourable the Finance Member may be aware of it and particularly the Honourable Member from Madras who has recently joined the Executive Council, that owing to the strained financial condition the province was obliged to effect retrenchment to the extent of one crore; I think it was more than a crore. This retrenchment affected very seriously the departments of education, medical relief and sanitation and the department of Public Works was also affected. There is another trouble now brewing in Madras and this trouble is also brewing in other provinces as well. There has been lately a discussion in the Madras Legislative Council which resulted in an unsuccessful attempt at a vote of censure on the Minister for Excise because he was not working up to a policy of prohibition. The vote of censure was lost but it made it clear that the Members did not approve of the excise policy of Government and that as much as could be done to work up towards a policy of prohibition was not done. If I am not mistaken a considerable portion of the Madras revenue is derived from excise, and sooner or later that revenue is bound to go. I dare say the Honourable the Finance Member knows exactly the spirit of the times and the way in which forces are working. The Government of Bombay, if I understand correctly, has recently agreed to keep prohibition as its goal, and the Government of Madras will have to adopt that policy also.

THE HONOURABLE SIR BASIL BLACKETT (Finance Member): Is that to be done at the expense of the Central Government?

THE HONOURABLE MR. G. A. NATESAN: No. It cannot be at the expense of the Central Government because if the excise revenue is stopped, to that extent the moral and material resources of the country will improve, and I hope Sir Basil Blackett will continue to remain here to see that my statement is correct. Anything which is calculated to disturb the goal of prohibition is not calculated to advance the best interests of the country. However, that is only a side issue. I am only pointing out that, so far as the Madras Government is concerned, the Minister hereafter, whoever he may be, will have to show a considerable reduction in the excise duty which means less revenue and will have to show also that he has been really working towards a policy of prohibition. That would mean that the resources of the province will be considerably crippled, and therefore, it is absolutely necessary that this amendment should be carried. The Honourable Sir Basil Blackett will remember

[Mr. G. A. Natesan.]

that not only he but we also have been saying that the nation-building departments will be crippled if provincial contributions are not remitted. All that this amendment asks therefore is that the amounts hereby released should be spent on the nation-building departments, and I am sure the Honourable the Finance Member will give his support to it.

THE HONOURABLE RAJA PRAMADA NATH RAY (East Bengal: Non-Muhammadan): Sir, I rise to support this amendment. In Bengal up to now one of the difficulties that had confronted the Ministers was that they had not sufficient funds at their disposal for the nation-building departments. Consequently they could not show much work and thus became more unpopular than they otherwise would have been. I think this amendment would be most welcome to Bengal, as it will improve the position of the Ministers and will probably be the means of having the reforms better worked in that province than has hitherto been the case. I take this opportunity of thanking the Honourable the Finance Member for granting a moratorium for another three years to Bengal.

THE HONOURABLE MR. A. C. McWATTERS: The amendment which has been moved is in substance the same as an amendment which was moved in another place and accepted by Government. I am not therefore opposing this amendment. At the same time, I wish to make it clear that the circumstances of different provinces differ. We have not before us here information which would justify us in making an apportionment between the two sides of the Provincial Governments. For instance, I have here the views of the United Provinces Government which were communicated to the Reforms Inquiry Committee. They say that a policy of rigid economy has been pursued during the last two years mainly at the expense of the reserved side of the administration. Therefore, although all of us have the greatest desire that as much money as possible should be placed at the disposal of Ministers so as to carry out the development of the subjects under their control, most of which are of the nation-building character, I think we have to approach this matter with a certain amount of caution. Take, for instance, the case of the Central Provinces. We are giving to that province 9 lakhs, but so far as I am aware there are no Ministers and no transferred subjects there. I do not however oppose this amendment subject to this necessary *caveat*.

THE HONOURABLE THE PRESIDENT: The original question was:

"That the Resolution moved by the Honourable Mr. McWatters be adopted."

Since which an amendment has been moved:

"That the following clause be added, namely:

'(*d*) to convey to the Local Governments concerned the opinion of the Council of State that the amounts hereby released or given may be devoted mainly for expenditure in the Transferred Departments'."

The question is that that clause be added.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Resolution as amended* be adopted."

The motion was adopted.

INDIAN TARIFF (AMENDMENT) BILL.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, I beg to move that the Bill further to amend the Indian Tariff Act, 1894, as passed by the Legislative Assembly, be taken into consideration.

Sir, I feel I am running an imminent risk of incurring the displeasure of this House, for venturing to bring forward such a dull piece of work as an amendment of a Tariff Bill, hard after an interesting debate on provincial contributions. It is customary at this stage to explain what is within the provisions of a Bill. I owe a duty to the Council of State however to explain why this Bill is brought forward at all. During the last three or four years amendments in the tariff have been very largely given effect to through the Finance Bill and only at our last meeting last week this Council passed the Finance Bill and thereby approved of certain amendments to the Indian Tariff Schedule, yet here to-day I am asking the House to consider another long list of amendments to the tariff. The reason for this different treatment and for this separate Bill lies in the difference behind the intention of the Finance Bill and of this Bill. The object of the Finance Bill is to place the Government in funds for the forthcoming year, and changes in the tariff very frequently have an effect on the finances of the forthcoming year. But the necessity for placing the Government in funds for the forthcoming year is not the sole reason why it may become necessary from time to time to change the tariff. We

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* "This Council recommends to the Governor General in Council that he be pleased:

(*a*) in pursuance of sub-rule (1) of rule 18 of the Devolution Rules, to determine the sum of Rupees 733 lakhs as the total contribution to be paid to the Governor General in Council for the financial year 1925-26 by the Local Governments mentioned in rule 17 of the said rules;

(*b*) to take the necessary steps to amend sub-rule (2) of rule 18 of the Devolution Rules in such a way as to secure to the Local Government of Bengal the remission of the contribution payable under sub-rule (1) of rule 18 of the said rules by that Government to the Governor General in Council in the financial years 1925-26, 1926-27 and 1927-28, and further to provide that for the financial year 1928-29 the last previous annual contribution of the Local Government of Bengal shall be deemed to be the remitted contribution for the year 1927-28;

(*c*) further to amend the Devolution Rules in such manner as to provide that out of the sum of Rs. 733 lakhs recommended to be determined by the Governor General in Council as the total contribution to be paid by the Local Governments to the Governor General in Council for the year 1925-26 the following remissions be made, namely:—

to the Government of Bombay 22 lakhs
to the Government of Burma 13 lakhs
to the Government of the Central Provinces 9 lakhs
to the Government of Assam 6 lakhs;

and further to provide that the sum determined by the Governor General in Council as the total amount of the contribution for the year 1925-26 shall include the amounts so remitted and that for the year 1926-27 the last previous annual contributions of the said Local Governments shall be deemed to include in each case the amounts remitted as aforesaid;

(*d*) to convey to the Local Governments concerned the opinion of the Council of State that the amounts hereby released or given may be devoted mainly for expenditure in the Transferred Departments."

[Mr. D. T. Chadwick.]

have to amend the tariff in order to make it more suitable to changing conditions of trade, to make it more easy and fairer to work, and where those are the main reasons for amendment, it is only right and proper that such amendments should be brought before the Legislatures in a separate amending Bill. That is the case with this one.

The reasons behind these several amendments fall into about four groups, of which far and away the largest is a request to the Legislature to give legislative sanction to what is already in force under executive notifications. Section 23 of the Sea Customs Act authorises the Governor General to remove or to reduce duties wherever he thinks it necessary. That is a wide and extensive power and is rightly exercised only rarely and carefully and after due consideration. It is a necessary power because conditions of trade vary, whilst a Schedule must be interpreted very strictly. Occasionally the nomenclature in the Schelude works very unfairly on particular articles of trade and small alterations become needed immediately. Hence the Legislature has endowed the Executive Government with a certain amount of discretion in section 23 of the Sea Customs Act. The Government feel that when they have exercised that discretion, they ought from time to time to bring those cases before the Legislature for their endorsement. That accounts for most of the items in this Bill. I may just give one instance. Take sulphur for instance. Last May this Council endorsed the recommendation of the Tariff Board that sulphur should be transferred to the free list of imports. There was no point in bringing forward an amending Bill merely for sulphur. The exemption could more easily be given by executive action under section 23. Now we wish to incorporate that change in the Schedule to the Act. Therefore sulphur appears in this Bill. Others are of the same nature.

Leaving out those, we only have five cases for which reasons are different. Out of those five, two are small drafting amendments which we wish to make to the Act which was passed last May to protect the steel industry, namely, items 12 and 23. Of these, 23 is the only one of any interest, steel discs and circles. In the Steel Industry (Protection) Act it was decided to place a protective duty on steel plates and sheets, and the Schedule to that Act gave effect to that intention, but no mention was made of discs and circles which are punched and cut out of such sheets and are really portions of them. It was held by the customs authorities that, as discs and circles were specifically mentioned in another portion of the old Schedule and not mentioned in the Steel Act, the tariff duty on discs and circles was not altered and remained at 10 per cent. That was obviously not the intention. It was ridiculous. This Bill puts that right.

If that was all there was in the Bill I think I should have incurred the displeasure of the House for bringing forward such an uninteresting and dull measure. But there remain three items which have a little individuality of their own, silk mixtures, sugar and cigarettes. Silk mixtures need not detain us for any length of time. As the Council knows, our import duty on cotton is 11 per cent. *ad valorem* and on silk goods 30 per cent. *ad valorem*. As the Council realises there are many fabrics composed partly of silk and partly of cotton, and the duty may become very severe if such goods are assessed at 30 per cent. These cases of mixed goods frequently cause dispute and difficulty in customs offices. It has also been represented to us by the trade that this big gap operates very unfairly upon

certain articles of trade. Therefore we propose an intermediate rate for silk mixtures, namely, 20 per cent. There remain sugar and cigarettes. Here, Sir, the proposal is to change from *ad valorem* rates to specific rates. That involves a small matter of principle and one, as I said, of considerably more interest. I may remark in passing that practically every country in the world places specific duties on sugar and cigarettes. That however is no reason why India should do so unless it is advantageous from India's own interests. At present cigarettes are subject to true *ad valorem* duty of 75 per cent. on their value and sugar is also subject to an *ad valorem* duty of 25 per cent. The sugar *ad valorem* duty of 25 per cent. is however worked upon what is known as a tariff valuation, and to that extent it is a percentage on the prices of the previous 12 months, *i.e.*, for the purposes of calculating the duty the value of the sugar imported into India is considered to be the average value at which sugar was imported in the previous 12 months, for the year ending 30th September in each year. This system was introduced many years ago at the request of the trade and of the Customs administration. The object was to prevent and avoid the necessity of assessing every consignment of sugar at its actual value. In other words it was merely a rough approximation to a true *ad valorem* duty. Now the Council will at once see that if tariff valuations and the price of sugar are high and a duty of 25 per cent. is levied, the result is that the duty is high when the price is high and the duty is low when the price is low. In other words the duty tends to accentuate differences and variations in price. This matter is of no moment if the *ad valorem* rate is a low one as it was when it was 5 per cent., or if the variations in price are small; but our duty is now 25 per cent., and the variations in the price of sugar have been and are considerable. With a duty of 25 per cent. a change of only Re. 1 per cwt. in the tariff valuation of sugar means a change of 4 annas in the duty or Rs. 5 per ton; and as the imports of sugar range from about 450,000 to 500,000 tons a year an alteration in the tariff value of Re. 1 per cwt. means to the Finance Department a difference in their revenue of 22 lakhs; and therefore to that extent you can clearly see it makes it much more difficult to forecast what their revenue in any year will be. I will give you an example of the variations occurring in the last five years. The tariff valuation per cwt. in the last five years has been Rs. 32-4; Rs. 26-4; Rs. 16-4; Rs. 17-12; and Rs. 17-8; with the result that the revenues which the Finance Department have obtained from the import duty on sugar have varied from Rs. 650 to 440, 330 and 400 lakhs. Well, Sir, those are enormous variations from year to year in the receipt of customs from one commodity alone, and in many cases those variations have arisen practically solely from the variations in the price. For instance the total imports of sugar in 1923-24 were only 30,000 tons less than in the previous year, but the receipt in the customs duty was decreased by more than over a crore. Therefore both for the sake of introducing stability in revenue and for lessening these variations in price it is advisable to substitute a specific duty thereby making at least the duty constant.

1 P.M.

It only remains, Sir, to see if this duty we propose is a reasonable one. We are making no alteration whatever in the two classes of sugar—above 23 Dutch standard and below. Those are the standards in force now. During the last 4 years 2 million tons of sugar have been imported at an average duty of Rs. 4/7 per cwt. The duty to-day is Rs. 4/6 and the import trade is healthy. With the falling price of sugar which has occurred since

[Mr. D. T. Chadwick.]

October imports have been coming in at the rate of 68,000 tons a month as compared with only 39,000 tons in the corresponding period in the previous year. It is therefore quite clear that sugar can pay this rate and the duty which we propose in this Bill will make practically no difference or only a little to the revenues anticipated in the current year.

The next item is cigarettes. Here again the proposal is to turn it from an *ad valorem* duty to a specific one, but the reason is somewhat different. The present duty is assessed at 75 per cent., an extremely high rate, on a true *ad valorem* basis. That means that all consignments of cigarettes at our different ports have to be assessed at value 75 per cent. It is very difficult when you have such a high duty as 75 per cent. to obtain a uniform assessment at the ports. One of the methods by which value is determined is by deduction from the wholesale price, at the port of entry; but it is perfectly clear that the wholesale price of an article in a big town like Bombay or Calcutta is entirely different from its wholesale price at a smaller port on, say, the Kathiawar coast. We have had, in fact, instances in which cigarettes are being sold inland at prices which could not possibly be the case had they entered the country through the main ports of Bombay and Calcutta. The proper remedy for that is to put on a uniform flat rate. The complete remedy is to impose a uniform specific duty for all cigarettes. Such was the original proposal. But in Select Committee it was modified slightly. Two classes determined by value were introduced in order to allow the imposition of a somewhat lower rate on the cheaper brands of cigarettes. A specific duty must necessarily be relatively heavier on articles which are really proportionately cheap in value and relatively lighter on those that are proportionately more expensive. That is inevitable. But that is a minor matter if the quantities at the two ends of the scale are very small such is the case with cigarettes. The imports into Bombay and Calcutta in six months last year were analysed in order to find exactly of what value the bulk of our imports consists. The total imports in those six months were 270 millions; and out of that number 220 millions or about 88 per cent. are valued to-day under Rs. 10 a thousand. Of these 220 millions, some 215 millions or over 95 per cent. pay between Rs. 6 and Rs. 7 duty; and out of that 215 millions, 205 millions are to-day paying Rs. 6/15. We do not wish to increase the duty on the poor man's smoke and therefore, as I have said, in the Select Committee the original proposal was modified to make two classes. The lower of these two classes consists of cigarettes valued at or below Rs. 10/8 a thousand. On these it is proposed to impose a duty of Rs. 7 duty, which is practically the duty over 95 per cent. of those cigarettes are paying to-day. In the higher grade, it is proposed to impose a duty 50 per cent. higher, or Rs. 10/8 a thousand.

The House will now see from the explanations I have given that the reasons for turning from *ad valorem* to specific duties in the case of sugar and cigarettes are practical and sound and that the duties that we propose are moderate and fair.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Tariff Act, 1894, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Items 1 to 6 of the Schedule were added to the Bill.

THE HONOURABLE MR. LALUBHAI SAMALDAS (Bombay, Non-Muhammadan): I would like to say a few words, Sir, on item 7 of the Schedule. I welcome the measure that is before the House because, as the Honourable the Commerce Secretary said, there have been such great fluctuations that it is very difficult for merchants and industrialists to know what the import duty of 25 per cent. would work out to. Under the present arrangements sugar merchants and industrialists, and I am an agent for one sugar concern, will know definitely where we stand. We know the duty will be Rs. 90 per ton, although personally I think that is lower than it ought to be; three years ago it was Rs. 8 per cwt., then 6¼ and then near Rs. 4. However, I am prepared not only to accept and support this proposal, but to welcome the proposal made in the Schedule to fix the duty at Rs. 4-8 and Rs. 4.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, with regard to this sugar question, I should like a statement from the Honourable the Commerce Secretary as to how this application of Rs. 4/8 per cwt. works out on sugar *vis a vis* the present price of sugar and the application of the old *ad valorem* rate.

THE HONOURABLE MR. D. T. CHADWICK: The price of sugar for tariff valuation calculations in February last was Rs. 13-12 per cwt. The duty that sugar is now paying is Rs. 4/6 a cwt. Therefore calculated on the basis of an *ad valorem* duty they are actually paying about 32 per cent. They will continue to pay, as I tried to explain in my speech, practically the same under the Bill that is now put forward.

Item 7 of the Schedule was added to the Bill.

Items 8 to 12 of the Schedule were added to the Bill.

Items 13 to 18 of the Schedule were added to the Bill.

Items 19 to 23 of the Schedule were added to the Bill.

The Schedule was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. D. T. CHADWICK: Sir, I beg to move that the Bill further to amend the Indian Tariff Act, 1894, as passed by the Legislative Assembly, be passed.

The motion was adopted.

INDIAN STAMP (AMENDMENT) BILL.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): I beg to move, Sir:

"That the Bill further to amend the Indian Stamp Act, 1899, as passed by the Legislative Assembly, be taken into consideration."

This very short Bill, Sir, has a very long Statement of Objects and Reasons. The Bill simply provides for the stamp duty leviable on workmen's compensation insurance policies. Since the Workmen's Compensation Act was passed in 1923, we have been depending upon a notification which under the general powers of the Government limited the rate of stamp duty on these policies which otherwise would have come under the much higher rate applicable to ordinary insurance policies. We have in the meantime had an opportunity of consultation with all Local Governments, whose

[Mr. A. C. McWatters.]

money this is, and they are all agreed upon the rate which is included in this Bill—one anna for Rs. 100 premium. That, Sir, is the simple explanation of this Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Stamp Act, 1899, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. A. C. MCWATTERS: Sir, I beg to move that the Bill further to amend the Indian Stamp Act, 1899, as passed by the Legislative Assembly, be passed.

The motion was adopted.

INDIAN INCOME-TAX (SECOND 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, as passed by the Legislative Assembly, be taken into consideration."

The necessity for this Bill arises from our giving effect to one of the recommendations of the Lee Commission, by which certain officers of the Government are entitled to overseas pay, paid in sterling in England, in the place of overseas pay paid in rupees in India. This overseas pay paid in sterling in England is of course liable to Indian income-tax, just as the overseas pay formerly received in India was liable. It is pay which is paid in respect of employment in India and it technically "accrues or arises" in India. The only question for decision is the method by which this income-tax should be collected. It is impossible for administrative reasons for the income-tax to be collected in England, as this would have involved a reference by the High Commissioner for India to income-tax officers scattered all over India in order to ascertain the correct rate of income-tax to be assessed, apart from the fact that the Indian Income-tax Act has no application in England and would have to be extended thereto by legislation. The two alternatives left were either to assess income-tax at the end of the year in a lump sum or to alter the law so that we could deduct at the source from the officers' other pay the income-tax on the sterling pay which they receive in England. At present all officers' income-tax is deducted at source in India and it is obviously a convenience both to them and to the Government that this extra amount should be deducted from the pay in India instead of being charged in a lump sum at the end of the year.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Income-tax Act, 1922, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. A. C. MCWATTERS: I move, Sir:

"That the Bill further to amend the Indian Income-tax Act, 1922, as passed by the Legislative Assembly, be passed."

The motion was adopted.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): Sir, I would now ask for your ruling in the matter of the Bill further to amend the Indian Cotton Cess Act, 1923, which has been laid on the Table to-day. May I take it that the Honourable Sir Muhammad Habibullah will have your permission to move for the consideration and passing of that Bill to-morrow, that is to say, with a curtailment of the usual three days' notice?

THE HONOURABLE THE PRESIDENT: Honourable Members have had an opportunity of looking at the Bill which has been laid on the table to-day. If any Honourable Member has any objection to proceeding with the Bill to-morrow, I should like to hear him. (There was no dissentient voice). Then the motion for consideration and passing of the Bill will be on the list of business for to-morrow.

APPRECIATION OF THE AEROPLANE, HOWITZER, FIELD GUN AND ARMOURED CAR DEMONSTRATIONS ARRANGED FOR MEMBERS OF THE INDIAN LEGISLATURE.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): I am sure I voice the feelings of this House, Sir, and particularly of my non-official colleagues when I express the sense of our gratefulness to His Excellency the Commander-in-Chief for the aeroplane, howitzer, field gun and armoured car demonstrations that His Excellency arranged for the Members of the Indian Legislature. His Excellency's interest in drawing closer the Members of the Legislature to military questions is well-known, and it is very fortunate that so many Members were in a position to utilise the opportunities which were placed at their disposal by the Commander-in-Chief. It was only in January last that special arrangements were made for the convenience of Members of both Houses to witness and follow intelligently the manœuvres that took place here in that month. Coming closely upon that, these demonstrations have been most welcome to Members of the Legislature. In this connection, Sir, I feel I would be guilty of an omission if I did not especially mention one branch of the Force particularly, I mean the pilots; their daring, pluck, resourcefulness and skill were greatly admired by those who during the last three days have had an opportunity of going up in the air and I am sure Honourable Members of this House greatly appreciate their services.

The news of the illness of His Excellency the Commander-in-Chief has been heard with regret. His Excellency has had an attack of appendicitis; fortunately the attack is a mild one and we all hope and trust that His Excellency will soon completely recover to carry on the onerous duties that he has been performing for the last four and a half years.

THE HONOURABLE COLONEL SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, I endorse every word that has been said by my Honourable friend Saiyid Raza Ali.

The Council then adjourned till Eleven of the Clock on Tuesday, the 24th March, 1925.

COUNCIL OF STATE.

Tuesday, 24th March, 1925.

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

QUESTION AND ANSWER.

FRANCHISE FOR WOMEN.

168. THE HONOURABLE MR. V. RAMADAS PANTULU: Will the Government be pleased to state whether any proposal is under consideration to amend the rules relating to election to the Council of State with a view to enable women who otherwise possess the prescribed qualification to vote and stand as candidates at the next election to the Council of State?

THE HONOURABLE MR. J. CRERAR: Under rule 7 (1) (*b*) of the Council of State Electoral Rules, women are not entitled to have their names registered on the electoral roll of that body; but if a resolution is passed by this House after not less than one month's notice has been given recommending the removal of the sex disqualification for registration, the Governor General in Council, under the second proviso to the said sub-rule, is required to make regulations providing that women or a class of women shall not be disqualified for registration by reason only of their sex, if they are not so disqualified for registration as electors for the Legislative Council of their province. This question is therefore one for action by this Council and not by the Government of India. As the Honourable Member is aware such a resolution was passed by the Legislative Assembly in February 1922, but that resolution affects electors for that body only. As regards the disqualification from being a candidate I refer the Honourable Member to paragraph 67 of the Report of the Reforms Inquiry Committee. The recommendation contained in this paragraph is at present under the consideration of the Government of India.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, would there be time for action if a Resolution of the kind suggested by the Honourable Member is passed when the Council meets in Simla because it will be too late now.

THE HONOURABLE MR. J. CRERAR: That would depend upon the date of the elections to this Council regarding which I have no information.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Would there be time bringing women votes on the voters' list at the time or will the list be closed?

THE HONOURABLE MR. J. CRERAR: I suggest that that question should be addressed to the Honourable the Law Member who is concerned with all matters relating to elections to this Council.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: May I ask the Honourable the Leader of the House to answer the question?

THE HONOURABLE SIR NARASIMHA SARMA: I cannot give any definite answer without adequate notice, but I should imagine that it would not be possible to revise the list of voters in time for the next elections, assuming that the normal course of events is pursued.

INDIAN COTTON CESS (AMENDMENT) BILL.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH (Education, Health and Lands Member): Sir, I move:

"That the Bill further to amend the Indian Cotton Cess Act, 1923, as passed by the Legislative Assembly, be taken into consideration."

This, Sir, is a very simple piece of legislation. Not only is it of a non-contentious nature, but it is designed to meet an existing grievance. As Honourable Members may be aware, under section 3 of the Indian Cotton Cess Act of 1923, a cess at a particular rate is leviable on all cotton exported from a customs port to any port outside British India, as also cotton consumed in the mills in British India. This provision was expanded by the amending Act of 1924, to permit of cess being levied even in the case of cotton which was exported by land out of British India. Experience has shown that cotton similarly exported is again imported into British India. Goa has furnished a conspicuous instance in point. It has been found that nearly two-thirds of the cotton which leaves British India for that port gets admission back into British India. This is a legitimate grievance on the part of those engaged in the cotton trade. It is now therefore proposed to refund to such of them as export cotton from British India by land and whose cotton gets importation into British India again. It was found, Sir, that such a procedure could not be adopted either under the Act of 1923 or under the amending Act of 1924, for there is no provision in either of them for the purpose of refund of such cess. It was also found that this procedure could not be followed under the rule-making power of the Governor General but that the law must be amended with that distinct object in view. Hence this small Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill further to amend the Indian Cotton Cess Act, 1923, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH: Sir, I now beg to move that the Bill, as passed by the Legislative Assembly, be passed.

The motion was adopted.

NOMINATION OF MEMBERS TO SERVE ON THE JOINT COMMITTEE ON THE INDIAN SUCCESSION BILL.

THE HONOURABLE SIR HENRY MONCRIEFF SMITH: I move:

"That the following Members of the Council of State be nominated to serve on the Joint Committee to consider and report on the Bill to consolidate the law applicable to intestate and testamenary succession in British India, namely:

The Honourable Sir Narasimha Sarma, the Honourable Saiyid Raza Ali, the Honourable Mr. Khaparde, the Honourable Sir Deva Prasad Sarvadhikary, the Honourable Sir Arthur Froom and myself."

The motion was adopted.

NOMINATION OF MEMBERS TO SERVE ON THE JOINT COMMITTEE ON THE SUCCESSION CERTIFICATE (AMENDMENT) BILL.

THE HONOURABLE SIR HENRY MONCRIEFF SMITH: I move:

"That the following Members of the Council of State be nominated to serve on the Joint Committee to consider and report on the Bill to amend the Succession Certificate Act, 1889, namely:

The Honourable Sir Narasimha Sarma, the Honourable Saiyid Raza Ali, the Honourable Mr. Khaparde, the Honourable Sir Deva Prasad Sarvadhikary, the Honourable Sir Arthur Froom and myself."

The motion was adopted.

NOMINATION OF MEMBERS TO SERVE ON THE JOINT COMMITTEE ON THE INDIAN SUCCESSION (AMENDMENT) BILL.

THE HONOURABLE SIR ARTHUR FROOM (Bombay Chamber of Commerce): Sir, I beg to move:

"That the following Members of the Council of State be nominated to serve on the Joint Committee to consider and report on the Bill to amend the provisions of section 27 of the Indian Succession Act, 1865, namely:

The Honourable Sir Henry Moncrieff Smith, the Honourable Sir Narasimha Sarma, the Honourable Saiyid Raza Ali, the Honourable Mr. Khaparde, the Honourable Sir Deva Prasad Sarvadhikary and myself."

The motion was adopted.

STATEMENT OF BUSINESS.

THE HONOURABLE THE PRESIDENT: Is the Honourable the Leader of the House in a position to state what further business is to be brought before this House and when that business will come up?

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): It will have been gathered, Sir, from my statement on Friday last, that the only business now outstanding relates to the Bill to supplement the Bengal Criminal Law Amendment Act, 1925.

We anticipate, Sir, that the course of events elsewhere will enable that Bill to be placed before this Council to-morrow in the form in which it was originally introduced in the Assembly. In that event, Sir, it will be for you to decide when the Bill should be further proceeded with.

THE HONOURABLE THE PRESIDENT: Can the Honourable Member tell me whether the Bill to which he refers in the form in which it was introduced in the Assembly was circulated to Members of this House, and if so, when it was so circulated?

THE HONOURABLE SIR NARASIMHA SARMA: It was circulated last Thursday.

THE HONOURABLE THE PRESIDENT: I hardly anticipate that Honourable Members would desire that the full 3 days' notice for the motion for consideration of the Bill to which the Honourable the Leader of the House referred should be insisted on. If that were the case, assuming that the Bill is laid in this House to-morrow, we should not be able to proceed with the Bill till next Saturday, and as I understand that it is the only business to come before the House I imagine that Honourable Members will not desire to wait so long, particularly in view of the fact that the Bill has been in their hands already for 4 or 5 days. I should be glad to hear the views of Honourable Members as to when this Bill, assuming that it does come before this Council to-morrow morning, should be taken up by the Council.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): I think, Sir, at once.

*THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): Sir, the Bill under reference had been amended in the other House and there is, at least as far as we can gather, not very much likelihood of its being passed in its original form. We have not been able to hear the full report of the debates in the other House. If the Bill comes to us to-morrow, then I think it will be more convenient for this House to have at least one day to read the debates of the other House in order to make up their minds and in order that the view point of different people may be discussed, so that this House in advancing its views in support of the Bill as originally presented and that it may be passed, may justify their action in a proper way. In that case, Sir, I would propose that the Bill may be taken up on the 27th if it is introduced to-morrow. The debate which will take place to-day in the other House will not be available to us till the 26th, and I suggest it will be more convenient to take it up on the 27th, Friday, so that we may have at least one clear day, the 26th. That at least is my suggestion.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): May I ask the Leader of the House kindly to inform Honourable Members whether the recommended Bill that is going to be introduced in the other place to-day is exactly in the form in which the Bill was introduced yesterday, or whether there has been any change?

THE HONOURABLE SIR NARASIMHA SARMA: No change, Sir.

THE HONOURABLE SAIYID RAZA ALI: In that case, Sir, I think it will be convenient perhaps to Honourable Members of this House if the Bill is introduced to-morrow and considered on Thursday, the 26th. I think we will be getting clear 24 hours' time, practically more than that—48 hours—but at least we will be getting clear 24 hours' time.

*Speech not corrected by the Honourable Member.

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, it seems to me that much will depend upon the form in which the Bill may emerge from the other House.

THE HONOURABLE THE PRESIDENT: I think probably the Honourable Member misunderstood or did not catch the statement that fell from the Honourable the Leader of the House. The Honourable the Leader of the House said that it is anticipated that the Bill to be laid before this House to-morrow will be in the form in which it was introduced in the other House yesterday. The Honourable Member repeated that statement when he said that the Bill which is being recommended in another place is the Bill in the form in which it was introduced. Therefore, the Honourable Member has seen the Bill in the form in which it will come here. I understand it was circulated to him last Thursday.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, it is a difficult position not only to have to anticipate matters and measures that may some day be ready elsewhere for consideration here, but also, according to an Honourable Member, to be supposed to have to attend at another place to gather knowledge and catch ideas for the purpose of dealing with questions here. I venture to think, Sir, these matters ought to be settled on merits and not on materials of the kind that have been thus suggested. Honourable Members should moreover be given enough time to consider what amendments they should propose when and if the Bill comes and any time that is allotted for that purpose by the rules should not be curtailed except for cogent reasons. The rules provide for three days' time which is not too long and this is one of those very important measures which ought to be carefully considered before Honourable Members can think of amendments. It is quite true that the Bill was circulated on Thursday, but I do not think Honourable Members have had the opportunity of applying their minds to the subject without knowing what was going to happen elsewhere. I suggest, Sir, that this is not a case where any reason has been shown why the general rule should be relaxed. I quite understand that it will not be convenient for Members to overstay the period which had been originally indicated for work of this Council. At the same time having regard to the importance of the measure and the necessity of applying our minds to it I do not see why because of personal convenience on our side of the House or the other the rule should be relaxed. I think the ordinary rule which admits of taking it up on Saturday should be followed.

*THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-official): If, as stated by the Honourable the Leader of the House, the measure that is going to be placed on the table to-morrow is the identical measure that was circulated to us, so far as I am concerned I have no objection to the matter being discussed to-morrow. But I am committed to some engagements and I will not be here till Saturday. If my personal convenience is to be taken into consideration, I request that the matter may be taken up on Saturday.

THE HONOURABLE SIR NARASIMHA SARMA: There is only one remark I would like to make at this stage. It is hardly likely that the proceedings of the Legislative Assembly in connection with this subject would be ready for perusal of the Members of this House early enough for

*Speech not corrected by the Honourable Member.

[Sir Narasimha Sarma.]

them to proceed to consider the matter in the light of those discussions The clauses to which objection had been taken in another place are clauses 4, 5 and 6 and the Government consider that those clauses are absolutely essential. The Governor General has therefore recommended that the Bill should be passed in the form in which it has been originally introduced. So Honourable Members may proceed clearly on the assumption that the Bill to be introduced here and which will be placed on the table here would be the identical Bill which was circulated to them some time ago, and the only point therefore they would have to consider is what amendments, if any, they will have to table in respect of any of the clauses which they have had time to consider. The Government do not want this Council to hurry up this matter. But perhaps it is desirable for the convenience of Members, official as well as non-official, that as little delay as possible may be interposed between the discussion and the final stages and the placing of the Bill on the table of this House. Inasmuch as the Bill would be placed on the table early to-morrow, if you, Sir, would kindly agree to take in amendments the whole of to-morrow and to consider the Bill on Thursday it would suit us. It is a question for the House to decide as to when it should be considered.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): In view of the remarks of the Honourable the Leader of the House, I would propose that the Bill may be considered the day after to-morrow, that is Thursday. It will be more convenient to many of the Members as there is no work left for the Council Session. The Bill may be put before the meeting to-morrow and discussed the day after to-morrow. That will be most convenient.

THE HONOURABLE MR. V. RAMADAS PANTULU (Madras: Non-Muhammadan): If the Bill is not to be considered to-morrow I would rather press for the usual notice of three days being given.

THE HONOURABLE SIR NARASIMHA SARMA: So far as the Government are concerned, they have no objection to the Bill being discussed to-morrow.

THE HONOURABLE MR. V. RAMADAS PANTULU: I do not know what the general sense of the House is. If the Bill is not to be taken up to-morrow, I would press for the three days' notice so as to give Members an opportunity to send in amendments. Some Members may have objections to some portions of the Bill while other Members may have objections to other parts. I, as a Swarajist, would not like to send in amendments as I am opposed to the whole Bill but there may be amendments which other people move in which I may like to join. The matter has got to be considered very carefully to see what amendments, if at all, may be moved. Therefore, apart from the personal convenience of Members, it will be convenient if the usual three days' notice is given.

THE HONOURABLE THE PRESIDENT: The divergent views expressed have placed the Chair in a somewhat difficult position. It has been suggested that we should proceed to-morrow or on Thursday, Friday or Saturday. In view of the fact that the Bill has been in Honourable Members' hands for five days and that as we are adjourning now, Honourable Members have the whole of to-day to study the Bill, or if they so desire to attend in another place and hear the debate the report of which some of them have expressed a desire to see, I think I should be meeting the convenience of the House as a whole and of the Government if I direct that the Bill, in case it comes to this House to-morrow morning, should be proceeded with on Thursday.

The Council then adjourned till Eleven of the Clock on Wednesday, the 25th March, 1925.

COUNCIL OF STATE.

Wednesday, 25th March, 1925.

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

QUESTIONS AND ANSWERS.

Substitution of a Provident Fund in place of Pension for Government Servants.

169. The Honourable Mr. S. VEDAMURTI: (*a*) Will the Government be pleased to state what action has been taken regarding the Resolution moved by me in the Delhi Session of last year for the substitution of a Provident Fund in place of pension for Government servants?

(*b*) Will the Government be pleased to state whether any representations have been received since then from any Service Association or Conference in support of my Resolution?

(*c*) If the answer to the above is in the affirmative, will the Government be pleased to lay on the table a list of such Associations and Conferences?

The Honourable Mr. A. C. McWATTERS: (*a*) The question is under consideration.

(*b*) No.

(*c*) Does not arise.

The Honourable Mr. S. VEDAMURTI: Will the Honourable Member be pleased to state whether the opinions of Local Governments have been obtained? If so, will he kindly lay them on the table?

The Honourable Mr. A. C. McWATTERS: I should like to verify the fact about consultation of Local Governments.

The Honourable Mr. S. VEDAMURTI: Does not the Honourable Member think that one year is too long a period to arrive at such a decision?

The Honourable Mr. A. C. McWATTERS: The question at issue is an exceedingly difficult one, as the Honourable Member must know. We have, in fact, been in correspondence with the Secretary of State and the matter is being inquired into by the Actuary to the Government of India and the India Office Actuary. It is an exceedingly difficult question and I certainly do not think that a year is too much for considering a question of this kind.

Revised Pension Rules.

170. The Honourable Mr. S. VEDAMURTI: Will the Government be pleased to state when the revised pension rules are expected to be published and with effect from what date?

THE HONOURABLE MR. A. C. McWATTERS: The rules are still under the consideration of the Secretary of State, and it is not possible to furnish the information required by the Honourable Member.

THE HONOURABLE MR. S. VEDAMURTI: Is it not over a year since these rules were submitted to the Secretary of State?

THE HONOURABLE MR. A. C. McWATTERS: I believe that is so.

THE HONOURABLE MR. S. VEDAMURTI: What is the Secretary of State for India doing?

TEMPORARY EMPLOYEES IN THE DELHI PUBLIC WORKS DEPARTMENT.

171. THE HONOURABLE MR. S. VEDAMURTI: (*a*) Is it a fact that the Government of India have ruled that in cases of temporary employees in the Delhi Public Works Department who have put in three years' service their service counts for pension?

(*b*) Will the Government of India be pleased to state whether, on the analogy of this ruling in the case of men holding substantive appointments elsewhere who are employed on deputation in the Delhi Public Works Department, the pay of the appointments held by them in the Delhi Public Works Department will count for pension under the existing pension rules, irrespective of the fact whether their service in the Delhi Public Works Department is three years or less?

(*c*) Will the Government of India be pleased to state whether for the purpose of calculating average leave salary, the temporary rates of pay drawn by men holding substantive appointments elsewhere and on deputation in the Delhi Public Works Department will be taken into consideration in view of the declaration of the Government of India that service of 3 years put in by purely temporary men in the Delhi Public Works Department without any substantive appointment anywhere is eligible for leave and pension?

(*d*) Will the Government be pleased to state whether the average or half average leave salary of men holding substantive appointments elsewhere and on deputation in the Delhi Public Works Department who went on leave prior to the Notification dated 12th November 1924 in Financial 143-C. S. R., *vide* page 1009 in Gazette of India, Part I, November 15th, 1924 and had to extend the leave after that notification will be calculated on the temporary rates of pay drawn by them in the Delhi Public Works Department?

THE HONOURABLE MR. A. H. LEY: (*a*) Yes. The members of certain classes of non-gazetted temporary establishment employed in the Public Works Department, Delhi, have been allowed to count their service for pension provided they have held substantively a temporary appointment in that Department for not less than 3 years.

(*b*) Yes, provided that the increased rate of pay drawn by such men in Delhi is granted on account of increased work and responsibility.

(*c*) and (*d*). The temporary rates of pay are taken into account in calculating leave salary but the question as to whether, when a non-gazetted Government servant takes leave and his pay is less than Rs. 300 or the leave taken does not exceed one month, the average pay for the purpose of calculating leave salary should be taken to be his temporary pay, has been referred to the Audit Department for a ruling and the decision is awaited.

MESSAGES FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

THE HONOURABLE THE PRESIDENT: I have a Message from His Excellency the Governor General.

(The Council received the Message standing.)

"*Whereas the Legislative Assembly has failed to pass in the form recommended by me the Bill to supplement the Bengal Criminal Law Amendment Act, 1925, a copy of which Bill in the form recommended by me is hereto annexed;*

Now, therefore, I, Rufus Daniel, Earl of Reading, in exercise of the power conferred by sub-section (1) of section 67B of the Government of India Act, do hereby certify that the passage of the said Bill is essential for the tranquillity of the Presidency of Bengal.

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

The 24th March, 1925.

Further Message from the Governor General:

"*In pursuance of the provisions of sub-section (1) of section 67B of the Government of India Act, I, Rufus Daniel, Earl of Reading, do hereby recommend to the Council of State that it do pass the Bill to supplement the Bengal Criminal Law Amendment Act, 1925, in the form hereto annexed.*

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

The 24th March, 1925.

THE SECRETARY OF THE COUNCIL: Sir, I lay on the table a copy of the Bill to supplement the Bengal Criminal Law Amendment Act, 1925, in the form recommended by the Governor General.

THE HONOURABLE THE PRESIDENT: As decided yesterday, the consideration of the Bill, in respect of which Messages have now been received, will be taken up at 11 o'clock to-morrow morning, to which hour the Council will now adjourn.

The Council then adjourned till Eleven of the Clock on Thursday, the 26th March, 1925.

COUNCIL OF STATE.

Thursday, 26th March, 1925.

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

BENGAL CRIMINAL LAW AMENDMENT (SUPPLEMENTARY) BILL.

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

"That the Bill to supplement the Bengal Criminal Law Amendment Act, 1925, in the form recommended by the Governor General, be taken into consideration."

In moving this motion I do not intend to inflict upon the House a recapitulation of the melancholy series of crimes and outrages which have rendered necessary the enactment of special legislation in Bengal. His Excellency the Governor General in promulgating an Ordinance for that purpose issued a statement, and though I regret that some tragic items have still to be added to that tragic category, it still stands as a concise and cogent justification of the action which was then taken and which this House is now invited to endorse. The formidable recrudescence of revolutionary conspiracy designed to subvert Government by violence and the perpetration of a series of horrid outrages with that object can no longer be regarded as matter of controversy. The facts are on record. They are admitted even by those who most strongly denounce the action of Government and they are avowed by the revolutionaries themselves. It has indeed been alleged that, although a revolutionary organization with these objects does indeed exist it is not really of such importance as to require such drastic measures, and indeed that nothing more is required to deal with it than the provisions of the ordinary law. It seems to me, Sir, that it is either a singular levity or an astonishing hardihood of assertion that can make such admissions and draw such inferences. It is unhappily the fact that when a matter such as this has been for a long time under discussion there is a dangerous and deplorable tendency for facts to degenerate into phrases. What I seriously urge upon Honourable Members is that throughout the whole of this discussion they should keep those facts very firmly in mind. They should envisage the circumstances of those facts. They should clearly realise and give due weight to their terrible implications. It is a very difficult conclusion for Honourable gentlemen opposite,—if there are any Honourable gentlemen opposite who intend to oppose this measure,—it appears to me a very difficult conclusion for them to say that a revolutionary conspiracy with these objects is in existence but that it is not a matter of great importance. Because, Sir, we are not dealing merely with academical associations of theoretical Nihilists, we are dealing with men who believe less in propaganda and pamphlets than in pistols and picric acid; who, though they indulge in both, prefer murders to manifestoes; and who have acted and are prepared to act on these beliefs

[Mr. J. Crerar.]

and these preferences. We are told that with this situation we ought to deal by the provisions of the ordinary law. Well, now the ordinary criminal law, taking it as a whole, in its relation to a situation of this kind is mainly punitive in its effect. There are certain precautionary and preventive provisions in the ordinary law. We can pass orders under section 144 of the Criminal Procedure Code. We can take security for good behaviour. But is anyone prepared to contend that by measures of that kind we could make the slightest impression on a movement, on an organisation, of this character? We do indeed require special procedure in order to give due application to the penal law but what above all else we require are effective measures of prevention, of precaution and of protection. Those which had been taken are not hasty and ill-considered expedients. They have emerged from the prolonged and exhaustive inquiries of the past and the ascertained results of experience. They are supported by a consensus of opinion from successive Governors and from judicial, administrative and executive officers of every variety of experience. They have been most carefully, anxiously and deliberately considered by the Governor of Bengal in Council and by the Governor General in Council and unanimously approved by both. They were laid for the statutory period on the table of both Houses of Parliament and they have in that sense received the legislative authority of Parliament and they have received the assent of His Majesty in Council. Can it be argued that these are hasty, ill-considered and rashly undertaken measures? It is again argued that measures of a very similar character have been taken in the past but have been taken without avail. That, Sir, I am not prepared to agree represents anything approximating to the true facts. It is true that measures of the character of the Bill before the House now were resorted to in Bengal during the years of the war, and the immediate result of those measures was that by the year 1918 an end had been put to the long series of similar outrages which unhappily darkened the annals of Bengal in those years. When the Royal amnesty was granted in 1919, those measures were withdrawn in the hope at any rate that they would no longer be necessary; and the mere fact that there has been a recrudescence of those activities is no answer to my claim that in those years during which they were used—by the year 1918—they had attained their immediate object. Now, Sir, it would be abdication of Government to permit a revolutionary organization to pursue its course and perfect its machinery to a stage which will enable it to suspend the rule of law and deprive the Government of its authority; so long at least as the axiom is accepted that, to use the words of His Excellency the Viceroy, "the fundamental duty of the Government is to preserve public security on which political advance and all the functions of a civilized organism depend."

Well, Sir, from these general considerations I turn to the immediate objects of the Bill before the House. Honourable Members will observe that it provides, in the first place, for an appeal to the High Court by any person convicted on trial by the Commissioners. It provides also for confirmation of any death sentence which may be passed by the Commissioners. Those are safeguards which the Government of India and all the authorities who had to consider this measure deemed necessary and proper in order to ensure a just and equitable operation of the Act. There are provisions which will authorise the Government of Bengal in any case in which it is found necessary to commit a person to custody in jail; to send him to a jail outside the province of Bengal, and the object of that is the interests of public security, in order that when such necessity arises, a

person against whom such an order is made may be removed from dangerous associations and from the scene of his activities. Thirdly, we have a provision which excludes powers of *habeas corpus* in respect of action taken under the Act. Now, I do not deny that the grant to the executive Government of powers of that character is a very serious matter. But if this measure is to have any effect, which I think all good citizens, however much they may object to the principle of it, will recognise it should have, in order that this measure may have a good effect, it must be made effective from the outset.

I have frequently heard alleged in another place and in the Press, I have heard the authority of Lord Morley alleged in support of criticism of the principles of this measure. Perhaps the House will permit me to quote a few words from that late eminent statesman. I quote from an excellent little book issued by Messrs. G. A. Natesan & Co. of Madras:

> "Let us face that. There is no trial; there is no charge; there is no fixed limit of time of detention; and, in short, it is equivalent, no doubt to a suspension of *habeas corpus* . . . Is there to be no such thing as an emergency power? My view is that the powers given under the Regulation of 1818 do constitute an emergency power which may be lawfully applied if there be an emergency. Was there an emergency last December? I will tell you. The Government of India found in December a movement which was a grave menace to the very foundations of public peace and security. The list of crimes for 12 months was formidable, showing the determined and daring character of the supporters of this movement. The crimes were not all. Terrorism prevented evidence. The ordinary process of law was no longer adequate, and the impression in this community was that the Government could be defied with impunity. We found in the armoury of weapons of Government a law, and applied it. * * * We should have been perfectly unworthy of holding the position we do—I am speaking now of the Government of India and myself—if we had not taken that weapon out of the armoury and used it against the evil-doers."

Then, after reciting some of the safeguards under which the provisions of Regulation III were put into operation, safeguards, I may add, which have been very greatly fortified and extended in the Bengal Criminal Law Amendment Act, Lord Morley went on as follows:

> "Therefore, to end that matter, I think we shall withstand our enemies in the gate with a clear gaze . . . We shall face it with a clear gaze and a good conscience."

Sir, I have endeavoured to lay before the House a plain and unreserved statement of the intentions of Government in submitting this measure, "nothing extenuating and setting down naught in malice". I do not think I have left it open to any candid judge to inquire whether behind the brief clauses of this Bill or the more comprehensive but equally undisguised provisions of the measure which it supplements, there is concealed any subtlety of policy or any unexplained intention. I know of none. I know that there is none. It has been alleged that this measure, taking advantage of some insane outrages committed by irresponsible and isolated individuals, is aimed at a political party whose activities have been embarrassing to Government. I will not plead to a charge so absurd, so manifestly untenable, so remote from the facts. But I will not deny that this Bill is inspired by a political motive. I will tell the House what that political motive is. The Government of India are, with His Majesty's Government and with Parliament and with the British people, pledged to a programme of political advance in India towards self-government. They perceive clearly, perhaps more clearly than their critics who are not so closely in touch equally with the forces which make for progress as with those which make for retardation, that nothing could be more fatal to these intentions and these aspirations than the obstacles

[Mr. J. Crerar.]

which are interposed by lawlessness and violence, by the cult of the pistol and the bomb. The Government are determined to do all that in them lies to remove these obstacles and to keep open the path for all men of goodwill to walk in without let or hindrance. That, Sir, is the political motive and that is the resolved determination which inspires these measures.

*THE HONOURABLE MR. YAMIN KHAN (United Provinces West: Muhammadan): Sir, in his opening speech on the 20th January last, His Excellency the Governor General said that the responsibility was his in promulgating the Bengal Ordinance and he did not like to share that responsibility with the Indian Legislature because he did not think it fair that the Indian Legislature should have that responsibility. This Bill now before this House is to supplement the Act which is on the same lines as the Ordinance. We see that the present Bill in its original form has been certified by His Excellency the Governor General. He recommends the same to be passed in its original form. The necessary conclusion is that we have no right to say whether we agree to a particular clause or not. I had the intention to send in certain amendments to clause 6, but after seeing that it had been certified by His Excellency the Governor General who takes the whole responsibility upon himself and only shares that responsibility with his Government on account of the facts which he has got and his Government have got in their possession which have been communicated to him by the Bengal Government, I did not propose any amendment. Unfortunately, we are not in possession of those facts and without being in possession of the facts which guided His Excellency and his Government to take this attitude, I think it will not be fair for us to either oppose or to support the present Bill. The only possible course left to us under the circumstances is to leave the Bill to be passed by those Honourable gentlemen who share that responsibility with His Excellency the Governor General; but as regards the Members who come here on the vote of the people their actions will be criticised by an intelligent class of people in the country and they will feel that they will have nothing to say in support of their action when the Bill has already been certified before we could express our views on the measure. We know that His Excellency is feeling, and feeling very strongly, that this Bill should be passed. He is of the strong opinion that peace cannot be kept in Bengal unless this measure is passed. Whatever may have been our views otherwise, if this Bill had come to us in the first instance and a different procedure had been adopted from that which has been adopted, if this Bill had been introduced in this House first and we had an opportunity of discussing it on is merits, our attitude would have been a different one. As this Bill originated in the other House and His Excellency has been obliged to certify it in order to present this Bill in its original form, this leaves us nothing further to discuss. We know that His Excellency the Governor General who had been Lord Chief Justice of England would have felt very jealous of taking away the powers of the High Court, and there must have been some reasons which made him adopt this attitude. At least we are not in possession of these facts, and we feel bound to say that we should not in any way possible curtail the powers of the High Court in any shape, as this Bill is proposing to do. With these few remarks, Sir, I at least think that I would leave the Bill to be passed or rejected by the Honourable Members who are in possession of the secret facts or who can take the responsibility upon themselves.

*Speech not corrected by the Honourable Member.

THE HONOURABLE MR. G. A. NATESAN (Madras: Nominated Non-Official): Sir, I feel, I owe it to myself and to this House to state the reasons for my taking part in this discussion and to arrive at the conclusion which we have arrived at. Whether the Bill has been certified or recommended, this is an opportunity to the House to state its views, and I feel it is not proper that a vote one way or the other should be given without stating the reasons frankly. I must state at the outset that it is with a heavy heart and at the same time with a deep sense of responsibility that I begin to speak upon this Resolution. I say "with a heavy heart" because I must confess as an Indian to my shame that there is an anarchist movement in Bengal. I confess it because the fact of the existence of the movement has been publicly acknowledged by more than one leader of a well known political party. But I must state here that I condemn anarchism because I consider that the anarchist is an enemy of mankind. I condemn the anarchist because I think it is nothing but a delusion to suppose that political concessions or self-government can be easily wrung out of the British people by anarchism. Having stated my position clearly, I wish also to state another fact, though some persons would not like it; but I owe it to myself to state that I do not think this weapon has been forged only as an attack against the Swarajists. I do not share that view. I also wish to make it clear that perhaps the ordinary law is not quite enough to reach the anarchist. But I certainly think that if the ordinary law is not quite sufficient to reach the anarchist and put him down as quickly as he certainly deserves, I do not agree with my Honourable friend, Mr. Crerar, that the Ordinance promulgated, the supplementary Bill which has been brought before the House, is the only method. I should certainly go further and state publicly that there is another course. If you think the ordinary law is not enough, you can certainly bring these people to book, but give them, if not all the regular usual ordinary facilities for trial, yet some facilities which I think any man is entitled to—facilities such as those which were given even to Sir Roger Casement in England to be tried in some form or other. If, for instance, the trial could not be in public, it might be held in private. If a vakil is not to be allowed, at least inform him of the charges laid against him. Then I could understand you, but there is no such provision.

I may state at once that when the supplementary Bill was presented I thought that it was a measure which should receive support at my hands, though I would have stated it publicly and on the floor of this House that I disapproved of certain provisions and of the policy of the Bill; but after examining the provisions very carefully and taking the advice of my legal friends so that I might not be misled, I have come to a different conclusion. The Bill gives with one hand the right of appeal and at the same time denies him the ancient privilege of *habeas corpus*; no doubt you provide for trial by Commissioners, but you deny that to all the detenus, that is to say, it is not given to every detenu to apply that his records be examined and that his case be tried by Commissioners; and what is more, you detain the man in custody not for a certain definite period, which perhaps in the eyes of the authorities may be absolutely essential, but for an indefinite period; and what little doubt I had on this point was cleared up by an answer given by the Under-Secretary of State for India the other day in the House of Commons in reply, I believe, to Mr. Lansbury, that he could be detained for an indefinite period. I do not think this is a procedure in which you can expect this House and men like me who have been brought up in the best traditions of British

[Mr. G. A. Natesan.]

rule, cherished, nurtured and fostered in the higher and nobler traditions which every Englishman prizes to give support to this measure. My Honourable friend Mr. Crerar did me the honour to quote a passage from the collection of Lord Morley's speeches which my firm has published. But in the first place let me tell him that that is only a collection of his public speeches. Since then much water has flowed under the bridge; there has also been published a biography of Lord Minto with his private correspondence with Lord Morley; and I would remind the Honourable Mr. Crerar—and I am sure on this point every one will agree with me—that the biography and the diary of a statesman contains the revelation of his heart; it expresses perhaps best what he actually felt morning and evening; and we have the whole thing printed. I would like to read a passage or two. Whether we are converted or not it will do us good to hear it. On May 16th, Lord Morley writes to Lord Minto and says: "Deportation is an ugly dose for radicals to swallow." (*The Honourable Mr. J. Crerar*: "May I ask the date of that?") 1909. On May 27th of the same year he writes:

"The point here taken is the failure to tell the deportee what he is arrested for, to detain him without letting him know exactly why, to give him no chance of clearing himself. In spite of your Indian environment you can easily imagine how galling is such a line as that to our honest English minds with their good traditions of legal right, and you will perceive the difficulty of sustaining a position so uncongenial to popular habits of mind either Whig or Tory."

I was not therefore surprised to hear the Honourable Sir Alexander Muddiman in the other House mention more than once that he disliked bringing in a Bill of this description and that he never liked the business upon which he was engaged. Not only that; but if my Honourable friend, Mr. Crerar, will allow me to point out, there is also on record one other thing in the latest biography of Lord Minto. That is the series of questions put by Mr. F. E. Smith—a very eminent barrister and counsel he was in those days—now Lord Birkenhead who adorns the chair of the Secretary of State for India. He put four questions and they represent exactly the frame of mind which I and my Honourable colleagues have in regard to this matter; and whether you come to the same conclusion as that at which I and my Honourable colleagues have arrived or not, I am sure you, as gentlemen nurtured and fostered in the traditions of British rule, will be able to appreciate the feelings of those Indians who to-day feel that they are not able to extend to you the support which you ask for. I reproduce the questions *verbatim*:

"(1) Have these men been given any opportunity to explain the charges brought against them?

(2) Have they ever had explained to them the grounds on which it has been thought necessary for the Government of India to interfere with their freedom?

(3) What is the objection to informing persons who have been deported as to the evidence and grounds upon which they have been deported?

(4) Has the evidence against the persons concerned been made known to them so as to give them an opportunity of explaining or dealing with it?"

Sir, I think that exactly explains the difficulties which I and my colleagues feel on this side of the House in agreeing to this Bill. I do not think any good purpose will be served by dwelling upon this point. It is to me a matter of deep regret that this measure should have been brought forward at this juncture. Everyone is aware of the unfortunate legacy which the Government of India inherited recently and particularly the Honourable

the Home Member who sits opposite. When the non-co-operators took part in legislative work they came with "a policy of determined and continuous obstruction." I think by tact and by a policy of give and take he was able to persuade them—though not in the hot atmosphere of Delhi, at least in the cooler atmosphere of Simla a few months later—and made these people realise the value of co-operation at least in some matters and in some matters he did succeed. Now when the non-co-operation movement is on the wane and when some of the Swarajists, the more reasonable of them, think that the policy of continuous obstruction is not to be persisted in and they are willing to come forward and co-operate with you, I really think it is most lamentable that this legislation should have been brought forward, because by doing so you are preventing the achievement of the very object which you and I have in view.

My last word upon this subject will be only an appeal. There are friends who may say that the Moderates or the Liberals begin with an appeal and end in an appeal. If it becomes an Act, as my Honourable friend Mr. Yamin Khan, pointed out, we can only give our opinion. When it becomes an Act I must ask you to realise the responsibility which it imposes upon you. Though according to the Act you are not bound to put up the papers of every détenu before the Commissioners, I do hope and I particularly make an appeal to the Honourable the Home Member who sits opposite that the papers of all these détenus will be placed before the Commissioners and that all reasonable facilities will be given to them, at least to the innocent amongst them, to explain their innocence. I do hope that some of them will be able to prove their innocence as it is said that there are many who are innocent. Further, let me also point out that I feel it my duty to say that a measure of this description brought forward at a time when really there is a disposition to co-operate with the Government and give them a helping hand and when most of us think that the atmosphere is clearly better, imposes a great responsibility on the part of the Government. By this course of action you are ulcerating wounds which it should be your endeavour to heal. I fear you are thinning the ranks of your friends and you are tying to swell the ranks of your enemies. I fear you are making it daily more and more difficult for people of a certain political party in this country who feel that it is their duty by constitutional means to give Government a policy of discerning co-operation. I fear you are making that task difficult. It is not only that. You seem to think that because this Ordinance applies to Bengal only, you are entitled to a measure of support at the hands of others. In the first place, it is a very grievous mistake to suppose so, for even if it applies to Bengal only, it is a part of India. Bengal has played no insignificant part in the history of this great country. In the past it has produced great saints and philosophers. In the present it has produced many an eminent scientist and a great poet of world reputation. Although this Act may be confined to Bengal, I do not think its effect will be of a character which ultimately the Government will find is of the best kind. Not only that. This infection is bound to spread from Bengal to all over India. We had an unfortunate example of this in regard to the partition of Bengal. I know many persons in those days used to say that the partition affects only Bengal. Why then should people from other provinces bother themselves about it? But I know the infection spreads and perhaps it is but legitimate that the troubles of one province of a great country should affect others. The other provinces should also sympathise with it, otherwise our contention that we are now a united

[Mr. G. A. Natesan.]

nation, will be anything but true. I therefore ask that the greatest care should be taken in regard to this matter. The Honourable Sir Alexander Muddiman delivered a very interesting and conciliatory speech when he said that even in Ireland this policy of repression had to be adopted and it had been a success. Sir, may I beg that you will not convert this country into another Ireland. The things that have happened in Ireland are too tragic to be recalled. Please do not convert India into an Ireland. Ireland has had to attain her liberty, her self-government by terror, by taking the blood of many people. I say it is to the pride of my race that we never propose to achieve our liberty in that way.

And my last word is this. If you, representing a great and distinguished Civil Service, are able to transform the existing system into that of self-government by peaceful means, taking the people with you side by side at every step, you will have achieved the greatest and perhaps the most unique experiment in history. It will be a crown of glory to you and a matter of great pride to us. Do not therefore do anything which is likely to interfere with this great and noble task which I and my countrymen, and you and the great men who preceded you have set themselves. I regret I am unable to respond to the call of the Honourable the Home Secretary to support this Bill. If I support it I will be writing down my own public career, of over a quarter of a century, however feeble it has been. I have had to protest as a journalist against rules and regulations like this. It would be giving up the case of those who have supported constitutional measures. I would be going against the evidence I gave to the Repressive Laws Committee in 1921. I would be acting contrary to the Resolution passed at the last Sessions of the Liberal Federation, and among those present at that gathering was a distinguished lawyer who was till lately a representative of the Government of India, Sir Tej Bahadur Sapru, a man honoured by the Government and by the people. I feel I cannot respond to the call to support this measure.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY (West Bengal: Non-Muhammadan): Sir, this measure comes before us at a time and in a shape and manner that makes the position more difficult than ever. An era of lassitude and involuntary leisure has been followed by a few hours of high-pressure, and which have not suffered for consideration of the measure that its importance demands intensive work.

What is the history of this measure as presented here? On the 25th of October last His Excellency the Viceroy and Governor General of India promulgated the Bengal Ordinance and issued a statement of reasons in support of it. On the same day I believe the Government of Bengal, in promulgating that Ordinance locally, issued its own statement of facts and reasons. His Excellency the Viceroy in this statement was pleased to say:

> "I am convinced that the preparations and the plans for criminal outrages are now so dangerous and developed that it is necessary to provide immediate safeguards by an Ordinance. Permanent measures to remedy the situation will in due course be presented by the Local Government."

The Government of Bengal issued a Resolution on the same 25th of October, in which the following passages occur:

> "The situation has become so serious that the Governor in Council is forced to ask that he may be armed with the extraordinary powers which will alone enable him to deal with it effectively. He has therefore decided to summon the Legislative Council without delay to consider measures of legislation which will be placed before it to that end. This legislation will follow the lines of the Defence of India Act and Rules which proved effective in crushing the conspiracy of 1914-1918 which had the same aims, the same methods, and largely the same leaders as the conspiracy of to-day."

The Resolution went on to say:

> "The necessity for dealing with the terrorist movement swiftly and effectively, so as to ensure the arrest of the most dangerous conspirators without giving them warning which would enable them to carry on and direct the conspiracy whilst in hiding, has compelled the Governor in Council to ask the Governor General to promulgate an Ordinance on the lines which the Bill will follow."

That was on the 25th October. Early in January a meeting of the Legislative Council of Bengal was summoned and the permanent measure, which had been indicated by His Excellency the Viceroy and His Excellency the Governor of Bengal, in advance, was placed before the Council for acceptance. It was not accepted. Thereupon the certification procedure followed but it could not be made law till the Royal Assent had been received. I do not know, Sir, when the Royal Assent was received; we have no information on that point. (*The Honourable Sir Alexander Muddiman*: "On the 18th March.") Well, Sir, I am afraid the very regrettable illness of His Majesty must have delayed the matter. In this connection I think this House will be entirely with me in expressing its gratification that the recovery of His Majesty has been so quick and the hope that the rest and change His Majesty is now having will soon set him up fully.

The matter was delayed for reasons which I did not understand before. His Excellency the Viceroy indicated its nature and scope in advance in opening the Delhi Legislative Session on the 20th January when he was pleased to observe:

> "It may also become necessary for my Government to introduce in the Legislature a measure to define the powers of the High Court in relation to tribunals and proceedings under the special Bengal Criminal Legislation."

Delay in receiving Royal Assent makes no doubt a difference in the position of the House and the Government of India could not be blamed for bringing up the measure late. However, that does not make any real difference to the situation. As the Royal Assent was delayed consideration of the measure by the Central Legislature should have been and should be delayed proportionately. This House on the very last day of the Session, which has been extended for this particular purpose, and as a result of relaxation of rules at your discretion, is bringing this measure before us now without those materials which I think this House is entitled to have before it can give a considered judgment on the situation.

I cannot agree with my friend the Honourable Mr. Yamin Khan that because the measure has come as a recommended measure, because the measure has come as a certified measure—it is not open to or desirable for the House to consider it on merits and give its verdict. I think he urges that it is not up to the House to take any steps that would go contrary to that certification or that recommendation or that it would be futile to attempt to do so. Both views are, I think, wrong. If that was not so, and if the object of section 67-B (1) was to stifle discussion after certification, I do not think you would have indicated from the Chair that amendments would be received all day yesterday. That amendments could be moved on certified Bills was established last year. The practice has been settled that even on amended and certified measures amendments could be

[Sir Deva Prasad Sarvadhikary.]

moved, and it was open to Honourable Members to take what view they liked of the Bill and the clauses. But whether it would be useful to send in amendments or not and to vote on the clauses as they come up without moving amendments, is quite another matter. It is clear however that owing to the shortness of time and the want of facilities for adequate consideration it was not possible to take those steps, which Members would have been glad to do otherwise.

Sir, we have only to look round the House and its depleted benches to see how Members who had calculated upon the end of the Session according to the previous indication, are not in their places and it is hardly right for the House sitting like this to be expected to give its considered opinion on a measure of this importance. If there was real emergency with regard to this measure one would not make this complaint; but we have not heard yet what the emergency with regard to this particular supplemental Bill consists of and why it could not wait. True, it provides facilities for appeal, facilities for revision by the High Court in cases of capital sentence, facilities that people should have, if the Ordinance Act must continue. But, Sir, we cannot get away from the fact that His Excellency the Governor of Bengal (and I believe the Under Secretary of State in Parliament) has repeatedly told the world that there is no intention at present, at all events, of bringing those who are under arrest to trial, and therefore as a matter of practical proposition I do not think a case of emergency with regard to the appeal and revision clauses could be pleaded. I do not say anything for the present with regard to clauses 4 and 6.

Sir, the Bill comes before us without any authoritative indication as to what has happened elsewhere. The proceedings have not been circulated and we have nothing officially. I do not know whether it is seriously expected that Members of this Honourable House should batten on newspaper scraps and gallery eaves-droppings, shall I call it, and that they should be left to gather facts, which may be more or less incorrect, for themselves and make up their minds as to what they should do in view of happenings elsewhere. Even the Honourable the Home Secretary in his opening speech has not been good enough to tell us what happened in the other House authoritatively and officially, which makes it necessary for this House to take up this measure now and in this particular form. From what one gathers from newspapers and from hearsay—I put it no higher than that—the Assembly assented to the acceptance of the principle of the clauses regarding the appeal and revision by the High Court in capital cases. The Assembly rejected the other three clauses and thereupon the Home Member, on either of the two occasions that the measure came up before the Assembly did not move for the passing of the measure. He applied to the President for a certificate that the Assembly had failed to pass the measure in this recommended form. Objection was taken that that certificate could not be issued because, as a matter of fact, there had been no motion for passing of the Bill; but it was held, that by implication the Assembly had failed to do so and thereupon a certificate was granted. Well, Sir, those broadly speaking are supposed to be the facts. Neither in the other House nor in this have the Government made out a case as to why at this very last hour as it were of the Session of this Council, without materials to which I believe and submit it is entitled, it should be asked to give its verdict.

For the moment I do not propose to follow the Honourable the Home Member with regard to the general background, the framework, if I may call it, of the situation ending in the supplemental Bill, as he has chosen to present it to the Council. We, the men from Bengal, have fallen upon evil times and evil tongues and we find it incumbent upon us at every stage to meet the fierce gaze of officials and demi-officials who think that Bengal is now a lost province, about whom no language is strong enough to describe what is supposed to be going on there broadcast. They think that the whole of the people or bulk of the people of Bengal are responsible for (let the Honourable the Home Secretary say what he may) what cannot be called anything but violent crimes of a very regrettable nature. They forget that there is another side of the picture, that there is a bigger and better Bengal which should not be exasperated. They forget that these abominable crimes are generally sporadic, ill-sustained and probably ill-organised. There have been cases and a series of cases which none regrets more than I do; but they are practically isolated. Sir, the Government have at all events not given us any information to indicate that there is an organised "political movement" at the back of those crimes that can be connected with popular and widespread desire to advance the constitutional interests of the country or political aspiration, elements essential for what may be called revolutionary movements.

12 NOON. Sir, if there was reason to believe the existence of a conspiracy like that, that and that alone would make the people of Bengal hesitate to object to the provisions of the most drastic nature, whatever may be urged regarding the sanctity of ordinary procedure and normal law of the country. In absence of such evidence these are violent and abominable crimes for which emergent exceptional law should not be needed. We have had a chapter of exceedingly regrettable incidents, crimes, violent crimes for a series of years, call it revolutionary crimes if you like, revolutionary possibly from the point of view of those that are responsible for them. But that cannot be called an organized revolutionary movement for the furtherance of political aims and aspirations of any considerable section of the country or the people. They are mere insane crimes that ought to be put down with a heavy hand, for which there is ample machinery. That is where I draw the line, and I do not think that my Honourable friend's gratuitous warning about "levity and hardihood of assertion" will change the situation or is warranted in this connection. The Honourable the Home Secretary deprecated indulgence in phrases and he did not desire facts to degenerate into phrases. I myself do not desire to use phrases and overlook fact, but I say that till we have proof to the contrary, the politically minded people in Bengal are entirely prepared to support all legal and legitimate machinery for good government and cannot possibly concede for a moment that these are revolutionary movements of an organized character connected with responsible people desirous of advancing the political interests and aspirations of the country. Violent crimes, for their own sake and political propaganda of a revolutionary nature are quite distinct. That may be a fine distinction. But it is a distinction that has to be borne in mind when one wants to use a measure of this kind, for political purposes, as has been claimed by the Honourable Mr. Crerar to-day,—even political purposes meant according to him, for securing the working and advancement of the reforms on the success of which the Government and we are at one.

However, Sir, those are matters into which I need not go to-day. I refer to it only because the Honourable Mr. Crerar did refer to it for the

[Sir Deva Prasad Sarvadhikary.]

purpose of his claim. I prefer to confine myself strictly to the legal and constitutional aspects of the question. We are not discussing here the parent measure, shall I call it, I mean the local Act, and the supplemental measure, that is now before the House. It is difficult to say which is the parent measure and which is the other thing.

Here I have a great complaint against the Government. If the measure had been brought before the Central Legislature as a whole as it should have been, both the Houses would have had abundant opportunities of making their mind clear on the whole question. The other House had a Resolution of their own discussed on the Bengal Ordinance. We had no opportunity of doing so in connection with this measure except very incidentally. I do not want to go into that aspect of the question now. My complaint against the Government of India is that the Central Legislature has been made to abdicate its powers. Well, Sir, the Ordinance is under section 72 of the Government of India Act which says:

"The Governor General may, in cases of emergency, make and promulgate Ordinances for the peace and good government of British India or any part thereof, and any Ordinance so made shall, for a space of not more than six months from its promulgation, have the like force of law as an Act passed by the Indian legislature; but the power of making Ordinances under this section is subject to the like restrictions as the power of the Indian legislature to make laws; and any Ordinance made under this section is subject to the like disallowance as an Act passed by the Indian legislature and may be controlled or superseded by any such Act."

I lay stress on the last line of that section. Now, Sir, what has happened? Whether the Bengal Act that has been certified is "controlling" or "superseding" the Ordinance promulgated by His Excellency the Viceroy on the 25th October is a matter for this House to judge—if it is controlling or superseding or what amounts to supersession at the end of the statutory period of six months, I say the provisions of section 72 of the Government of India Act have been unwarrantably contravened. The Bengal Act cannot under section 72 be construed or accepted as such an Act which could supersede or control the Ordinance promulgated by His Excellency the Viceroy. And it proceeds to make what is frankly an emergency provision under section 72, a permanent measure for five years which is unwarrantable. I am not quarrelling with His Excellency promulgating the Ordinance, for the moment, if there was an emergency. That is past. There is no use of going into that question for present purposes. At all events, the six months' period for which the Ordinance would be in force is drawing to a close and now the Government of India would and could have done one of two things, either prolonged the life of the Ordinance or had an Act of their own by which some further measures, punitive as well as preventive, could have been made a part of the law of the country. What do they do instead? They hand over to the Government of Bengal the right of making its own Act and that in advance of the expiry of the period of five years. The extract I have read from the Resolution of the Government of Bengal, dated the 25th October, and the Viceroy's statement of reasons make one thing clear, and that is that at the same time that the Ordinance was promulgated, the desire of having a permanent measure taking the place of that Ordinance was present both in the minds of His Excellency the Viceroy and His Excellency the Governor of Bengal. Well, to begin with, that thwarts the very provision which gives sanction to an Ordinance, frankly an emergency measure. If an emergency measure or its continuation is not enough, if there must be a permanent

enactment, what is the authority to pass that legislation? Assuredly it is the Central Legislature and I do complain that the Government of India have not done well by the people nor by the Central Legislature in giving away that power. Well, Sir, we have been told in connection with the *habeas corpus* question that this prohibitive measure in clause 6 of the present Bill is a sort of analogous measure to that which by section 491 (3) of the Criminal Procedure Code takes away *habeas corpus* rights in respect of Regulation III of 1818. We have had our quarrel with Regulation III of 1818. We have had our quarrel with the Rowlatt Act. But what is now being promulgated and considered is, I am afraid, from many points of view a good deal worse than either Regulation III of 1818 or even the Rowlatt Act. Regulation III had certain objectives and made the position of action taken under it very clear. One of the objectives was laid down in the Preamble of that Act as follows:

"Whereas it is fit that in every case of the nature herein referred to the determination to be taken *should proceed immediately from the authority of the Governor General in Council.*"

That is as clearly laid down as possible, and why was that? There was a dual check provided the Local Government had reasons to urge a certain line of action to be taken and made its report on materials that were collected. For the purpose of checking those materials and for having a second consideration, the matter had to come up before the Governor General in Council and it was on the warrant of the Secretary of the Government of India alone on proper materials that action under the Regulation could be taken. That has been changed and changed for reasons which have not been indicated in any of the long and elaborate defences in Council, in Durbar, in resolutions and in communiqués and statements of reasons. Nor have we had that, Sir, in any shape in the somewhat meagre Statement of Objects and Reasons that accompanied the Bill which was circulated on the 19th of March to Members of this House before being introduced in the Assembly. Of course when the Bill was laid on the table yesterday, being a certified and recommended measure, there was no object or reason attached to the Bill. The great reason of passing this measure now is that it is certified by the Governor General and the usual Statement of Objects and Reasons has not been repeated. That is another part of the question but the point of view from which I want to speak is that the Government of India have nowhere indicated why this very salutary and very necessary provision in the Bengal Regulation III of 1818 has been departed from and why the "determination to be taken" should not proceed now, as then, "immediately from the authority of the Governor General in Council," but by delegation, from the authority of the Governor in Council.

Now, Sir, that is the first point I wish to submit with regard to Regulation III by the analogy of which we are invited to enact clause 6 in this Bill in connection with section 491 (3) of the Criminal Procedure Code. Let me read to the Council a further part of the Preamble:

"Whereas reasons of State embracing the due maintenance of the alliances formed by the British Government with Foreign Powers, the preservation of tranquillity in the territories of Native Princes entitled to its protection and the security of the British dominions from foreign hostility and from internal commotion occasionally render it necessary to place under personal restraint individuals against whom there may not be sufficient ground to institute any judicial proceeding or when such proceeding may not be adapted to the nature of the case, or may for other reasons be unadvisable or improper."

[Sir Deva Prasad Sarvadhikary.]

The Preamble sets out the whole of the circumstances under which the assistance of Regulation III is to be invoked. What does the Bengal Ordinance do? The Preamble is very meagre:

"Whereas it is desirable to supplement the ordinary criminal law of the country, etc."

and the safeguards, as I call them, provided in the Preamble of the Regulation are not in the Bengal Act.

THE HONOURABLE MR. J. CRERAR: Will the Honourable Member refer to section 11 of the Bengal Criminal Law Amendment Act?

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: I am now talking of the Preamble. I have not lost sight of the clause to which the Honourabe Member refers. I shall come to that later. The Honourable Member has been good enough to draw my attention to section 11. He will see that there is a difference between the wording of section 11 and the safeguards in the Preamble of Regulation III. I do admit that there is some indication of restriction in the Bengal Act but for practical purposes it is a blank card.

THE HONOURABLE MR. J. CRERAR: My point is that it is a very much narrower indication than the Preamble to the Regulation.

THE HONOURABLE SIR DEVA PRASAD SARVADHIKARY: That is my Honourable friend's point but that is my complaint. We have other provisions in the Preamble of the Regulation about revision from time to time. Various other provisions have been provided in the Regulation which do not find a place here. In spite of that fact we have the Bengal Act forged in advance by the Local Government which we are now asked to supplement. I should like to refer for one moment to what His Excellency the Viceroy was pleased to tell us at the opening of the Legislature and which has been referred to at length by the Honourable Mr. Yamin Khan. The responsibility for the Ordinance was entirely the Viceroy's. No one can quarrel with that for that is his statutory right regarding Ordinances. But things went further and the Ordinance was permitted to be made permanent by the Local Government, by certification after the Local Council rejected the measure. The parent responsibility for this permanent measure was unwarrantably withheld from the Central Legislature and now a supplementary responsibility is to be laid on the Legislature, and that, Sir, for good reasons. I have been looking at the Ordinance promulgated on the 25th October. Neither there nor in His Excellency's speech is there any indication that under the somewhat broad terms indicated by His Excellency in opening the Legislature clauses 4 and 6 were likely to be brought in. Neither the Legislature nor the country had enough notice about it. His Excellency on the 20th January said:

"It may also become necessary for my Government to introduce to the Legislature a measure to define the powers of the High Court in relation to tribunals and proceedings under the special Bengal Criminal Legislation."

I admit that the terms "tribunals and proceedings" are broad enough to admit of any ancillary measure, within of course proper limitations, being introduced. But looking down the provisions of the Ordinance one does not

come across any provisions that had a semblance to some of the provisions contained in these clauses. If that was in contemplation, even as an emergency measure, we should have expected some indication that it would be necessary to provide for power to transfer a prisoner from one gaol to another or to construe the sections regarding the favourite provision about taking away the rights of the Courts regarding prosecutions and suits for damages or the important right of *habeas corpus* and indicate that they are likely to be taken away in the manner now proposed. Some of the provisions do not find a place in the Ordinance itself nor in any pronouncement that followed.

This Bengal Ordinance Act was opposed by the Bengal Council, and this is what one of the Members there who opposed the introduction of the measure, no other than one of the authors of the Rowlatt Act itself, said about the enactment:

"I am sorry to say, Sir, that the Bill proposes not a physician's treatment of the malady but a quack's remedy. I think that if the Bill be certified or passed by the Legislative Council, it will not only fail in its object, but will perhaps be, although it is farthest from the intention of the Members of the Government, a helpful measure towards the propagation of the revolutionary movement. In view of the dangerous nature of the movement, I do not like to further elaborate my reasons publicly on this point."

I do not want to follow in detail my Honourable friend, Mr. Natesan as to the likely results of drastic measures like these without a due consideration of the surrounding circumstances, but I endorse his apprehensions. Many of us are afraid that the result of an enactment like that, particularly provisions like those which we are now called upon to enact, will make the situation still more grave. You propose to take away the powers of the High Court; you propose to take powers by which you can send prisoners from one part of the country to another. My Honourable friend, Mr. Crerar, did not quite make it clear as to how that was a necessary power to be taken in a vast province like Bengal, with its endless number of jails and places of detention, uphill, on rivers and in the plains—why a man should not continue to be in his own province while under detention and why he should have to be taken away from what is called his dangerous associates and from the scene of his activities. Bengal is by no means a small province, and without further enunciation of reasons in support of it, demand for such a power will not appeal to this House. Supposing rights about *habeas corpus* continued, what would have been the result of the exercise of a power like that, on a man being taken out of the province, where the High Court in its appellate jurisdiction has jurisdiction with regard to *habeas corpus* under section 491? Why should he be taken away from that province? Any rights that were provided for him for safeguarding the interests in the matter of *habeas corpus* would also simultaneously be taken away. We have a dual disadvantage here. But, Sir, there have been cases in which men have been sent to distant provinces where practical difficulties of the gravest type arose with regard to communication of the man with his family, with regard to his family being permitted to see the prisoner at such times as is permissible. Minor difficulties of that kind which may not appeal to the House at the present moment are in their cumulative effect a great hardship upon prisoners. For these reasons, Sir, I think clause 4 has no justification in this supplemental Bill and it should have therefore stood out.

[Sir Deva Prasad Sarvadhikary.]

I do not propose to labour various points that have been raised elsewhere, because they are now common ground and have been often repeated, and further repetition of those grounds here will not advance matters.

I shall now turn to the question of *habeas corpus*, which is attempted to be taken away by clause 6 of this Bill. One should have first thought, Sir,—I have heard it stated—that this power is attempted to be taken away by an analogy, because by a recent enactment section 491 (3) of the Criminal Procedure Code has been added to in the following way:

"Nothing in this section applies to persons detained under the Bengal State Prisoners Regulation, 1818, Madras Regulation II of 1819, or Bombay Regulation XXV of 1827, of the State Prisoners Act, 1850 or the State Prisoners Act, 1858."

I have heard it stated that in a special measure of this kind unless a provision like this is incorporated somewhere and somehow the object of the enactment will be thwarted. I should have thought that if this enactment as a whole was undertaken by the Central Legislature, the addition of the words "Bengal Ordinance Act of 1925" to section 491 (3) would have been a more proper way of amending the section. I can understand the reasons, and good reasons, from the point of view of the Government of India as to why that has not been thought of, but clause 6 has been attempted to be enacted in the way shown in the recommended Bill. One reason probably is that the Bengal Act is limited to 5 years. Another may be that it is not an all-India enactment. The last, however, is a reason that will not apply, because none of the Regulations mentioned in section 491 (3) is an all-India enactment. I cannot gather what was in the minds of the Government in attempting to amend this portion of the law in this particular way. Whatever those reasons might be, I say the question of analogy does not arise. I do not want again to go through the Preamble or various provisions of Regulation III of 1818 or the other Regulations mentioned in section 491. They have safeguards and provisions which for immediate purposes are superior to those that the Bengal Ordinance Act has provided. And if, arguing by analogy you want to apply to the Bengal Ordinance Act the very drastic provisions of section 491 (3) I say you go a good deal beyond what you I believe originally intended, because you never indicated that in your original Ordinance nor in any of the literature that followed, for I believe the analogy is the only ground which can be urged. But, Sir, this question of analogy has another aspect also.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: Did my Honourable friend say that the Ordinance contained no provision barring *habeas corpus*?

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Not of this kind.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: Did my Honourable friend say that the Ordinance contained no provision barring *habeas corpus*?

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Not in the way proposed to be enacted here.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: That is not an answer to my question. Did my Honourable friend say that the Ordinance contained no provision barring *habeas corpus*?

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Yes, in the way that it is enacted here.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: I refer him to clause 24 (2) of the Ordinance.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: That is put in a different way and that was the point which I was making with regard to it.

Now, whatever that may be, that analogy does not hold good because of the absence here of provisions contained in the other Regulations which are a safeguard of the subject's interest. Having regard to the well-known maxims which are the basis of the *habeas corpus* right, it is according to the British jurists and judges the privilege of the meanest of subjects, which can be taken away only for grave and emergent reasons and in cases of felony and treason. The Government may say that we have materials which make the man responsible for his actions that we consider to be analogous to felony and very close to treason. That again is a matter in regard to which under normal circumstances the jurisdiction of the courts would not be ousted and that ousting is attempted here in a way that does not appeal to the people. If there is necessity for restraint have the restraint. But unless it can be proved that a person is illegally or improperly detained in public or private custody he shall not be set at liberty. No High Court would take action in the matter unless it was proved that the person was illegally and improperly detained and the propriety of the detention and the legality of it would be a matter which the Government would have no difficulty to prove; I am sure the Government would not mistrust their own High Court to the extent that they distrust their other courts in regard to action for damages or prosecution against which section 24 of the Act is a bar.

For all these reasons, this House cannot well support the whole of the enactment that is before us, namely, clauses 4, 5 and 6. That is a position that some of us feel bound to take and for that reason we shall have to oppose the passing of these clauses.

THE HONOURABLE SARDAR CHARANJIT SINGH (Punjab: Nominated Non-official): Sir, no one likes exceptional legislation; and as my Honourable friend Sir Charles Innes said the other day in another place, the Government themselves are as averse to it as anybody else. But in the words of Justices Chandravarkar and Beachcroft:

"The procedure to deal with revolutionary crime has to be practical in the sense of being appropriate to special conditions, so as to secure as fair a trial as is feasible under the special situation. It is impossible to secure a fair trial by the procedure of the Evidence Act and the Criminal Procedure Code, which is appropriate only to normal conditions of crime."

Though the situation in 1923 was grave His Excellency was reluctant to invoke the powers conferred on him by the Government of India Act until he was completely satisfied that all other means for dealing with the emergency had been exhausted. That such an emergency now exists no one can deny. Mr. Das said on the 30th August:

"Undoubtedly there is a much more serious anarchist movement than the authorities realize. It is growing increasingly difficult to suppress it."

[Sardar Charanjit Singh.]

Again Mr. Pal, I think, said the other day in another place that there was a revolutionary movement in Bengal. As a matter of fact Mr. Pal complained as to why measures were not taken earlier to suppress this movement. After all this I cannot understand what objection anyone can possibly take to this Act which has come to us with the recommendation of His Excellency the Viceroy, in whose opinion the passage of this Bill is essential for the tranquillity of the Presidency of Bengal. As we all know, His Excellency is a most distinguished *ex*-Lord Chief Justice of England and a foremost statesman of international fame, who would not be moved to take a step of this kind without the gravest necessity. This Act will not in any way touch or affect the liberties of any citizens whether engaged in public or private affairs so long as they do not connect themselves with violent criminal methods. Moreover, we find that any person convicted on trial under this Act can appeal to the High Court of Calcutta; and if a sentence of death is passed by the Commissioners, that sentence shall not be executed until it has been confirmed by the High Court. I cannot conceive of a better safeguard, and to my mind there cannot be any ground for miscarriage of justice under these circumstances. The cause of India, Sir, will not be forwarded by terrorism, and I would strongly appeal to this House to have full faith and confidence in the judgment of His Excellency and to pass this Bill.

THE HONOURABLE MR. S. VEDAMURTI (Burma: General): Sir, it was my regret that, owing to my ill-health, I was not able to take an active part in the discussions this Session. But my ill-health cannot prevent me from recording my protest—my emphatic protest—against the introduction of this Bill. Sir, I am entirely opposed to the principles that underlie the Bill, and to the policy enunciated by the Bill. The suspension of the *habeas corpus* is a most extraordinary procedure—a procedure which deprives the citizen of his most cherished right. The whole Bill is, in my opinion, vitiated by the suspension of the *habeas corpus*.

Sir, there is an impression in the country that the Council of State is the handmaid of the Government of India, and that it exists in the Constitution to register the decrees of the Government of India. And even that Council to-day is offered an ultimatum in the shape of not only a recommended Bill but a Bill certified by the Viceroy and Governor General. We are asked to pass the Bill at the point of the bayonet. It does not certainly mean a courtesy, an ordinary courtesy due to this Council. I regard it as an insult to the House to be called upon to pass this Bill. It is a sheer waste of time to discuss the Bill, for the Government here are not to be convinced by a discussion, and an adverse vote will not make the Government deviate even by a hair's breadth from the course that they have chalked out for themselves. To me the whole procedure seems, in all conscience, to be a farce. I think, Sir, that I cannot honestly be a party to the passing of this Bill, and to emphasise my protest against the Bill, I withdraw from the House when the Bill is under discussion.

(The Honourable Member then withdrew.)

THE HONOURABLE MR. R. P. KARANDIKAR (Bombay: Non-Muhammadan): Sir, I will be obliged to go a little more into the details of this Bill than I would have ordinarily done. In spite of the warnings given by my Honourable friends here that it is useless to discuss such a measure, I will endeavour to prove that a measure of this kind cannot stand criticism.

The present Bill wants to supplement the Bengal enactment and the Bengal enactment in its own turn wants to give a longer lease of life to the Bengal Ordinance which would expire by the 25th of April next. It is the Bengal Ordinance which has been in a manner perpetuated on the Statute-book of a province and it is endeavoured by the introduction of this supplementary Bill to invoke the blessings of this House as representing public opinion on a measure of that kind. I must affirm that I decline to be a party to that extent. I will give my reasons. I have tried to look into the provisions of the Bengal enactment of 1925. Even at the cost of incurring the displeasure of some of my Honourable friends here who have studied the literature so far, I am bound to take it that it is my duty to enlighten the opinion if I can on the various provisions of that Act. I do it in order to bring home to all concerned that there has been a policy of distrust which pervades the whole Bengal enactment as well as the supplementary enactment that we have to deal with here. I will proceed to enumerate my reasons one by one.

In the first instance, there has been a distrust as has been pointed out by the Members of this House. Possibly it may be that we may have deserved it. But for a Government to distrust its own judicial functionaries is rather too much. Take, for instance, the first provision of the Bengal enactment. It substitutes, in place of the ordinary courts, Commissioners. I know that they are three in number and their selection depends upon certain qualifications, but these Commissioners are selected by Government out of their own servants. (*The Honourable Sir Alexander Muddiman*: "What are District and Sessions Judges?") If the Honourable the Home Member will care to listen to me a little more, he will be satisfied and I do trust in the end he will vote with me. The Commissioners who have to decide these cases are not the ordinary Sessions Judges, though they may possess, they have to possess, certain qualifications. But I decline to think that the ordinary judicial tribunals of the land should be so distrusted as to be deprived of their jurisdiction to try the cases against these individuals. Then further on there is distrust of the procedure to be adopted by the Commissioners, as distinguished from the procedure appertaining to the Sessions trials. In the Sessions trial the trial has to be with the aid of the assessors or a jury. Now it appears clear, Sir, that a jury finds no place whatever in the enactment. I do not know whether any Englishman for a moment could concede that he should not be tried by his own countrymen and tried without a jury. The English people have always claimed a jury. But here there is distrust in a jury along with distrust of the Sessions Judge. The criminals who come before the court will be deprived of the benefit of the opinion of the assessors, and especially of trial by jury, and I really do not find any justification for a continuance of an enactment of that kind. And you further find that the Evidence Act has been interfered with by the enactment inasmuch as a certain document which will require more formality and greater criticism is admissible under a certain section of the enactment. I see no reason why that should be perpetuated.

Further I find that under the present Bill there is no right of appeal to any one. Indeed when I went through the enabling section, which asked the Government to frame rules on the point, I found it merely took notice of the prosecution side. I know there have been public prosecutors, but I do not know that there has been an institution of public defence, in murder cases for instance ordinarily the defence gets the help of the Government's Legal Adviser. That power is not given under the enabling section, which

[Mr. R. P. Karandikar.]

speaks of rules framed for the purpose of conducting the prosecution. There is nothing to show that there should be any provision for defending an accused person of that kind. You find, therefore, the procedure of the Sessions Judge has been departed from in particular sections which deal with trials as such. I am trying to divide the enactment into two portions, first that which deals with trials, and the other which, without trial, submits certain people to residence in jail. Of the first kind I really fail to see that a case has been made out to show why the Bengal judiciary should not be trusted, and why that system should not prevail for the purpose of determining whether a certain man in the Presidency is guilty or not, and why three Commissioners should be called upon to decide a matter in reference to which there was no appeal provided for by that enactment as it stood. That is one part of the case. I have given the salient features so far as the first part of the enactment is concerned.

Coming to the other part, it deals with persons who are to undergo, not an imprisonment but location in a certain jail. There are several safeguards, 15 days, one month, one year provided for in the several provisions of the Bill. But the point that struck me was that at the end of one month the evidence was to go before two Judges. I really fail to call them Judges because they are not entitled to pronounce any judgment or make any decision whatever but to report the matter to Government; and consequently I do not look upon them as Judges because if they were to exercise the powers of Judges they would be doing a thing which offends the first principles of justice. You are not entitled to hear the other side except from such statements as the offender or the accused person may try to put forward. The man has not the right to appear before the two Judges either by himself or through counsel. There is no hearing whatsoever and the proceedings of these two Judges and their report will be a confidential matter. On that confidential report the Government will act. Now I put it to Honourable Members here, could you for a moment approve that the man who is to be deprived of his liberty is to be sent away, should be so deprived of his liberty without any opportunity being given to him to know the evidence against him, to prove his innocence, by engaging counsel or by personal defence? And when a man is deprived of his precious right of being heard before he is condemned, I do really think it is a measure which can hardly be said to be one which this House should pass.

Those are some of the salient features. I have not travelled over the whole ground but I do think that if my Honourable friends here are inclined to go into that they will find a number of things which militate against the possibility of this measure being considered as in any way justifiable Now, as I have found therefore, there has been a policy of distrust pervading this Bill throughout from beginning to end—distrust of their own judicial officers, distrust of the public, even of those who would care to help or assist justice by acting on the jury or as assessors. This measure only trusts the Police Department. That is the only department which I find has not been in any way interfered with by this enactment Now these are some of the features of this Bill.

Now I shall show the stages through which it has passed. We are talking of a Bill which pertains to a particular province. Now let me tell my Honourable friends here that when this Bill was before the local Legislative Council, the representatives of the people and most others concerned threw it out by an overwhelming majority and among those that voted against it

was, as has been pointed out a minute before, Sir Provash Chandra Mitter, whose words are worthy of being quoted at this stage. Sir Provash Chandra Mitter was anxious to support Government. He said towards the end:

> "My opinion differs from my Liberal friends' as it is based on knowledge which they do not possess. * * * It also differs from Government's opinion as my association with political movements and political activities for the last 30 years gives me an insight into an aspect of the question which is not available to any member of the Government, British or Indian."

I would prefer to rely upon the opinion of Sir P. C. Mitter than on the quotation from Mr. Pal who in his zeal for putting the case at its highest may have admitted for a moment that there was a recrudescence of that sort of anarchy which requires drastic treatment. But that is not the opinion, the considered opinion of one who was himself on the Rowlatt Committee and who went into the proceedings of the Council and the action of his own people and who has declared that certainly he could not share the opinion that was held in respect of the anarchy that was prevailing in Bengal. Now, therefore, when that Bill was negatived by the local Legislative Council, it now comes up in another form in a manner to evoke our sympathy and have a sort of confirmation at our hands, for if we really supplemented that Bill it would be accepting the principles of the Bill and the several provisions of the Bill and that we further want to supplement those provisions. I do really think that it is in a manner asking this House to confirm what the Government wanted to do there in spite of the opposition of the local Legislative Council. Government there took the responsibility. Let them take the responsibility wherever this Bill goes. That was the view held by the local Legislative Council and I do not think that there has been anything placed before us here to induce us to hold out any hope that as representatives of the people we are passing this Bill for that Presidency the real representatives of that Presidency having declared that they really did not want it because the circumstances do not exist.

Now, I just want to say a word more with reference to the present Bill. It gives appellate jurisdiction to the Bengal High Court; when I say appellate jurisdiction, I characterise it as geographical jurisdiction as well as functional jurisdiction. Functional jurisdiction it does give because it constitutes that High Court as holding power to go into these matters on appeal. Geographically, I take it, because that High Court would be disabled from entertaining any petition from any person who can be removed out of the geographical limits of that High Court in consequence of the operation of section 4. For instance, if under section 4 a person were outside the Presidency of Bengal, it would have been open for that person to move the High Court of that Presidency and invoke the aid of section 491. There has been no appellate jurisdiction given and the Preamble of section 491 speaks of the appellate jurisdiction in so far that it is only then that the High Court can interfere. I therefore am not persuaded to believe that clause 4 can be independently construed. In my judgment clauses 3, 4, 5 and 6 all go together. They may stand or they may fall, but we cannot divide the matter, especially as I find that, while the Government in one matter are quite willing to submit the evidence to the discrimination and judgment of the High Court, in another matter they fight shy of the position. In the first place, if there is a conviction and if the Commissioners hold that there is a conviction, the evidence will be sifted and the only difficulty will be that the accused person may not have the right to defend himself or make any statement and of opposing

[Mr. R. P. Karandikar.]

or cross-examining the witnesses. But there the matter stands; and then from that point of view the whole evidence could be available to the Commissioners and the judgment and evidence can be reviewed in appeal. Under section 423 of the Criminal Procedure Code the High Court in appellate jurisdiction could have power to order either a retrial and commitment to the Court of Session or even under section 424 to order the appellant to be brought before itself. What therefore could not be done under section 491 can be done by the appellate court in another manner when the appeal is pending before it. So far, then, Government are prepared to submit their cases to the High Court, depending upon the fact that their evidence will have been judged by the time by the Commissioners and consequently there would be no difficulty in placing the matter before the High Court. But in the other matter that is not covered by the conviction portion of this enactment, Government are fighting shy of the situation, they are distrusting the temple of justice. I want to warn my friend that it is not so much either your aeroplanes or your machine guns, but it is justice which is meted out to people here that holds them fast to the British Crown. And if at all there is anything in the enactment which shows distrust of that highest tribunal, it is the duty of every one of us to rise here in defence and insist that the High Court must have the power to interfere and that it cannot be deprived of it.

Now, Sir, much has been said as to whether the *habeas corpus* provision is ever limited by section 491. That, Sir, is a vexed question. The Calcutta High Court have held that it may be possible for the High Court to exercise the rights of *habeas corpus* in spite of the doubt whether section 491 applies or does not apply. That, however, is a point that does not occur here. But virtually if upon a conviction the High Court could look into the matter, why not prevent injustice by giving the man who will be detained in the first instance a right to approach the High Court and invoke its aid? It is a long cherished right, *habeas corpus*. I have tried to go into the history of it, and I find that section 491 cannot take away the right of the High Courts to interfere in the *habeas corpus* rights in reference to the liberty of the people. It may vary according to the interpretation that is placed on section 491, but I will not start the dispute here. I say in justification that you should have introduced this section here, and Government have avoided the amendment of section 491 by the inclusion of this enactment and the proviso which was read out by the Honourable Mr. Crerar. I will not go into the details of it, but taking it on every conceivable ground, it seems to me, Sir, that a strong case has not been made out to show why the ordinary law should be departed from, why the judicial tribunals could not be trusted, unless there is the fear that perhaps greater publicity may be given to matters which it is not the intention of Government to make public. But may I venture to pass a remark? Could you think of anything else to make matters public than what you find in this House or in the other House on which the people may frame their opinion? Could anything be said which would not put the people on their guard as to what they have to do and what their rights are, and could there be any fear in having the whole matter submitted to the High Court to see that more matters come out to the public? There has been publicity and publicity enough.

Now with reference to such kind of evidence that you give, there is a special provision as to how people will be induced to give evidence. A

very strange theory prevails amongst certain Government officers that it is still open to Government in spite of section 337 to hold out amnesty to people before they are examined as witnesses in any case and before the accused persons are on trial. Even in ordinary cases, even in cases of bribery, for the matter of that,—I have heard an instance of that kind,—a Local Government extended amnesty first by a promise through the officials concerned, second through a recorded promise not to molest these people. In the logic that appertained subsequently, the view prevailed that if Government could withdraw their prosecution for perjury or for giving bribery in the end, why they should not extend amnesty in the beginning? I do really think that this is very wrong logic to use. If there is a law that has to be obeyed, whether the functionary be the highest one or the ordinary one, it is not open to any Local Government whatsoever to extend the pardon under section 337. An endeavour is therefore made in this enactment to enable the Commissioners to extend pardon to people of that kind. I do not know if section 337 is enumerated in one of the clauses here, why that itself should not be enough for the Commissioners to extend pardon if the provision that would apply to courts ordinarily trying the case were to apply to the Commissioners themselves. Why should we have another provision in this enactment and perpetuate it for a number of years? I am quarelling with this because, in the first instance, the Bengal Act wants to have a long lease of life, a lease for five years. The Ordinance would ordinarily expire within six months. No case has been made out as to why five years are necessary at all. To supplement the provisions of that enactment by adding more under this Bill to the Bengal enactment would be perpetuating or lengthening the period to five years unconsciously. I am really opposed to that. No case has been made out for that. Why has that been done? Possibly the Bengal Government think it necessary to continue this enactment for five years. I will not be a party to give sanction to that. If the matter comes to that, and if anything can be gained by abstaining from voting, one would be ready to do it. But abstention from voting is liable to be construed in various ways. It may be construed as a sort of weakness for people who will not come out and fight out the case. One may put it that we are dashing our heads against stone walls, but I do not look upon Government like that. They are not bricks. I believe there is sense in them. I am quite sure that when the proceedings of this House are submitted elsewhere, they will find ample evidence, though in the first instance, Sir, I do appeal to this House to refrain from adding anything whatsoever to the enactment. Let it stand by itself on the strength of the Government or the Government which has certified that the Bill must pass. I quite appreciate, but I am not quite willing to allow the statement to go unchallenged that all the responsibility of keeping quiet and tranquillity in the country rests upon the shoulders of His Excellency the Viceroy. We are the representatives of the people who will support His Excellency in the matter of keeping peace and order. I doubt very much whether His Excellency the Viceroy could not legitimately claim our attention to the fact that we are as such entitled to do our best in this behalf to keep peace and order. But if peace and order were to be secured by repressive measures, we must warn the Government that matters will be off our hands. The more repression of this kind, the greater the tendency to fly off these hostile plains, and then one does not know where you will be launched in difficulties. Caution must be exercised in the matter. I know that this is not the House from which more

[Mr. R. P. Karandikar.]

caution is needed. Perhaps it is the strong hope in spite of the verdict the House may give, that it will have in this case at least the weight of its conscience that voting in a particular manner will jeopardize the liberty of the people and will entail the forfeiture of liberty and forfeiture of property without trial in a manner unknown to British justice on which depends the British rule in India.

THE HONOURABLE LALA SUKHBIR SINHA (United Provinces Northern: Non-Muhammadan): Sir, I should have been very glad to give my support to the motion for consideration of this Bill had it come to this House in a proper form and at the proper time. We expected that we should have time to express our opinions on this matter at the proper time for the consideration of His Excellency the Governor General. But no time is allowed to this House. The Bill has been discussed in the other House twice and rejected. Then it was certified by the Governor General and now it comes to us in the form of a certified Bill. Sir, to my mind it is very derogatory to the position of this House to consider the Bill at this stage or to make any suggestions and amendments to the Bill as that will go against the dignified position of the Governor General also. Sir, we are not in favour of any anarchism or any revolution in the country. We are men of position, men of property. We want every protection of property and life in the country. If there is anarchism either in Bengal or elsewhere we shall be the first to help Government in taking proper steps to put it down and have it crushed, but the question before us now is whether this Bill is required for that purpose or not. My friend Sardar Charanjit Singh has said that we must have every confidence in the Governor General. That question is not before us. We have full confidence in him and we expect that he will not do anything which is either unnecessary or unwarranted for the safety of the country, but the question is whether we, as Members of the Legislature, have also some responsibility in the administration of the country or not. His Excellency said on the 20th January that he was responsible for the promulgation of the Bengal Ordinance and that he did not think it necessary to make the Legislature a party to it. The matter ended there. In this case he wants the Legislature to be made a party; but at this stage our discussions and our deliberations will have no effect, will be quite useless and therefore. Sir, I think that we should not enter into the details and we should not consider the Bill. We should leave it to Government to do as they like and think best for the country. In the Bill the only point of objection is to take away the *habeas corpus* rights of the people and that is a very serious question for consideration, and I think we, the Members of this House, would have been very glad to express an opinion on that question as to how far that should be done. If it is required in Bengal to-day, it may be required in other provinces to-morrow, though I do not expect at all that such a thing would happen. But the question is very important for consideration and therefore I think it would be much better if this Bill had come to this House earlier, at a more proper time. At this stage I submit I am sorry to give my support to the motion for consideration of the Bill.

THE HONOURABLE RAJA PRAMADA NATH RAY (East Bengal: Non-Muhammadan): Sir, as a representative of Bengal I of course feel it my bounden duty to protect or at least try to protect the interests of the

people of Bengal, and as this Bill is not calculated to safeguard those interests I very much regret I am unable to give it my support, even though it comes as a measure certified by His Excellency the Viceroy and Governor General. I am afraid, Sir, I am not one of those who think that a Bill like this will contribute to the tranquillity of my province. On the contrary, I believe, or rather I feel that it will have the opposite effect, as this Bill is intended to take away certain important powers from the High Court, in which the people have so much faith, at least in Bengal. The original Bengal Ordinance to which it is an amendment is looked upon, rightly or wrongly I cannot say, as nothing short of martial law in Bengal, as since its promulgation no one in the province feels the sort of security that one used to feel before. Everyone thinks that some day a domiciliary visit from the police will be made and the people arrested without giving any cause and taken away, goodness knows where. If the Government think that by promulgating such measures they will be able to contribute to the peace and tranquillity of the province I am afraid they must be labouring under a very great misapprehension, as such measures will have the effect of driving revolutionary and anarchical movements underground for the time being no doubt but will not have the effect of killing it outright, which I venture to say can only be done by measures which are able to remove the root cause of the discontent. Besides it looks like punishing the whole province for a few misguided youths, even if they are really as guilty as they are represented to be. Revolutionary and anarchical movements are not the monopoly of India, as it was only the other day we read in the papers of a widespread conspiracy to blow up the warships in London. I wonder if the British Cabinet has thought it necessary to bring measures before the British Parliament to deprive the people there of the advantages of the *Habeas Corpus* Act which is enjoyed by the nation as a whole. I do not for a moment mean to say, Sir, that I am not in favour of putting down anarchical and revolutionary movements, but what I intend to point out is that there are such movements in every country and although it is the duty of every Government to put down such movements, the methods that are being adopted here for the purpose are such as can hardly be employed in any European country, for obvious reasons. The people at large would have welcomed the power conferred by this Act of appealing to the High Court, but considering the fact that out of 90 prisoners arrested last October not a single one has been fortunate enough to have his offence examined and the evidence against him sited by some sort of trial, even by the Commissioners according to the provisions of the Bengal Ordinance Act, it is idle to talk about appeals which under the circumstances cannot but be regarded as a mere sham and eye-wash. It is therefore obvious that if the advantage is to be taken of this Bill regular trial of prisoners under the Bengal Ordinance Act should be allowed. If after proper trial they are found to be guilty, incarcerate them by all means or even punish them with the highest punishment that the law prescribes, but do not deprive them of a just and fair trial, and let it not be said that the British have adopted the pre-revolutionary French method of Government by *lettres de cachet* in India. What is the good of giving the power of appeal when it is not intended to give the benefit of trial to those arrested under the Bengal Ordinance? It is said that the very corner stone of the foundation of British rule in India is British justice. It would indeed be a strange irony of fate if that British justice gets a rude shock at a time when the destinies of India are presided over by no less a person than an *ex*-Chief Justice of England.

[Raja Pramada Nath Ray.]

It is difficult to understand why it is contemplated to send the political under-trial prisoners to provinces outside their own, and what is the particular principle underlying such a measure. To my mind it will create unnecessarily extra hardship to the prisoners without doing any good to anyone, unless the Government have lost faith in the jail administration of Bengal also.

As regards the last clause, I find that that is the crux of the whole Bill, as it seeks to take away certain very important powers from the hands of His Majesty's Judges of the High Court, which is looked upon by the people of every province, at least by the people of Bengal, as the only safeguard against injustices of all kinds, and any such curtailment cannot but be looked upon with very great suspicion by the people and will be construed as want of faith in the High Courts too on the part of the Government. Sir, I venture to say that there would have been no difficulty in getting support from most of the elected Members of this Council if the Government could see their way to delete the last clause of this Bill. Sir, I have received communications from several important Associations in Bengal. Every one of them has asked the representatives of Bengal to enter their emphatic protest against this measure.

THE HONOURABLE SAIYID RAZA ALI (United Provinces East: Muhammadan): Sir, since a certain amount of misapprehension seems to exist about the effect of the certificate that has been endorsed on the Bill, I think I might as well say a word or two to dispel that misapprehension. It was pointed out by one of the speakers, and the line he suggested was taken up by one or two of those who spoke afterwards, that since this is a recommended and a certified Bill, it would not be in keeping with the dignity of this Council to go into the merits of the case, but that we should leave it to the Governor General to shoulder the entire responsibility without our being any party to this measure. Now, Sir, it appears that this question was carefully gone into by the Joint Parliamentary Committee that examined the Government of India Bill in 1919. Originally it appears to have been proposed that in case the Assembly failed to pass a certain Bill, it should be open to the Governor General to come to the Council of State and have the measure carried through the Council of State, which would, after being passed by this House, become law. But the Joint Parliamentary Committee after going very carefully through the whole thing recommended that it would not be fair to drag in the Council of State for this purpose. The responsibility was of the Governor General and it was for him to undertake that responsibility without the Council of State being a party to it. On clause 26 of the Bill, as it was, the Committee stated their reasons in full, and clause 26 was therefore amended accordingly; and having regard to the law as it stands I think it is very wrong for us to affect to be offended with the step that has been taken by the Governor General in exercise of the statutory power that is conferred on him. Therefore, Sir, whether we support this Bill or whether we are opposed to it, we cannot take shelter behind the refuge that having been slighted it is not for us to go into the merits of the Bill.

Coming to the measure, Sir, I think I must echo the feeling to which expression was given by my Honourable friend Mr. Natesan that if there are any portions of the Bill to which we find ourselves opposed, it is not that we are slow in condemning the action of those who have embarked on

a campaign of violent crime. I for one condemn, Sir, and condemn emphatically, the short-sighted policy that underlies that campaign. These misguided young men do not realise what an immense injury, what an incalculable harm, they are doing to the cause of Indian political advance. In the matter of political advance they want to take short cuts, but it is well known that in politics, especially in the matter of political advance where big and live questions of self-government and Swaraj are concerned, it is not open to you to take short cuts by resorting to a career of criminal violence. Sir, we condemn these activities; and not only that but I think I am right in saying that, if in order to meet these activities the Government think that they are justified in taking reasonable action, they can safely rely on being helped by this House in taking all reasonable steps.

Now, coming to the Bill, Sir, its main provisions have been succinctly put before the House by the Honourable Mr. Crerar and I do not think it is necessary for us to examine those provisions at any great length at this stage. For such examination a stage will come later on. But, Sir, for those who agree with certain portions of the Bill but are unable to agree with certain other portions it is important at this stage that their position should be made quite clear and placed beyond either misapprehension or misrepresentation. Now, the third clause is one which, I believe, will find ready support at the hands of Honourable Members of this House. Coming to the fourth clause, as has been pointed out by some of my Honourable friends who have already spoken, it no doubt puts a certain amount of restrictions on the liberty of those against whom action may have been taken under the Bengal Criminal Law Amendment Act. Clause 5 bars all actions, whether civil or criminal, being brought against those who may have put the machinery of this Act into motion. That, again, is a very large power. Now, Sir, these two powers are very extensive powers. But I, for one, would have been prepared to arm the Executive with this authority provided the Executive on their part would waive their right to have clause 6 incorporated in the Bill. Sir, the crux of the matter is clause 6. Let there be no doubt about it. The other clauses dwindle into insignificance when compared with the terms of the all-pervading and all-powerful clause 6. Sir, certain questions were made by the Honourable Mr. Crerar while he was making his opening speech. I believe enough authority has been quoted on this question by both parties. If necessary, I am quite prepared to go into those authorities. But the real question that I wish to put to the Government Benches is this. You are arming yourselves with extraordinary powers. No doubt, if you have made out a case, to a certain extent we will be right in helping you to arm yourselves with those powers. But, when you take away the right of the man to apply for a writ of *habeas corpus* in cases where it is optional with you to put the man on his trial or not, you put the man under incarceration for an indefinite period. You deprive that man of an opportunity to bring the information lodged by the police against him to the test of a judicial decision. That is the real point that is involved in the consideration of clause 6. Now, Sir, as I said, we are prepared to help the Executive to a reasonable extent. But this is a power which I do not think has been conceded to any Government except to the Government of India in the year 1818 when that well-known Regulation III of 1818 was passed. But at that time there was no Council, no Legislature. The next time the Government of India were given this power was when

[Saiyid Raza Ali.]

war broke out in the year 1914 and the Defence of India Act was enacted and rules were made thereunder which took away this right. Now, Sir, let us see what England has been doing in this direction. May I invite the attention of the official benches to the Defence of the Realm Act and the rules made thereunder in the year 1914? Drastic powers were given to the Executive by 5 George and the subsequent Acts, but never was the right of a man to be tried and, if convicted, to make an appeal taken away from him. Let us come again to the Criminal Procedure Code, section 491. Let me at once remind my Honourable friends that there is a saving clause in that section that keeps intact the right of the Executive not to bring persons to trial against whom action may have been taken under Regulation III of 1818, but there is a short history behind it. I speak subject to correction by my Honourable friend the Home Secretary. But let me put the position before this House. The position is that the Repressive Laws Committee was appointed in the year 1921. That Committee went into all repressive laws. What did the Committee recommend? The Committee recommended that Regulation III of 1818 should be repealed, and they made a lengthy recommendation. I will read out a short extract from it. The Committee said:

"We recognise the force of these arguments, in particular the difficulty of securing evidence or of preventing the intimidation of witnesses. We also appreciate the fact that the use of the ordinary law may in some cases advertise the very evil which the trial is designed to punish. But we consider that in the modern conditions of India that risk must be run. It is undesirable that any Statutes should remain in force which are regarded with deep and genuine disapproval by a majority of the Members of the Legislatures. The harm created by the retention of arbitrary powers of imprisonment by the Executive may, as history has shewn, be greater even than the evil which such powers are directed to remedy."

The Committee then made a most pregnant observation by which the present Bill is fully covered. That observation is this:

"The power to restrain personal liberty without trial conferred by this Act is not consistent with the policy inaugurated with the recent constitutional changes, and we therefore recommend its immediate repeal."

This recommendation they made with reference to the Rowlatt Act of 1919, but the ground on which the recommendation is based is applicable with as much force to the present Bill as it applies to the Act of 1919.

THE HONOURABLE MR. J. CRERAR: That recommendation was made in 1921. The serious recrudescence of revolutionary crime began from 1923.

THE HONOURABLE SAIYID RAZA ALI: My Honourable friend says serious revolutionary crime showed its head in 1923. That may be. I, as a non-official, have not the means of knowing what were the stages through which Bengal passed since 1923, except such information as I have gathered from the press. As my friend says, that recommendation was made in 1921. It appears since that time the Government intended to bring forward a measure to repeal this Regulation. It was only when His Excellency made a speech on the 30th January 1924, in opening the new session that it became clear that, on account of what was taking place in Bengal, the Government were not prepared to take the responsibility of repealing Regulation III of 1818. The important point is that the Criminal Procedure Code (Amendment) Bill was considered by the

Joint Committee of which you, Sir, were a member from June to August 1922. That was a time when the members of the Committee, of whom I happened to be one, were under the impression that action would be taken by Government in accordance with the recommendation made by the Repressive Laws Committee. The Committee and the two Chambers of the Legislature did not and for obvious reasons could not undertake to delete the reference to Regulation III of 1818, inasmuch as, according to the understanding as it then existed, it was expected that a repealing measure would be brought forward by Government. True, this power has been kept intact in section 491 of the Criminal Procedure Code examined by the Legislature in the year 1923; but it is not open to the Government to take advantage of that fact. Sir, it is said that our police is inefficient. It has been said in another place that our police is inefficient. Now, whether our police is inefficient or not, there is no doubt that our police is unfortunately not very efficient. I do not propose to charge the Government with the inefficiency of the police even if that fact were established. In fact the rank and file of the police are my own countrymen and I do not say that the Government can be made responsible for such inefficiency. But, Sir, one thing is quite clear. The very fact that these extraordinary powers are sought to be taken by the Government proves almost conclusively that our police is not a body which can be said to be thoroughly efficient; for if our police were efficient, where would be the occasion for Government to come to this House and ask for these extraordinary powers? Only the other day a huge attempt was made in England to blow up warships, but Mr. Baldwin's Government never thought of obtaining extraordinary powers. That alone shows that our police is not what it should be. I do not want to bring any charges against the police but its detective capacity is doubtful. And if that is a fact, are you not taking a very great risk in acting upon its reports and depriving a man of his liberty, may be for six months, may be for one year, for 2 years, for 5 years—or even for 10 years if the Bengal Criminal Law Amendment Act is re-enacted after 5 years? Now let me tell my Honourable colleagues that I am sincerely anxious to help the Government and give the Government as much power as would be necessary to enable them to cope with the situation as it exists in Bengal. But, Sir, I confess that I am not prepared to give the Government *carte blanche;* that I am not prepared to do. What is this going to lead to? Give this power and a sub-inspector of police—nay, even a head constable becomes as mighty—no, Sir,—he becomes mightier than the Honourable Sir Alexander Muddiman and the Honourable the Home Secretary put together. I have heard it said, is there any desire to shield the guilty? Let me state at once on behalf of this House, no, there is no desire at all to shield the guilty; and not only is there no such desire, but there is every desire to strengthen the hands of the Government that a guilty man should be brought to book and that the strong hand of justice should come down upon him with all its might and vigour. But, Sir, the question I would like to ask of my Honourable friend the Home Secretary is this: Is he not prepared to protect the innocent among these 100 people against whom action has been taken in Bengal? How can he say that one and all of these hundred men, or whatever their number, are guilty and nothing but guilty, even when their cases have not been gone into by any experienced judge—when they have not been brought to trial, when no evidence tested by cross-examination has been adduced against these men? Sir, these are the only tests that can be applied to the evidence brought against a man to find out whether that evidence has the ring of truth about it

[Saiyid Raza Ali.]

or not. Sir, I appeal to Government to see whether we are not after all agreed in our motive, in our object and in our desire; our object, our motive, is to punish the guilty and to protect the innocent. The only question is how is that to be brought about. Sir, I have been giving my most careful consideration to clause 6 of this Bill. I say that if this clause is going to be enacted it would be impossible for the innocent to be separated from the guilty, unless you are prepared to bring all these men to trial. If you agree that you will bring all these men to trial, then, Sir, I believe most Honourable Members in this Council will be perfectly satisfied. The really unfortunate position is that it is for the Executive to say whether A is going to be tried or not; and unless A is tried, I submit with great respect it is impossible for any man on the face of the earth to say whether A is guilty or not. I submit, therefore, that for a man who like myself is sincerely anxious to help the Government it is impossible to agree to your taking away this most important right by clause 6. If the Government agree to arm themselves with additional powers under clauses 4 and 5 and leave out clause 6, I for one am quite prepared to vote with Government on clauses 4 and 5; but unless such an undertaking is given it is obvious that I must adopt a neutral course so far as clauses 4 and 5 are concerned and vote against clause 6 being passed into law.

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

The Council re-assembled at Twenty Minutes to Three of the Clock, the Honourable the President in the Chair.

THE HONOURABLE MR. V. RAMADAS PANTULU (Madras: Non-Muhammadan): Sir, it is in the fitness of things that the Black Bill which was rejected by Bengal's representatives in their Provincial Council and therefore certified by Bengal's ruler, Lord Lytton, should be supplemented by another Black Bill which was rejected by India's representatives in the Imperial Assembly and therefore certified by India's ruler, Lord Reading. I can understand that quite well, but what I do not understand, Sir, is this. After the two gracious Messages to which the House, standing to a man, listened with reverential attention two days ago, what is the part we are expected to play in this process of forging fetters on India's liberty in the shape of repressive legislation by recourse to certification and recommendation? I fail to follow the Honourable Mr. Raza Ali with regard to our functions. I am aware, Sir, of the constitutional safeguards provided for in the Government of India Act in the matter of essential supplies and essential legislation. The Government are entitled to protection on those two grounds, and I believe it is on that score that, when the Government of India wanted to balance the Budget two years ago, they invited this House to co-operate with the Government in taxing the poor man by doubling his salt tax, and we very obligingly accepted the invitation of Government. To-day we are invited, in order to repress our people, once more to accede to His Excellency the Viceroy's view that this Black Bill is essential for the good government of India. No, Sir, I must respectfully decline to accept the invitation and endorse His Excellency's view on that matter. I would repeat to this House to remember that our co-operation is only wanted when something extraordinary is

required to be done against the wishes of the whole country and of the Assembly. I would ask this House not to be a party to such invitations and not to oblige the Government with their acceptance of those invitations.

As for the utility of discussion and debate, the representatives of Bengal and of India have unhesitatingly and in no uncertain terms condemned this Black Bill. The leaders of public opinion in Bengal have argued their case for Bengal very ably in the Provincial Council with all the eloquence and talent which Bengal can command. The representatives of all-India headed by eminent leaders have argued the case for India with ability and patrotism and also a sense of responsibility which is rarely surpassed by any democratic assembly in the world. Nevertheless, His Excellency after listening to these arguments considered that it was essential for the good government of India and for the tranquillity of Bengal to certify this measure, and he has asked the House to pass this measure in its present obnoxious form. You must either pass it in the form or reject it. Reject it you dare not, nor are you allowed to amend it. What then, Sir, is the use of discussing and debating on the clauses of the Bill? It is impossible to convince the Government, because apparently when the Viceroy certified that these measures were necessary for the tranquillity of Bengal and the good government of India, he was influenced by the advice of the bureaucracy who are the steel frame of the Indian constitution, and the bureaucracy is not likely to change its views, nor His Excellency, in this matter. Therefore, I would respectfully enter my emphatic protest against the misuse of section 67B of the Government of India Act. I have very carefully considered what my attitude should be, and I felt that without doing any injustice to my electorate and without failing to discharge my functions, I must respectfully withdraw now from the deliberations of this House so far as the debate on this Bill is concerned. Therefore, Sir, I respectfully beg your leave to permit me to withdraw from the rest of the debate on this Bill.

(The Honourable Member then withdrew.)

THE HONOURABLE SIR ALEXANDER MUDDIMAN (Home Member): Sir, before I deal with the remarkable speech of the Honourable gentleman who is leaving the House without waiting to listen to what I may have to say, let me in the first place make it perfectly clear that there is no question of discourtesy to this House in the way in which the Bill has been brought forward. I, Sir, should be the last person to treat this House in any way other than with the greatest respect. I had the honour for some time to preside over its deliberations and I think the House will agree with me at any rate in this that intentionally I should do nothing to blur its dignity or the great reputation that it has achieved in this country. Sir, it has been suggested that this Bill has been brought forward at the end of the session, that there is no full House and that the supporters of those who would vote against the Bill are not here. The facts are entirely otherwise. If there is any question of absence, it is in quarters on this side and not in those who might have voted against the Bill. Those empty benches prove the fact and I need not pursue it further.

The next point I have to make, Sir, is this. It has been suggested that we deliberately delayed this Bill. My Honourable friend who made this allegation had the grace to withdraw it on my explaining that His Most

[Sir Alexander Muddiman.]

Gracious Majesty's assent was only received in India on the 17th of March. That, Sir, was not entirely due to the very regrettable fact of His Most Gracious Majesty's ill-health to which my Honourable friend made feeling reference. It is due to the fact that under the provisions of section 67B of the Government of India Act, an Act which has been reserved by the Governor General has to be laid before both Houses of Parliament on 8 days on which that House has sat. There is a House, Sir, in England somewhat akin to this distinguished House, which does not sit very frequently. That, Sir, is the main cause of the delay in the receipt of His Most Gracious Majesty's assent to the Bill. There has been no plot, no machination, to bring this Bill at a later date before this House, and I sincerely regret that it has to be brought at this late time. The House could have avoided any question of surprise if such surprise could exist by sitting a few days longer, but I understand the House did not wish to do that. That there should be any question of surprise, especially to my Honourable friend who comes from Bengal, I find it difficult to believe. This legislation has been agitated throughout the country since the Ordinance was made by His Excellency on the 25th of October, 1924. The provisions of the Bill are well known to Members of this House from at least last Friday. We are now nearly a week later. There can be no question of surprise, nor does my Honourable friend seriously contend that there is.

Now, Sir, I turn to the measure before you. I do not propose to go through the long story of the reasons why this legislation was enacted first by Ordinance and then by an Act of the local Legislature. The facts are practically admitted. Government were faced with a position when they had to deal with a conspiracy of a very serious nature, which was terrorising Bengal, which was breaking up the courts and which was making the life of the ordinary man in the street intolerable. These facts are admitted. There is no use arguing about it and I am surprised that the representatives of Bengal should not candidly recognise that position. It is reasonable that they may attack the method by which we deal with that position, but not to admit self-evident facts is neither sound nor business-like. This House at any rate should look facts in the face. We were faced with this. The ordinary law had broken down. Witnesses had been intimidated, jurors had failed to do their duty and the country was sliding, slowly but steadily, towards that black reign of terror which filled everybody in Bengal with horror some years ago. These are the undoubted facts. What were we to do? Were we to sit down and wait till law and order had been entirely withdrawn from the ordinary citizen, when a man could not go about his business without fear, when the courts were not open, because the courts are not open when men are afraid to give evidence? The courts are closed then. That, Sir, was the position. You may say that the action taken by the Government was not the right action but what alternative have I heard of? One Honourable gentleman said something about martial law, Does he know what martial law means? It means that if you fail to obey the order of a military officer in the last resort you are taken and put with your back to the wall and shot. Does he want to see that kind of thing in Bengal? I hope to God I shall never see such a state of things in any part of the King's dominions in India. Then, Sir, another gentleman observed that we should go to the root causes of things. Nothing could be better. What are the root causes of things? Did my Honourable friend give the slightest indication of what action he would propose? Well, now, what have Government done, because there has been much misrepresentation in this matter,

much misunderstanding and there has been so much debate in another place, in the papers and in the public generally that the root causes and the root remedy that has been applied are in danger of being forgotten. I do not desire to detain the House at any great length with the consideration of the legislation which the Act now before the House is intended to supplement but I must clear the issues. That legislation falls into two parts. It provides a special tribunal for the trial of offences. It provides a system of prevention. As regards the special tribunal set up I have heard really no argument at all to controvert the proposals of Government. We give you a court and if you will allow us to, we propose to give you an appeal from that court to the High Court which is certainly no worse a court than a man would get under the ordinary law. He gets three Commissioners instead of a District Judge and assessors or jury. It may be said that in taking away the right of trial by jury we have infringed the ordinary law. That is true. It is no use representing things other than they are. We have to that extent affected the ordinary law but let me point out that we have not done it without reason. The fact is that juries in Bengal, my Honourable friend knows that as well as I do, will not convict if they are going to be harassed or shot. That is what it comes to. Therefore, Sir, we have quite rightly provided for a tribunal, a good tribunal, as good a tribunal as a man ordinarily can have and we also propose to provide for a court of appeal. The next point made was in regard to a special rule of evidence. I cannot understand it though it has been repeatedly made in another place. It has been here contended again that we have done something to the law of evidence which gravely prejudices the accused. There is a sort of suggestion that we have provided some machinery by which a kind of evidence which is highly inadmissible should be allowed to be brought forward at these trials by Commissioners. This is absolutely without foundation. I will read the section, as I have read it in another place, and I will ask any reasonable man whether there is anything in this rule of evidence which is either against equity or good conscience. It runs as follows:

"Notwithstanding anything contained in the Indian Evidence Act, 1872, when the statement of any person has been recorded by a Magistrate such statement may be admitted in evidence in any trial before Commissioners appointed under this Act if such person is dead, or cannot be found or is incapable of giving evidence and the Commissioners are of opinion that such death, disappearance or incapacity has been caused in the interests of the accused."

Now, what does that mean in plain English? It means that if after a man has given his statement to a Magistrate he is shot in the interests of the accused, that statement is still good evidence. Now does any reasonable man say that this is any infringement of natural justice? I put it to the House—a House that really faces facts—is there anything wrong in allowing evidence of that class to be brought forward? There is nothing wrong. And then some point was made by an Honourable gentleman that in the rule-making power no special reference was made to the provisions of assistance for the defence though there was a reference to it in the case of the prosecution. Well, Sir, there is nothing in the rule-making power that prevents such provision being made, and I for one should be glad to see it made, and I think perhaps it would have been well if that rule-making power had been so drafted as to make it clear that we were equally concerned with the defence and the prosecution. The object of the Crown is not to get a conviction; the object of the Crown is to get justice done. We do not want convictions obtained

[Sir Alexander Muddiman.]

in any other way—and that, Sir, deals with Part I of the Act. There is nothing in it, I again repeat, to which serious objection can be taken.

The next part of the Act is far more difficult, far more open to criticism. I admit it at once. It has been said that I have expressed my dislike of these special powers and quite frequently. I have, it is true,—and I think all those who have been concerned in it have done the same. His Excellency the Governor of Bengal and His Excellency the Viceroy both took the same line. But do us the justice to admit that people who dislike action of this kind must be very seriously convinced of its necessity before they agree to it I dislike it, but I am perfectly convinced of its necessity. There must be no mistake on that point. I for one would have been no party to legislation of this nature unless I was convinced that it was essential for the peace and good government of this country. I want to make one preliminary point. It seems to be thought that this is an Act for the protection of the Government official. The House will believe me when I say that it is not the Government official in the end who suffers in this kind of thing. It is the ordinary man in the street. It is you. It is the Members of this House, it is the Members of the other House. When a bomb is thrown,—I should not perhaps say fortunately—the odds are considerably in favour of its not reaching the person at whom it is aimed. It is just as likely to destroy some perfectly peaceful innocent citizen going about his lawful avocations, and therefore even on that narrow view it is not the Government official who always suffers. Moreover, if you get a general dislocation of law and order, who is going to suffer? I have got no grain to be pillaged, I have got no cattle to be robbed, I have no family to suffer. True—I have my life; well, I have got to die some time. But it is you and the other people who would lose your stake in the country, your property and, what is far dearer, your family—you are the people who are going to suffer if the ties of law and order are unloosed.

Now as to the second part of the Act. I do not desire in the least to minimise the fact that it does give a power, and is intended to give a power, and that is the object of the Bill—to give the power of detaining a man on suspicion. That is perfectly true, and that has to be justified. It has to be justified; and what is the justification? The justification is simply this that as we have told you, and you have only to run your eyes over the published records of crime in Bengal to be convinced, the ordinary process of law in that province fails at present. It is idle to say that you should bring men to trial, if people will not give evidence. I heard a sample of that in another place, and it shows how lightly this subject is regarded. It was there mentioned that a murder had been attempted on an Honourable Member,—and what did he say? He said, "I did not go to the police, I was not going to do that." But, you know, it is the duty—I think, subject to correction, the legal duty—of every citizen to give information when a murder is attempted. Murder is not a crime against the individual. It is a crime against the State. That is the difference between crimes and civil injuries. People are not hanged for murder merely because of the person they murder; they are hanged for murder because murder is an offence which if unchecked would imperil the foundations of the State. Now this attitude of mind is one of the reasons why in this country at all times it is very difficult

to get evidence from people. It is not unreasonable to feel some reluctance in bearing testimony when you are asked to come many miles to give evidence in a case in which you have no personal interest and when you know if you do give evidence you will incur a good deal of personal enmity. Although this might not be the feeling of a good citizen it is an attitude which cannot be neglected. When in addition to that attitude, which is not uncommon, you have a further danger that you are incurring the undying hatred of a gang of murderous assassins, then do you wonder there is difficulty in getting men to come forward to give evidence? That, Sir, is in defence of the position that something special had to be done.

3 P.M.

Now, I should like to traverse the statements that I have often heard put forward that Government have an unlimited right of internment. It is not the case, unless you are prepared to endorse the doctrine, that the Government in this country is a devilish Government and delights in injustice, lives for injustice and battens on it. If not, you must admit that when a Local Government forms an opinion it must form an opinion *bona fide*, however erroneous the evidence may be on which it is formed: and that I ask you to bear in mind in the first instance. And what must be the opinion of the Local Government before anything can be done? It must form the opinion that the person has acted, is acting or is about to act in contravention of two Statutes enacted by the Legislature. One is the Indian Arms Act and the other is the Explosive Substances Act. I cannot imagine anybody, if he really believed that a person was going to act in contravention of those particular Statutes, would not give immediate information to the nearest police station. That would be his duty as a citizen, as a loyal subject of His Majesty. The Local Government therefore will have no difficulty if it comes to a reasonable conclusion on that point in taking action as provided for in the Act.

The second class of cases to which that power refers is in respect of offences specified in the Schedule. I do not wish to weary the House by reading the Schedule. They may take it from me that violence enters in as an element in all these offences. There is not a political offence in the whole Schedule. You cannot act under this law, under this internment power even because you think a man is about to commit sedition or has committed sedition. You cannot act because you think he is going to wage war against the King. The scheduled offences are offences of violence. With offences of violence, surely this House has no sympathy. The third class in respect of which action may be taken is when there is a reasonable belief that the man has acted, is acting or is about to act with a view to interfere by violence or threat of violence with the administration of justice. Well, that, Sir, is a proposition that I should think any reasonable legislative body would accept—that those are offences which must be discouraged. If they cannot be discouraged by the ordinary methods of law, they must be discouraged by extraordinary methods and that is what this law does. It has been said that nothing is given in the way of trial when action is taken under the preventive part of the Act. It is perfectly true. But this is an executive preventive procedure. If we can bring these people to trial, why should we waste our time in going through this long business, and placing their case before two judges, interning them and exposing ourselves to all the political odium that attaches to it? The Government of India and the Government of Bengal are not altogether devoid of political intelligence. The point was made

[Sir Alexander Muddiman.]

by my Honourable friend—a very reasonable point—as to why the Government took action which prejudices their position *vis a vis* the political parties in this country. Do you think that this has been lost sight of? Government grasp that fact as well as you do. No sane person likes this obvious cause of irritation or desires to hinder the process of reconciliation. One of the greatest objections from the political side to this legislation was that it obviously gave a handle to people who would not be slow to use it. Everybody concerned saw it from the first and it was only the absolutely essential requirements of the case that led us to disregard it. There comes a time when politics or the solution of political matters cannot be permitted to interfere with the maintenance of law and order. That brings me to another point. My Honourable friend picked a phrase out of the Honourable the Home Secretary's speech and he twisted it. He will excuse me for using that expression but he twisted it. He suggested—I did not quite follow him—but he suggested that there was a political motive in our action.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I said for a higher political purpose, the purpose of seeing the Reforms work. That is not twisting.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: If my Honourable friend admits that what the Home Secretary said was that the object of this legislation was to maintain law and order by the maintenance of which alone the path to political progress can be secured, then I have done with the point. I wanted only to make that point clear.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: My Honourable friend must be convinced that I did not twist.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: I should like to have it quite clear from my Honourable friend that he drew no other deduction from the Home Secretary's speech than this: that the political object which the Government had in view was the object which must lie at the bottom of all measures promoting law and order. That is that by the maintenance of law and order and by that alone the path of political progress can be assured. If that is my Honourable friend's point, then I will leave the matter.

Now, Sir, I turn to the subsidiary legislation actually before this House. As to that, I intend to be very brief. Very little has been said that requires answer. The first clause, namely, clause 3, confers a right of appeal to the High Court and requires the confirmation of the sentence of death passed by the Commissioners. To that there has been no objection. The next clause deals with the confinement of the persons detained under the Act outside Bengal. That, I think, hardly needs more than one word. It is quite obvious that if you have political offenders of this nature in jails in their own province there are dangers which are too obvious to need enumeration. You may put an unfair burden on the persons responsible for their detention and in the cases where the ditenus are persons of importance you offer a temptation to the subordinate and low-paid staff to be a channel of communication with the outside world. That is the plain aspect of the question. We have suffered too much from tampering with jails in Bengal. My Honourable friend may recollect the appalling

murder that was committed actually in a jail, not so many years ago. The main point in the Bill is the last clause which prevents the person detained from going to the High Court. Now, that has been referred to as a suspension of the *Habeas Corpus* Act. That is not so at all. It is a bar on this particular man from taking his case to the High Court. I do not minimize the fact that that is a very grave step to take, but it is a step that really is essential to executive preventive procedure set up by this legislation. The necessity of such a bar where legislation confers a power of internment has been recognised by this Legislature, not in 1818 but very much later. Section 491 (3) of the Criminal Procedure Code bars for exactly the same reason as this Bill applications to the High Court. And why does it do it?

THE HONOURABLE SAIYID RAZA ALI: I raised this very point, but unfortunately the Honourable the Home Member was not in the House.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: I regret I had not the advantage of hearing my Honourable friend's arguments, but no doubt my friend the Home Secretary will have no difficulty in disposing of them. The point I am putting to the House is this. This has been represented as some new, dreadful invasion on the rights of the subject. Sir, if that is so, this House and the other House have been parties to a similar invasion for a large number of years. The actual section under which the provision in the Code occurs was under the consideration of the Legislature no longer ago than three years. The Legislature apparently at that time recognised, and rightly recognised, that these are essential provisions in connection with any executive power of detention. If you admit that in special circumstances the Executive must have power to detain without trial, then you must admit, it is the logical conclusion of your admission, it cannot be avoided, that you must also bar the jurisdiction of the High Court to interfere by way of *habeas corpus*. There is no question of suspicion of the court. That is not the point at all. I will take section 13 of the Bengal Criminal Law Amendment Act as an example and develop what I am endeavouring to explain. Section 13 runs as follows:—

"Any officer of Government authorised in this behalf by general or special order of the Local Government, may arrest without warrant any person against whom a reasonable suspicion exists, etc."

An arrest is made under the section. I go straight off to the High Court and I engage my friend opposite and he instructs learned counsel on my behalf, and the Court is bound to issue a rule on the officer who arrested me to show that he acted on reasonable suspicion. Very good, what is the position of Government in regard to that? Government may justify or it may not justify. If it justifies, it must produce evidence which *ex hypothesi* is evidence which it cannot produce. It is evidence of a secret and State character which cannot be produced in court, because if it could be produced in court the man would be tried. Government are in this dilemma then, they must either give away their secret sources of information, which will destroy the whole system on which our power to control secret movements is based, or they must submit to the discharge of the person arrested. In other words, this Act becomes unworkable. We referred this matter to our Legal Adviser and we had exactly the same opinion from him. He quoted a very recent case which occurred in Calcutta no longer back than the 19th August, in which exactly the same position arose in regard to an ordinary arrest under section 54 of the Code. There the court held, as it was bound to hold judicially—do not think for

[Sir Alexander Muddiman.]

a second I am suggesting the court was not quite right to do it; it was its duty to do it—that while it was contended that on the materials the police had before them at the time of the arrest, a reasonable suspicion existed. it was of opinion that the materials were not sufficient, and the man was discharged. That shows why it is essential, if you set up this system, that you must bar the jurisdiction of the High Court. There is nothing else left to you. Otherwise you may just as well not have the procedure at all. If I have to come into court and submit to the discharge of the arrested persons because I cannot justify, or else justify by revealing my sources of information, then you may as well take this Act and put it in the place where several people desire it to be placed, in the waste-paper basket. I have now dealt with the special considerations that arise on the clauses of this Bill.

Now there is one other point that I should like to take. It is suggested, and it was suggested once before when I occupied another position in this House, that this House is impotent in the case of a recommended Bill. That is not so. Legislation undertaken under section 67-B is a very complicated affair. It is legislation, and I would ask the House to bear this very seriously in mind,—it is legislation in which Parliament itself takes a hand. Parliament gave, after fully considering the matter, power to the Executive Government in this country to enforce in certain circumstances the power of affirmative legislation, if necessary, against the Houses of the Legislature. Now that is the constitution. It is part of the constitution. It was part of the reasons that led the Houses of Parliament to pass the constitution under which you gentlemen sit here. It is just as much part of the constitution as any other part. But when Parliament took that course it also recognised that legislation undertaken under this section was legislation of a very special kind and it secured that Parliament itself should take a hand in it. What is the procedure? Supposing this House—as I have no doubt it will do living up to its traditions—passes this Bill, what will happen next? I assume that His Excellency will signify his assent thereto. But that does not finish the matter. It is not finished there. The next procedure to be followed, the normal procedure to be followed, and I emphasise the words "*normal* procedure to be followed," is that when an Act of this kind is made it is expressed to be made by the Governor General and "as soon thereafter as possible it has to be laid before both Houses of Parliament and shall not have any effect until it has received His Majesty's assent and shall not be presented for His Majesty's assent until copies thereof have been laid before each House of Parliament for not less than eight days on which that House has sat." Now what is the object of that condition? It is to enable any Member of either House to table a Resolution in such form as may be available under the procedure of that House recommending that His Majesty should not assent to the measure. In other words, Parliament takes upon itself the responsibility of what I may call an endorsement of the action of the authorities in India. Now it can hardly be believed that if that is the procedure the opinion of this House is not of the greatest possible importance. It must be. Any man who desires to challenge the action that has been taken will obviously in the very first place refer to the debate of the Houses in India. Therefore do not for a moment suppose that your deliberations are of no importance. They are of the greatest importance. You have in effect by your deliberations a power of appeal to the highest legislative authority in the British Empire; and that is why,

if I may say so, it strikes me as betraying an entire absence of appreciation of the constitutional position that two Members of this House should have thought it fit to have withdrawn themselves from the debate on the ground that the proceedings of this House were a farce. It is an entire misapprehension of the constitutional position and I do desire to lay great emphasis on that point.

Now, Sir, I will not detain the House further. This long story is drawing to its close. It is for the Council of State to say whether it is prepared to shoulder some part of the responsibility which attaches to the maintenance of law and order in India. It has been a charge repeated with much unction by those not favourable to the reforms that the legislative bodies in India are not favourable to any action which is necessary to maintain law and order. I do not suggest by putting it in that form that you should blindly without consideration endorse every Bill that is put forward before you merely because it is said to be a Bill which is necessary for law and order; it is a matter on which you should examine your own consciences and your own minds very closely to see whether you are justified in refusing that support to the Government in a suitable case which it is the right of Government to look for from the Indian Legislature and from this House in particular.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): Sir, when I hear all this chorus against the Government, which is more to-day than it has been before, I join in it for the reason that I think Government are more or less responsible for such troubles as are happening in Bengal. We all know that the country is more or less working towards a revolution. Laws have been made sufficiently good for the purpose of keeping such movements down, but then they have been repealed. Men under those laws were punished who were already against the Government; and by keeping them in jail they became much more against the Government and then they were let loose—with what effect? They could not become friends; and what has happened? You have had to use these laws again and these men had to be convicted a second and a third time and money spent from the pockets of innocent people. The experiments have been carried on in this way. And in the same way, whenever a man has been against Government, when he has made a strong speech or shown his feelings in some other way, has got to the top, while sometimes the friends of Government have been disregarded. When these things are known to the people, they create such trouble as they have been doing in Bengal, to see what they can get out of it. You had the laws and you repealed them; and every time you bring them up here to be passed again speeches are made against them and a sensation is created in the Councils and outside. I do not think that that sensation is at all good either for the Government or for the people.

Now, Sir, as to this Bill it has been recommended by the Viceroy. We all know who have read about him that he was the ablest man in England and knowing there were troubles here, he was particularly chosen for the purpose. He has had access to various papers on which he determined to bring this Bill forward. If this House has no confidence in such an able Viceroy, I do not know in whom they will have it. And it is with that confidence that we want this illustrious House, which is a check on the things done on petty considerations elsewhere, to rise to its name and fame and come forward to pass this measure. Now, this measure may have some very drastic provisions in it; but it is only for one portion of the

[Colonel Sir Umar Hayat Khan.]

country. If this trouble prevails, I think it will not be confined to one province; it is like an eruption—it may appear in one place one day and another day in another place. I think it would have been a hundred times better if a law like this were made once for all and kept on the Statute-book for ever. After all, such a measure is intended only for those who want to break it, it is only meant for criminals, and the other people have got nothing to fear from it.

Now, Sir, with regard to my general attitude towards this Bill, I have been connected with legislative bodies, both the Imperial as well as the Provincial, for the last twenty years, and whenever a measure of this nature was brought forward by the Government to preserve law and order or to maintain the good government of the country, I have always readily helped it, because I am perfectly convinced that when any attempt is made by revolutionaries to undermine any government established by law and order, the innocent also suffer with the guilty. I am glad to say that we are making good progress in this country in every direction. The revolutionary movement which seems to exist in Bengal and elsewhere will certainly retard the progress of this country. Therefore, no well-wisher of the country can possibly help any movement which cuts at the very root of the peaceful progress of the country.

Then, Sir, it was suggested that these cases could be tried by the ordinary law. Now what is the difference between the ordinary law and this law? I think there is only one difference, and it is this, that for one's own private affairs one may kill his enemy. It cannot be regarded as a grave offence when compared to the case of a man who attempts to subvert law and order and brings about revolution in the country by which thousands of people will be killed, many of whom will be absolutely innocent. I have even heard the debate in the House of Commons where lots of people were against General Dyer. Well, I do not defend him here, but what I say is that those who created the trouble in the Punjab were responsible for getting the people punished by him, I mean it is those people who are to be blamed in the first instance.

Sir, one of the causes, to my mind, why some Members have opposed this measure to-day is that the elections are approaching. Yesterday, one of my friends said that if I wanted to get myself elected I should change my views. I said that in all my life I have based my views after a careful study of the whole question and that I was not going to change my views for such considerations. I am voicing the views of my constituency here. As we have not got the general suffrage, the suffrage is with those who have got a stake in the country and who pay revenue, I mean those who have some money. If there is chaos in the country, who is going to suffer most? Those who have got something to lose will suffer most at the hands of hooligans. I have on numerous occasions said that there is a movement in this country, call it Bolshevism or Communism. When I said so a few years ago lots of people said that if there was such a movement the police would at once come to know of it, and the police also believed that there was no such thing in existence. Later on, we did actually catch people who were conspirators in the Punjab, from whom pistols and fire-arms were recovered, and they were caught red-handed, prosecuted and punished, and some of them are still in jail undergoing various terms of imprisonment. Then again we had another case in Allahabad or Cawnpore in which actual Bolshevik agents were caught and punished. I have

got a man now staying with me, one of the best chess players, who has travelled in the world. He was telling me that he had heard from many sources that in Tashkand and Yarkand there were colleges simply for the purpose of teaching people to come here with propaganda against this Government. This is not the only source of information. I think Government know it. It was also mentioned by the late Lord Curzon in his speech in England. It is a well-known fact that such movements are rife. This is the movement from outside. There are also movements from within and when they are directed against the same Government, their authors naturally make a common cause. The other movement which is from within is more or less political and is also meant for the purpose of getting the present Government out in order to bring in another oligarchy of politically-minded people, which will be a second Indian bureaucracy. Those who say that the present Government should go will in no way be gainers by that. It is a well-known fact that this movement is only sectarian. It is only one class which is at the bottom of it. To-day this movement is against the British Government. Another day the same movement will be against the Muhammadans. We are in a minority. Being a representative of the Muhammadans, Sir, it is for this purpose also that I must help measures which seek to remedy such a state of affairs. In our religion, there is a maxim which says "From whom you are afraid that he will kill you, better be quick and kill him first."

Then, Sir, I will put before the House some of the experiences that we have had in my part of the country, which is another cause for my supporting this motion. I am very much afraid that this matter, which is now in Bengal only, may spread to other provinces also. We want to localise it in Bengal. If it spreads in the Punjab where there are martial classes, especially those who are near the frontier and possess fire-arms,—it will be a sort of gigantic guerilla warfare owing to the mountainous nature of the country. Only a short time back we have had a series of dacoities. Dacoits have been going about for months and months in the country. People would not come forward to give evidence, because those who did give evidence were killed by them. The people could not relate even their whereabouts, and thus the dacoits went about killing many people and did other possible crimes that people of that nature do for a very long period. (*The Honourable Major Nawab Mohamed Akbar Khan*: "I think a reference is made to the Babar Akali Jathas?") These were the Awans in Sun valley in the Salt Range. We had a similar trouble in the Central Punjab where the same thing went on and nobody came forward against the organisation which my friend the Nawab Sahib has just mentioned, and a special body had to be raised which after some trouble and difficulty were able to get at those offenders. These things occur now and then and one ought to have some safeguard against them. Two of the Honourable Members who have been against this measure have been very angry and have gone away. There is a saying that "if a gram jumps up in a kiln it does not break it," and I think they have done harm to their party because two votes have been lost to their side. Taking even ordinary cases, the law and procedure of Government are so defective, that it does not suit this country at all, at least many portions of it. Witnesses can be so terrorized that they think that if the accused gets off he will get at them and there are hundreds of cases where witnesses do not come forward for this reason. How are Government going to have so many police as to safeguard these? The police have been accused of being inefficient.

[Colonel Sir Umar Hayat Khan.]

When they have to contend with this law in which the magistracy require so much proof which is impossible to get, how are they to get on with their task efficiently? I was reading this morning in the papers that our Governor had gone to one of the districts in my constituency called Mianwali. There the people presented an address in which they particularly asked that they may be rescued and helped against dacoits and bad characters in that part of the country. When a portion of my constituency wants such help from the Government I cannot very well come here and say that we do not want such offenders to be punished. I think, Sir, that this law is most essential and may be passed and, I do hope that the House when passing it will pass it unanimously and keep up its old traditions because after all it is for the good of the Government and the country that we are all here.

THE HONOURABLE MAJOR NAWAB MOHAMMED AKBAR KHAN (North West Frontier Province: Nominated Non-official): I would like to compare the present Bill to a medicine and the Honourable the Home Member to a doctor and then come to the conclusion whether the introduction of the Bill is necessary or not. It is for the doctor to decide what medicine should be administered to the patient and not for the patient to insist on what his own requirements are. He, because of his study of medicines as well as the appropriate uses thereof, knows once for all what dose would bring the patient to a healthy condition. Again if a man gets a poisonous boil on his finger and the surgeon advises him that the finger should be removed, it is better that that should be done. I think the patient will be unwise in not allowing the surgeon to have the operation performed, because if the operation is not performed at once the result will be that the poisonous infection will spread to the whole system and there is a fear that the man might lose his life on that account. So again if a horse become infected with glanders, no master, howsoever fond he may be of the animal, would hesitate to shoot it at once with a view to stop the spread of the infection. Prevention after all is better than cure and to nip the mischief in the bud is a wiser policy than to wait and see its consequences afterwards.

Now, Sir, it is to suppress the anarchist element in Bengal that the Government of India deemed it advisable to formulate a regulation known as the Bengal Criminal Law Amendment Act, and this being so I fail to see the reasons for objecting to the introduction of the same in the province. It is said that there is no such element in the province. It might be, but the Government of India have at least some grounds of justification for its enforcement. They must have witnessed something of the sort that has induced them to formulate the said Act. They granted the Reform Scheme to this country of their own accord,—it was not wrested out of them by any threat or any compulsion. When they granted the liberty of speech in these institutions and when they permit a good deal in the news papers also, I do not see why anybody should object to a measure which is deemed advisable for the tranquillity of this country. To my mind the Act is simply brought in to deal with the anarchists and other mischief-makers, and no peace-loving man should be afraid of it. Some say that there is no such strong agitation in the province as to justify the bringing in of such a strict measure. It may not be outwardly so, but how can they assure this House that secret societies are not active in their propaganda. Again it is said that it is to stifle the legitimate agitation that

such an Act is being formulated, but as I have already observed we should not distrust the Government, for if the Government intend to suppress the legitimate agitation may I ask the Honourable Members with what force, what armament and with what new discoveries can they stop them from carrying out their wishes? I for myself am far from entertaining such an idea of distrust, for the Great War has proved that there is no power on the face of the earth which would dare defy the British Empire or prevent it from doing what it desires.

Perhaps it does not seem advisable to the Government of India to explain the reasons for bringing in this regulation, as there might be some strong grounds for their doing so, but I think that the bringing in of this regulation requires nothing but to preserve the tranquillity of Bengal. The Honourable Members need not stand in apprehension of this Act but submit unhesitatingly to it in accordance with the saying of the world-renowned prince of the Persian lyric poets, I mean the great Hafiz who says: "*Ba mai sajjada rangin kun garat pire mughan goyad ki salik be-khar nabuad zi rah-o-rasm-i-manzilha.* I think the Muhammadan Honourable Members of the Council and some Hindu Honourable Members who understand Persian will know what I mean. "It is better to sprinkle the prayer carpet with drops of wine if such is the order of the Grand Master, for he is better acquainted with the ways and stages leading to the destination." It is just possible that an outward eye, lacking in the power of penetration, might not be able to discern the mysteries of the future and therefore might object to the sprinkling of so-called wine. But the question is quite different with the man endowed with the power of penetration. He does not regard the so-called wine as a thing objectionable but something that will bring him good results, for the order is nothing but a test of his loyalty and submission to the will of the Grand Master. I think it will be better, therefore, to follow the Grand Master, *i.e.*, the Honourable the Home Member, who, I trust, would not lead us astray in anything and would not suffer continuing this regulation even a day more than is necessary. If the sacrifice of a few persons results in the tranquillity and peace of the rest I think it is not worth minding.

I cannot better end my remarks than by quoting another verse from the same author: *Gada-e goshanashini tu Hafiza makharosh Rumuz mamlukati Shesh khusrawan danand, i.e.*, "O Hafiz, as an ascetic, you should confine yourself to your side of the life, as it is for the kings to look to the secrets of their dominions and do what is good for their interest".

THE HONOURABLE MR. J. CRERAR: Sir, I have been discharged from the obligation of replying to nearly all the important issues which have been raised by Honourable Members who have spoken in opposition to this Bill by the speech of the Honourable the Home Member. Its lucidity and cogency, its comprehensiveness and candour have, I think, made that impression upon the judgment of the House which it deserves to make and it will be a superfluity and impertinence on my part to attempt to add anything material to the refutation of the objections urged against this Bill made in the Home Member's speech. My purpose in rising now is a very limited one and I shall not detain the House for more than a few minutes. I am unwilling that one or two statements which have been made in the course of the debate should be left without challenge. I wish to record my objection to those statements which were three in number. One was made by my Honourable and learned friend Sir Deva Prasad Sarvadhikary. He said that the activities of the revolutionary

[Mr. J. Crerar.]

conspiracy in Bengal were sporadic, ill-considered and ill-organised and he suggests a doubt as to whether there was really a highly organised conspiracy of that kind. Well, I would only ask the House in considering the validity of that suggestion to reflect on three facts which have been prominently brought to notice in the various statements which have been issued by the Government of Bengal or by His Excellency the Governor General. The first is the importation of pistols and ammunition which cannot be obtained by any legitimate method in India. Secondly, on two occasions the simultaneous distribution in many different quarters of revolutionary publications. There is, thirdly, the manufacture of a highly efficient type of bomb which requires great skill and knowledge of construction. These three simple facts alone are sufficient to establish that there is an organisation and its activities are not sporadic, ill-sustained and ill-organised. The Honourable Member went on, I think, to say that Government had produced no proofs that this organisation was directing its efforts to secure the aims and aspirations of the people. I hope I am not doing the Honourable Member injustice in quoting his words in those terms. That, Sir, is a most extraordinary assertion to make. Government have certainly not produced any proofs of this kind because they deny the proposition. Their allegation throughout is that the object of this organisation is not to prosecute legitimate aspirations but to overthrow and subvert the Government established by law in India by force and to subvert the social organism which it is the primary duty of the Government to support.

The second observation to which I must take objection is the observation made by my Honourable friend Mr. Karandikar. He said that the principal provisions of this Bill showed a manifest distrust on the part of the Government, firstly, of the judicial officers and, secondly, of juries. I must deny both allegations *in toto*. The consideration which prevailed in the mind of Government in the matter of instituting a special tribunal was in no sense distrust of the judicial officers. They thought that the ordinary procedure under which the judicial officers normally operate was entirely inappropriate to crimes of this character. Nor was it a distrust of the juries which impelled them to legislate for a form of trial in which juries are not called upon. The consideration here, again, was the consideration that juries ought not to be exposed to the dangers and to the terrorism to which under the present conditions in Bengal they are exposed. The motive, therefore was not distrust of juries but an imperative sense of the need of relieving juries from undertaking duties which they could not reasonably, honestly and safely be expected to perform.

The third observation against which I desire to record my emphatic dissent was made by my Honourable and learned friend Saiyid Raza Ali He intimated that in his opinion the real object of this Bill or one of its real objects was to make good the inefficiency of the police. Now, Sir, that was an unjust remark in two senses. In the first instance, I infer that the Honourable Member made that imputation on the ground that failure to bring culprits to justice is due to failure on the part of the police to detect and to prosecute successfully their crimes. Well, Sir, the Honourable and learned gentleman has doubtless read the Rowlatt Committee's report. He has doubtless also read the valuable report by Mr. Justice Beacheroft and Chandravarkar and he will find that the reasons for the failure to bring to justice culprits committing crimes of this character are imputed by these very high authorities, including judicial officers of

the very highest degree of knowledge, experience and ability, to circumstances entirely remote from the efficiency or inefficiency of the police. I say that remark was unjust in two respects. It was unjust in laying at the door of the police failures and shortcomings which cannot fairly be attributed to them. It is particularly unjust in my opinion that a charge of this character should be laid against a force of police—I speak here both of the European and the Indian members of that force—a force of police who in circumstances of the greatest danger and difficulty have shown a most remarkable example of courage and constancy to duty. (Applause.)

THE HONOURABLE SAIYID RAZA ALI: On a point of personal explanation, let me say, and I am prepared to repeat my words, that I did not give it as my opinion that the police were inefficient. I said the police were less efficient than they should be. That is what I said. The police were not as efficient as they should be. In fact I myself disowned the charge of the police being inefficient.

THE HONOURABLE MR. J. CRERAR: I should like, Sir, in response to what my Honourable and learned friend has just said to say that I welcome very much his further statement in regard to his real intention, and in so far as my remarks were irrelevant, to that intention, I shall withdraw them.

4 P.M.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to supplement the Bengal Criminal Law Amendment Act, 1925, in the form recommended by the Governor General, be taken into consideration."

The Council divided:

AYES—29.

Abbott, Mr. E. R.
Akbar Khan, Major Nawab Muhammad.
Aman Ali, Mr.
Amiruddeen Ahmad, Nawab Sir.
Barooah, Mr. C.
Berthoud, Mr. E. H.
Chadwick, Mr. D. T.
Crerar, Mr. J.
Dawn, Mr. W. A. W.
Dutt, Mr. P. C.
Khaparde, Mr. G.
Ley, Mr. A. H.
MacWatt, Major-General Sir Robert.
McWatters, Mr. A. C.
Misra, Pandit S. B.
Mitter, Mr. K. N.
Muhammad Habibullah, Sir.
Natesan, Mr. G. A.
Patterson, Lieut.-Col. S. B. A.
Ray, Raja P. N.
Raza Ali, Mr.
Sarma, Sir Narasimha.
Sarvadhikary, Sir Deva Prasad.
Singh, Maharaja Bahadur K. P.
Singh, Mr. Charanjit.
Tek Chand, Mr.
Umar Hayat Khan, Col. Nawab Sir.
Wild, Mr. A. C.
Zahir-ud-din, Mr.

NOES—3.

Ayyangar, Mr. K. V. R.
Karandikar, Mr. R. P.
Sinha, Mr. Sukhbir.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 2 stand part of the Bill."

The motion was adopted

Clause 2 was added to the Bill.

THE HONOURABLE THE PRESIDENT: The questison is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

THE HONOURABLE THE PRESIDENT (to the Honourable Dr. Sir Deva Prasad Sarvadhikary who rose to address the Council): I hope the Honourable Member will not attempt to repeat the arguments he has already given at great length this morning.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: I quite realise that. I do not propose to repeat the arguments at length. The only thing I want to point out is that the answer from the Government has been anything but convincing. To begin with the Honourable the Home Secretary did not give us enough indication as to why it was necessary to have an unusual and drastic provision of this kind, and when the Honourable the Home Member spoke he rather brushed aside the chance of any adverse considerations being possible with regard to the matter because of the likelihood of jail subordinates being tampered with. Well, Sir, there have been cases and regrettable cases to the contrary. But the same protection and privilege that have been claimed by the Honourable Mr. Crerar for the police service I should like to claim for our jail service also. They have very difficult work and they work under a severe handicap; but the general discharge of their duties by the jail officials is of a very high character indeed, and that I think I can claim on behalf not only of the higher officials but of subordinates also. Therefore when my Honourable friend puts forward the chances of subordinates in jail being tampered with as a reason why these unfortunate persons should like so many *goondas* be sent away from the province, I must join issue with him.

Then on the question of hardship my Honourable friend Saiyid Raza Ali was pleased to indicate that if clause 6 was deleted by consent of the Government, as he was ambitious enough to hope, then he would consent to the retention of clause 4. What would be the effect of that? Supposing the Government did consent to the deletion of that clause, you could send your man away from the jurisdiction of the High Court and then any writ of *habeas corpus* would be powerless (*The Honourable Saiyid Raza Ali*: "That is not the legal position"). Well, my Honourable friend has his views. Then, Sir, on the question of convenience, for a man to be sent away from his own province thousands of miles away it may be from his home, where he cannot communicate with his people, where he cannot have the chance of meeting them even on the few occasions the authorities allow, is by itself a reason for not sending the man away from a vast province like Bengal where jail facilities of this description are abundant. My attention has been drawn to some cases. I remember one of them very vividly. That was a case in which a man was sent to the North West Frontier Province. The people to whom he could write knew nothing but Bengali and the jail authorities did not know Bengali. Even communication was difficult and then there were other difficulties. In the absence of a more convincing reason than what has been urged, I oppose this clause.

THE HONOURABLE MR. R. P. KARANDIKAR: I will only add one word, Sir. I oppose this clause 4. I am anxious no vote of mine in favour of this clause may embarrass the Government of the Presidency from which I come. I am not sure if the Government of that Presidency, the Bombay Presidency, has ever been consulted as to whether they are willing to take these undesirables in their territory. I am not in favour of the Government undertaking to accept these undesirables in their jails.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: Sir, I should like to say I welcome my Honourable friend's tribute to the hard-working officials, the jail upper and lower subordinates. I am glad to hear that he recognises they do their work as well as they can. My point was not to reflect on the services which undoubtedly carry on their duties to the best of their ability. What my Honourable friend misapprehends altogether is the very different form of person that we are incarcerating because *ex hypothesi* he is a member of a terrorist conspiracy. Does my Honourable friend think that it is not more difficult to watch, to guard, a man of that kind than it is in the case of an ordinary prisoner? That is the whole point of my observation. You have a man who is *ex hypothesi* a dangerous character linked with a powerful body. I may point out that the clause moreover does not provide for the ordinary procedure. This is a special procedure only allowed with the sanction of the Governor General in Council. If the Local Government tells us that a man's presence in a local prison is likely to give cause for alarm to the local authorities, then and then only if we are satisfied that a good case has been made out, sanction will be given. If the man is sent away that may involve hardship to the man, I agree. It is no use to deny it. As I say this is a matter that has to be referred to the Governor General in Council. I do not think this House need have any alarm that we shall abuse that particular power.

With regard to my Honourable friend Mr. Karandikar's point, it is quite obvious that if the Bombay Government says, "We shall not take them", we shall not be able to send them. *Cadit quaestio.*

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: Sir, those who are very near the Frontier—I think my friend Nawab Muhammad Akbar Khan—will bear me out, find another difficulty where the conspirators or people who are against the Government are also in league with the frontier tribes, across the border. As the jails are very near the border, the prisoners, when they are going about doing their work outside the jails, can be carried away by the tribesmen who can come in large numbers. It is for these considerations that it is absolutely necessary that such prisoners should be kept at a place where they cannot be carried away. It is for this reason that I support the clause.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 5 stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

THE HONOURABLE SAIYID RAZA ALI: Sir, it is no time for making speeches, but I feel, Sir, that I must express my dissent from the very able speeches made by the Honourable the Home Member and the Honourable the Home Secretary. The whole point, so far as we are concerned, is this: Are you giving any remedy to the man whose complete freedom you are taking away, are you giving him any legal remedy whatever? Sir, even the meanest subject of His Imperial Majesty, if he commits a wrong, however

[Saiyid Raza Ali.]

grievous it may be, is given every opportunity before a judicial tribunal to defend himself; he must be put on his trial before he is convicted. I admit, Sir, that Government have their own difficulties in this matter. There is no disposition in any quarter of this House to belittle the difficulties of Government. But what about the hardships to which the enactment of this clause is going to expose a number of people? I am prepared to concede for the sake of argument that out of the 100 men who are now in custody under the Bengal Criminal Law Amendment Act, at least 90 are guilty and only 10 are innocent. I am making a big assumption, but to strengthen the argument of the official benches, I am making this big assumption. May I ask, Sir, whether you are going to give any right to these 10 innocent men to go to a court of law or before any tribunal to prove that they are innocent? It may be, Sir, that the occasion is extraordinary, but even then I submit that we are taking a very severe step. To illustrate the same point, I will assume that if clause 6 is deleted, a certain amount of evil will be the result. I am willing to concede that. But on the other hand, if you put in this clause and if you pass the Bill into law, you will be creating greater evil than what you are trying to check. If that is going to be the case, then my submission is that the existence of that clause will prove a source of greater danger than its omission. Sir, I will only read three or four lines from the speech of the great Chatham, I do not propose to quote Lord Morley. I will only quote a man whose authority is recognised by every Englishman and Englishwoman in the world. This is what the great Commoner said:

"The poorest man may in his cottage bid defiance to all the forces of the Crown. It may be frail—its roof may shake—the wind may blow through it—the storm may enter—the rain may enter—but the King of England cannot enter! all his force dare not cross the threshold of the ruined tenement."

Sir, what I urge is that we should not be compelled to obey the whims and caprices of an ignorant and superstitious member of the police force.

THE HONOURABLE SIR ALEXANDER MUDDIMAN: Sir, my Honourable friend does not meet my point at all. This is not a question to be discussed on the general rights of liberty of the subject. If you accept the view—that is my point and my whole point,—if you accept the view that internment by executive order is justified, then I ask my Honourable friend, can that system co-exist with the right to apply to the High Court for *habeas corpus*? The point is a perfectly clear one and my friend is far too good a lawyer not to appreciate it. If I have to justify the detention in the High Court, I have to reveal my sources of information. My case is that I cannot reveal the evidence. That is my whole case. If the evidence can be brought before the Court, we should bring it forward and put the man on trial. If I do not justify, then the accused person arrested must be discharged by the court. Let me impress upon my Honourable friend that there is no question of distrusting the court. The court is bound to make me produce the evidence which I cannot produce and which the very course I am taking shows that I cannot produce. *Ex hypothesi* I cannot produce that. You absolutely destroy the whole of the second part of the Bill if you take a different view. That is the whole of my point. You cannot have co-existing a power of revision of the grounds of your action by a judicial tribunal. That is the short answer and that is the only answer.

THE HONOURABLE SAIYID RAZA ALI: Then the man is without any remedy.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: May I try to meet the point raised by my Honourable friend by reading out section 491 (*b*) of the Criminal Procedure Code? It says that "a person illegally or improperly detained in public or private custody" will be set at liberty. If the Government desire to detain any one illegally and improperly, then and then alone can a writ of *habeas corpus* under this section be issued. If the Government satisfies the High Court that this is not a case where it can be legitimately urged that the detention is illegal or improper, then the remedy provided by this section will not apply. If it is otherwise, if it is shown that in spite of all that can be said and urged the detention is illegal and improper, there is no reason, Sir, that one can imagine, one trained in the high traditions of British justice and law can imagine, why this should be denied. I realise, Sir, the force of what my Honourable friend said earlier in the debate as to the Legislature having allowed itself to be a party to the exclusion of this right with regard to certain special enactments like Regulation III of Bengal. There also, Sir, in addition to what the Honourable Saiyid Raza Ali has urged about the recommendations of the Repressive Laws Committee, my answer would be the provisions of Regulation III of 1818. There it is laid down:

"Whereas the ends of justice require that, when it may be determined that any person shall be placed under personal restraint, otherwise than in pursuance of some judicial proceeding, the grounds of such determination *should from time to time come under revision, and the person affected thereby should at all times be allowed freely to bring to the notice of the Governor General in Council all circumstances* [illegible] ating either to the supposed grounds of such determination or to the manner in whic[illegible] it may be executed."

Where is this safeguard in this Act? If the man is brought before the Commissioners provided by the Ordinance, there may be some chance for him but there is none of that safeguard that is contemplated by the Preamble to Regulation III. The suspect is absolutely barred out with regard to any provision for "revision" or chance of bringing of circumstances to the notice of the Government. That to my mind takes away the force of what the Honourable Sir Alexander Muddiman says regarding the Legislature having assented to the exclusion of the special enactments from the purview of section 491. I am aware that we are not on the general question but regarding the special features of the *habeas corpus* law it is common knowledge that it has been laid down by the highest authorities that the prerogative of the writ of *habeas corpus* is of the highest constitutional importance, it being a remedy available to the meanest of subjects against the most powerful and it is only in the case of felons and persons guilty of treason that this remedy is denied. If a man is brought up on police information, assented to later on by the higher authorities, he becomes for the purposes of this Act and without trial or conviction "a felon and a person guilty of treason". It reminds me of the story of a juryman who was asked by the learned judge whether he had formed any opinion of the case. He said, "No" and then he was asked if he had any objection to capital sentence. And he gruffly said, "No, Sir, not in this case".

Then, Sir, comes the classes of cases in which the right of *habeas corpus* is excluded on the ground of urgent political necessity. I am glad

[Sir Deva Prasad Sarvadhikary.]

Government have disclaimed the existence of any urgent "political necessity", of the lower order if I may call it, in connection with this Bill and they cannot now urge that "urgent political necessity" will require that the right of *habeas corpus* should be withdrawn from the man. My friend Mr. Saiyid Raza Ali has given one extract regarding the subjects rightly. I am tempted to quote another extract from Blackstone supported by the judgment of Lord Shaw; but I find that that has been quoted at length in the other House and I shall not tire out the patience of the House now by repeating that long extract. English Judges and English juries have held that except in exceptional cases the right of *habeas corpus* should not be denied. What is the right after all; it is to have the case looked into by the High Court and on the Government satisfying the High Court that the man is not illegally or improperly detained. Government run no risk. I therefore join with my friend Mr. Saiyid Raza Ali in strongly urging that this clause ought to stand out.

THE HONOURABLE MR. J. CRERAR: Sir, I think the speeches made by my Honourable and learned friends enough evince the natural reluctance of a lawyer to assent to a restriction of the powers of *habeas corpus*, but I venture to say that they have not conducted the discussion into a very profitable channel or that they have done anything to impugn the validity of the simple and at the same time perfectly consistent and comprehensive position explained by the Honourable the Home Member. My learned friend Saiyid Raza Ali inquired what remedies were given to the man who is to be arbitrarily deprived of his liberty. Well, from the nature of the case it is obvious that we cannot give to a man in that position remedies comparable to the remedies which are open to an ordinary citizen under the ordinary law, but if the Honourable Member will read carefully the provisions of section 18 of the Bengal Criminal Law Amendment Act he will find, I shall not go into details because I think I have reason to assume that Honourable Members have read and appreciated them, that we have given remedies which are of a substantial character. Then it has been suggested by my Honourable friend Sir Deva Prasad Sarvadhikary that it should surely not be open to Government in any circumstances whatsoever to condone or defend or maintain any form of illegal or improper confinement. I hardly think it necessary for me to reply to that charge, if it is a charge. But here again the whole logic and validity of the Honourable the Home Member's position in explaining the attitude of Government in this matter is entirely ignored. A similar neglect of the obvious facts of the situation and the obvious provisions of the law is inherent in the statement made I think twice by my Honourable friend, Saiyid Raza Ali, that this Bill will make the most ignorant and the most superstitious constable a man with greater and more summary powers than the Honourable the Home Member—and I trust he included the Home Secretary (*The Honourable Sir Deva Prasad Sarvadhikary*: "The two put together.") Will the Honourable Member peruse—he has not already perused it—section 13 of the Act. He will there see that that section provides that any officer of Government authorised in this behalf by a general or special order of the Local Government may arrest without warrant any person against whom a reasonable suspicion exists. Does the Honourable Member really suppose that a reasonable construction of this section is that the Local Government will give a general or special order into the hands of an ignorant or

superstitious constable? I hardly think it necessary to argue the point. Nor has it ever been done. I do not think that I need urge that point. Finally, I return to one of the points taken by the Honourable Sir Deva Prasad Sarvadhikary, that it would be very unreasonable that Government should refuse to go into Court on a writ of *habeas corpus*. What reasonable legitimate grounds, he asked, could Government possibly have for defending or maintaining an illegal or improper detention? That is not the point. The point is, taking the case of section 13 of the Act, if Government have got to go into Court on a writ of *habeas corpus*, they have got to show what the reasonable suspicion was and they cannot show what the reasonable suspicion was without disclosing all the sources of their information and imperilling the whole system. There, Sir, we come once more to the plain and simple proposition enunciated so clearly and to my mind so convincingly by the Honourable the Home Member. I have nothing further to add.

THE HONOURABLE SAIYID RAZA ALI: May I say one word, Sir?

THE HONOURABLE THE PRESIDENT: I think the Honourable Member has exercised his right of speech quite sufficiently.

The question is:

"That clause 6 stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That clause 1 stand part of the Bill."

The motion was adopted.

Clause 1 was added to the Bill.

THE HONOURABLE THE PRESIDENT: The question is:

"That these be the Title and Preamble to the Bill."

The motion was adopted.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. J. CRERAR: Sir, I move that the Bill in the form recommended by the Governor General be passed.

THE HONOURABLE THE PRESIDENT: The question is:

"That the Bill to supplement the Bengal Criminal Law Amendment Act, 1925, in the form recommended by the Governor General, be passed."

The motion was adopted.

ILLNESS OF HIS EXCELLENCY THE COMMANDER-IN-CHIEF.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (West Punjab: Muhammadan): I just want to say a word, Sir, about our illustrious Commander-in-Chief. We all know that he has undergone an operation, and that that operation showed that the case would have been quite a serious one if it was not done. We are very glad to hear now that he is doing very well; and if you agree, Sir, it would be well if a message were sent that this House prays for his speedy recovery.

THE HONOURABLE MAJOR NAWAB MOHAMED AKBAR KHAN (North-West Frontier Province: Nominated Non-Official): I beg to second the motion, Sir, that you should send a message that all the Members of this House wish a speedy recovery to His Excellency.

THE HONOURABLE SIR NARASIMHA SARMA (Law Member): I think, Sir, all Honourable Members are perfectly agreed that we should send a message to His Excellency the Commander-in-Chief expressing our sincere hope and prayer that he will have a very speedy recovery and that he will be restored to his full health and vigour.

THE HONOURABLE DR. SIR DEVA PRASAD SARVADHIKARY: Sir, we should like to associate ourselves with that expression of feeling and hope.

THE HONOURABLE THE PRESIDENT: The unanimous wish of the House for the speedy recovery of His Excellency the Commander-in-Chief will be communicated to him.

The Council will now adjourn *sine die*.

The Council then adjourned *sine die*

INDEX.

	PAGE.
A	
ABBOTT, THE HONOURABLE MR. EVELYN ROBINS, C.I.E.—	
Oath of Office	341
ACCIDENT—	
Question *re* — at a level crossing near Samasata	558
AEROPLANE—	
Appreciation of the ——, Howitzer, Field Gun and Armoured Car demonstrations arranged for Members of the Indian Legislature.	687—688
AFTAB AHMED KHAN, THE HONOURABLE SAHIBZADA—	
Oath of Office	13
Resolution *re* import of cinema films, etc.	47—48
Tribute to the memory of the late Mr. Edwin Samuel Montagu ...	84
AGE LIMIT—	
Question *re* —— for the I. C. S. Examination	158
AIR ROUTE—	
Question *re* proposed —— between Europe and India	195
AKBAR KHAN, THE HONOURABLE MAJOR NAWAB MOHAMMAD—	
Bengal Criminal Law Amendment (Supplementary) Bill—	
Motion to consider in the form recommended by the Governor General.	742—748
Illness of His Excellency the Commander-in-Chief	753
Indian Finance Bill—	
Motion to consider	616—617
Resolution *re* recommendation of the North-West Frontier Inquiry Committee.	568—571, 585
Resolution *re* restriction of the use of opium to medicinal purposes only.	447
AMALGAMATION—	
Question *re* —— of the Oudh and Rohilkhand Railway with the East Indian Railway.	560
AMAN ALI, THE HONOURABLE KHAN SAHIB—	
Oath of Office	423
Resolution *re* utilization of interest on Post Office Savings Bank deposits opened by Muhammadans.	587
AMENDMENT OF THE LAW RELATING TO INTEREST BILL—	
See under "Bill(s)".	
AMIRUDDEEN AHMAD, THE HONOURABLE NAWAB SIR—	
Indian Criminal Law Amendment (Repealing) Bill—	
Motion to consider	269
Resolution *re* supply of Ganges water at and below Narora ...	184
AMMUNITION FACTORY(IES)—	
Question *re* purchase of glycerine for ——	135—136

PAGE.

ARCHÆOLOGICAL DISCOVERIES—
Question *re* recent —— in the Punjab and Sind ... . 21—22

ARMOURED CAR—
Appreciation of the Aeroplane, Howitzer, Field Gun and —— demonstrations arranged for Members of the Indian Legislature. 687—688

ARMY DEPARTMENT—
Question *re* factories under the —— ... ... 132—133

ART, INDIAN—
Question *re* Central Institute of —— and Antiquities in London ... 137
Question *re* encouragement of —— ... ... 136—137, 429—430

ART STUDENTS—
Resolution *re* scholarships and prizes for Indian —— ... .. 73—83

ASSENT TO BILLS—
See under "Governor General".

AYYANGAR, THE HONOURABLE MR. K. V. RANGASWAMI—
Expressions of regret at the death of Sir Leslie Miller 205
Indian Merchant Shipping (Second Amendment) Bill—
Motion to pass 535, 537
Resolution *re* inalienability and impartibility of self-acquired or absolutely owned estates. 597

B

BARUA, THE HONOURABLE SRIJUT CHANDRADHAR—
Appointment of —— as a Member of the Committee on Petitions ... 17

BAWLA, MR. ABDUL KADAR—
Question *re* resolution passed by the Cutchi Memons Anjuman regarding the murder of —— 551—552

BELL, THE HONOURABLE MR. J. W. A.—
General discussion on the General Budget 473-476
General discussion on the Railway Budget 284--287
Indian Paper Currency (Amendment) Bill—
Motion to consider 94-95

BENARES—
Question *re* deputation of official representatives to the Economic Conference at ——. 20

BENARES HINDU UNIVERSITY ENGINEERING COLLEGE—
Question *re* special grant to the —— 555-556

BENGAL COUNCIL—
Question *re* alleged corruption in the —— 158

BENGAL CRIMINAL LAW AMENDMENT (SUPPLEMENTARY) BILL—
See under "Bill(s)".

BENGAL ORDINANCE—
Question *re* examination by two Judges of the cases of persons detained under the ——. 227

BERTHOUD, THE HONOURABLE MR. E. H.—
Resolution *re* investigation into the mineral resources of Chota Nagpur, etc. 195-196

PAGE.

BILL(S)—
Amendment of the Law relating to Interest— 160-163
Motion for leave to introduce 164
Negatived ... ...

Bengal Criminal Law Amendment (Supplementary)— 699
Laid on the table in the form recommended by the Governor General . 701—745
Motion to consider in the form recommended by the Governor General. 745—751
Adopted 751
Consideration of clauses 751
Motion to pass ... ...
Adopted ... ...

Cantonments (Amendment)— 344
Laid on the table as passed by the Legislative Assembly ... 423
Motion to consider 423
Adopted 424
Motion to pass 424
Adopted ... ...

Cantonments (House-Accommodation Amendment)— 494
Laid on the table, as passed by the Legislative Assembly ... 529
Motion to consider 529
Adopted 529
Motion to pass 529
Adopted ... ...

Cotton Ginning and Pressing Factories— 494
Laid on the table, as passed by the Legislative Assembly ... 537—547
Motion to consider 547
Adopted ... ... 547—548
Consideration of clauses 548--549
Motion to pass 549
Adopted ... ...

Indian Cotton Cess (Amendment)— 659
Laid on the table, as passed by the Legislative Assembly ... 690
Motion to consider 690
Adopted 690
Motion to pass 690
Adopted ... ...

Indian Criminal Law Amendment (Repealing)— 30
Laid on the table, as passed by the Legislative Assembly ... 241—250
Motion to consider 250--256
Motion to refer to Select Committee 256
Negatived ... ... 256—277
Motion to consider 278
Negatived ... ...

Indian Finance— 599
Laid on the table, as passed by the Legislative Assembly ... 599-600
Proceduce to be followed for taking into consideration the —— in the Council of State. 602—628
Motion to consider 628
Adopted ... ... 629—645
Motion to amend clause 2 645
Adopted ... ... 645—650
Motion to amend Schedule II 650
Negatived ... ...

PAGE.

BILL(S)—*contd.*

Indian Finance—*contd.*
Motion to pass ... 650—654
Adopted ... 654
Message from the Legislative Assembly intimating agreement in the amendment made by the Council of State in the ——. 659

Indian Income-tax (Amendment)—
Laid on the table, as passed by the Legislative Assembly ... 159
Motion to consider ... 222—223
Adopted ... 223
Motion to pass ... 223
Adopted ... 223

Indian Income-tax (Second Amendment)—
Laid on the table, as passed by the Legislative Assembly ... 602
Motion to consider ... 686
Adopted ... 686
Motion to pass ... 687
Adopted ... 687

Indian Merchant Shipping (Amendment)—
Laid on the table, as passed by the Legislative Assembly ... 56
Motion to consider ... 86—87
Adopted ... 87
Motion to pass ... 88
Adopted ... 88

Indian Merchant Shipping (Second Amendment)—
Laid on the table, as passed by the Legislative Assembly ... 494
Motion to consider ... 529—531
Adopted ... 531
Motion to pass ... 532—537
Adopted ... 537

Indian Paper (Currency) Amendment—
Laid on the table, as passed by the Legislative Assembly ... 86
Motion to consider ... 92—97
Adopted ... 97
Motion to pass ... 97—98
Adopted ... 98

Indian Ports (Amendment)—
Motion for leave to introduce ... 191—192
Adopted ... 192
Introduced ... 192
Motion to consider ... 223—224
Adopted ... 224
Motion to pass ... 224
Adopted ... 224
Message from the Legislative Assembly that the —— had been passed without any amendments. 494

Indian Railways (Amendment)—
Laid on the table, as passed by the Legislative Assembly ... 86
Motion to consider ... 362—389
Negatived ... 389

Indian Soldiers Litigation (Amendment)—
Message from the Legislative Assembly asking for the concurrence of the Council of State in the amendments made in the ——. 143
Motion to consider amendments made by the Legislative Assembly 189—190
Adopted ... 190
Amendments adopted ... 190—191

PAGE.

BILL(S)—*contd.*

Indian Stamp (Amendment)—
Laid on the table, as passed by the Legislative Assembly ... 602
Motion to consider ... 685—686
Adopted ... 686
Motion to pass ... 686
Adopted ... 686

Indian Succession—
Message from the Legislative Assembly regarding the reference to a Joint Committee of the ——. 91
Nomination of Members to serve on the Joint Committee on the ——. 691

Indian Succession (Amendment)—
Message from the Legislative Assembly regarding the reference to a Joint Committee of the ——. 91
Nomination of Members to serve on the Joint Committee on the ——. 691

Indian Tariff (Amendment)—
Laid on the table, as passed by the Legislative Assembly ... 602
Motion to consider ... 681—684
Adopted ... 684
Motion to pass ... 685
Adopted ... 685

Legislative Assembly (President's Salary)—
Laid on the table, as passed by the Legislative Assembly ... 209
Motion to consider ... 361—362
Adopted ... 362
Motion to pass ... 362
Adopted ... 362

Obscene Publications—
Message from the Legislative Assembly asking for the concurrence of the Council of State in the amendments made in the ——. 228
Motion to consider amendments made by the Legislative Assembly ... 425—427
Adopted ... 427
Consideration of amendments ... 427—428

Prisons (Amendment)—
Laid on the table, as passed by the Legislative Assembly ... 344
Motion to consider ... 424—425
Adopted ... 425
Consideration of clauses ... 425
Motion to pass ... 461
Adopted ... 461
Message from the Legislative Assembly stating that the amendment made by the Council of State in the —— had been agreed to. 602

Provident Funds—
Motion to consider amendments made by the Legislative Assembly ... 57
Adopted ... 57
Amendment to clause 6 ... 57—72
Adopted ... 72

Question *re* draft —— for the constitution of the Commonwealth of India. 30

PAGE.

BILL(S)—*concld.*
Special Laws Repeal—
Laid on the table, as passed by the Legislative Assembly .. 602

Succession Certificate (Amendment)—
Motion for leave to introduce 450
Adopted 450
Introduced 450
Motion to refer to Joint Committee 450
Adopted 461
Motion to circulate ... ... 456—457
Negatived 461
Message from the Legislative Assembly *re* reference of the —— to a Joint Committee. 599
Nomination of Members to serve on the Joint Committee on the ——. 691

Workmen's Breach of Contract (Repealing)—
Laid on the table, as passed by the Legislative Assembly ... 86
Motion to consider ... ... 98—103
Adopted 103
Motion to pass ... ... 104—105
Adopted 105

BINDERS—
Question *re* grievances of the — of the Government Press, Calcutta ... 85—86

BLACKETT, THE HONOURABLE SIR BASIL—
General discussion on the General Budget ... ... 479, 484, 506, 507, 508, 516—524

Indian Finance Bill—
Motion to consider ... ... 624, 628—628
Motion to amend clause 2 ... ... 638, 639, 642—644

Indian Paper Currency (Amendment) Bill—
Motion to pass 98
Resolution *re* Provincial Contributions 679

BLOCK SIGNALLING INSTRUMENTS—
Question *re* installation of —— on Railways ... ... 560—561

BOLSHEVIK PROPAGANDA—
See under "Propaganda".

BOMBAY—
Question *re* sale of country liquor in —— .. .. .. 431—432

BOMBAY, GOVERNMENT OF—
Question *re* share of the —— in the income-tax 24

BOOK-POST—
Question *re* use of the two-pice oblong envelopes for —— purposes ... 5.5

BOOK POSTAGE—
Question *re* reduction in —— rates ... ... 51—52

BOSE, DR. SUDHINDRA—
Question *re* refusal of a passport to ——, Lecturer, State University of Iowa. 19

PAGE.

BRAY, THE HONOURABLE MR. DENYS—
Oath of Office 551
Resolution *re* recommendations of the North-West Frontier Inquiry Committee. 575—578, 583, 585

BRITISH EMPIRE EXHIBITION—
Question *re* cost of India's participation in the —— ... ... 209—210

BRITISH GUIANA—
Question *re* prospects for Indian settlers in —— 553

BUDGET—
General discussion on the General —— ... ... 465—524
General discussion on the Railway —— ... ... 284—339
Introduction of the General —— for 1925-26 ... ... 394—402
Introduction of the Railway —— for 1925-26 ... ... 210—222
Message from the Governor General appointing days for the presentation and discussion of the ——. 160

BURMA—
Question *re* money order remittances from —— to India from the 1st April to the 31st December 1924. 108

C

CABLES—
Question *re* delay in the transmission of —— to Germany 55

CALCUTTA—
Questions *re* grant of pensions to the piece workers in the Government Presses at —— and Delhi. 85
Question *re* grievances of the binders of the Government Presses,—— 85—86

CANTONMENT BOARDS—
Question *re* inclusion of Executive Officers in sub-committees of —— 657—658

CANTONMENTS (AMENDMENT) BILL—
See under "Bill(s)".

CANTONMENTS (HOUSE-ACCOMMODATION AMENDMENT) BILL—
See under "Bill(s)".

CAPITAL, FOREIGN—
Question *re* amount of —— invested in India 556

CAWNPORE—
Question *re* theft of two parcels of gold at —— railway station .. 18

CEMENT—
Question *re* discovery of a field of natural —— in Sind 18

CENTRAL ADVISORY COUNCIL FOR RAILWAYS—
Election of Members to the —— ... ... 56—57
Election to the Panel for the —— 84
Resolution *re* —— 50

CENTRAL PUBLICATION BRANCH, CALCUTTA—
Question *re* despatch of Government publications V. P. P. by the Manager,——. 138

PAGE.

CEYLON—
Question *re* agreement relating to the supply of opium to —— ... 20—21

CHADWICK, THE HONOURABLE MR. D. T.—
Congratulations to —— on the title of C.S.I. conferred on him ... 17

Cotton Ginning and Pressing Factories Bill—
Motion to consider ... ... 537—539
Consideration of clauses 547
Motion to pass ... ... 548—549

General discussion on the General Budget 491

Indian Merchant Shipping (Amendment) Bill—
Motion to consider ... ... 86—87
Motion to pass 88

Indian Ports (Amendment) Bill—
Motion for leave to introduce ... ... 191—192
Motion to consider ... ... 223—224
Motion to pass 224

Indian Railways (Amendment) Bill—
Motion to consider ... ... 366—369, 373, 382, 385, 388—389

Indian Tariff (Amendment) Bill—
Motion to consider ... ... 681—684
Consideration of item 7 of the Schedule 685
Motion to pass 685

Oath of Office 13

Provident Funds Bill—
Amendment to clause 6 ... ... 57—61, 63, 65

Resolution *re* Central Advisory Council for Railways 50

Resolution *re* inclusion of a representative of the travelling public in Railway Advisory Committees. 346—349

Statement laid on the table by —— *re* number of Trustees on the different Port Trusts. 189

CHANDAUSI RAILWAY TRAINING SCHOOL—
Question *re* Principal of the ——. 406, 559
Question *re* selection of an officer of the East Indian Railway as Principal of the ——. 406

CHARANJIT SINGH, THE HONOURABLE SARDAR—

Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 717—718

Congratulations from —— to the new President (Sir Henry Moncrieff Smith). 14
Expressions of regret at the death of Sir Leslie Miller 207
Expressions of regret at the death of the Marquess Curzon ... 654

General discussion on the Railway Budget ... . 328—330

PAGE.

CHARANJIT SINGH, THE HONOURABLE SARDAR—*contd.*

Indian Criminal Law Amendment (Repealing) Bill—
Motion to consider 268
Tribute to the memory of the late Mr. Edwin Samuel Montagu ... 32

CHETTIYAR, THE HONOURABLE SIR ANNAMALAI—
General discussion on the General Budget ... ... 508—509

CHIEF COURTS—
Question *re* number of English and Indian Judges of High Courts, —— and Judicial Commissioners' Courts. 28

CHOTA NAGPUR—
Resolution *re* investigation into the mineral resources of ——, etc. 193—201

CHURCH, MR.—
Question *re* contracts for coal for the Railways entered into by the late ——. 139—140

CINEMA FILMS—
Resolution *re* import of ——, etc. ... ... 40—50

CIVIL JUSTICE COMMITTEE—
See under "Committee(s)".

CLAIMS—
Question *re* expeditious settlement of —— against Railways ... ... 128—129

CLARKE, SIR GEOFFREY—
Question *re* deputation of —— to the Congress of the Postal Union at Stockholm. 157—158

COAL—
Question *re* purchase of —— through the Indian Stores Department 140

COAL MINES—
Question *re* —— owned by the Railway Board 139

COLONIES COMMITTEE—
See under "Committee(s)".

COMMANDER-IN-CHIEF, HIS EXCELLENCY THE—
Cantonments (Amendment) Bill—
Motion to consider 423
Motion to pass 424

Cantonments (House-Accommodation Amendment) Bill—
Motion to consider 529
Motion to pass 529

General discussion on the General Budget ... ... 485, 501—502

Illness of —— ... ... 751—752

Oath of Office 13

Resolution *re* admission of Indian students to the University Officers' Training Corps. 38—39

Resolution *re* University Training Corps ... . 153—154, 155

PAGE.

COMMERCE DEPARTMENT—
Nomination to the Panel for the Standing Advisory Committee for the ——. 279
Result of elections to the panel for the Standing Advisory Committee for the ——. 393

COMMITTEE(S)—
Question *re* appointment of a —— to report on the Ganges question at Narora. 557—558
Question *re* publication of the Report of the Colonies —— ... 28—29
Question *re* publication of the Report of the Reforms Inquiry —— ... 53, 556—557
Question *re* recommendations of the Indian Bar —— 24
Question *re* recommendations of the Indian Mercantile Marine —— 24
Question *re* Report of the Civil Justice —— 557
Question *re* Report of the Indian Territorial and Auxiliary Force ——. 29
Question *re* Taxation Inquiry —— 135
Resolution *re* recommendations of the North-West Frontier Inquiry ——. 561—585

COMMITTEE, JOINT—
Nomination of Members to serve on the —— on the Indian Succession Bill. 691
Nomination of Members to serve on the —— on the Succession Certificate (Amendment) Bill. 691

COMMITTEE ON PETITIONS—
Constitution of the —— 17

COMMITTEE, SELECT—
Constitution of the —— on the amendment of the Standing Orders ... 105

COMMONWEALTH OF INDIA—
Question *re* draft Bill for the constitution of the —— 30

CONFERENCE(S)—
Question *re* cost of the annual —— of the Presidents of the Central and Provincial Legislatures. 55
Question *re* decisions of the recent —— of Finance Members ... 27

CONGRESS OF THE POSTAL UNION—
Question *re* deputation of Sir Geoffrey Clarke to the —— at Stockholm. 157—158

CONTRACTS—
Question *re* —— for coal for the Railways entered into by the late Mr. Church. 139—140

CORRESPONDENCE—
Question *re* publication of the —— relating to Indians in South Africa, Kenya and Tanganyika. 107—108

CORRUPTION—
Question *re* alleged —— in the Bengal Council 158

COTTON GINNING AND PRESSING FACTORIES BILL—
See under "Bill(s)".

COUNCIL OF STATE—
Inauguration of the Fifth Session of the —— and the Second Session of the Second Legislative Assembly. 1—11
Question *re* preparation of a fresh electoral roll for the —— ... 403—404

PAGE.

CRERAR, THE HONOURABLE MR. J.—
Amendment of the Law relating to Interest Bill—
Motion for leave to introduce ... . 162—163

Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 701—704, 714, 728, 743—745, 750—751
Consideration of clauses 751
Motion to pass ... ...

Election of panels for Standing Committees 225

Indian Criminal Law Amendment (Repealing) Bill—
Motion to consider 261
262—266
27

Indian Soldiers (Litigation) Bill—
Motion to consider amendments made by the Legislative Assembly ... 18 9—19

Obscene Publications Bill—
Motion to consider amendments made by the Legislative Assembly ... 425—426

Prisons (Amendment) Bill—
Motion to consider ... ... 424—425
Consideration of clauses 425
Motion to pass 461

Provident Funds Bill—
Motion to consider amendments made by the Legislative Assembly 57
Amendment to clause 6 ... ... 68—71

Resolution *re* import of cinema films, etc. ... ... 42—45
48—49

Resolution *re* Mental Defectives ... ... 234—236

Succession Certificate (Amendment) Bill—
Motion to circulate 457

Workmen's Breach of Contract (Repealing) Bill—
Motion to consider 98 99
Motion to pass 104

CRIMINAL—
Question *re* attitude of the Government of India towards the —— in India. 554

CURRENCY OFFICE(S)—
Question *re* revision of pay in the —— 227

CURZON, MARQUESS—
Expressions of regret at the death of the —— 654

CUSTOMS DUTY(IES)—
Question *re* —— on postal articles 26
Question *re* refund of —— to the Great Indian Peninsula Railway ... 430

CUTCHI MEMONS ANJUMAN—
Question *re* resolution passed by the —— regarding the murder of Mr. Abdul Kadar Bawla. 551—552

PAGE.

D

DADABHOY, THE HONOURABLE SIR MANECKJI—
Amendment of the Law relating to Interest Bill—
Motion for leave to introduce 162
Amendment of the Standing Orders ... ... 224—225
Congratulations to —— on the title of K.C.I.E. conferred on him ... 17

Cotton Ginning and Pressing Factories Bill—
Motion to consider ... ... 539—542
Consideration of clauses 547
Motion to pass 548

Expressions of regret at the death of Sir Leslie Miller 204

General discussion on the General Budget ... ... 468—473

General discussion on the Railway Budget ... ... 287—291, 324, 326, 338

Indian Criminal Law Amendment (Repealing) Bill—
Motion to consider and motion to refer to Select Committee ... 252—256
Motion to consider 259, 266, 273

Indian Paper Currency (Amendment) Bill—
Motion to consider ... ... 95—97

Indian Railways (Amendment) Bill—
Motion to consider ... ... 367, 370—374, 379 380, 386

Legislative Assembly (President's Salary) Bill—
Motion to consider ... ... 361—362

Nomination of —— to be on the Panel of Chairmen of the Council of State. 17

Obscene Publications Bill—
Motion to consider amendments made by the Legislative Assembly 426—427

Resolution *re* investigation into the mineral resources of Chota Nagpur, etc. 199—200

Resolution *re* Mental Defectives ... ... 233—234

Resolution *re* recruitment of Moslem candidates for the Public Services. 414, 417—418

Resolution *re* supply of Ganges water at and below Narora ... 176—177, 182

Resolution *re* University Training Corps 154

Succession Certificate (Amendment) Bill—
Motion to refer to Joint Committee 454
Motion to circulate ... ... 456—457, 460

Workmen's Breach of Contract (Repealing) Bill—
Motion to consider ... ... 99—101, 102
Motion to pass ... ... 104—105

DALAL, SIR DADIBA—
Question (Supplementary) *re* reasons for resignation by —— of the office of High Commissioner for India. 52—53

PAGE.

DAWN, THE HONOURABLE MR. W. A. W.—
General discussion on the General Budget ... ... 502—503
Question *re* money order remittances from Burma to India from the 1st April to the 31st December 1924. 108
Question *re* realizations from the increased duties on steel imports 108

DEATH—
Expressions of regret at the —— of Sir Leslie Miller ... ... 203—227
Expressions of regret at the —— of the Marquess Curzon 654

DELHI—
Question *re* expenditure on the military manœuvres near —— .. 107
Question *re* grant of pensions to the piece-workers in the Government Presses at Calcutta and ——. 85
Question *re* joint electorates for Municipal elections in —— ... 403

DELHI, NEW—
Question *re* furniture and fittings for buildings in —— 133
Question *re* mural paintings in the Secretariat and Council Halls in ——. 137

DEPARTMENT OF EDUCATION, HEALTH AND LANDS—
Nominations to the panel for the Standing Advisory Committee for the ——. 279
Result of elections to the panel for the Standing Advisory Committee for the ——. 393

DEPARTMENT OF INDUSTRIES AND LABOUR—
Nominations to the panel for the Standing Advisory Committee for the ——. 279
Result of elections to the panel for the Standing Advisory Committee for the ——. 393

DEPARTMENTS, GOVERNMENT—
Question *re* stationery for —— 130

DUTT, THE HONOURABLE MR. PRATAP CHANDRA—
Oath of Office 525

DUTY(IES)—
Question *re* realizations from the increased —— on steel import .. 108
See also under "Steel Protective Duties".

E

EAST INDIAN RAILWAY—
See under "Railway(s)."

ECONOMIC CONFERENCE—
Question *re* deputation of official representatives to the —— at Benares. 20

ECONOMIC INQUIRY—
Question *re* establishment of an —— in India 134

ELECTIONS, MUNICIPAL—
Question *re* joint electorates for —— in Delhi 403

ELECTORATES—
Question *re* joint —— for Municipal elections in Delhi 403

PAGE.

EMIGRANTS—
Question *re* levy of fees from —— 429

EMIGRATION—
Nominations to the Standing Committee on —— 322
Resolution *re* election of the Panel for the Standing Committee on ——. 193
Result of the election to the Panel for the Standing Advisory Committee on ——. 290

ENGINES—
Question *re* provision of powerful headlights on —— of passenger trains. 560

ENVELOPES, POSTAL—
Question *re* supply of one-anna square —— to the public ... .. 283—284
Question *re* use of the two-pice oblong —— for book-post purposes ... 525

ESTATES—
Resolution *re* inalienability and impartibility of self-acquired or absolutely owned ——. 597

EUROPE—
Question *re* proposed air route between —— and India 135

EXECUTIVE OFFICERS—
Question *re* inclusion of —— in Sub-Committees of Cantonment Boards. 657—658

F

FACTORIES—
Question *re* —— under the Army Department ... ... 132—133

FEES—
Question *re* levy of —— from emigrants 429

FIELD GUN—
Appreciation of the Aeroplane, Howitzer,—— and Armoured Car demonstrations arranged for Members of the Indian Legislature. 687—688

FIELD SERVICE CONCESSIONS—
Question *re* withdrawal of —— from Indian troops engaged in Waziristan. 158—159

FINANCE MEMBERS—
Question *re* decisions of the recent Conference of —— 27

FLOODS—
Question *re* contributions made by Government towards relief of distress caused by ——. 18

FOREST SERVICE—
Question *re* action taken on the Resolution regarding recruitment and training of probationers for the ——. 55—56

FRANCHISE—
Question *re* —— for women 689

PAGE.

FRONTIER CONSTABULARY—
Question *re* recruitment for the —— ... ... 108—123

FROOM, THE HONOURABLE SIR ARTHUR—
Congratulations from —— to the new President (Sir Henry Moncrieff Smith) 15
Cotton Ginning and Pressing Factories Bill—
Motion to consider ... ... 545—546
Expressions of regret at the death of Sir Leslie Miller ... .. 204—205
General discussion on the General Budget ... ... 486—489
General discussion on the Railway Budget ... ... 299—302
Indian Paper Currency (Amendment) Bill—
Motion to pass ... ... 97—98
Indian Tariff (Amendment) Bill—
Consideration of item 7 of the Schedule 685
Nomination of —— to be on the panel of Chairmen of the Council of State. 17
Provident Funds Bill—
Amendment to clause 6 ... ... 66—67
Resolution *re* import of cinema films, etc. 48
Resolution *re* Mental Defectives 239
Resolution *re* Provincial Contributions ... ... 661—664, 665, 666
Resolution *re* University Training Corps 155
Succession Certificate (Amendment) Bill—
Motion to refer to Joint Committee 457

FURNITURE AND FITTINGS—
Question *re* —— for buildings in New Delhi 133

G

GANGES—
Question *re* appointment of a Committee to report on the —— question at Narora. 557—558

GANGES WATER—
Resolution *re* supply of —— at and below Narora ... ... 164—187

GENERAL BUDGET—
See under "Budget".

GERMANY—
Question *re* delay in the transmission of cables to —— 55

GHEE, ARTIFICIAL—
Question *re* import of —— 22

GLYCERINE—
Question *re* purchase of —— for ammunition factories ... ... 135—136

GOLD—
Question *re* theft of two parcels of —— at Cawnpore railway station 18

GOLD STANDARD RESERVE—
Question *re* revaluation of securities in the —— and the Paper Currency Reserve. 134

GOVERNMENT OF INDIA PRINTING, CALCUTTA—
Question *re* annual classification in the piece-work establishment of the ——. 85

PAGE.

GOVERNMENT PRESS(ES)—
Question *re* grant of pensions to piece-workers in the —— at Calcutta and Delhi. 85
Question *re* grievances of the binders of the ——, Calcutta ... 85—86
Question *re* Provident Funds in —— 85

GOVERNMENT SERVANTS—
Question *re* substitution of a Provident Fund in place of pension for ——. 697

GOVERNOR GENERAL—
Assent of the —— to the amendment of the Standing Orders ... 284
Assent of the —— to the Imperial Bank of India (Amendment) Act, 1924. 30
Assent of the —— to the Indian Criminal Law Amendment Act, 1924. 30
Assent of the —— to the Indian Motor Vehicles (Amendment) Act, 1924. 30
Assent of the —— to the Indian Post Office (Amendment) Act, 1924 ... 30
Assent of the —— to the Land Customs Act, 1924 30
Message from the —— appointing days for the presentation and discussion of the Budget. 160
Message from the —— certifying the Bengal Criminal Law Amendment (Supplementary) Bill. 699
Message from the ——, directing that heads of expenditure specified in sub-section (3) of section 67-A of the Government of India Act should be open to discussion. 159
Message from the —— nominating Members of the Council of State to be on the panel of Chairmen. 17
Message from the —— recommending that the Bengal Criminal Law Amendment (Supplementary) Bill be passed in the form annexed. 699

GRANT—
Question *re* special —— to the Benares Hindu University Engineering College. 555—556

GREAT INDIAN PENINSULA RAILWAY—
See under "Railway(s)."

H

HABIBULLAH, THE HONOURABLE SIR MUHAMMAD—
Election of a panel from which a Member will be nominated to the Governing Body of the Lady Hardinge Medical College, Delhi. 560, 597—598

Indian Cotton Cess (Amendment) Bill—
Motion to consider 690
Motion to pass 690

Indian Merchant Shipping (Second Amendment) Bill—
Motion to consider ... ... 529—531
Motion to pass ... ... 532, 535—537

Oath of Office 13

Resolution *re* appointment of a Member of the Council of State to the Governing Body of the Lady Hardinge Medical College, Delhi. 192

Resolution *re* election of the Panel for the Standing Committee on Emigration. 198

Statement (laid on the table) by —— *re* area, production, export and prices of wheat and rice during the last five years. 526—529

PAGE.

HARMONY AND GOOD-WILL—
Question *re* production of —— amongst the contending communities of India. 553

HARNAM SING, THE HONOURABLE RAJA SIR—
Resolution *re* restriction of the use of opium to medicinal purposes only. 448—449

HEADLIGHTS—
Question *re* provision of powerful —— on engines of passenger trains 560

HIGH COMMISSIONER FOR INDIA—
Question *re* status of the —— 52

HIGH COURT(S)—
Question *re* number of English and Indian Judges of ——, Chief Courts and Judicial Commissioners' Courts. 28

HINDLEY, THE HONOURABLE MR. C. D. M.—
General discussion on the Railway Budget ... ... 287, 312—321
Oath of Office 209
Presentation by —— of the Railway Budget ... ... 210—221

HOME DEPARTMENT—
Nominations to the Panel for the Standing Advisory Committee for the ——. 278
Result of elections to the panel for the Standing Advisory Committee for the ——. 393

HOWITZER—
Appreciation of the Aeroplane, ——, Field Gun and Armoured Car demonstrations arranged for Members of the Indian Legislature. 687—688

HOWRAH—
Question *re* running of a through mail from Peshawar to —— ... 124

I

IMPERIAL PREFERENCE—
Question *re* present policy of the Government of India regarding —— 556

INAUGURATION—
—— of the Fifth Session of the Council of State and the Second Session of the Second Legislative Assembly. 1 11

INCOME-TAX—
Question *re* —— on profits payable to policy-holders by Life Insurance Companies. 27
Question *re* share of the Government of Bombay in the —— ... 24

INDIAN AGRICULTURAL SERVICE—
Question *re* qualifications for admission to the —— 551

INDIAN BAR COMMITTEE—
See under "Committee(s)."

INDIAN CIVIL SERVICE EXAMINATION—
Question *re* age limits for the ——. 158

PAGE.

INDIAN COTTON CESS (AMENDMENT) BILL—
See under "Bill(s)."

INDIAN CRIMINAL LAW AMENDMENT (REPEALING) BILL—
See under "Bill(s)."

INDIAN FINANCE BILL—
See under "Bill(s)."

INDIAN HISTORY—
Question *re* exclusion of —— from the syllabus of the qualifying examination for admission to the Royal Military College, Sandhurst. 157

INDIAN INCOME-TAX (AMENDMENT) BILL—
See under "Bill(s)."

INDIAN INCOME-TAX (SECOND AMENDMENT) BILL—
See under "Bill(s)."

INDIAN MERCANTILE MARINE COMMITTEES—
See under "Committee(s)."

INDIAN MERCHANT SHIPPING (AMENDMENT) BILL—
See under "Bill(s)."

INDIAN PAPER CURRENCY (AMENDMENT) BILL—
See under "Bill(s)."

INDIAN PORTS (AMENDMENT) BILL—
See under "Bill(s)."

INDIAN RAILWAYS (AMENDMENT) BILL—
See under "Bill(s)."

INDIAN SOLDIERS (LITIGATION) BILL—
See under "Bill(s)."

INDIAN STAMP (AMENDMENT) BILL—
See under "Bill(s)."

INDIAN STORES DEPARTMENT—
Question *re* purchase of coal through the —— 140

INDIAN SUCCESSION BILL—
See under "Bill(s)."

INDIAN SUCCESSION (AMENDMENT) BILL—
See under "Bill(s)."

INDIAN TARIFF (AMENDMENT) BILL—
See under "Bill(s)."

INDIAN TERRITORIAL AND AUXILIARY FORCE COMMITTEE—
See under "Committee(s)."

INDIAN TERRITORIAL FORCE—
Question *re* recruitment for the —— 28

INDIAN UNIVERSITIES CONFERENCE—
Question *re* resolutions of the —— 556

INDUSTRIES, INDIGENOUS—
Question *re* encouragement of —— 129

PAGE.

INNES, THE HONOURABLE SIR CHARLES—
General discussion on the Railway Budget ... ... 335—339

INSTITUTE, CENTRAL—
Question *re* —— of Indian Art and Antiquities in London 137

INTEREST—
Resolution *re* utilization of —— on Post Office Savings Bank deposits opened by Muhammadans. 585—596

ISMAIL KHAN, THE HONOURABLE HAJI CHOWDHURI MUHAMMAD—
General discussion on the General Budget ... ... 492—494

Indian Railways (Amendment) Bill—
Motion to consider ... ... 374—375
Nomination of —— to the panel from which one member will be selected to serve on the Governing Body of the Lady Hardinge Medical College, Delhi. 600
Question *re* examination by two Judges of the cases of persons detained under the Bengal Ordinance. 227
Question *re* revision of pay in the Currency offices 227
Resolution *re* utilization of interest on Post Office Savings Bank deposits opened by Muhammadans. 587

J

JAFFER, THE HONOURABLE MR. HAROON—
Expressions of regret at the death of Sir Leslie Miller 207
Question *re* age-limits for the Indian Civil Service Examination ... 158
Question *re* agreement relating to the supply of opium to Ceylon ... 20—21
Question *re* alleged corruption in the Bengal Council 158
Question *re* alleged theft of two parcels of gold at Cawnpore railway station. 18
Question *re* contributions made by Government towards relief of distress caused by floods. 18
Question *re* contributions to organizations for combating leprosy ... 22
Question *re* cost of India's participation in the British Empire Exhibition. 209—210
Question *re* deputation of official representatives to the Economic Conference at Benares. 20
Question *re* deputation of Sir Geoffrey Clarke to the Congress of the Postal Union at Stockholm. 157—158
Question *re* discovery of a field of natural cement in Sind 18
Question *re* establishment of a Moslem Centre in London 20
Question *re* exclusion of Indian History from the syllabus of the qualifying examination for admission to the Royal Military College, Sandhurst. 157
Question *re* expenses of Sir Seymore Tritton 19
Question *re* grievances of the Haj pilgrims ... ... 658—659
Question *re* inclusion of executive officers in sub-committees of Cantonment Boards. 657—658
Question *re* installation of wireless direction finding stations at the chief ports of India. 21
Question *re* Oriya inhabitants of Madras 19
Question *re* payment of royalty by the Pioneer Magnesia Works at Kharaghoda. 19—20
Question *re* qualifications for admission to the Indian Agricultural Service. 551
Question *re* radio-telegraphic communication with the United Kingdom 159
Question *re* recent archæological discoveries in the Punjab and Sind ... 21—22

PAGE.

JAFFER, THE HONOURABLE MR. HAROON—*contd.*
Question *re* refusal of a passport to Dr. Sudhindra Bose, Lecturer, State University of Iowa ... 19
Question *re* resolution passed by the Cutchi Memons Anjuman regarding the murder of Mr. Abdul Kadar Bawla. 551—552
Question *re* Surveyor General's speech on the present method of the division of the administrative work of India into departments. 159
Question *re* withdrawal of field service concessions from Indian troops engaged in Waziristan. 158—159
Resolution *re* import of cinema films, etc. ... 40—42, 48, 49
Resolution *re* improvement of waterways ... 350—352, 356
Resolution *re* inclusion of a representative of the travelling public in Railway Advisory Committees. 344—345, 349
Resolution *re* investigation into the mineral resources of Chota Nagpur, etc. 193—195, 200
Resolution *re* Mental Defectives ... 228—231, 240—241
Resolution *re* scholarships and prizes for Indian Art students ... 73—75, 83
Resolution *re* utilization of interest on Post Office Savings Bank deposits opened by Muhammadans. 585—587, 596

JAPAN—
Question *re* fiscal relations between —— and India ... 423

JOGENDRA SINGH, THE HONOURABLE SARDAR—
Appointment of —— as a Member of the Committee on Petitions ... 17

JUDGES—
Question *re* examination by two —— of the cases of persons detained under the Bengal Ordinance. 227
Question *re* increase in the number of Indian —— ... 27—28
Question *re* number of English and Indian —— of High Courts, Chief Courts and Judicial Commissioners' Courts. 28

JUDICIAL AND EXECUTIVE FUNCTIONS, SEPARATION OF—
Question *re* —— in the United Provinces ... 231

JUDICIAL COMMISSIONER'S COURTS—
Question *re* number of English and Indian Judges of High Courts, Chief Courts and ——. 28

K

KARANDIKAR, THE HONOURABLE MR. R. P.—
Appointment of —— as a Member of the Committee on Petitions ... 17

Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 718—724
Consideration of clauses ... 746

Cotton Ginning and Pressing Factories Bill—
Motion to consider ... 542—545, 547
Consideration of clauses ... 547
Motion to pass ... 548

General discussion on the Railway Budget ... 326—328

PAGE.

KARANDIKAR, THE HONOURABLE MR. R. P.—*contd.*
Indian Criminal Law Amendment (Repealing) Bill—
Motion to consider ... 241—245, 261, 275—277
Indian Finance Bill—
Motion to consider ... 607
Motion to amend clause 2 ... 637—642
Motion to pass ... 652, 653

Indian Railways (Amendment) Bill—
Motion to consider ... 365—378

Provident Funds Bill—
Amendment to clause 6 ... 64—66

Question *re* draft Bill for the constitution of the Commonwealth of India. 30
Question *re* treatment of Indians overseas ... 29

Question (Supplementary) *re* appointment of Indians as Agents of Railways. 143

Resolution *re* import of cinema films, etc. ... 46—47
Resolution *re* investigation into the mineral resources of Chota Nagpur, etc. 198—199
Resolution *re* Mental Defectives ... 236—237
Resolution *re* Provincial Contributions ... 676—677
Resolution *re* scholarships and prizes for Indian Art students ... 83
Resolution *re* supply of Ganges water at and below Narora ... 171—172

Workmen's Breach of Contract (Repealing) Bill—
Motion to consider ... 103

KENYA—
Question *re* publication of the correspondence relating to Indians in South Africa, —— and Tanganyika. 107—108

KHAPARDE, THE HONOURABLE MR. G. S.—
Congratulations from —— to the new President (Sir Henry Moncrieff Smith). 15—16
Expressions of regret at the death of Sir Leslie Miller ... 206

Indian Criminal Law Amendment (Repealing) Bill—
Motion to refer to Select Committee ... 250—252

Indian Railways (Amendment) Bill—
Motion to consider ... 379—380

Provident Funds Bill—
Amendment to clause 6 ... 67—68
Question *re* annual classification in the piece-work establishment of the Government of India Printing, Calcutta. 85
Question *re* grant of pensions to piece-workers in the Government Presses at Calcutta and Delhi. 85
Question *re* grievances of the binders of the Government Press, Calcutta. 85—86
Question *re* Provident Funds in Government Presses ... 85
Resolution *re* recommendations of the North-West Frontier Inquiry Committee. 578—582
Tribute to the memory of the late Mr. Edwin Samuel Montagu ... 33—34

KHARAGHODA—
Question *re* payment of royalty by the Pioneer Magnesia Works at —— 19—20

PAGE.

KING EDWARD'S OWN PROBYN HORSE—
Question *re* tribal and caste composition of the 5th —— and King Edward's Own Regiment, 57th Infantry. 282

KING EDWARD'S OWN REGIMENT—
Question *re* tribal and caste composition of the 5th King Edward's Own Probyn Horse and ——. 282

KOHAT—
Question *re* ——riots 553
Question *re* tribal and caste composition of military forces employed to quell the riots in ——. 282
Question *re* tribal and caste composition of military forces stationed in or near —— during the recent —— riots. 282—283

L

LADY HARDINGE MEDICAL COLLEGE—
Election of a panel from which a Member will be nominated to the Governing Body,——, Delhi. 597—598, 600
Resolution *re* appointment of a Member of the Council of State to the Governing Body of the ——, Delhi. 192

LEAGUE OF NATIONS—
Question *re* Leader of the Indian Delegation to the assembly of the ——. 23—24

LEE COMMISSION—
Question *re* recommendations of the —— ... ... 53—54

LEGISLATION—
Question *re* —— to deal with trade combinations 126

LEGISLATION, INSURANCE—
Question *re* proposed —— 27

LEGISLATIVE ASSEMBLY—
Inauguration of the Fifth Session of the Council of State and the Second Session of the Second ——. 1—11
Message from the —— asking for the concurrence of the Council of State in the amendments made in the Indian Soldiers Litigation (Amendment) Bill. 143
Message from the —— asking for the concurrence of the Council of State in the amendments made in the Obscene Publications Bill. 228
Message from the —— intimating agreement in the amendment made by the Council of State in the Indian Finance Bill. 659
Message from the —— regarding the reference to a Joint Committee of the Indian Succession Bill. 91
Message from the —— regarding the reference to a Joint Committee of the Indian Succession (Amendment) Bill. 91
Message from the ——regarding the reference to a Joint Committee of the Succession Certificate (Amendment) Bill. 599
Message from the —— stating that the amendment made by the Council of State in the Prisons (Amendment) Bill had been agreed to. 602
Message from the —— stating that the Indian Ports (Amendment) Bill had been passed without any amendments. 494

LEGISLATIVE ASSEMBLY (PRESIDENT'S SALARY) BILL—
See under "Bill(s)."

LEGISLATURES, CENTRAL AND PROVINCIAL—
Question *re* cost of the annual Conference of the Presidents of the ——. 55

PAGE.

LEPROSY—
Question *re* contributions to organizations for combating —— ... 22

LETTER—
Question *re* reduction in —— postage rates ... ... 51—52

LEVEL CROSSING(S)—
Question *re* accident at a —— near Samasata 558
Question *re* undue delays at railway —— 559

LEY, THE HONOURABLE MR. A. H.—

Indian Finance Bill—
Motion to amend Schedule II ... ... 647—650
Resolution *re* improvement of waterways ... ... 352—356
Resolution *re* investigation into the mineral resources of Chota Nagpur, etc. 196—198, 200
Resolution *re* scholarships and prizes for Indian Art students ... 78—81, 83
Resolution *re* supply of Ganges water at and below Narora ... ... 172—176, 178, 183, 187

LICENCE, TRADER'S—
Question (Supplementary) *re* —— in South Africa 601

LIFE INSURANCE COMPANY—
Question *re* income-tax on profits payable to policy-holders by —— ... 27

LIQUOR, COUNTRY—
Question *re* sale of —— in Bombay ... ... 431—432

LOAN—
Question *re* conversion of the 7 per cent. sterling —— ... ... 432—433

LONDON—
Question *re* Central Institute of Indian Art and Antiquities in —— ... 137
Question *re* establishment of a Moslem Centre in —— 20

M

MACWATT, THE HONOURABLE MAJOR-GENERAL SIR CHARLES—
Congratulations to —— on the Knighthood conferred on him ... 17
Resolution *re* Mental Defectives ... ... 237—239
Resolution *re* restriction of the use of Opium to medicinal purposes only. 449

MACWATTERS, THE HONOURABLE MR. A. C.—
General discussion on the General Budget 491

Indian Finance Bill—
Motion to consider ... ... 602—603
Motion to amend clause 2 ... ... 629—630
Motion to pass 650
Indian Income-tax (Amendment) Bill—
Motion to consider ... ... 222—223
Motion to pass 223

Indian Income-tax (Second Amendment) Bill—
Motion to consider 686
Motion to pass 687
Indian Paper Currency (Amendment) Bill—
Motion to consider ... ... 92—94
Motion to pass 97

PAGE.

MACWATTERS, THE HONOURABLE MR. A. C.—*contd.*
Indian Stamp (Amendment) Bill—
Motion to consider ... ... 685—686
Motion to pass 686

Presentation of the General Budget for 1925-26 ... ... 394—402

Resolution *re* Provincial contributions ... ... 660—661, 671—674, 680

Resolution *re* restriction of the use of Opium to medicinal purposes only. 438—445

Resolution *re* utilization of interest on Post Office Savings Bank deposits opened by Muhammadans. 587—589, 596

MADRAS—
Question *re* Oriya inhabitants of —— 19

MAIL—
Question *re* running of a through —— from Peshawar to Howrah ... 124

MANŒUVRES, MILITARY—
Question *re* expenditure on the —— near Delhi 107

MATCHES—
Question *re* manufacture of —— in India ... ... 130—131

MEDICAL MEN—
Question *re* compulsory retirement of —— lent to the Rajputana States. 341, 342, 343
Question *re* grievances of —— lent to the Rajputana States ... 341, 343
Question *re* loan of —— to the Rajputana States 341, 342
Question *re* qualifications and conditions of service of —— lent to the Rajputana States. 341, 342
Question *re* tributes paid to the —— lent to the Rajputana States ... 342, 343

MENTAL DEFECTIVES—
Resolution *re* —— 228—241

MESSAGE(S)—
—— from H. E. the Governor General appointing days for the presentation and discussion of the Budget. 160
—— from H. E. the Governor General certifying the Bengal Criminal Law Amendment (Supplementary) Bill. 699
—— from H. E. the Governor General directing that heads of expenditure specified in sub-section (3) of section 67A of the Government of India Act be open to discussion. 159
—— from H. E. the Governor General nominating Members of the Council of State to be on the Panel of Chairmen. 17
—— from H. E. the Governor General recommending that the Bengal Criminal Law Amendment (Supplementary) Bill be passed in the form annexed. 699
—— from the Legislative Assembly asking for the concurrence of the Council of State in amendments made in the Indian Soldiers Litigation (Amendment) Bill. 143
—— from the Legislative Assembly asking for the concurrence of the Council of State in the amendments made in the Obscene Publications Bill. 228
—— from the Legislative Assembly intimating agreement in the amendment made by the Council of State in the Indian Finance Bill. 659
—— from the Legislative Assembly regarding the reference to a Joint Committee of the Indian Succession Bill. 91

PAGE.

MESSAGE(S)—*contd.*
—— from the Legislative Assembly regarding the reference to a Joint Committee of the Indian Succession (Amendment) Bill. 91
—— from the Legislative Assembly regarding reference to a Joint Committee of the Succession Certificate (Amendment) Bill. 599
—— from the Legislative Assembly stating that the amendment made by the Council of State in the Prisons (Amendment) Bill had been agreed to. 602
—— from the Legislative Assembly stating that the Indian Ports (Amendment) Bill had been passed without any amendments. 494

MILITARY TRAINING—
Question *re* compulsory —— for University students 557

MILLER, THE HONOURABLE SIR LESLIE—
Appointment of —— as Chairman of the Committee on Petitions 17
Expressions of regret at the death of —— ... ... 203—207
Oath of Office 51

MINERAL RESOURCES—
Resolution *re* investigation into the —— of Chota Nagpur, etc. ... 199—201

MISRA, THE HONOURABLE PANDIT SHAM BIHARI—
Resolution *re* import of cinema films, etc. 47
Succession Certificate (Amendment) Bill—
Motion to refer to Joint Committee and motion to circulate 459—460

MITTER, THE HONOURABLE DR. DWARKANATH—
Resolution *re* Provincial Contributions ... ... 666—669

MONEY ORDER—
Question *re* —— remittances from Burma to India from the 1st April to the 31st January, 1924. 108

MONTAGU, MR. EDWIN SAMUEL—
Tributes paid to the memory of the late —— ... ... 30—36

MOSLEM CANDIDATES—
Resolution *re* recruitment of —— for the Public Services .. 407—422

MOSLEM CENTRE—
Question *re* establishment of a —— in London 70

MOTI CHAND, THE HONOURABLE RAJA—
Question *re* allegations against the Bengal Police made by Pandit Motilal Nehru in his speech in the Legislative Assembly on the Bengal Ordinance. 555
Question *re* amount of foreign capital invested in India 556
Question *re* attitude of the Government of India towards the Criminal in India. 554
Question *re* Bolshevik propaganda in India 555
Question *re* compulsory military training for University students ... 557
Question *re* creation of Officers' Training Corps in Indian Universities 554
Question *re* discontinuance of the export of Opium 552
Question *re* Kohat riots 553
Question *re* present policy of the Government of India regarding Imperial Preference. 556
Question *re* promotion of harmony and good-will amongst the contending communities of India. 553
Question *re* propaganda in the British Press regarding the political situation in India. 554—555
Question *re* prospects for Indian settlers in British Guiana ... 553
Question *re* Report of the Civil Justice Committee 557
Question *re* Report of the Reforms Inquiry Committee ... ... 556—557
Question *re* resolutions of the Indian Universities Conference .. 556

PAGE.

MOTI CHAND, THE HONOURABLE RAJA—*contd.*
Question *re* special grant to the Benares Hindu University Engineering College. 555—558
Question *re* training of Indians for the superior services in Railways 557

MUDDIMAN, THE HONOURABLE SIR ALEXANDER—
Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 716, 717.
Consideration of clauses ... ... 731—749
Indian Criminal Law Amendment (Repealing) Bill— 748
Motion to consider ... ... 245—250, 258, 277
Resolution *re* recruitment of Moslem candidates for the Public Services. 413—417

MURAL PAINTINGS—
Question *re* —— in the Secretariat and Council Halls, New Delhi .. 1:7

MURDER—
Question *re* resolution passed by the Cutchi Memons Anjuman regarding the —— of Mr. Abdul Kadar Bawla. 551—552

MUZAMMIL-ULLAH KHAN, THE HONOURABLE NAWAB SIR MOHAMMAD—
Resolution *re* restriction of the use of Opium to medicinal purposes only. 4:8

N

NARORA—
Question *re* appointment of a Committee to report on the Ganges question at ——. 557—558
Resolution *re* supply of Ganges water at and below —— ... ... 164—187

NATAL BOROUGHS ORDINANCE—
Question *re* —— 23
Resolution *re* annulment of the —— ... ... 143—144

NATESAN, THE HONOURABLE MR. G. A.—
Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 705—708
General discussion on the General Budget ... ... 478, 481—486
General discussion on the Railway Budget ... ... 309—312
Indian Criminal Law Amendment (Repealing) Bill—
Motion to consider ... ... 266—268, 271
Indian Finance Bill—
Motion to consider ... ... 606—608
Motion to amend clause 2 ... ... 629, 633—636, 640, 641
Indian Railways (Amendment) Bill—
Motion to consider ... ... 380—383, 389
Question *re* disabilities of Indians overseas 601
Question (Supplementary) *re* additional charge of 3 per cent. on Press telegrams sent without prepayment. 404—405
Question (Supplementary) *re* appointment of Indians as Members of the Railway Board. 142
Question (Supplementary) *re* position of Indians in South Africa ... 430
Resolution *re* inclusion of a representative of the travelling public in Railway Advisory Committees. 346
Resolution *re* Mental Defectives ... ... 239—240

PAGE.

NATESAN, THE HONOURABLE MR. G. A.—*contd.*
Resolution *re* Provincial Contributions .... 664—666, 679—680
Resolution *re* recommendations of the North-West Frontier Inquiry Committee. 567—568
Resolution *re* recruitment of Moslem candidates for the Public Services. 420—421
Resolution *re* supply of Ganges water at and below Narora ... 183—184
Resolution *re* University Training Corps ... ... 148—150
Succession Certificate (Amendment) Bill—
Motion to refer to Joint Committee ... ... 453—456, 458

NAVAL BASE—
Question *re* Singapore —— 107

NEHRU, PANDIT MOTILAL—
Question *re* allegations against the Bengal Police made by —— in his speech in the Legislative Assembly on the Bengal Ordinance. 555

NORTH-WEST FRONTIER INQUIRY COMMITTEE—
Resolution *re* recommendations of the —— ... ... 561—585

NORTH-WESTERN RAILWAY—
See under "Railway(s)."

O

OATH OF OFFICE—
Abbott, the Honourable Mr. Evelyn Robins, C.I.E. 341
Aftab Ahmad Khan, the Honourable Sahibzada 13
Aman Ali, the Honourable Khan Sahib 4 3
Bray, the Honourable Mr. Denys deSaumarez, C.S.I., C.I.E., C.B.E. 551
Chadwick, the Honourable Mr. D. T., C.S.I., C.I.E. 13
Dutt, the Honourable Mr. Pratap Chandra 525
Habibullah, the Honourable Sir Muhammad, K.C.I.E. 13
Hindley, the Honourable Mr. Clement Daniel Maggs ... 219
Miller, the Honourable Sir Leslie Creery, Kt. 51
Patterson, the Honourable Lt.-Col. S. B. A., C.I.E. 13, 597
Ramadas Pantulu, the Honourable Mr. V. 525
Rawlinson, His Excellency General Lord, G.C.B., G.C.S.I., G.C.V.O., K.C.M.G. 13
Tek Chand, the Honourable Diwan, O.B.E. 13

OBSCENE PUBLICATIONS BILL—
See under "Bill(s)."

OFFENCES, POLITICAL—
Question *re* prosecutions for —— 23

OPIUM—
Question *re* agreement relating to the supply of —— to Ceylon ... 20—21
Question *re* consumption of —— 432
Question *re* discontinuance of the export of —— 552
Resolution *re* restriction of the use of —— to medicinal purposes only. 433—450

ORIYA—
Question *re* —— inhabitants of Madras 19

OUDH AND ROHILKHAND RAILWAY—
See under "Railway(s)."

PAGE.

P

PANEL—
Election to the —— for the Central Advisory Council for Railways ... 84

PANEL OF CHAIRMEN—
Message from H. E. the Governor General nominating Members of the Council of State to be on the ——. 17

PAPER CURRENCY RESERVE—
Question *re* revaluation of securities in the Gold Standard Reserve and the ——. 124
Question *re* sterling securities in the —— ... ... 127—128

PASSENGER(S), INTERMEDIATE CLASS—
Question *re* provision of waiting halls for —— at the principal stations on State-worked Railways. 561

PASSPORT(S)—
Question *re* grant of —— to trans-border tribesmen entering India ... 143
Question *re* refusal of a —— to Dr. S. Bose, Lecturer, State University of Iowa. 19

PATTERSON, THE HONOURABLE LT.-COL. S. B. A.—
Oath of Office 13, 597

PAY—
Question *re* revision of —— in the Currency Offices 227

PENSION(S)—
Question *re* grant of —— to piece-workers in the Government Presses at Calcutta and Delhi. 85
Question *re* substitution of a Provident Fund in place of —— for Government servants. 697

PENSION RULES—
Question *re* revised —— ... ... 697—698

PESHAWAR—
Question *re* running of a through mail from —— to Howrah ... 124

PETROL—
Question *re* better control of the carriage of —— by road and rail ... 558—559

PIECE WORKERS—
Question *re* grant of pensions to —— in the Government Presses at Calcutta and Delhi. 85

PIECE-WORK ESTABLISHMENT—
Question *re* annual classification in the —— of the Government Press, Calcutta. 85

PILGRIMS—
Question *re* grievances of the Haj —— ... ... 658—659

PIONEER MAGNESIA WORKS—
Question *re* payment of royalty by the —— at Kharaghoda ... 19-20

POLICE, BENGAL—
Question *re* allegations against the —— made by Pandit Motilal Nehru in his speech in the Legislative Assembly on the Bengal Ordinance. 555

PAGE.

POLICY-HOLDERS—
Question *re* income-tax on profits payable to —— by Life Insurance Companies. 27

POLITICAL SITUATION—
Question *re* propaganda in the British Press regarding the —— in India. 554—555

PORT TRUSTS—
Question *re* number of Indian officers in the employ of the various —— 25
Question *re* number of Indian Trustees on the different —— 25
Question *re* officers in the employ of the various —— 24
Statement (laid on the table) showing number of Trustees on different ——. 189

POST CARDS—
Question *re* reduction in —— rates ... ... 51—52

POST OFFICE SAVINGS BANK DEPOSITS—
Resolution *re* utilization of interest on —— opened by Muhammadans. 585—593

POSTAL ARTICLES—
Question *re* customs duties on —— 26

PRESIDENT(S)—
See under "Legislatures, Central and Provincial."

PESIDENT, COUNCIL OF STATE—
Appointment of the Honourable Sir Henry Moncrieff Smith as —— ... 13

PRESIDENT, THE HONOURABLE THE—
Announcement by —— of the death of Sir Leslie Miller and communication to the widow of the Council's profound sense of loss and sorrow and its deep sympathy with her in her bereavement. 202, 207
Announcement by —— of the nomination to the panel for the Standing Committee on Emigration. 222
Announcement by —— of the result of elections to the panels for Standing Advisory Committees. 393
Announcement by —— of the result of the election to the panel for the Standing Advisory Committee on Emigration. 390
Announcement by —— that a message of sympathy and condolence would be sent to the family of the late Marquess Curzon. 654
Announcement by —— that the unanimous wish of the House for the speedy recovery of His Excellency the Commander-in-Chief would be communicated to him. 752
Promise by —— that the tributes to the memory of the late Mr. Edwin Samuel Montagu would be communicated to the Secretary of State for India. 35—36
Remarks by —— regarding the impropriety of Honourable Members absenting themselves on the day on which their questions are put down. 65
Replies to the congratulations offered to him on his appointment as President and in return congratulates Honourable Members who have had honours conferred on them. 16, 17
Ruling by —— that on the motion that the Indian Finance Bill be taken into consideration, he would not allow a general discussion of reforms in India or of the general policy of the Government of India, though attacks on the financial policy of Government would be perfectly in order. 604—605

PRESS, BRITISH—
Question *re* propaganda in the —— regarding the political situation in India. 554—555

PAGE.

PRISONS (AMENDMENT) BILL—
See under "Bill(s)."

PRIZES—
Resolution re scholarships and —— for Indian art student ... 73—83

PROBATIONERS—
Question re action taken on the Resolution re recruitment and training of —— for the Forest Service. 53—56

PROFITS—
Question re income-tax on —— payable to policy-holders by Life Insurance companies. 27

PROPAGANDA—
Question re Bolshevik —— in India 555

PROVIDENT FUND(S)—
Question re —— in Government Presses 85
Question re substitution of a —— in place of pension for Government servants. 697

PROVIDENT FUNDS BILL—
See under "Bill(s)".

PROVINCIAL CONTRIBUTIONS—
Resolution re —— ... ... 660—681

PUBLICATIONS, GOVERNMENT—
Question re despatch of —— by V. P. P. by the Manager, Central Publication Branch, Calcutta. 128
Question re sale of —— ... ... 127—128

PUBLIC WORKS DEPARTMENT, DELHI—
Question re temporary employees in the —— 698

PUNJAB—
Question re recent archæological discoveries in the —— and Sind ... 21—22

Q

QUEENSLAND—
Question re removal of disabilities on Indians in —— and Western Australia. 23

QUESTIONS—
Absence of Members from Council on days on which their —— are put down. 657

R

RADIO-TELEGRAPHIC COMMUNICATION—
Question re —— with the United Kingdom 159

RAILWAY(S)—
East Indian—
Question re adjustments consequent on the amalgamation of the —— and the Oudh and Rohilkhand Railway. 124
Question re administrative changes in the —— ... ... 133—134
Question re amalgamation of the Oudh and Rohilkhand Railway with the ——. 560

PAGE.

RAILWAY(S)—*contd.*
East Indian—*contd.*
Question re appointment of an officer of the —— as Chief Mechanical Engineer, Railway Board. 405
Question re appointment of an officer of the —— as Director of Traffic, Railway Board. 405, 559
Question re conditions of service of staff of State Railways on the amalgamation of the —— and the Great Indian Peninsula Railway with the other State-worked lines. 406
Question re differential treatment accorded to officers of State Railways and to the staff of the —— and the Great Indian Peninsula Railway. 560
Question re selection of an officer of the —— as Principal, Chandausi Railway Training School. 406

Great Indian Peninsula—
Question re conditions of service of staff of State Railways on the amalgamation of the East Indian Railway and the —— with the other State-worked lines. 406
Question re differential treatment accorded to officers of State Railways and to the staff of the East Indian Railway and the ——. 560
Question re refund of customs duty to the —— 430

North-Western—
Question re qualifications of Mr. Webb, Superintendent, office of the Agent,——. 124

Oudh and Rohilkhand—
Question re adjustments consequent on the amalgamation of the East Indian Railway and the ——. 124
Question re amalgamation of the —— with the East Indian Railway. 560
Question re contracts for coal for the —— entered into by the late Mr. Church. 139—140
Question re expeditious settlement of claims against —— 128—190
Question re installation of block signalling instruments on —— ... 560—561
Question re training of Indians for the superior services in —— ... 557

RAILWAY ADVISORY COMMITTEE(S)—
Resolution re inclusion of a representative of the travelling public in ——. 344—349

RAILWAY BOARD—
Question re appointment of an officer of the East Indian Railway as Chief Mechanical Engineer,——. 405
Question re appointment of an officer of the East Indian Railway as Director of Traffic,——. 405, 559
Question re appointment of Indians as Members of the ——. 142—143
Question re coal mines owned by the —— 139

RAILWAY BUDGET—
General discussion on the —— ... ... 284—339
Presentation of the —— by the Honourable Mr. C. D. M. Hindley ... 210—222

RAILWAY(S), STATE-WORKED—
Question re provision of waiting halls for intermediate class passengers at the principal stations of ——. 561

RAILWAY WORKSHOPS—
Question re —— attached to State-owned Railways 142

PAGE.

RAJPUTANA STATES—
Question *re* compulsory retirement of medical men lent to the —— 341, 342, 343
Question *re* grievances of medical men lent to the —— 341, 343
Question *re* loan of medical men to the —— 341, 342
Question *re* qualifications and conditions of service of medical men lent to the ——. 341, 342
Question *re* tributes paid to the medical men lent to the —— ... 342, 343

RAM SARAN DAS, THE HONOURABLE RAI BAHADUR LALA—
General discussion on the General Budget ... . 489 - 492
General discussion on the Railway Budget ... ... 296 - 299, 318
Indian Finance Bill—
Motion to consider ... ... 620—621
Indian Railways (Amendment) Bill—
Motion to consider ... ... 369—370, 372
Nomination of —— to the panel from which one Member will be selected to serve on the Governing Body of the Lady Hardinge Medical College, Delhi. 600
Question *re* adjustments consequent on the amalgamation of the East Indian and the Oudh and Rohilkhand Railway. 124
Question *re* amalgamation of the Oudh and Rohilkhand Railway with the East Indian Railway. 5.0
Question *re* appointment of an officer of the East Indian Railway as Chief Mechanical Engineer, Railway Board. 405
Question *re* appointment of an officer of the East Indian Railway as Director of Traffic, Railway Board. 405, 559
Question *re* conditions of service of staff of State Railways on the amalgamation of the East Indian and Great Indian Peninsula Railways with the other State-worked lines. 406
Question *re* differential treatment accorded to officers of State Railways and to the staff of the East Indian and the Great Indian Peninsula Railways. 560
Question *re* grant of passports to Trans-Border tribesmen entering India. 143
Question *re* higher appointments on the State Railways establishment 405
Question *re* installation of block signalling instruments on Railways 560 - 561
Question *re* Principal of the Chandausi Railway Training School 406, 559
Question *re* provision of powerful headlights on engines of passenger trains. 560
Question *re* provision of waiting halls for intermediate class passengers at the principal stations on State-worked Railways. 561
Question *re* qualifications of Mr. Webb, Superintendent, office of the Agent, North-Western Railway. 124
Question *re* recruitment for the Frontier Constabulary 108- 123
Question *re* recruitment to the senior subordinate services in the Traffic, Loco. and Carriage Departments of State Railways. 125
Question *re* running of a through mail from Peshawar to Howrah ... 124
Question *re* selection of an officer of the East Indian Railway as Principal of the Chandausi Railway Training School. 406
Question *re* tribal and caste composition of military forces employed to quell the riots in Kohat. 282
Question *re* tribal and caste composition of military forces stationed in or near Kohat during the recent Kohat riots. 282 – 283
Question *re* tribal and caste composition of the 5th King Edward's Own Probyn Horse and King Edward's Own Regiment 57th Infantry. 282
Question (Supplementary) *re* appointment of Indians as Members of the Railway Board. 143
Resolution *re* import of cinema films, etc. ... . 45—46
Resolution *re* inclusion of a representative of the travelling public in Railway Advisory Committees. 246

PAGE.

RAM SARAN DAS, THE HONOURABLE RAI BAHADUR LALA—*contd.*
Resolution *re* University Training Corps ... ... 151—152
Resolution *re* utilization of interest on Post Office Savings Bank deposits by Muhammadans. 593

RAMADAS PANTULU, THE HONOURABLE MR. V.—
Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 730 - 731
Indian Finance Bill—
Motion to consider .. .. 603—606, 607, 608, 613
Motion to amend clause 2 ... ... 630—633
Motion to amend Schedule II ... ... 645—647, 648
Motion to pass ... ... 653 – 654
Oath of Office 525
Question *re* franchise for women 689
Resolution *re* Provincial contributions ... ... 674—676
Resolution *re* recommendations of the North-West Frontier Inquiry Committee. 571 – 575, 577

RATES TRIBUNAL—
Question *re* establishment of the —— 128

RAY, THE HONOURABLE RAJA P. N., OF DIGHAPATIA—
Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 724—726
General discussion on the Railway Budget ... ... 322 - 323
Indian Criminal Law Amendment (Repealing) Bill—
Motion to consider ... ... 273—274
Indian Railways (Amendment) Bill—
Motion to consider ... ... 378—379
Resolution *re* Provincial contributions 680

RAZA ALI, THE HONOURABLE SAIYID—
Amendment of the Law relating to Interest Bill—
Motion for leave to introduce 163
Appreciation of the Aeroplane, Howitzer, Field gun and armoured car demonstrations arranged for Members of the Indian Legislature. 687
Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 726—730, 737, 745
Consideration of clauses ... ... 747—748, 749, 751
Expressions of regret at the death of Sir Leslie Miller ... ... 206—207
Indian Finance Bill—
Motion to pass ... ... 650—653, 654
Indian Merchant Shipping (Second Amendment) Bill—
Motion to pass ... ... 532—533
Question *re* joint electorates for municipal elections in Delhi ... 493
Resolution *re* recommendations of the North-West Frontier Inquiry Committee. 561—567, 568, 579, 582—585

PAGE.

RAZA ALI, THE HONOURABLE SAIYID—*contd.*
Resolution *re* recruitment of Moslem candidates for the Public Services. 407—412, 421—422
Resolution *re* scholarships and prizes for Indian Art students ... 82—83
Resolution *re* utilization of interest on Post Office Savings Bank deposits opened by Muhammadans. 591—593
Workmen's Breach of Contract (Repealing) Bill—
Motion to consider ... ... 101—103

REFORMS INQUIRY COMMITTEE—
See under "Committee(s)".

RESOLUTION(S)—
——*re* admission of Indian students to the University Officers' Training Corps. 36—40
——*re* annulment of the Natal Boroughs Ordinance ... ... 143—144
——*re* appointment of a Member of the Council of State to the Governing Body of the Lady Hardinge Medical College, Delhi. 192
——*re* Central Advisory Council for Railways 50
——*re* election of the Panel for the Standing Committee on Emigration. 193
——*re* import of cinema films, etc. ... ... 40—50
——*re* improvement of the status and condition of Indians Overseas 125—126
——*re* improvement of waterways ... ... 250—258
——*re* inalienability and impartibility of self-acquired or absolutely owned estates. 597
——*re* inclusion of a representative of the travelling public in Railway Advisory Committees. 344—349
——*re* investigation into the mineral resources of Chota Nagpur, etc. 193—201
——*re* mental defectives ... ... 228—241
——*re* Provincial contributions ... ... 660—681
——*re* recommendations of the North-West Frontier Inquiry Committee. 561—585
——*re* recruitment of Moslem candidates for the Public Services ... 407—412
——*re* restriction of the use of opium to medicinal purposes only ... 433—450
——*re* scholarships and prizes for Indian Art students ... ... 72—83
——*re* supply of Ganges water at and below Narora ... ... 164—167
——*re* utilization of interest on Post Office Savings Bank deposits opened by Muhammadans, etc. 585—596

RETIREMENT—
Question *re* compulsory —— of medical men lent to the Rajputana States. 341, 342, 343

RICE—
Question *re* export of —— 228
Statements (laid on the table) showing the area, production, export and prices of wheat and —— during the last five years. 526—529

RIOTS—
Question *re* Kohat —— 553
Question *re* tribal and caste composition of Military forces employed to quell the —— in Kohat. 282

ROLL(S), ELECTORAL—
Question *re* preparation of a fresh —— for the Council of State ... 403—404

ROYAL MILITARY COLLEGE, SANDHURST—
Question *re* exclusion of Indian History from the syllabus of the qualifying examination for admission to the ——. 157

PAGE.

ROYALTY(IES)—
Question *re* payment of —— by the Pioneer Magnesia Works at Kharaghoda. 19—20

RULING(S)—
—— by the Honourable the President that, on the motion that the Indian Finance Bill be taken into consideration, he would not allow a general discussion of reforms in India or of the general policy of the Government of India, though attacks on the financial policy of Government would be perfectly in order. 604—605

RUPEE TENDER(S)—
Question *re* establishment of a system of —— in India 129

SAMALDAS, THE HONOURABLE MR. LALUBHAI—
Appointment of —— to be on the panel of Chairmen of the Council of State. 17
General discussion on the General Budget ... .. 503—508, 524
General discussion on the Railway Budget ... ... 287, 291—296, 313, 316

Indian Finance Bill—
Motion to consider ... ... 613—616, 623, 625, 628
Motion to amend clause 2 ... ... 631, 638, 641

Indian Tariff (Amendment) Bill— 685
Consideration of item 7 of the Schedule ... ... 433—433
Question *re* conversion of the 7 per cent. sterling loan 423
Question *re* fiscal relations between Japan and India 432
Question *re* opium consumption ... ... 431—432
Question *re* sale of country liquor in Bombay ... ... 445—446
Question *re* inclusion of a representative of the travelling public in Railway Advisory Committees. 669—691, 678
Resolution *re* Provincial Contributions ... ... 445—447
Resolution *re* restriction of the use of opium to medicinal purposes only. 595, 596
Resolution *re* utilization of interest on Post Office Savings Bank deposits opened by Muhammadans. 558

SAMASATA—
Question *re* accident at a level crossing near —— ... ... 13—14

SARMA, THE HONOURABLE SIR NARASIMHA—
Congratulations from —— to the new President (Sir Henry Moncrieff Smith). 203—204
Expressions of regret at the death of Sir Leslie Miller 654
Expressions of regret at the death of the Marquess Curzon .. 753
Illness of H. E. the Commander-in-Chief ... ...

Indian Finance Bill— 589—600
Procedure for the consideration of —— in the Council of State ... 608—613, 620
Motion to consider 261
Legislative Assembly (President's Salary) Bill— 262
Motion to consider ... ...
Motion to pass ... ...

PAGE.

SARMA, THE HONOURABLE SIR NARASIMHA—*contd.*
Resolution *re* supply of Ganges water at and below Narora ... 179—182, 183, 185
Resolution *re* utilization of interest on Post Office Savings Bank deposits opened by Muhammadans. 594—595
Standing Orders, Amendment of the—
Motion to refer to Select Committee ... ... 88—89
Adopted 89
Presentation of the Report of the Select Committee ... 155
Consideration of the Report of the Select Committee ... ... 224—225
Statement of business by —— ... ... 50, 84, 89—90, 155—156, 280, 357—358, 359, 391, 462, 549—550, 548, 654—655, 691
Tribute to the memory of the late Mr. Edwin Samuel Montagu ... 34—35
Welcome extended to —— as Leader of the House ... ... 15, 16—17

SARVADHIKARY, THE HONOURABLE DR. SIR DEVA PRASAD—
Appointment of —— as Member of the Committee on Petitions ... 17
Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 708—717, 716
Consideration of clauses ... ... 748, 749—750
Congratulations from —— to the new President (Sir Henry Moncrieff Smith). 15
Expressions of regret at the death of Sir Leslie Miller ... ... 205—206
General discussion on the General Budget ... ... 495—501, 520, 524
General discussion on the Railway Budget ... ... 702—709, 715, 719
Illness of H. E. the Commander-in-Chief 752
Indian Criminal Law Amendment (Repealing) Bill—
Motion to consider ... ... 257—264, 269
Indian Merchant Shipping (Second Amendment) Bill—
Motion to pass 574, 576
Indian Railways (Amendment) Bill—
Motion to consider ... ... 362—367, 267, 381, 383—388
Provident Funds Bill—
Amendment to clause 6 ... ... 71—72
Question *re* accident at a level crossing near Samasata ... 558
Question *re* better control of the carriage of petrol by road and rail. 558—559
Question *re* compulsory retirement of medical men lent to the Rajputana States. 341, 342, 343
Question *re* effect of the Steel Protective Duties 74
Question *re* expenditure on the military manœuvres near Delhi ... 107
Question *re* export of rice 228
Question *re* export of wheat ... ... 227—228
Question *re* grievances of medical men lent to the Rajputana States ... 341, 343
Question *re* loan of medical men to the Rajputana States 341, 342
Question *re* position of Indians in South Africa ... ... 420—431

PAGE.

SARVADHIKARY, THE HONOURABLE DR. SIR DEVA PRASAD—*contd.*
Question *re* protection of the Steel Industry ... ... 54—55
Question *re* publication of the correspondence relating to Indians in South Africa, Kenya and Tanganyika. 107—108
Question *re* publication of the Report of the Reforms Inquiry Committee. 53
Question *re* qualifications and conditions of service of medical men lent to the Rajputana States. 341, 342
Question *re* recommendations of the Lee Commission ... ... 52—54
Question *re* reduction in post card, letter and book postage rates, etc. 51—52
Question *re* Singapore Naval Base 107
Question *re* status of the High Commissioner for India 54
Question *re* supply of one-anna square postal envelopes to the public ... 283—284
Question *re* tributes paid to the medical men lent to the Rajputana States. 342, 343
Question *re* undue delays at railway level crossings 559
Question *re* use of the two pice oblong postal envelopes for book post purposes. 525
Question (Supplementary) *re* embargo upon the publication of any information regarding Archæological discoveries in India before publication in England. 22
Question (Supplementary) *re* franchise for women 689, 690
Question (Supplementary) *re* medical men lent to the Rajputana States 343—344
Question (Supplementary) *re* position of Indians in South Africa ... 431
Question (Supplementary) *re* qualifications of Mr. Webb, a Superintendent, office of the Agent, North-Western Railway. 124
Question (Supplementary) *re* trader's license in South Africa ... 601
Resolution *re* admission of Indian students to the University Officers' Training Corps. 315, 319
Resolution *re* improvement of the status and condition of Indians overseas. 125—126
Resolution *re* investigation into the mineral resources of Chota Nagpur, etc. 197
Resolution *re* Mental Defectives ... ... 221—233, 235
Resolution *re* restriction of the use of opium to medicinal purposes only. 433—438
Resolution *re* supply of Ganges water at and below Narora ... 164—171, 182, 184—187
Resolution *re* University Training Corps 155
Resolution *re* utilization of interest on Post Office Savings Banks deposits opened by Muhammadans. 589—591
Succession Certificate (Amendment) Bill—
Motion to refer to Joint Committee ... ... 457—458
Tribute to the memory of the late Mr. Edwin Samuel Montagu ... 32—33

SCHOLARSHIPS—
Resolution *re* —— and prizes for Indian Art students ... 73—83

SECURITIES—
Question *re* revaluation of —— in the Gold Standard Reserve and the Paper Currency Reserve. 134

SECURITIES, STERLING—
Question *re* —— in the Paper Currency Reserve ... ... 127—128

SEPARATION OF JUDICIAL AND EXECUTIVE FUNCTIONS—
Question *re* —— in the United Provinces 281

PAGE.

SERVICES, PUBLIC—
Resolution *re* recruitment of Moslem candidates for the —— ... 407—422

SERVICES, SUPERIOR—
Question *re* training of Indians for the —— in Railways 557

SETHNA, THE HONOURABLE MR. PHIROZE C.—
Congratulations from —— to the new President (Sir Henry Moncrieff Smith). 14—15
General discussion on the General Budget ... ... 476—481

Provident Funds Bill—
Amendment to clause 6 ... ... 61—64
Question *re* action taken on the Resolution regarding recruitment and training of probationers for the Forest Service. 55—56
Question *re* administrative changes in the East Indian Railway ... 132—134
Question *re* appointment of Indians as Members of the Railway Board. 142—143
Question *re* Central Institute of Indian Art and Antiquities in London. 137
Question *re* coal mines owned by the Railway Board 139
Question *re* contracts for coal for the Railways entered into by the late Mr. Church. 139—140
Question *re* cost of the annual Conference of the Presidents of the Central and Provincial Legislatures. 55
Question *re* decisions of the recent Conference of Finance Members .. 27
Question *re* delay in the transmission of cables to Germany ... 25
Question *re* despatch of Government publications V. P. P. by the Manager, Central Publication Branch, Calcutta. 138
Question *re* economic inquiry in India 134
Question *re* encouragement of Indian Art ... ... 136—137, 429—430
Question *re* encouragement of indigenous industries 129
Question *re* establishment of a system of rupee tenders in India .. 129
Question *re* establishment of the Rates Tribunal 128
Question *re* expeditious settlement of claims against Railways ... 128—129
Question *re* factories under the Army Department ... ... 132—133
Question *re* furniture and fittings for buildings in New Delhi .. 135
Question *re* income-tax on profits payable to policy holders by Life Insurance Companies. 27
Question *re* increase in the number of Indian Judges ... ... 27—28
Question *re* Leader of the Indian Delegation to the Assembly of the League of Nations in 1925. 23—24
Question *re* legislation to deal with trade combinations 136
Question *re* levy of fees from emigrants 429
Question *re* manufacture of matches in India ... ... 130—132
Question *re* mural paintings in the Secretariat and Council Halls, New Delhi. 137
Question *re* Natal Boroughs Ordinance 23
Question *re* number of English and Indian Judges of High Courts, Chief Courts and Judicial Commissioners' Courts. 28
Question *re* number of Indian officers in the employ of the various Port Trusts. 25
Question *re* number of Indian Trustees on the different Port Trusts ... 25
Question *re* officers in the employ of the various Port Trusts ... 24
Question *re* proposed air route between Europe and India 135
Question *re* proposed Insurance legislation 27
Question *re* prosecutions for political offences 28
Question *re* publication of the report of the Colonies Committee ... 28—29
Question *re* purchase of coal through the Indian Stores Department ... 140
Question *re* purchase of glycerine for ammunition factories ... 135—136
Question *re* purchase of military stores 132
Question *re* purchase of wagons ... ... 140—141

PAGE.

SETHNA, THE HONOURABLE MR. PHIROZE C.—*contd.*
Question *re* railway workshops attached to State-owned Railways ... 142
Question *re* recommendations of the Indian Bar Committee ... 24
Question *re* recommendations of the Indian Mercantile Marine Committee. 24
Question *re* recruitment for the Indian Territorial Force 23
Question *re* refund of Customs duty to the Great Indian Peninsula Railway. 430
Question *re* removal of disabilities on Indians in Queensland and Western Australia. 23
Question *re* report of the Indian Territorial and Auxiliary Force Committee. 29
Question *re* revaluation of securities in the Gold Standard Reserve and the Paper Currency Reserve. 124
Question *re* sale of Government publications ... ... 137—138
Question *re* share of the Government of Bombay in the income-tax ... 24
Question *re* stationery for Government Departments 130
Question *re* sterling securities in the Paper Currency Reserve ... 127—128
Question *re* Taxation Inquiry Committee 135
Question (Supplementary) *re* early return to the penny postage system in England. 52
Question (Supplementary) *re* reasons for resignation of the office of High Commissioner for India by Sir Dadiba Dalal. 52—53
Resolution *re* admission of Indian students to the University Officers' Training Corps. 36—38, 39—40
Resolution *re* amendment of the Natal Borough Ordinance ... ... 143—144
Resolution *re* import of cinema films, *etc.* 46
Resolution *re* scholarships and prizes for Indian art students ... 75—78, 81, 83
Resolution *re* University Training Corps ... ... 150—151

Succession Certificate (Amendment Bill)—
Motion for leave to introduce 450
Motion to refer to Joint Committee ... ... 450—453, 460—461

Tribute to the memory of the late Mr. Samuel Edwin Montagu ... 30—32

SETTLEMENT, LAND-REVENUE—
Question *re* —— in the United Provinces ... ... 281—282

SETTLERS, INDIAN—
Question *re* prospects for —— in British Guiana 553

SIND—
Question *re* discovery of a field of natural cement in —— 18
Question *re* recent archæological discoveries in the Punjab and —— ... 21—22

SINGAPORE—
Question *re* —— Naval Base 107

SINGH, THE HONOURABLE MAHARAJAH BAHADUR KESHAVA PRASAD—
Resolution *re* supply of Ganges water at and below Narora ... 184

SINGH, THE HONOURABLE RAJA SIR RAMPAL—
Expressions of regret at the death of Sir Leslie Miller 207
General discussion on the Railway Budget ... ... 334—335

Indian Criminal Law Amendment (Repealing) Bill—
Motion to consider ... ... 269—270

PAGE.

TAXATION INQUIRY COMMITTEE—
See under "Committee(s)."

TEK CHAND, THE HONOURABLE DIWAN—
Oath of office 13

TELEGRAMS, PRESS—
Question *re* additional charge of 3 per cent. on —— sent without prepayment. 404—405

TRADE COMBINATIONS—
Question *re* legislation to deal with —— 186

TRAINS, PASSENGER—
Question *re* provision of powerful headlights on engines of —— ... 560

TRAINING CORPS, OFFICERS'—
Question *re* creation of —— in Indian Universities 554

TRANS-BORDER TRIBESMEN—
Question *re* grant of passports to —— entering India 143

TRIBUTES—
—— to the memory of the late Mr. Edwin Samuel Montagu ... 30—36

TRITTON, SIR SEYMOUR—
Question *re* expenses of —— 19

TRUSTEES—
Statement laid on the table showing number of —— on the different Port Trusts. 189

TRUSTEES, INDIAN—
Question *re* number of —— on the different Port Trusts 25

U

UMAR HAYAT KHAN, THE HONOURABLE COLONEL NAWAB SIR—
Amendment of the Law relating to Interest Bill—
Motion for leave to introduce 162
Appreciation of the Aeroplane, Howitzer Field Gun and Armoured Car demonstrations arranged for Members of the Indian Legislature. 688
Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General. 739—742
Consideration of clauses 747
General discussion on the General Budget ... ... 465—468
Illness of His Excellency the Commander-in-Chief 751

Indian Finance Bill—
Motion to consider ... ... 621—623
Resolution *re* recruitment of Moslem candidates for the Public Services. ... 418—420
Resolution *re* supply of Ganges water at and below Narora ... 171

UNITED KINGDOM—
Question *re* radio telegraphic communication with the —— ... 159

UNITED PROVINCES—
Question *re* Land-revenue settlement in the —— ... ... 281—282
Question *re* separation of judicial and executive functions in the —— 281

PAGE.

UNIVERSITIES, INDIAN—
Question *re* creation of Officers' Training Corps in —— ... 554

UNIVERSITY OFFICERS' TRAINING CORPS—
Resolution *re* admission of Indian students to the —— ... 36—40

UNIVERSITY STUDENTS—
Question *re* compulsory military training for —— 557

UNIVERSITY TRAINING CORPS—
Resolution *re* —— ... ... 144—155

V

VEDAMURTI, THE HONOURABLE MR. S.—
Bengal Criminal Law Amendment (Supplementary) Bill—
Motion to consider in the form recommended by the Governor General 718
Question *re* additional charge of 3 per cent. on press telegrams sent without prepayment. 404—405
Question *re* preparation of a fresh electoral roll for the Council of State. 403—404
Question *re* revised pension rules ... ... 697—698
Question *re* substitution of a Provident Fund in place of pension for Government servants. 697
Question *re* temporary employees in the Delhi Public Works Department. 698

VICEROY, HIS EXCELLENCY THE—
Inauguration by —— of the Fifth Session of the Council of State and the Second Session of the Second Legislative Assembly. 1—11

W

WACHA, THE HONOURABLE SIR DINSHAW—
Cotton Ginning and Pressing Factories Bill—
Motion to consider 546
Consideration of clauses 547
Expressions of regret at the death of Sir Leslie Miller 205
General discussion on the General Budget ... ... 509—514
General discussion on the Railway Budget ... ... 292, 330—334

Indian Criminal Law Amendment (Repealing) Bill—
Motion to consider ... ... 274—275, 276

Resolution *re* restriction of the use of opium to medicinal purposes only. 446

WAGONS—
Question *re* purchase of —— ... ... 140—141

WAITING HALLS—
Question *re* provision of —— for intermediate class passengers at the principal stations on State-worked Railways. 561

WATERWAYS—
Resolution *re* improvement of —— ... ... 350—356

	PAGE.
WAZIRISTAN—	
Question *re* withdrawal of field service concessions from Indian troops engaged in ——.	158—159
WEBB, MR.—	
Question *re* qualifications of ——, Superintendent, office of the Agent, North-Western Railway.	124
WESTERN AUSTRALIA—	
Question *re* removal of disabilities on Indians in Queensland and ——	83
WHEAT—	
Question *re* export of ——	227—228
Statements (laid on the table) showing the area, production, export and prices of —— and rice during the last five years.	526—529
WILD, THE HONOURABLE MR. A. C.—	
Succession Certificate (Amendment) Bill—	
Motion to refer to Joint Committee	458—459
WIRELESS DIRECTION FINDING STATIONS—	
Question *re* installation of —— at the chief ports of India ...	21
WOMEN—	
Question *re* franchise for ——	689
WORKMEN'S BREACH OF CONTRACT (REPEALING) BILL—	
See under "Bill(s)."	
Y	
YAMIN KHAN, THE HONOURABLE MR.—	
Amendment of the Law relating to Interest Bill—	
Motion for leave to introduce	160—162
Bengal Criminal Law Amendment (Supplementary) Bill—	
Motion to consider in the form recommended by the Governor General.	704
Congratulations from —— to the new President (Sir Henry Moncrieff Smith).	16
General discussion on the Railway Budget	323—326
Indian Criminal Law Amendment (Repealing) Bill—	
Motion to consider	256, 257, 270—273
Indian Finance Bill—	
Motion to amend clause 2	636—637
Indian Merchant Shipping (Second Amendment) Bill—	
Motion to pass	533—534
Nomination of —— to the panel from which one member will be selected to serve on the Governing Body of the Lady Hardinge Medical College, Delhi.	600
Resolution *re* supply of [illegible]ges water at and below Narora ...	182—183
Resolution *re* University Training Corps	152—153
Resolution *re* utilisation of interest on Post Office Savings Bank deposits opened by Muhammadans.	593—594
Z	
ZULFIQAR ALI KHAN, THE HONOURABLE SIR—	
Nomination of —— to be on the Panel of Chairmen of the Council of State.	17

60460

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