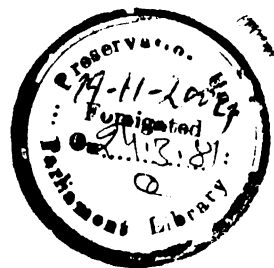


Tuesday, 14th February, 1928

THE
COUNCIL OF STATE DEBATES
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VOLUME I, 1928

(1st February 1928 to 22nd March 1928)

FOURTH SESSION
OF THE
SECOND COUNCIL OF STATE, 1928



CALCUTTA : GOVERNMENT OF INDIA
CENTRAL PUBLICATION BRANCH
1928

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COUNCIL OF STATE.

Tuesday, 14th February, 1928.

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

INDIAN SECURITIES (AMENDMENT) BILL.

THE HONOURABLE MR. E. BURDON (Finance Secretary): Sir, I beg to move for leave to introduce a Bill to amend the Indian Securities Act, 1920, for a certain purpose.

The purpose of this Bill has been briefly stated in the Statement of Objects and Reasons. It is, in effect, to remove a definite and ascertained inconvenience to the public. At this stage, I need say nothing more.

The motion was adopted.

THE HONOURABLE MR. E. BURDON: Sir, I introduce the Bill.

CHITTAGONG PORT (AMENDMENT) BILL.

THE HONOURABLE SIR GEOFFREY CORBETT (Commerce Secretary): With your permission, Sir, I should like to make two small alterations in the motion on the paper that stands in my name. Firstly, I should like to substitute Sir George Godfrey for Sir Arthur Froom; and secondly, after the words "Mr. Chari", I should like to add "with instructions to report not later than the 1st March, 1928." It will be seen from the draft Bill that it is to come into force on the 1st day of April 1928 and, unless we report by this, it will not be possible to get the Bill through the Assembly, presuming that it is accepted by this House.

When I introduced this Bill, I said that it was mainly of local interest and I do not think I need add much to what was then said. The provinces concerned are represented on the Select Committee as well as is possible in the present political position, and all points of local interest and local detail will be fairly represented there. I think I need only explain how the need for this Bill has arisen. It is really largely a question of the necessary finance for the development of this port. Chittagong is a very old port with a very ancient history. It has been rather eclipsed by Calcutta in recent years, and the province of Bengal has not the same interest in it which it would have if the hinterland behind belonged to the same province. The importance of Chittagong at the present time is really as an outlet to the sea for the Assam-Bengal Railway and for the province of Assam, and it is perhaps scarcely reasonable to expect that the province of Bengal, which is not particularly prosperous financially, should undertake large financial liabilities for the development of a port which would mainly benefit a neighbouring province and a railway system which has no very close connection with Bengal. Chittagong is now a minor port. Its trade is relatively small and it is therefore a provincial subject. We have had a great deal of discussion on this matter both with the Government of Bengal and with the local interests concerned, and it was finally agreed

[Sir Geoffrey Corbett.]

that the Government of India should declare the port to be a major port and become responsible for its future development and administration when the average annual value of the trade for a period of three consecutive years reached 15 crores of rupees. Meanwhile the Government of Bengal was to take a loan of 50 lakhs from the Government of India for the improvement of the river approaches, and the Government of India were to become responsible for this loan if and when the port became a major port.

That agreement was thoroughly discussed in the Bengal Legislative Council on the 17th August 1925 on a Resolution moved by Maulvi Muhammad Nur-ul-Huq Chaudhuri, who moved the following Resolution :

" This Council recommends to Government that a loan of 50 lakhs of rupees be granted to the Port Trust of Chittagong for the development of the port of Chittagong."

Mr. Emerson, who was the Finance Member of the Bengal Government at the time, said in his speech that it had been agreed that "when the trade of the port has reached an average of Rs. 15 crores per annum for a period of three years, the port will become a major port, whereupon the payments of the Government of Bengal to the Government of India will cease and the principal, together with the interest, will be returned to the Bengal Government and the management of the port thereafter will be in the hands of the Government of India. The Government of Bengal consider these terms fair and just and recommend them for the acceptance of the Council."

The Resolution was put to the vote and was carried by 43 votes to 15. So I think it may be taken that this arrangement, to which we are now proposing to give legislative effect, has the strong support of people in Bengal. The 15 crore figure has now practically been reached. It has been just 15 crores for the last two years, and on the present figures it promises to become 17 crores this year. The time has therefore come for us to implement our undertaking. Last August His Excellency the Governor of Bengal paid a visit to Chittagong, and, with the permission of the Government of India, he announced that the Government of India would declare the port to be a major port and would amend the Act so as to transfer statutory authority from the Local Government to the Governor General in Council as soon as their legislative programme permitted. Our legislative programme has now permitted it, and I am therefore introducing the Bill in accordance with our undertaking to the Government of Bengal and to the Legislative Council of Bengal. I think therefore I need hardly say anything further. The proposal has for a long time been before the public in Bengal and has their general support and the support of all local interests. The actual draft of the Bill now before the Council has been referred to the Bengal Government and has been accepted by them as well as by the Port Commissioners of Chittagong.

The provisions of the Bill are mainly formal. It is generally limited to the substitution of the words "Governor General in Council" for "Local Government" wherever they occur. But there is one change of substance which we have made. We have taken the opportunity to reconstitute the Board of the Port Commissioners so as to give more effective representation to local interests and particularly to local Indian commercial interests. I do not think I need explain in detail the exact changes in the constitution that have been made. That will all be considered by the Select Committee. I may say, however, that I myself visited Chittagong last November and the constitution of the Board as it stands in this Bill was the result of numerous discussions which I had with the various local interests and local bodies concerned, and it represents the agreed conclusion of all.

Sir, I move.

THE HONOURABLE THE PRESIDENT : Will the Honourable Member kindly tell the House exactly what he moves.

THE HONOURABLE SIR GEOFFREY CORBETT : I am sorry, Sir. I move :

“ That the Bill further to amend the Chittagong Port Act, 1914, for certain purposes, be referred to a Select Committee consisting of the Honourable Sir Phiroze Sethna, the Honourable Sir George Godfrey, the Honourable Mr. Suhrawardy, the Honourable Mr. Gray, the Honourable Mr. De and the Honourable Mr. P. C. D. Chari, with instructions to report not later than the 1st of March 1928 ; and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five.

The motion was adopted.

The Council then adjourned till Eleven of the Clock on Wednesday, the 15th February, 1928.
