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Legislative Assembly.

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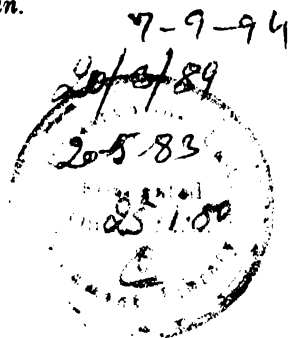
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MR. C. DURAISWAMY AYYANGAR, M.L.A.



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LEGISLATIVE ASSEMBLY.

Tuesday, 6th September, 1927.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President in the Chair.

QUESTIONS AND ANSWERS.

COMMUNAL DISTURBANCES.

876. ***Mr. Narayan Prasad Singh :** (a) Will Government be pleased to state the number of Indians killed and the loss of property on account of the last year's communal disturbances in India ?

(b) Will Government be pleased to state the amount spent from the Government Treasury for the suppression of communal disturbances ?

(c) Will Government be pleased to state what measures they propose to adopt to stop these communal disturbances in India in future ?

The Honourable Mr. J. Crerar : (a) The number of persons reported to have been killed in the communal disturbances since the 1st September 1926 is 99. Statistics of loss of property are not available.

(b) The expenditure falls on Local Governments, and the Government of India have no information.

(c) I would refer the Honourable Member to the answer on this subject given by my predecessor to Mr. Harchandrai Vishindas' question of the 18th August, 1926.

Mr. Narayan Prasad Singh : Will the Honourable Member give the answer in Hindustani so that I may understand the answer and put supplementary questions, if necessary ?

The Honourable Mr. J. Crerar : Am I to understand, Sir, that the Honourable Member wants me to read the reply in Hindustani ? I think, Sir, I should prefer to communicate the answer in writing to the Honourable Member.

Mr. Gaya Prasad Singh : Now he is deprived of the right of putting supplementary questions, because he cannot understand the answer given in English.

The Honourable Mr. J. Crerar : I think I must ask the Honourable Member to put down his question in writing and I will answer it to the best of my ability.

Mr. Gaya Prasad Singh : It is the right of every Member to expect Government's answer to be intelligible to him.

Mr. A. Rangaswami Iyengar : On a point of procedure, Sir. I think, according to the rules of procedure of this House, it is permissible for a Member of this House, if he does not know English, to use his own

vernacular and I think in using his vernacular, he has got the right to expect an answer in the language which he understands.

Mr. A. B. Dalal : I have got a question put by U. Tok Kyi. Am I to understand that I have to answer him in Burmese ?

Mr. A. Rangaswami Iyengar : I may say at once in reply to that, that the rule is if a Member is acquainted with English, he will use the English language, and if he is not acquainted with English, he is permitted and he is entitled to use his own vernacular and he is entitled to expect an answer in his own vernacular.

Mr. President : Will the Honourable Member cite the Standing Order that he is referring to ?

Diwan Chaman Lall : May I ask, Sir, whether the original question was put in English or the vernacular. (*An Honourable Member :* "English.") Is it not therefore to be presumed that the Honourable Member who put his question in English knew the vernacular ?

Mr. Gaya Prasad Singh : The question of Mr. Narayan Prasad Singh was put in the vernacular, and it is only the English translation that is before the House.

The Honourable Sir Bhupendra Nath Mitra : Is not the Honourable Mr. Crerar entitled to answer in his own vernacular ? (Laughter).

Mr. A. Rangaswami Iyengar : I refer to Rule 14 of the Indian Legislative Rules which says :

"The business of the Indian Legislature shall be transacted in English, provided that the President may permit any Member unacquainted with English to address the Council in a vernacular."

Diwan Chaman Lall : May I suggest, Sir, that the answer to this question may be postponed till to-morrow, so that we may think over this question in the meanwhile.

Mr. President : Rule 14 says :

"The business of the Indian Legislature shall be transacted in English—
—Honourable Members know that it is transacted in English—
"provided that the President may permit any Member unacquainted with English to address the Assembly in a vernacular language."

This applies to the general rules of procedure, that is to the speeches made in this House. If the Honourable Member does not know English and the Chair is satisfied that he cannot fluently speak the English language, then the Chair might permit him to speak in his own vernacular. But this does not apply to the putting of questions and the answering of questions ; and in any case it certainly does not apply to the answering of questions.

Mr. A. Rangaswami Iyengar : May I say a word on this point. I think the proceedings of the Assembly include the putting of questions and the giving of answers, and the speeches made on questions are as much speeches as those made on Bills and motions. Without by any means saying that the Honourable the Home Member is bound to give his answer only in English, I think it is only fair that, when a questioner does not understand English, the answer should be translated into the

vernacular for the benefit of the Member putting the question in order to enable him to put supplementary questions. It is only fair that the answer which the Home Member gives should be translated and sent to the questioner in advance so that he may put supplementary questions.

Mr. M. Ruthnaswamy : Will it not be possible to have an interpreter in the Assembly for interpreting English questions into the vernacular and vernacular answers into English. They have interpreters in the Punjab Legislative Council.

Mr. President : What the Honourable Member for Madras suggests is that translations of the replies should be supplied in advance to the Honourable Member who puts the question, so that he may be ready, if need be, to put supplementary questions. That is a suggestion which the Chair will take into consideration in consultation with the Honourable the Home Member, and on some future occasion will state what the procedure in such cases should be.

Mr. Gaya Prasad Singh : What about the answer to this particular question ?

Mr. Ram Narayan Singh : I beg to ask a supplementary question, that the reply to supplementary questions also may be in Hindustani.

DEFENCE OF INDIA.

877. ***Diwan Chaman Lall :** (a) Has the attention of the Government been drawn to an article by the Military Correspondent of the *London Daily Telegraph*, dated July 1st, 1927, regarding the defence of India ?

(b) If so, will the Government be pleased to state whether any friction has arisen between the authorities in Great Britain and in India in regard to the questions of defence or questions relating to the formation of an Expeditionary Force ?

(c) Will Government be pleased to lay papers connected with the correspondence that has passed between Whitehall and Simla or Delhi in this connection on the table ?

Mr. G. M. Young : (a) Yes, Sir.

(b) and (c). No, Sir.

Diwan Chaman Lall : Does it mean that there is a consensus of opinion between Whitehall and the Government of India in regard to this matter ?

Mr. G. M. Young : Which matter ?

Diwan Chaman Lall : The matter referred to in part (a) of the question.

Mr. G. M. Young : The matter in that article, from the point of view of the Government, does not exist.

Diwan Chaman Lall : May I ask the Honourable Member whether his attention has been drawn to the fact that English newspapers have commented upon the dissension that has arisen between Whitehall and Simla in regard to military defence.

Mr. G. M. Young : I am aware that dissensions have been mentioned ; but, as I have already stated, those dissensions do not exist.

Diwan Chaman Lall : May I take it that the Government of India have agreed to the proposals of the British Government ?

Mr. G. M. Young : The Honourable Member assumes that the British Government have made proposals which, in fact, as I have already stated, they have not made.

Diwan Chaman Lall : Will the Honourable Member inform the House whether any proposals were made ?

Mr. G. M. Young : They are non-existent.

Diwan Chaman Lall : I take it that the article that appeared in the *Daily Telegraph* is absolutely incorrect.

Mr. G. M. Young : It is entirely without foundation.

FUMIGATION OF AMERICAN COTTON.

878. ***Mr. E. F. Sykes :** (a) Have Government considered whether the remission of charges for fumigation of American cotton will act as a bounty on its importation, and considered the question of giving a countervailing bonus to producers of Indian cotton ?

(b) Is it a fact that Government is considering the recommendation of the Cotton Industry Tariff Board that the Central Revenues should bear the cost of fumigating imported American cotton ? If so, are Government prepared also to consider the advisability of negotiating with the Government of the United States in order to obtain similar action on the part of America and a consequent reduction in the import charges on Indian cotton imported into the United States ?

The Honourable Sir George Rainy : The suggestions contained in the Honourable Member's question will be considered.

ISSUE OF INSTRUCTIONS BY THE EDUCATION DEPARTMENT REGARDING THE SUPPLY OF INFORMATION TO THE PRESS.

879. ***U. Tok Kyi :** (a) Is it a fact that the Education Department of the Government of India has issued instructions that no information is to be given separately to any newspaper except to the "Associated Press" ?

(b) If so, will the Government be pleased to state the reasons why ?

Mr. A. R. Dalal : (a) No.

(b) Does not arise.

STATE MANAGEMENT OF THE BURMA RAILWAYS.

880. ***U. Tok Kyi :** (a) Is it not a fact that the existing contract between the Government and the Burma Railway Company will expire on the 31st December 1928 ?

(b) If so, will the Government be prepared to take the Burma Railway back from the Company and run it themselves ?

(c) Are the Government aware that the Burma Legislative Council is in favour of State management ?

Mr. A. A. L. Parsons : (a) The Secretary of State has given the Burma Railways Company notice of the termination of the existing contract between him and the Company on the 31st December, 1928.

(b) The question is under consideration.

(c) Yes.

EMPLOYMENT OF UNPASSED MEN IN THE GOVERNMENT OF INDIA OFFICES.

881. ***Mr. Siddheswar Sinha :** (a) Will the Government be pleased to state if there are employees in the Government of India who have not passed the Public Service Commission examination ? If the answer be in the affirmative, will the Government be pleased to state (i) the reasons of such employment, and (ii) the number thereof ?

(b) Is it a fact that in the Finance Department of the Government of India (including the Military Finance) unpassed men are being made permanent in preference to graduate passed men ? If so, will the Government be pleased to give reasons for it ?

The Honourable Mr. J. Crerar : The information is being collected and will be supplied to the Honourable Member in due course.

FILLING UP OF VACANCIES IN THE GOVERNMENT OF INDIA OFFICES.

882. ***Mr. Siddheswar Sinha :** Will the Government be pleased to state if priority in examination is a material consideration in filling up permanent vacancies ? Is it a fact that men passing the Board's examinations later than 1920 were given preference to those who passed in 1920 ? If so, why ?

The Honourable Mr. J. Crerar : So far as departmental candidates are concerned, promotions to permanent vacancies are not entirely dependent on the date of passing the examination but are regulated also by such considerations as merit and capacity.

In the case of outside candidates, nominations for permanent vacancies are invariably made according to the seniority of candidates on the waiting list maintained by the Public Service Commission, unless it is desired to recruit a member of a minority community.

Mr. Siddheswar Sinha : Is not examination a test of merit ?

The Honourable Mr. J. Crerar : No doubt examination is a test of merit but there are other tests.

DISCONTENT AMONG RAILWAY OFFICERS CONSEQUENT ON THE INTRODUCTION OF THE DIVISIONAL SCHEME.

883. ***Lient.-Colonel H. A. J. Gidney :** Are the Government of India aware that since the introduction of the Divisional Scheme, a considerable measure of distrust and discontent prevails among most railway officers with the single and significant exception of the Royal Engineer Officers who are attached to Railways ?

Mr. A. A. L. Parsons : The reply is in the negative.

EMPLOYMENT OF ROYAL ENGINEER OFFICERS IN ADMINISTRATIVE APPOINTMENTS ON STATE RAILWAYS.

884. ***Lieut.-Colonel H. A. J. Gidney** : Will the Government be pleased to state whether or not, the wide utilisation of the services of Royal Engineer officers in administrative appointments on Indian State Railways, is an answer to the Indianisation of those Railways ?

Mr. A. A. L. Parsons : Royal Engineer officers appointed to the Railways are treated as having been recruited in England, and the appointment of such officers does not affect the question of Indianisation.

NUMBER OF ROYAL ENGINEER OFFICERS EMPLOYED ON STATE RAILWAYS.

885. ***Lieut.-Colonel H. A. J. Gidney** : (a) Will the Government be pleased to state the number of Royal Engineer Officers employed on Indian State Railways giving the nature of each such appointment ?

(b) Is it a fact that the salaries of such Royal Engineer Officers are debited to Indian revenues ?

Mr. A. A. L. Parsons : (a) The information may be obtained from the Railway Board's Classified List, a copy of which is in the Library.

(b) Yes.

Lieut.-Colonel H. A. J. Gidney : I notice the answer to part (b) of the question is " Yes ". Can the Honourable Member give the reason " Why " it is " Yes " ?

Mr. A. A. L. Parsons : My answer to the original question was " Yes ". The reason why their salaries are debited to Indian revenues is that they are employed for the benefit of India.

Lieut.-Colonel H. A. J. Gidney : That does not answer my question at all, Sir.

EMPLOYMENT OF ROYAL ENGINEER OFFICERS ON STATE RAILWAYS.

886. ***Lieut.-Colonel H. A. J. Gidney** : (a) Are Royal Engineer officers borne on the permanent cadres of State Railway Services ?

(b) In the event of war, particularly, out of India, is it intended that such officers should continue to be employed on Indian Railways ?

(c) Will Government be pleased to say how many Royal Engineer Officers there were on State Railways in 1914, and how many were retained on Railways in India after the declaration of and during the currency of the Great War and in what capacities ?

Mr. A. A. L. Parsons : (a) Yes.

(b) Such officers are liable to be recalled to military duty in the event of war.

(c) In 1914 there were 55 Royal Engineer officers in railway employ. Of these, 47 were recalled to military duty in the last Great War. The officers retained on Railways were employed as Agent, Traffic Manager, Government Inspector of Railways, etc.

Lieut.-Colonel H. A. J. Gidney : Arising out of the Honourable Member's answer, will he please state whether it proves or disproves that the entertainment of Royal Engineer officers on Indian Railways neither is a necessity nor correct ?

Mr. A. A. L. Parsons : I am afraid I am not prepared to give an answer offhand.

Sir Hari Singh Gour : May I ask the Honourable Member what are the duties of Royal Engineer officers employed on the Railways ?

Mr. A. A. L. Parsons : They are employed in a good many engineering posts, occasionally as Divisional Superintendents, sometimes as Agents, Government Inspectors of Railways, and so on. They form part of our engineering cadre.

Sir Hari Singh Gour : Cannot indigenous talent be employed for that purpose ?

Mr. A. A. L. Parsons : As I have explained the Royal Engineer officers are considered as part of our European recruitment. They come into the 25 per cent. of European recruitment agreed upon.

Sir Hari Singh Gour : The object in employing these Royal Engineer officers is not the service they render to the Railways but extraneous considerations enter into their employment ?

Mr. A. A. L. Parsons : I should not be prepared to make quite so definite a statement. It is not easy to get a sufficient number of competent engineering officers and I should not like to say that we employ them in peace time purely as a war reserve.

Sir Hari Singh Gour : Has any attempt been made to recruit local officers to replace them ? The Honourable Member says it is not quite so easy, but has any attempt been made ?

Mr. A. A. L. Parsons : Does the Honourable Member mean Indian officers ?

Sir Hari Singh Gour : Yes.

Mr. A. A. L. Parsons : We take Indian officers when we can recruit them locally up to the 75 per cent. limit. As I have explained, the Royal Engineer officers do not come against Indian recruitment at all. They come against the 25 per cent. of European recruitment.

Mr. M. Ruthnaswamy : May I ask whether it is the practice in England to employ Royal Engineer officers on the railways ?

Mr. A. A. L. Parsons : I am afraid I must ask for notice.

Lieut.-Colonel H. A. J. Gidney : Will the Honourable Member kindly tell me whether the employment on Indian Railways of Royal Engineer officers is similar in policy to the employment of I. M. S. officers in the Civil Medical Service—in other words, a war reserve ?

Mr. A. A. L. Parsons : As I have just explained in reply to Sir Hari Singh Gour, I am not prepared to say without qualification that we employ them purely as a war reserve. I should have to look much more carefully into the matter than I have done at present.

Lieut.-Colonel H. A. J. Gidney : Another question, Sir. Does Indianisation of the Railways, in so far as it refers to the 25 per cent.

of European recruitment refer to and include the employment of purely Military Royal Engineer officers as is being done to-day or should this percentage be entirely recruited from engineers outside the Army ?

Mr. A. A. L. Parsons : I am afraid I do not understand the Honourable Member's question.

Lieut.-Colonel H. A. J. Gidney : Is it right that in the entertainment of 25 per cent. of European railway engineers, as ordained by the Lee Commission, military engineers should be included, because Royal Engineer officers are military officers ?

Mr. A. A. L. Parsons : The Lee Commission's recommendation, to the exact terms of which I should like to refer the Honourable Member, applies to the number of engineers, whether they are military or civil, to be taken in by the Railways. The effect of that recommendation is that we have bound ourselves to recruit as quickly as possible up to 75 per cent. of Indians for vacancies in the Railway Departments as a whole. If we take Royal Engineer officers into the Railways they count against the balance of 25 per cent. English recruitment.

Sir Hari Singh Gour : Is not that a deviation from the policy of commercialising the Railways ?

Lieut.-Colonel H. A. J. Gidney : May I ask another supplementary question, Sir ?

Mr. President : Will the Honourable Member pass on to the next question ?

EMPLOYMENT OF ROYAL ENGINEER OFFICERS ON STATE RAILWAYS.

887. ***Lieut.-Colonel H. A. J. Gidney :** Is the practice of employing Royal Engineer Officers in posts other than those of Agents, peculiar to State Railways alone, and if so, why ?

Mr. A. A. L. Parsons : Most of the Royal Engineer officers in railway service are employed on State-managed Railways though occasionally their services are placed at the disposal of Company-managed Railways at the request of the Boards of Directors.

Pandit Hirday Nath Kunzru : May I ask why Royal Engineers are employed in the Traffic Department and whether engineers others than Royal Engineers are also so employed ?

Mr. A. A. L. Parsons : I am not sure of the answer to the second part of Pandit Hirday Nath Kunzru's question, but I think that engineers other than Royal Engineers are occasionally employed as traffic officers and in other departments than the engineering departments of the Railways. The answer to the first part of the question is that the natural aptitudes of individuals are taken into consideration.

Lieut.-Colonel H. A. J. Gidney : In Indianisation of the superior railway service, do the Government subscribe to the policy of recruiting Royal Engineer officers, who are purely military officers, to fill up the 25 per cent. of European recruitment, which should be obtained from outside the Army ? Is this Indianisation or militarisation of the superior railway services ?

Mr. A. A. L. Parsons : I must ask for notice : I am afraid I could not possibly make a statement offhand.

Pandit Hirday Nath Kunzru : May I ask whether the recruitment for these posts as they fall vacant is conducted separately ?

Mr. A. A. L. Parsons : Separately from what ?

Lieut.-Colonel H. A. J. Gidney : Will the Honourable Member consider the matter and let me have an answer to my question in the course of time, since he cannot do so now ?

Mr. A. A. L. Parsons : If the Honourable Member will put down a question I will do my best to answer him.

Pandit Hirday Nath Kunzru : Are not Transportation Officers separately recruited from the Royal Engineers ?

Mr. A. A. L. Parsons : Yes, Sir.

Pandit Hirday Nath Kunzru : Is it not the case then that in these posts which should be given to Transportation Officers Royal Engineers are employed ?

Mr. A. A. L. Parsons : I should like to know which post the Honourable Member refers to as those which ought to be filled by traffic officers.

Pandit Hirday Nath Kunzru : I refer to the posts to which the Honourable Member himself referred when he said that Royal Engineers were occasionally employed in traffic posts. As no reply was given to this, the Honourable Member said : " The Honourable Member might think over it and let me have his reply afterwards ". (Laughter.)

MARTIAL AND NON-MARTIAL RACES OF INDIA.

888. ***Mr. Ram Narayan Singh :** (a) Will the Government be pleased to state the following :

(i) which are the castes, classes or communities recognised by the Government as the martial races of the country ?

(ii) what are the special qualities, physical, moral or otherwise on which this recognition is based ?

(iii) which are the districts and provinces to which these martial races belong ?

(b) Are the Anglo-Indians, Christians and Muhammadans living all over the country and pursuing any profession recognised as martial races ?

(c) How and when have the Government come to classify some communities as martial races and the rest as non-martial races ?

(d) Are the Government in possession of any evidence to show that the martial spirit of a race has undergone a change on account of a permanent change in the residence of that race from one province to another ? And if so, what ?

(e) Have the Government ever made any attempt to create a military spirit in any of the communities not recognised by them as martial, and if so, when and with what results ?

Mr. G. M. Young : I propose to answer the question as a whole. No particular caste, class or community is officially recognized by Government as martial or otherwise, but units of the Indian Army have always been organized on a class basis : and as there are limits to the size of that army, only a limited number of classes can ordinarily find a place in it. The classes selected are those which, from the point of view of military efficiency alone, the military authorities prefer to enlist.

Nawab Sir Sahibzada Abdul Qaiyum : Is it not a fact that the Government generally recruit from the classes which, according to Manu's classification, were considered to be the fighting races ? That is to say, the Government found certain classes to be martial classes according to Manu's classification and they carry on their recruitment according to that classification ?

Mr. G. M. Young : I am afraid my Honourable friend has the advantage of me.

Mr. Ram Narayan Singh : May I know what the Government mean by the martial races of the country ?

Mr. G. M. Young : Sir, it is I that want to know what my Honourable friend means by the martial races of the country.

STOPPAGE OF RECRUITMENT FOR THE ARMY IN BIHAR AND ORISSA.

889. ***Mr. Ram Narayan Singh :** (a) Are not the Government aware of the fact that there is great discontent and heart-burning in the Province of Bihar and Orissa owing to the stoppage of military recruitment therein ?

(b) Are Government prepared to take steps to allay the said discontent and heart-burning ?

Mr. G. M. Young : (a) and (b). The answer is in the negative.

TOTAL NUMBER OF MEN AND OFFICERS RECRUITED FROM BIHAR AND ORISSA DURING THE GREAT WAR.

890. ***Mr. Ram Narayan Singh :** (a) Will the Government be pleased to state the total number of men and officers both combatants and non-combatants recruited from the Province of Bihar and Orissa, district by district, during the last European War ?

(b) Are any of them in service yet ? If so, how many and in what capacities ?

Mr. G. M. Young : (a) The total number of officers and men recruited from the Province of Bihar and Orissa during the War was 41,552. Of this number 8,576 were combatants. Our statistics do not show the numbers recruited by Districts, but by Provinces.

(b) The information asked for is not available, but probably very few of those recruited during the War are still serving.

NUMBER OF BIHARIS GRANTED KING'S COMMISSIONS, ETC.

891. ***Mr. Ram Narayan Singh :** Will the Government be pleased to state the following :

(a) How many Biharis have got the King's commissions yet ?

- (b) How many of them are cadets at Sandhurst now ?
- (c) How many Biharis are in the Prince of Wales' College at Dehra Dun ?

Mr. G. M. Young : (a) One.

(b) None.

(c) Two.

SHORT NOTICE QUESTION AND ANSWER.

ADDRESS DELIVERED BY SIR EDWARD GRIGG TO THE LEGISLATIVE COUNCIL OF KENYA.

Mr. R. K. Shanmukham Chetty : With your permission, Sir, I would like to ask the following short notice question which my Honourable friend Mr. Bajpai has kindly consented to answer :

1. Has the attention of Government been drawn to the report in the Press of the address delivered by Sir Edward Grigg to the Legislative Council of Kenya ?

2. (a) Is it a fact that the Feetham Commission report on Local Government has been approved by the Secretary of State for the Colonies and the result of it would be to reduce the proportion of Indian representation on institutions of Local Government ?

(b) Were the Government of India consulted before the Report was finally accepted by the Secretary of State for the Colonies and have Government acquiesced in the action of the Secretary of State ? If not, will Government be pleased to state what action they have taken or propose to take in the matter ?

3. Is it a fact that the constitution of the Legislature of Kenya is proposed to be changed with a view to give an elected majority ? If so, will the Government be pleased to state what steps have Government taken to adequately protect these interests ?

Mr. G. S. Bajpai : With your permission, Sir, I shall answer the question in the order enumerated by the Honourable Member opposite.

1. The reply to the Honourable Member's first question is in the affirmative.

The answer to part 2 (a) of the second question is as follows :

The Government of India have no information apart from what has appeared in the Press, but have made inquiries.

As regards part (b), the answer to the first part ~~is~~ the negative, and the second part does not arise.

3. (a) The Government of India have no information, but have made inquiries.

(b) Does not arise.

Mr. R. K. Shanmukham Chetty : Was not the attention of the Government drawn to the fact that the Feetham Commission was engaged in making certain enquiries into the administration of the Local Government of the Kenya Colony ?

Mr. G. S. Bajpai : No, Sir.

Mr. R. K. Shanmukham Chetty : Am I to understand, Sir, that the Government of India were not aware that the Feetham Commission was appointed for the purpose of making certain inquiries into the administration of the Local Government of the Kenya Colony ?

Mr. G. S. Bajpai : The Government of India had no official information on this subject at all. It was about the middle of July last that a gentleman from Kenya visited India, and he also came up to Simla and informed me in an informal conversation that Mr. Justice Feetham and a number of other people had been making inquiries into the question of Local Government and administration in Kenya and had submitted a report which was confidential.

Mr. R. K. Shanmukham Chetty : When that fact came to the knowledge of the Government of India, did they take any action ?

Mr. G. S. Bajpai : The Government of India could not possibly take any action on knowledge which was derived from purely informal conversation with a private individual.

Mr. A. Rangaswami Iyengar : May I know whether the Government of India did not think it right to address the Secretary of State for the Colonies and find out whether this report was correct ? Was it not sufficient notice to the Government of India to make inquiries on a matter of this urgency ?

Mr. G. S. Bajpai : I have already said that information derived from informal conversation with a private individual cannot be made the basis of State action or of State correspondence.

Mr. A. Rangaswami Iyengar : Am I right, Sir, in taking it that the reports that have constantly appeared in the Press that the Feetham Commission have submitted their report and that the Government of India have not taken any notice of it are correct ?

Mr. G. S. Bajpai : I confess I cannot claim my Honourable friend's journalistic omniscience, but so far as I am aware, the first notice of the report of the Feetham Commission that appeared in the press was in connection with Reuter's report of the address by Sir Edward Grigg to the Legislative Council of Kenya.

Pandit Hirday Nath Kunzru : May I know, Sir, if the Government of India have received a copy of the Feetham Committee's report ?

Mr. G. S. Bajpai : No, Sir, they have not ; but they have asked for it.

Pandit Hirday Nath Kunzru : Will they lay it on the table of the House when it is received ?

Mr. G. S. Bajpai : I cannot say anything about that until the report is received.

Pandit Hirday Nath Kunzru : Are Government aware that action is contemplated by His Majesty's Government in connection with that report ? If so, what is the objection to the Government of India laying that report on the table of the House for the information of Honourable Members ?

Mr. G. S. Bajpai : The assumption, underlying the Honourable Member's question, has yet to be verified ;—the assumption being that the Government of Kenya have already taken action on the report. As I have already stated in reply to Mr. Shanmukham Chetty, Government have made inquiries both as to the substance of the report of the Feetham Committee and of the action, if any, contemplated on it. When the Government of India receive the report, they will take such action as may be considered to be necessary.

Pandit Hirday Nath Kunzru : Have the British Government been asked to postpone taking action on the report of the Committee till the Government of India have had time to make representations to them ?

Mr. G. S. Bajpai : I have already said that the Government of India cannot ask His Majesty's Government to postpone action as they do not know what is actually contemplated. All that they have to go upon is a press report to the effect that certain things have happened. The Government of India have asked for information and when they are in possession of all the facts they will take necessary action. The nature of that action will be determined entirely by the nature of the action contemplated on the other side.

Mr. R. K. Shanmukham Chetty : In view of the fact that the Governor of Kenya Colony has announced to the Legislative Council that the Secretary of State for the Colonies has accepted the findings of the Feetham Commission, do not the Government of India think it necessary to warn the Secretary of State for the Colonies not to take any action on that report before the Government of India have had an opportunity to express their opinion ?

Mr. G. S. Bajpai : That, Sir, is a matter of opinion. In any case, as I have stated, the Government of India have made telegraphic inquiries from the Secretary of State, and I think I can assure the House that the Government of India yield to no section of the House either in their desire or their determination to do everything possible to safeguard Indian interests.

Mr. R. K. Shanmukham Chetty : Will the Honourable Member make a statement to the House later on when he gets more information on the subject ?

Mr. G. S. Bajpai : I shall certainly consider my Honourable friend's suggestion.

UNSTARRED QUESTIONS AND ANSWERS.

REVISED SCALES OF PAY FOR POSTAL CLERKS, ETC.

99. **Mr. V. V. Jogiah :** Has the scale of pay sanctioned for the staff of the R. M. and S. and the lower selection grades in G. O. I. Resolution No. P. T. E.-11, dated 27th April 1927, been given effect to ? If not, why not ? Do Government propose to give effect to it at an early date ?

The Honourable Sir Bhupendra Nath Mitra : Government have no reason to believe that full effect has not been given to the revised scales

of pay for postal clerks sanctioned in their letter of the 27th April 1927. Orders regarding the revision of the scales of pay of the lower selection grades and of Railway Mail sorters were issued on the 5th and 10th August 1927, respectively.

PAY OF GRADUATES IN POST OFFICES AND THE RAILWAY MAIL SERVICE.

100. **Mr. V. V. Jogiah** : Is it a fact that graduates entertained in Post Offices and the Railway Mail Service subsequent to 27th April 1927 are started on Rs. 55 a month, while this rule is not applied to those graduates, who are already in service, before that date, drawing less salaries and whose salaries did not rise under the rules sanctioning this minimum pay of Rs. 55 ? If so, do Government propose to bring their salaries into line with those of graduates newly entertained ?

The Honourable Sir Bhupendra Nath Mitra : The facts are substantially as stated by the Honourable Member in the first part of the question.

The matter is under the consideration of the Government of India.

GRANT OF HOUSE RENT ALLOWANCE TO POSTMEN AND MENIALS.

101. **Mr. V. V. Jogiah** : Is any provision made for grant of house rent allowance to postmen and menials in the Budget of 1926-27 ? If so, how much of it has been spent ?

The Honourable Sir Bhupendra Nath Mitra : The reply to the first part of the question is in the affirmative. The amount spent was about Rs. 1 lakh.

GRANT OF HOUSE RENT ALLOWANCE TO POSTAL OFFICIALS IN CERTAIN PLACES IN THE MADRAS PRESIDENCY.

102. **Mr. V. V. Jogiah** : Are Government aware that postal officials in some places, where the rents of houses are high, such as those at Berhampore, Chatrapur, Chepurupalle and Parvatipur, etc., in the Madras Presidency, have not been given any house rent allowance ? If not, would the Government enquire into it ?

The Honourable Sir Bhupendra Nath Mitra : House rent allowance is not given to postal officials at the places named in the question. The Government of India have no information whether house rent is high at those places. An enquiry will be made and suitable action will be taken by the Director General.

REFUSAL OF LANDLORDS TO REPAIR HOUSES LEASED TO THE POSTAL DEPARTMENT IN THE MADRAS PRESIDENCY.

103. **Mr. V. V. Jogiah** : Are Government aware that in the Presidency of Madras, corresponding to the increase in prices and rents of houses, no increase in rents of buildings, leased to the Postal Department, is sanctioned, in spite of repeated demands from landlords, and as a result, landlords have been refusing to repair the buildings, pending the increase in the rents which they demanded and that the postal officials, living

in such houses, have been suffering considerable inconvenience, on this account? If not, are Government prepared to enquire into the matter and take steps to remedy these complaints and inconveniences?

The Honourable Sir Bhupendra Nath Mitra : Government are not aware of the facts as stated. An enquiry will however be made and whatever steps are necessary will be taken in the direction indicated.

MEMORIAL OF THE STAFF OF THE GOVERNMENT TELEGRAPH OFFICE AT VIZAGAPATAM.

104. **Mr. V. V. Jogiah :** Did the staff of the Government Telegraph Office at Vizagapatam make representations to Government for the grant of a compensatory allowance to them, in view of the fact that the City of Vizagapatam has increased enormously in importance, extent and population, during the last decade and for the reasons stated in their representations to H. E. the Viceroy and Governor General of India and to the Director General of Post Offices? And, did the Government say that the matter was under their consideration? If so, have the Government come to any conclusion? If not, do Government intend to consider the case of the staff as early as possible and give them relief?

The Honourable Sir Bhupendra Nath Mitra : Representations on the subject addressed to His Excellency the Viceroy and Governor General were received by the Director General through the Postmaster General, Madras, at the end of July. When these are forwarded to Government by the Director General with his recommendations, they will receive due consideration.

DEMANDS FOR SUPPLEMENTARY GRANTS.

CIVIL WORKS.

Mr. President : The House will now resume the further consideration of the following motion moved by the Honourable Sir Basil Blackett :

“That a supplementary sum not exceeding Rs. 75,000 be granted to the Governor General in Council to defray the charges that will come in course of payment during the year ending the 31st day of March, 1928, in respect of ‘Civil Works’.”

(At this stage Mr. Gaya Prasad Singh rose to speak.)

Mr. President (Addressing Mr. Gaya Prasad Singh) : The Honourable Member had already spoken. He opposed the motion yesterday, and he is not entitled to speak again.

Mr. Gaya Prasad Singh (Muzaffarpur *cum* Champaran : Non-Muhammadian) : I did not.....

Mr. President : The Honourable Member did rise and opposed the motion yesterday. No doubt, he did not make any speech, but that does not matter.

Mr. Gaya Prasad Singh : But the Debate was adjourned.....

Pandit Hirday Nath Kunzru (Agra Division : Non-Muhammadian Rural) : As my friend Mr. Neogy was not there when I got up, I had to take on myself the unpleasant duty of opposing the Supplementary Grant asked for by the Honourable the Finance Member. Now, Sir, I should like to make it clear that I am not in the least against a Government

[Pandit Hirday Nath Kunzru.]

grant being given to any social instituton, whether Christian, Hindu or Muhammadan. But in view of the discussion that took place in this House on the provision of accommodation for officers in August 1926, I think the Government would have been well advised if instead of bringing worward a motion of this kind they had themselves undertaken to construct the necessary buildings. Now the reason placed before us for the course adopted by Government is that it would lead to economy. That is a point which was discussed threadbare in August 1926, and I should not like to weary the House by a repetition of what was said then. But it is pertinent even now to point out that, although the cost might be slightly greater to Government if they provided the necessary accommodation themselves, the buildings which would be constructed will remain their property. In this particular case there is this difference as compared with the case discussed by the Assembly in August 1926, that the Government proposed to give not nearly a loan but also a grant of Rs. 75,000 to the Y. W. C. A. Now, as I say, if the Y. W. C. A. engages in social activities which are for the good of the country and imposes no racial restrictions, nobody would be against giving any grant to it. But that question stands by itself. If Government find, after considering the needs of the Y. W. C. A., that the help that they ask for is legitimate, they can come forward with a separate proposal. But I do not like the Y. W. C. A. being helped in this indirect and, if I may say so without offence, in this surreptitious way. I think, as a matter of policy, Government ought to undertake to construct the buildings needed for its own officers. It cannot in the guise of helping its officers really help other institutions. The help to be given to other institutions must be considered on the merits of the case. I am therefore opposed to the motion before us, but I should like to make it clear that I am not opposed in principle to any grant being given to the Y. W. C. A. That is an entirely separate matter and ought to be discussed on a separate Demand.

Mr. President : The question is :

“ That a supplementary sum not exceeding Rs. 75,000 be granted to the Governor General in Council to defray the charges that will come in course of payment during the year ending the 31st day of March, 1928, in respect of ‘ Civil Works ’.”

The Assembly divided :

AYES—51.

Abdoola Haroon, Haji.
Abdul Matin Chaudhury, Maulvi.
Abdul Qaiyum, Nawab Sir Sahibzada.
Abdullah Haji Kasim, Khan Bahadur Haji.
Ahmad, Khan Bahadur Nasir-ud-din.
Alexander, Mr. William.
Anwar-ul-Azim, Mr.
Ashrafuddin Ahmad, Khan Bahadur Nawabzada Sayid.
Ayyangar, Mr. V. K. Aravamudha.
Ayyangar, Rao Bahadur Narasimha Gopalaswami.
Bajpai, Mr. G. S.
Blackett, The Honourable Sir Basil.

Bray, Sir Denys.
Coatman, Mr. J.
Cocke, Mr. H. G.
Cosgrave, Mr. W. A.
Courtenay, Mr. R. H.
Crawford, Colonel J. D.
Crerar, The Honourable Mr. J.
Crofton, Mr. R. M.
Dalal, Mr. A. R.
Dalal, Sardar Sir Bomanji.
Donovan, Mr. J. T.
Dunnett, Mr. J. M.
Ghazanfar Ali Khan, Raja.
Gidney, Lieut.-Colonel H. A. J.

Haigh, Mr. P. B.
 Irving, Mr. Miles.
 Ismail Khan, Mr.
 Jowahir Singh, Sarda Bahadur Sardar.
 Kabul Singh Bahadur, Captain.
 Keane, Mr. M.
 Kirk, Mr. R. T. F.
 Lamb, Mr. W. S.
 Mitra, The Honourable Sir Bhupendra Nath.
 Moore, Mr. Arthur.
 Mukherjee, Mr. S. C.
 Murray, Sir Alexander.

Parsons, Mrs A. A. L.
 Rainy, The Honourable Sir George.
 Rajah, Rao Bahadur M. C.
 Ruthnaswamy, Mr. M.
 Sams, Mr. H. A.
 Shah Nawaz, Mian Mohammad.
 Singh, Rai Bahadur S. N.
 Sykes, Mr. E. F.
 Tonkinson, Mr. H.
 Wright, Mr. W. T. M.
 Yakub, Maulvi Muhammad.
 Young, Mr. G. M.
 Zulfiqar Ali Khan, Nawab Sir.

NOES—33.

Aiyangar, Mr. C. Duraiswamy.
 Aney, Mr. M. S.
 Ayyangar, Mr. K. V. Rangaswami.
 Ayyangar, Mr. M. S. Sesha.
 Belvi, Mr. D. V.
 Bhargava, Pandit Thakur Das.
 Gour, Sir Hari Singh.
 Iswar Saran, Munshi.
 Iyengar, Mr. A. Rangaswami.
 Iyengar, Mr. S. Srinivasa.
 Jayakar, Mr. M. R.
 Jogiah, Mr. Varahagiri Venkata.
 Kelkar, Mr. N. C.
 Kidwai, Mr. Rafi Ahmad.
 Kunzru, Pandit Hirday Nath.
 Lahiri Chaudhury, Mr. Dharendra Kanta.
 Lajpat Rai, Lala.

Mehta, Mr. Jamnadas M.
 Mitra, Mr. Satyendra Chandra.
 Moonje, Dr. B. S.
 Mukhtar Singh, Mr.
 Murtuza Saheb Bahadur, Maulvi Sayyid.
 Naidu, Mr. B. P.
 Neogy, Mr. K. C.
 Purshotamdas Thakurdas, Sir.
 Rao, Mr. G. Sarvotham.
 Sarda, Rai Sahib Harbilas.
 Shafee, Maulvi Mohammad.
 Siddiqi, Mr. Abdul Qadir.
 Singh, Mr. Gaya Prasad.
 Singh, Mr. Narayan Prasad.
 Singh, Mr. Ram Narayan.
 Sinha, Mr. Siddheswar.

The motion was adopted.

DRAFT CONVENTION AND RECOMMENDATION OF THE INTERNATIONAL LABOUR CONFERENCE REGARDING INSPECTION OF EMIGRANTS ON BOARD SHIP, ETC.

Mr. A. B. Dalal (Secretary, Education, Health and Lands) : Sir, I move :

“ That this Assembly having considered the draft Convention and Recommendation adopted by the International Labour Conference at its eighth session held at Geneva between the 26th May and 5th June 1926, concerning respectively the simplification of the inspection of emigrants on board ship and the protection of emigrant women and girls on board ship, recommends to the Governor General in Council that he should ratify the draft Convention and accept the Recommendation ”.

Sir, I crave the kind indulgence of the House for a very short time while I describe briefly the circumstances which led up to the moving of this Resolution. An International Conference on Emigration and Immigration was held in Rome in 1924. The representative of India

[Mr. A. R. Dalal.]

at that Conference was Sir P. Rajagopalachari, then Member of the Secretary of State's Council. One of the Resolutions adopted by that Conference was the simplification of the system of inspection of emigrants on board emigrant vessels. The President of that Conference happened to be the Italian Delegate on the governing body of the International Labour Office. At his instance the International Labour Office decided to put the question of the simplification of the process of inspection of emigrants on board vessels on the agenda of their eighth session. Accordingly, at the eighth session of the International Labour Conference held in Geneva in June, 1926, a Convention and a Recommendation were adopted. The object of the Convention was the simplification of the system of inspection of emigrants on board emigrant vessels. The object of the Recommendation was the protection of women and girls travelling by such vessels. Now, Sir, the conditions to which both the Convention and the Recommendation were meant to apply were primarily, if not mainly, European conditions. In Europe it is the practice for the nationals of a large number of different countries to travel on board the same emigrant vessel, the nationals of each country being accompanied by their own Inspector or Inspectors. It would be easy for this House to imagine the disputes and the conflict of jurisdiction that would occur under such circumstances. It is primarily to remedy this state of affairs that this Convention has been adopted. Its main recommendations are that under such circumstances, there should be only one official Inspector travelling on board emigrant vessels and that that Inspector should be the national of the country whose flag the ship is flying. The object of the Recommendation is the protection, as I have said, of women and girls travelling on board such vessels.

When the questionnaire regarding this Convention was circulated to the Government of India, we made it quite clear that these circumstances did not apply to India. As the House is no doubt aware, unskilled emigration of labour is permitted to Ceylon and the Malay States only. There is no question of the appointment of Inspectors on board vessels plying to Ceylon for the simple reason that it is a short voyage in home trade waters merely across the channel on practically what amounts to a ferry boat. As regards the Malay States, the Government of the Malay States themselves appoint Inspectors, both male and female, to accompany emigrants both on the voyage from India to the States and from the States back again to India. The fact that the Convention did not apply to Indian conditions was also made plain by our representative at the eighth session. But the object of the Convention as it is now passed is merely the simplification of the process of inspection where it exists, and not the institution of any new system of inspection where it does not exist. That is made perfectly plain in paragraph 12 of the report of our representative at the Conference. It runs :

“ The draft Convention, as finally passed by the Session, deals only with the simplification of existing systems of inspection, a point which is evident not only from the terms of the Convention, but which was categorically stated in the Report of the Committee to the Session.”

I wish to emphasise this point, Sir, because I wish to make it quite plain to the House that by ratifying this Convention, we are not committing ourselves to instituting any new system of inspection on board emigrant ships. As regards the Recommendation, it is to the effect that if 15

or more women or girls travel on board emigrant vessels unaccompanied by any responsible person in authority, there should be a woman travelling with them who should render to these women and girls such moral and material assistance as may be required. This also, Sir, does not primarily apply to Indian conditions, because, in the first place, under 22 of our Emigration Rules, the emigration of unaccompanied women and girls is prohibited. In the second place, Indian women and girls do not emigrate unaccompanied by their male relatives.

Under Article 405 of the Treaty of Versailles every member of the International Labour Office is bound to bring the Convention or Recommendation adopted by the Labour Office to the notice of the authority competent to implement such Convention or Recommendation within a period of 18 months at the most. The Indian Legislature is the authority competent to implement this Convention, because, if it is ratified, legislation will be necessary. Therefore this Resolution is now put before this Honourable House. When the Convention first came up before Government in the Education Department, we were somewhat doubtful about the advisability of ratifying it because it did not apply to Indian conditions. We placed the matter before our Standing Emigration Committee. Our Standing Emigration Committee were, however, of opinion that it would be more in consonance with the moral dignity of India and the consistent support which this country has always accorded to the Conventions and Recommendations of the League of Nations and the International Labour Office if this Convention was ratified. I think, Sir, that this country can claim an honourable place among the nations of the world for the promptness and fidelity with which it has carried out the Recommendations and Conventions of the League of Nations and International Labour Office.

Maulvi Muhammad Yakub (Rohilkund and Kumaon Divisions : Muhammadan Rural) : Not for anything else.

Mr. A. R. Dalal : On the recommendation, therefore, of our Standing Emigration Committee, Sir, the Government have on further consideration decided to ratify the Convention. It is true that it would not apply immediately to Indian conditions, but if in future, emigration to distant countries beyond home trade waters was ever permitted, the provisions of the Convention would immediately come into operation. In the meantime, by ratifying the Convention, we would be making a gesture of friendliness towards the League, and I submit that that is not without its moral significance.

Under Article 11 of the Convention we are bound, if we ratify the Convention to bring the provisions of Articles 1 to 7 into operation. Now Articles 2 to 7 are contingent on the appointment of official Inspectors on board emigrant vessels. So long as such official Inspectors are not appointed these clauses do not come into operation. But Article 1 comes into operation at once. Under that Article we must define the terms "emigrant" and "emigrant vessel". The term emigrant is already defined under our Emigration Act, No. VII of 1927. If this House ratifies the Convention we propose immediately to introduce a Bill by which we will define the term "emigrant vessel" and also take power for the protection and security of emigrants by means of a system of inspection or otherwise during the voyage under the rule-making powers of the Emigration Act, a power which we do not possess at present.

[Mr. A. R. Dalal.]

I have endeavoured, Sir, to explain the scope and object of the Convention and the reasons which have actuated Government to ratify it to the best of my ability. If I have failed to make anything perfectly plain I hope the House will make allowance for my prentice hand, or rather, tongue. The proposal is in accordance with the recommendations of our Standing Emigration Committee, and I hope it will command the unanimous approval of the House. Sir, I move it.

Mr. N. M. Joshi (Nominated : Labour Interests) : Sir, the Members of the Assembly may remember that at the last Delhi Session the Government of India had given notice of a Resolution recommending this House not to ratify the Convention. I am glad, Sir, that in the interval the Government of India have thought over the matter and come to the wise decision of ratifying this Convention. I admit that it does not give anything substantial to Indian emigrants. I am glad that the Government of India have introduced a Bill. I do not wish to speak on that Bill on this occasion, but let me make it quite clear that I think the Government of India are not carrying out the provisions of the Conventions fully and satisfactorily in the Bill which they have introduced. I hope when the Bill comes up for discussion that I shall receive the support of this House in securing proper effect being given to the Convention which the Government of India is ratifying on this occasion.

There is one more point on which I would like to say one word. The Honourable Member in charge of this Resolution stated that the Convention does not impose any obligation upon the Government for appointing an Inspector. Technically speaking, what he has said is true, but I think, Sir, that the omission of the obligation being placed upon the Government is due to the fact that the Emigration Conference that met in Geneva did not imagine that there would be any Government which would not appoint Inspectors on emigrant ships. They did not really imagine that the Government of India would take advantage of the fact that the Convention does not impose an obligation on them to appoint an Inspector. But, if you read through the wording of the Convention, it is quite clear that the Government of India and every Government ratifying the Convention is expected to appoint Inspectors. The Convention has taken the appointment of Inspectors for granted, and having taken that for granted they proceed to suggest a way of simplifying the procedure.

Sir, I do not wish to speak any more, but I congratulate the Government of India upon the wise decision which they have been persuaded to take on this occasion.

Mr. Sarabhai Nemchand Haji (Bombay Central Division : Non-Muhammadan Rural) : Sir, in speaking on this Resolution I should like to draw the attention of the House to what I might call the history of the 8th Geneva Labour Conference at which the international Convention was passed. It is to us no doubt a matter of great satisfaction that the Government of India have seen their way to fall into line with the requirements of the recommendations of the 8th International Labour Conference. But, Sir, the details of what happened at Geneva between the 25th May and 5th June of 1926 throw a light on the history of this subject which I hope the House will excuse me for referring to at some

length. At the initial stage of this Conference, the recommendations of which are now accepted by our Government, I am sorry to find that the employers' group made a dead set against the whole of the Conference and wanted to make out that the Conference had no competence to discuss the problem of emigration ; and if they had had their way, as this was the only item before the Conference, the Conference would have dispersed without arriving at any conclusions. I will just read out to you, Sir, an extract from the official report of the Delegates of the Government of India to the 8th and 9th sessions of the International Labour Conference at Geneva. In paragraph 10 at page 5 of the report, it says :

" It is also noteworthy that no Government objected under Article 402 of the Treaty to the inclusion of this item..."

—that is, the item of emigration—

" in the agenda of the 8th session. Immediately, however, on the decision by the Plenary Sitting of the session to appoint a committee to deal with this item of the agenda, the British Employers' delegate with the support of practically the whole of the Employers' group put forward a resolution in the following terms :

' That the International Labour Organization is not competent to deal with questions of the regulation of the transport of emigrants ; that this Conference accordingly declines to discuss the question of the simplification of inspection of emigrants on board ship '."

Fortunately for the emigrants, and in order perhaps to provide an opportunity to the Honourable the Education Secretary to move this motion this morning, the resolution of the employers, including the British employers, was debated at length, and it was ultimately rejected by 77 votes to 23. This gives us an indication of the attitude of the employers in general and of the British employers in particular, in connection with the main item of the agenda of the 8th International Labour Conference. And, Sir, if I want to lay stress on this part of the subject it is only to draw particular attention here to the fact that unfortunately for this country the employers' delegate sent by India, who formed part of the Indian Delegation, instead of acting in this matter from the Indian employers' point of view, acted in a way that went very much against what I believe would have been the intentions of the employers in this country and voted in support of this resolution which wanted to annul

12 Noon. the whole session of the International Conference and the main subject to be discussed before it, and he voted with the British group. And why ? Because, Sir, he was not an Indian employer but a British employer representing British interests.

Now, Sir, if you will permit me, I will just say a few words with regard to how it was that a British employer came to represent, or rather misrepresent as it turned out, the Indian employers at the eighth International Labour Conference. According to the rules of the Labour Conference under the Treaty of Versailles, the delegations of various countries are composed of two Government delegates.....

Mr. A. R. Dalal : On a point of order, Sir. I submit that this does not arise out of the Resolution under discussion.

Mr. Sarabhai Nemchand Haji : I beg to submit that, as the Resolution arises out of the work of the Indian Delegation at the eighth International Labour Conference, I am fully entitled to go into the details

[Mr. Sarabhai Nemchand Haji.]

of the composition of that Delegation. As I was saying, the fact that we did not have an Indian employer on this Conference came about as follows. According to the Treaty of Versailles, each country is represented by two Government delegates, one employers' delegate and one labour delegate. Now, the employers' and labour delegates are to be appointed by the respective associations in the country under question and the Government has to accept the choice of the employers' organisations and the labour organisations. Very strange it is that even this final report has to admit the fact that, though on many an occasion labour organisations of various countries had to put up protests against the action of their Government with regard to labour delegation owing to various difficulties about the official recognition of trade unions, *e.g.*, non-Fascist associations in Italy, not until the eighth Conference was there any trouble with regard to the employers' delegates. But I am sorry to say that to our Government belongs the discredit of having brought about a situation which necessitated an official protest being registered in connection with the appointment of the Indian employers' delegate to the eighth International Labour Conference. Paragraph 6 of the Report says :

" Much interest was evinced at both sessions of the Conference in the protests against the nomination of Sir Arthur Froom as the Indian employers' delegate. This was the first occasion in the history of the International Labour Conference when the nomination of an employers' delegate had been challenged. Moreover, printed documents in English and French setting forth in full the case of the protesting associations were extensively circulated among all Members and visitors to the meetings."

Now, Sir, in a sense it is unfortunate that our country should have to set this precedent, but as one being concerned directly and personally in connection with this protest, I may say that the point of view of India, and particularly nationalist India, got so much support from almost all countries, including the Colonies within the Empire, that in so far as the non-official acceptance of the Indian point of view was concerned, we could not have much ground for grievance. But I want to refer not so much to what happened at Geneva as to what happened in this country. As I have said before, the employers' delegate is chosen by the employers' associations, and it has been laid down in the Treaty of Versailles that the Government must accept the nomination of the majority of the selecting organisations. Now, Sir, until this protest was taken to Geneva, the question that the representative of a country, whether a labour representative or an employers' representative, should be a national of the country never arose before this Conference ; as a matter of fact, the peculiar circumstances of the Treaty of Versailles took it for granted that no country would be so ignorant of its own interests....

Mr. President : Order, order. The Honourable Member is going too far. He might ventilate this particular grievance of his by a separate Resolution. I have allowed him sufficient indulgence.

Mr. Sarabhai Nemchand Haji : Thank you, Sir. I was just going to wind up by saying that under the Treaty of Versailles no country, aware of its own interests, need send any one but a national and it is because of the unfortunate position in which this country finds itself that we have to invoke the aid of the Treaty of Versailles in order that our nominations to the Geneva Conference should be national in tone and character.

Now, coming to the integral part of the subject—the question of emigration—and the delaying tactics that were employed by the British delegates of whom unfortunately the Indian employer formed a part, I do feel that the name of India would have been condemned among the workers of the international world particularly if this resolution of the British employers had been carried and the sittings of the eighth International Labour Conference brought to a premature end. I hope, therefore, that in view of the lesson which the Government have learnt in this connection after the reports and the findings of the Credentials Committee at Geneva, no occasion would arise in future for this country, either from the employers' point of view or the labour point of view, to have to send protests to Geneva against the Government's nominations. In conclusion, Sir, I hope that when the Resolution moved by the Honourable Mr. Dalal is acted upon by Government in the form of a Bill, sufficient provision will be made to bring within its purview all those ships that carry emigrants from India. With these words, I have great pleasure in supporting this Resolution.

Lala Lajpat Rai (Jullundur Division : Non-Muhammadan) : I do not propose to oppose this Resolution, nor do I want to enter into those questions which have been raised by my Honourable friend, Mr. Haji. But I am not sure if the Honourable Member who proposed this Resolution was quite right in saying that the object of the inspection of emigrant ships was purely the protection of women and girls.

Mr. A. R. Dalal : I did not say so.

Lala Lajpat Rai : I understood him to say that the International Conference.....

Mr. President : The Honourable Member must accept the Honourable Mr. Dalal's statement.

Lala Lajpat Rai : If you will allow me, Sir, I will proceed further because that is relevant to the other point too. I want to point out that the most important question which was also considered by the 8th Session of the International Labour Conference and which relates very intimately to the question that has been raised by the Honourable Member who has proposed this Resolution, was the protection of emigrants as defined by different Governments. In answer to the questionnaire that was issued by the International Labour Office in connection with the agenda of the 8th Session of the International Labour Conference, the answer given by the Indian Government as to who was an emigrant, was entirely different from that given by the British Government. The British Government practically defines emigrant to include all those people who travel third class on the steamers. I have not got the wording before me. I read it at the time. The Indian Government limits the definition of emigrant only to those who go out of this country permanently to seek employment or to work for wages. I submit the question is not the protection of women and girls only, but the protection of all people who go out of this country to seek employment either temporarily or permanently, and, if any legislation is going to be brought in pursuance of this Resolution, I would draw the attention of the Government to that important point. The word "emigrant" should be defined in such a way as to include all those people who leave the shores of this country for the purpose of seeking employment, where they are

[Lala Lajpat Rai.]

allowed to go. As we are situated, the gates of all countries are shut to us except a few. I would like the Honourable Member to state if emigration to Guiana is not open. I understood some time ago that it had been opened. I see from the Honourable Member's nodding of the head that it is not so. I accept his statement. I am not positive about that. I am certain a good deal depends on the definition of the words "emigrant" and "emigrant ship". The word "emigrant" should be so defined as to make it include all those people who want to leave the shores of this country for the purpose of seeking employment, to those places where they are permitted to go by law or by convention. Their conditions of travel and the treatment they get on the ships are all relevant matters and, therefore, as my friend Mr. Joshi has remarked, it is absolutely necessary that the Government should make a provision for the appointment of Inspectors on those ships which take these emigrants outside of India. It has been assumed in the Convention that all Governments have adopted that provision and if the Government of India does not accept that liability or that responsibility, I submit it is very unfortunate. An impression has gone out that the Government of India care more for the shipping companies that run the ships which carry third class passengers than for the latter. Provision should be made for the protection and comfort of emigrants by providing Inspectors on those ships, and I submit that no interest of the shipping companies should be allowed to intervene between the interests of these emigrants and the duty of the Government to provide for their protection and comforts while travelling abroad. It may not be of very great importance, because the number of emigrants leaving this country is very small, but all the same the principle is very important and it ought to be kept in view when legislation is proposed in pursuance of this Convention. This is the only remark I wanted to make.

Mr. A. B. Dalal : I am thankful to my Honourable friend Mr. Joshi for congratulating Government on having decided to ratify this Convention. My Honourable friend however could not resist the temptation of twitting us for changing our minds. (*Mr. N. M. Joshi :* "I congratulated Government.") Now, Sir, speaking for myself although we are the Education Department, we are not above learning ourselves, and we are quite prepared to gather in wisdom with both hands from whatever source it may come. (*Lala Lajpat Rai :* "We are very glad to hear this admission.") As for my Honourable friend Mr. Haji, I am sure that all of us in this House are very much indebted to him for the very keen interest he takes in all matters concerning shipping, an interest which has earned for him from his friends the well deserved though unofficial title of 'Admiral Haji.' As for the part he himself took at the 8th Session of the International Labour Conference, where I understand he was the adviser to the adviser to the Indian delegation.....

Mr. Sarabhai Nemchand Haji : I was the representative of the Indian National Protecting Organisations.

Mr. A. B. Dalal : As for Sir Arthur Froom to whom my Honourable friend thought fit to refer.....

Mr. President : The Honourable Member never mentioned any name. (*Honourable Members :* "He did.")

Mr. Sarabhai Nemchand Haji : May I say that I merely mentioned Sir Arthur Froom because his name appeared in the report.

Mr. A. B. Dalal : May I submit that that is not germane to the question at hand and I should allow that Honourable gentleman to rest in peace in the calmer atmosphere of the Upper House. As for my friend Lala Lajpat Rai, I do think he was labouring under some very serious misapprehension and for that misapprehension I am afraid I must blame myself because I have not the felicity of phrase and the lucidity of expression which makes my Honourable friend the envy of this House. I am afraid that he totally misunderstood me. The object of the Convention is not merely the protection of women and girls on board emigrant vessels. That is merely the object of the Recommendation. The Convention is entirely a thing apart and the object of the Convention is simplification of the system of inspection of emigrants on board emigrant vessels.

Lala Lajpat Rai : If I mistake not, the object of the Recommendation was not to confine it to women and girls.

Mr. A. B. Dalal : If the Honourable the President will allow me, I will read out the Recommendation. It runs to this effect :

“Where 15 or more women and girls un-accompanied by a responsible person are carried as emigrants on board an emigrant vessel, a properly qualified woman who has no other duty to fulfil on board shall be appointed to give such women any material or moral assistance of which they may stand in need without in any way encroaching upon the authority of the master of the vessel. She shall report to the authority making the appointment and the report shall be available for the use of the Governments which may be concerned.”

Lala Lajpat Rai : That is only a part.

Mr. A. B. Dalal : That is the whole. As for the term “emigrant” it is also defined in section 2 of our Emigration Act of 1922. Emigrant means “any person who emigrates, has emigrated or who has been registered as an emigrant under the Act and includes any dependent upon any emigrant but does not include...etc.” My Honourable friend will see that it is a wide enough definition. As for the term emigrant vessel, we are going to define it and when we come to the Bill we will certainly take into consideration what my Honourable friend Mr. Joshi has said, but I do join issue with him in his interpretation of the object of the convention, which, as I took pains to elaborate in my original speech, is simplification and not inspection.

Lala Lajpat Rai : I referred to the answer of the Government of India to the questionnaire issued by the International Labour Conference.

Mr. A. B. Dalal : At that time we made it clear that the circumstances were quite different from the circumstances to which the Convention was designed to apply. I hope, Sir, that this House will now agree to adopt the Resolution unanimously.

Mr. President : The question is :

“That this Assembly, having considered the draft Convention and Recommendation adopted by the International Labour Conference at its eighth session held at Geneva between the 26th May and 5th June 1926, concerning respectively the simplification of the inspection of emigrants on board ship and the protection of emigrant women and girls on board ship, recommends to the Governor General in Council that he should ratify the draft Convention and accept the Recommendation.”

The motion was adopted.

THE INDIAN EMIGRATION (AMENDMENT) BILL.

Mr. A. B. Dalal (Secretary, Education, Health and Lands) : Sir, after having taken up so much of the time of the House, I do not think it is necessary for me to detain them any further while I beg for leave to introduce a Bill to amend the Indian Emigration Act, 1922, for a certain purpose.

As I have already stated, if this Convention is ratified, under Article 11 of the Convention this country is bound to bring the provisions of Articles 1, 2, 3, 4, 5, 6 and 7 into operation by the 1st January, 1928, and hence this Bill, which, I hope, will pass both Houses during this Session.

Now, as I have already stated, Articles 2 to 7 do not come into operation unless and until we appoint official Inspectors on board emigrant vessels. As for Article 1, the term "emigrant" has already been defined and we are taking powers under this Bill to define the term "emigrant vessels". At the same time, we find that under our rule-making power, under section 24 although we have got power to provide for the security, well-being and protection of emigrants up to the date of their departure from India and on their return to India, we have not got that rule-making power to provide for the security, well-being and protection of these people during the voyage, and hence we want this rule-making power to enable us to protect them during the voyage. I think, Sir, that it is not necessary for me at this stage to dilate on the detailed provisions of the Bill.

I move for leave to introduce the Bill.

The motion was adopted.

Mr. A. B. Dalal : Sir, I introduce the Bill.

THE INDIAN TARIFF (COTTON YARN AMENDMENT) BILL.

The Honourable Sir George Rainy (Member for Commerce and Railways) : Sir, I move that the Bill further to amend the Indian Tariff Act, 1894, in order to safeguard the manufacture of cotton yarn in British India, as reported by the Select Committee, be taken into consideration.

The Select Committee, Mr. President, has made only one change in the Bill as it was introduced in this House. I should like very briefly to say a word or two about that. The alteration consists in this, that in the Preamble and in the long title of the Bill the word "protection" has been substituted for the word "safeguarding". For reasons which I explained in my Minute of Dissent I was unable to concur in that proposal. Now, I do not propose to dwell on the matter at any length. I have been sometimes accused, I regret to say, of being prone to the fault commonly attributed to the nation to which I belong, of an undue taste for metaphysics and theology, and I do not wish to weary the House by any metaphysical disquisition on the subject of the difference in meaning which may exist between the term "safeguarding" and the term "protection". But, it is important that the position of the Government of India should be made perfectly clear and that no room for

doubt should be left as to the grounds on which they have brought forward this Bill and are asking the House to pass it into law. Briefly the basis of the Bill is that night work by women is allowed in the Japanese cotton mills, that this makes double shift working possible and thereby reduces the cost of production to a lower level than is possible in the Indian mills where night work by women is prohibited by law. It was because the basis of the Bill was limited to this one fact that the Government of India thought it more appropriate to use the word "safeguarding" which has a narrower meaning than the word "protection" which has a wider meaning. I should like to lay some little stress on this point that the sole ground on which the Government of India are asking the House to pass this Bill into law is that night work by women is the regular practice in the Japanese mill thereby making double shift working possible. It follows quite definitely that the Government of India have arrived at no finding that labour conditions as a whole are worse in the Japanese mills than they are in the Indian mills, apart from the sole point to which I have already alluded. I am quite aware that the Tariff Board brought out the fact in their Report that although in the mills which work double shifts in Japan the hours of work are practically the same as in the Indian mills, nevertheless in the mills which work single shifts only, the hours of work admissible under the law are longer than in India. But this fact—by itself, I lay some stress upon this point—would not necessarily establish a claim on the part of the Indian cotton mill industry to protection or safeguarding, whichever term may be used. There are two points which would then have to be considered. One of them would be the period of work which was conducive to the greatest efficiency. That is a matter in which perhaps in India we are somewhat backward; but it has been proved in other countries and in other industries that long hours of work do not necessarily lead to the largest output or the most economical output. The Tariff Board, in one passage of their Report drew attention to the fact that in some upcountry mills the limitation of hours to 'ten per shift' had resulted sometimes in no decrease in the output, and in some cases had actually been followed by an increase in the output. The second point is this. If the question of the number of hours of work were raised inevitably the whole question as to the wages paid would have to be examined. On page 115 of their Report the Tariff Board gave a tabular statement showing the wages paid in Japanese cotton mills. Assuming that the figures that the Tariff Board gave were comparable with the figures we have of the wages paid in Indian mills, there is no question at all that the Japanese wages are substantially higher. On the other hand there are reports—by an American Tariff Commission, I think—which suggests that the figures of wages in the Japanese mills may not be strictly comparable to the Indian figures; that is to say the report appears to suggest that the Japanese figures include other items in addition to the wages proper. That is a matter on which the Government have no special information beyond what is available to other Members of the House. My point at the moment is to bring out the fact that, if the question of longer hours in Japanese cotton mills were raised, before any conclusion could be arrived at, it would be necessary also to examine the question of the wages paid. That leads me, Mr. President, to come to a rather important point. In the Bill it is proposed that the $1\frac{1}{2}$ annas duty on cotton yarn should have effect up to the 31st of March, 1930, and that date is directly connected with another date, namely, the 1st of

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July, 1929, when, according to the Japanese factory law, night work by women in the cotton mills is to cease.

The two dates are directly connected and the obvious implication is that, once night work by women in the Japanese mills has ceased, the need for protecting or safeguarding the manufacture of yarn in cotton mills in India will have passed away. Now it is conceivable—it is impossible for anybody to say, but it is conceivable—that the date at which night work by women in the Japanese mills is to cease may be advanced. It is possible that it may be decided by the Government and Legislature of that country that it is expedient that the change in the law should take effect from an earlier date. Obviously that would be a matter which the Government of India would have to take into their consideration. *Primâ facie* the necessity for safeguarding or protection would have passed away. It is impossible of course now to say what view the Government of India might take, for their decision would have to be guided by all the facts before them, but I think it is necessary to draw the attention of the House to the position which would exist in the contingency which I have suggested. The position would simply be this, that the Government of India would have then to decide whether there was any sufficient reason for the continuance of the one-and-a-half anna duty, and if they were not satisfied that there were adequate reasons they would no doubt have to bring the matter before the Legislature. There is, however, one very important fact, already in sight, which would have to be taken into account. It was not before the Tariff Board when they wrote their Report although in two or three passages they alluded to the danger. One of them is at page 72 of the Report :

“ A word should perhaps be added in regard to the imports from China where labour conditions are notoriously unsatisfactory. The imports of yarn from China are negligible, the highest figure being 399,000 lbs. in 1924-25.”

Since the Tariff Board wrote their Report there has been a very remarkable change as regards imports from China. During the four months from April to July, 1926, India imported from China 14,000 lbs. of yarn and exported nearly 7 million lbs. whereas in the months from April to July, 1927, India imported from China nearly 3 million lbs. and exported only 170,000 lbs. Now, that is a swing-over in the trade of nearly 10 million lbs. in a period of 4 months. Quite obviously that is a new and important fact. Therefore, if the particular difficulty created by the night work of women in the Japanese mills were removed, the Government of India in considering what course of action they should take would also have to weigh carefully what action, if any, was necessary in order to prevent injury to the manufacture of cotton yarn in India from this new source of competition, the Chinese mills. I frankly admit, it is too soon to come to any certain conclusion as to what these large imports of yarn from China may mean. It may be a purely temporary phenomenon. As all Members of the House are aware, for some time past conditions in China have been extremely disturbed, and in these circumstances the natural outlet for the production of the Chinese mills has been obstructed, and in order to keep going at all they may have found it necessary to get rid of part of their output in the Indian market at sacrificial prices. If so, if that is the explanation,

then with the restoration of more settled conditions in China one might expect that these abnormal imports would pass away. That, however, is a matter for the future. But here there are two points. In the first place, at the present moment the need for safeguarding the manufacture of cotton yarn in India as against Chinese imports exists: whether it will continue to exist we do not know, but it exists at the present moment. In the second place, when the time comes—it may not come until the 31st March, 1930, or it may come earlier, we do not know; but when it comes and the Government of India have to consider whether it is necessary to continue to safeguard or to protect the manufacture of cotton yarn in India, there is at any rate this to be said that, as between China and India, there is no trade agreement or convention corresponding to the trade agreement between India and Japan, and therefore in that matter India will have a freer hand.

This question of the competition from China brings me to what after all was the subject which chiefly engaged the attention of the Select Committee and which I am sure is the aspect of the case which is chiefly engaging the minds of Members of this House. The proposal of the Government of India that the 5 per cent. duty on cotton yarn should be subject to a specific minimum of $1\frac{1}{2}$ annas a lb. raises the question how will this duty affect the interests of the handloom weaver. Now in this matter the facts are pretty plain. Of the total quantity of yarn used by the handloom weaver in India much the greater part is produced by the Indian mills. He uses of course a certain amount of imported yarn, but still the fact remains that quite five-sixths of the yarn he uses is produced not abroad but in India. Now if this duty that is proposed has any effect at all, it must have the effect of making the price of cotton yarn in India higher than it otherwise would be. To the extent that it does so it will benefit the cotton mills by raising the price of what they sell, and similarly, to the extent that it does so, it will do something to weaken the position of the handloom weaver by making dearer what he buys. That is the plain fact of the case and no kind of ingenuity can get round it. Therefore it is one of those cases of a conflict of interests referred to by the Fiscal Commission in which a decision has to be arrived at after considering both the interests concerned. I endeavoured, when I moved that this Bill should be referred to Select Committee, to adduce those circumstances which, in the view of the Government of India, justified the belief that the effect on the handloom industry would not be very serious.

I do not wish to weary the House by treading again and again the same ground, but I think I ought briefly to recall the main points. In the first place there are the higher counts, that is, every thing above 40s., or at any rate above 50s. As regards those the effect of the duty must be very small. When you get to the really high counts, the $1\frac{1}{2}$ anna duty is less than 5 per cent. and obviously therefore it cannot raise the price. When you come a little lower down to the counts between 60s. and 40s., the increase in the price will be quite small. As far as I can make out from the figures in the trade returns, between 50s. and 60s., the $1\frac{1}{2}$ anna duty would not be much more than 6 per cent. and between 40s. and 50s. perhaps 7 per cent. Therefore, as regards these counts, the effect on the handloom industry cannot be very appreciable. Then, as regards the lower counts, that is, the counts below 30s. I endeavoured to show

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that there were good reasons for thinking that the price could not rise very much, but for a different reason. In this case the reason is that the internal competition between the Indian mills in these lower counts is so severe—the total imports being only about 2 millions lbs. a year—that in all probability any rise in price which the duty might bring about would almost instantly be checked by an increase in the Indian production, which would bring down the price again. Finally, there are what we call the medium counts, from 31s. to 40s. ; and here I said that it seemed likely that the duty might raise the price of the yarn by almost the full amount of the duty. It is in respect of these counts that the Indian cotton mills stand to gain and, to a limited extent, the handloom weaver stands to lose. Now the House will have to come to a decision on this Bill which is more in the national interest, namely, whether protection or safeguarding should be given to the manufacturer of cotton yarn in India, or whether the interests of the handloom weaver should be regarded as paramount and should prevail. The Chinese competition is of some importance in this connection and for this reason. As regards these lower counts of yarn nothing has been more remarkable in recent years than the decrease in the imports of such yarn from Japan. Japanese yarn of the lower counts has almost been driven out of the market by the Indian yarn. Hitherto, I am given to understand, the imports from China have been mainly of the medium counts ; but the latest information we have received is that the import of the lower counts of yarn from China is now beginning ; and if it is a case in which the Chinese mills have to get rid of a part of their output at almost any price, then the competition with the Indian mills will become much more serious, because it will be direct competition in the counts of yarn in which the Indian mills are chiefly interested. That is an additional reason which I did not bring out, and which I was hardly in a position to bring out fully when I addressed this House on this subject. It may be that this increase in the imports from China may become a serious matter, and therefore there is the more reason for adopting the proposal in this Bill in order to safeguard the Indian cotton mills.

Now, there are one or two other matters which I think the House ought to take into account in coming to their decision. In the first place under a system of *ad valorem* duties, when the price goes up, the duty goes up too, and so the burden on the consumer and the burden on the handloom weaver under a system of that kind would steadily increase with the rise in price. But that is not so under the proposals in the Bill, because the duty which is intended to protect the industry is a specific duty which remains the same whatever the price of the yarn. As things are in the world to-day, the main factor which affects the price of cotton goods generally is the price of raw cotton. It is always very difficult to forecast what may be the future course of prices in this industry, but I think there would be general agreement that during the last 8 or 9 months prices have been down very nearly to bedrock. It has been a period of great difficulty for the cotton mill industry all over the world, and the next change in price is likely to be in an upward and not in a downward direction. That belief is confirmed by the reports which have been received as to the condition of the American cotton crop, because that is the factor which governs the

price of raw cotton all over the world. It would be entirely unsafe to prophesy, but such indications as there are point in the direction that some increase in the price of cotton, and consequently of cotton goods, is likely to occur. Now, when that occurs, the result will be at once to diminish the difference between the 5 per cent. duty and the $1\frac{1}{2}$ anna duty, and consequently any burden that may be inflicted upon the handloom industry would be reduced automatically ; whereas on the other hand, since the duty on cotton piecegoods remains at 11 per cent. *ad valorem*, the 11 per cent. duty would go up with the increase in the price. Therefore, the burden on the handloom industry, such as it is, will be greatest as things are at present and will diminish with any increase in price. The other point of which I should like the House to take account in arriving at their decision is this. After all, does not the demand that no additional burden should be thrown on the handloom weaver amount very nearly to this, that whatever the cause is of the present low price of yarn, even if it is due to industrial conditions which are clearly undesirable, such as the employment of women by night in cotton mills— but whatever the cause of the low price, yet the interests of the handloom weaver are to prevail over everything else ? Surely that is rather an extreme position for Members of this House to take up. I think when the question of prices comes up—and admitting the desirability as I fully do that handloom weavers should get their yarn as cheap as possible—I do think that in a case of that kind it is legitimate to examine the cause of the low price, and if the low price is due to some abnormal and undesirable cause, it will be perfectly justifiable for the House to come to the conclusion that it was not in the national interest that for this very special reason that the handloom weavers should continue to get their yarn at a price which was lower than the price at which the Indian mills could produce it.

I will not, Mr. President, weary the House longer on this question. I have said that the House has to arrive at a decision after considering all that can be urged on the one hand as to the necessity of safeguarding or protecting the manufacturer of cotton yarn in India against competition from other countries which is regarded as unfair and also what is to be said on the other hand as to the interests of the handloom weavers, a very important class in the community as the Government are the first to admit. I have given the reasons, Mr. President, which led the Government of India to the conclusion that in this case the interests of the cotton mills ought to prevail. I would not ask this House to decide the question except under a deep sense of responsibility and after weighing all that can be said on both sides. But I do, on behalf of the Government of India, quite distinctly ask them to accept the view I have tried to put before them, namely, that in this case it is expedient in the national interest that the manufacturer of cotton yarn in India should be safeguarded. Sir, I move.

Mr. K. C. Neogy (Dacca Division : Non-Muhammadan Rural) : Sir, I rise to perform an unpleasant duty, and that is to move the dilatory motion that stands in my name, namely, that the Bill be circulated for the purpose of eliciting opinions thereon.

Mr. President : Under what Standing Order does the Honourable Member wish to make that motion ?

Mr. K. C. Neogy : Sir, Standing Order No. 44, clause 2, which says that :

“ If the Member in charge moves that the Bill be taken into consideration, any Member may move as an amendment that the Bill be recommitted or re-circulated for the purpose of eliciting further opinions thereon.”

As this Bill was never circulated in the beginning, I think it is necessary in the interests of the English language to say that the Bill be circulated for eliciting further opinions thereon.

Mr. President : The Honourable Member is entitled to make a motion for recirculation. When a motion is made that the Bill be taken into consideration, any Member is entitled to make a motion that the Bill be circulated for eliciting opinions thereon, but when the Bill comes back from the Select Committee and a motion is made that the Bill, as reported by the Select Committee, be taken into consideration, the only motion that is permissible is for recirculation and not for circulation.

Mr. K. C. Neogy : I think if it is permissible to make a motion that the Bill be recirculated in case the Bill has once been circulated before, I think it would be common sense.....

Mr. President : Common sense and law do not always go together.

Mr. K. C. Neogy : I quite agree, but, Sir, circumstances that were not existent before might have arisen which would justify the circulation of the Bill after it is reported by the Select Committee. Sir, in this particular instance, I shall show that such a circumstance has arisen which had not existed before.

Mr. President : Is the Honourable Member arguing the point of order ?

Mr. K. C. Neogy : Yes, Sir. I should like to draw the attention of this House, and your attention, in particular, Sir, to the recommendation made by the Select Committee that an inquiry should be undertaken into the practical effect of the working of this measure after six months. That is a position which has arisen for the first time on the Report of the Select Committee, and my contention is that if you are alive to the necessity of an inquiry six months hence, why not make the inquiry now and be done with it ?

Mr. President : That is common sense. But what is the Standing Order ?

Mr. K. C. Neogy : Well, Sir, if you are disposed to take a strict view of the Standing Order, I would like to move the alternative motion that stands in my name.....

Mr. President : I have no desire to be strict, but I should like to hear the Government before I give my ruling.

The Honourable Sir George Rainy : I would submit, Sir, that the general effect of the Standing Orders would appear to be that, if a Bill is to be circulated, the motion would naturally be made before its reference to the Select Committee. That would be the proper time to move for circulation. If that motion is not made, and if the Bill returns from the Select Committee without substantial amendments, then I would submit that any motion to circulate is out of time, because it should have been

quite properly made at an earlier stage. I would also submit, Sir, that in the Standing Order the phrase "recirculation" means recirculation, and that the case contemplated is that when a Bill has been circulated once and then sent to the Select Committee and substantial amendments have been made, it is fair to take another opportunity of obtaining public opinion on the Bill. I would submit, Sir, therefore, that the motion proposed is not in order.

Mr. K. C. Neogy : In the present instance, I think an amendment has been made which, even in the opinion of the Government, is of a substantial character, and that is the change in the Preamble of the Bill to which reference was made by the Honourable Member in charge of the Bill. Even on that view I submit there is every ground for circulating the Bill.

The Honourable Sir Basil Blackett (Leader of the House) : Sir, I am very much in sympathy with my Honourable colleague Sir George Rainy's view, that recirculation means recirculation. It seems to me that when the author of these rules was drafting them, if he meant recirculation to include circulation, he should have said so. The point could have been met by saying that the Bill be circulated or re-circulated, as the case may be, and not that the Bill be recirculated. On the other hand, Sir, I should not like to be absolutely sure in my own mind that the author of these regulations was so all-wise and all-farseeing that he anticipated the ingenuity of Mr. Neogy and other Members, and I think, Sir, in my view there is obviously room for doubt whether the intention of the rule should be regarded as the exclusion of a possibility of a motion for circulation when a Bill has not been previously circulated. At the same time, I am bound to say that in the interests of Government and the expedition of business, it seems to me that it is somewhat undesirable to create a precedent under which once the Government have escaped the circulation of their Bill at the proper stage, they should be liable to the danger of having it circulated after it has come back from the Select Committee, unless there is some obvious change which might alter the situation, in which case it should probably withdraw the Bill and introduce it again. I would, therefore, suggest, Sir, that you should, if possible, avoid a ruling on the subject and allow Mr. Neogy to move his second motion.

Mr. S. Srinivasa Iyengar (Madras City : Non-Muhammadan Urban) : Sir, the greater includes the less. When it is said in the Standing Orders that the House has authority to allow a recirculation, even when there has been a circulation before it was committed to the Select Committee, it would include the right on the part of the House to ask for a circulation of the Bill. The recirculation is an emphatic way of stating that even though it had been circulated once before, it can be circulated again. Of course, we know that language is employed in Statutes which has no emphatic meaning sometimes, and certainly the word "recirculation" includes circulation in the context, and having regard to the spirit and purpose of the Standing Order, the right on the part of the House to allow the circulation to be made must be acceded to.

Mr. M. S. Aney (Berar Representative) : I think, Sir, the strict interpretation which some Honourable Members are trying to put upon it will land us in a strange legal difficulty. It is tantamount to introducing a new rule of interpretation. I think that the ordinary rule is that we are

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not to presume a rule of estoppel unless it is expressly provided for. As no such express rule has been provided for, we should not be justified in assuming that the right of Members of this House to move for circulation is altogether gone, or that they are estopped from moving for circulation after the Bill comes back from the Select Committee. That sort of estoppel cannot be presumed unless it has been expressly provided for. On that ground also, I think the interpretation put upon the rule by Mr. Neogy is very reasonable.

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muhammadian) : Sir, may I just point out a thing or two in connection with this motion ?

1 P.M.

Mr. President : I think on the whole I should be disposed to agree with the Honourable the Leader of the House and give the benefit of the doubt to Mr. Neogy.

Mr. K. C. Neogy : Sir, I am very thankful to you for having given me the benefit of the doubt, but the alternative amendment which stands in my name would have been quite as good or quite as bad as the one I am moving, so it does not at all affect the position whether I am permitted to move this or the next. Sir, it seems to me there is a sort of misapprehension as regards my attitude towards the cotton industry, and that is due to certain observations which I made.....

The Honourable Sir George Rainy : May I ask, Sir, which of his motions the Honourable Member is moving ?

Mr. K. C. Neogy : I am moving the one that I have moved. I did not read the other one. Well, Sir, I want to remove any such misapprehension that might be in the minds of any Member of this House or anybody outside. Sir, what I intended to convey on the last occasion was that, when we are asked to consider the question of giving protection to the cotton textile industry of India, we should remember that here we have to find the solution for certain difficulties which face Bombay particularly and that the circumstances with which Bombay has to contend are not quite the circumstances with which the mills in the other parts of India are faced ; and in seeking to draw this distinction I was particularly reminded of the remarks made by the Tariff Board that it is not a case merely of competition with Japan, so far as the Bombay mills are concerned, it is also competition from places outside Bombay that also has got to be taken into consideration. I thought that, if we had to concede the principle that a section of the industry—it may be a very important section of the industry—has got to be protected not merely because it finds it difficult to stand competition from a foreign country but also because it finds it difficult to stand competition from certain other parts of the country, I thought, Sir, that we might be landing ourselves in difficulty because a time might come when the Bombay mill industry might ask for protection against the rest of India. When I made these observations I made it quite clear that, so far as the provisions of the present Bill were concerned, I was not prepared to oppose it. What I conveyed was that, if the measure of protection was sought to be increased to the detriment of the consumer and the handloom industry, this House should not be counted on for support for this measure, and that is the indication I gave

to the members of the Select Committee when the last motion was made. On the present occasion I do not propose to oppose this Bill outright, and I have taken care to so frame my amendment as to enable me to plead for further time for consideration of this very important matter. Sir, the Honourable Member in charge stated this morning that, while we take into consideration the case of the mill industry, we must at the same time give careful attention to what it might mean to the handloom industry. It is a question of preference,—whether we are prepared to protect the Bombay mill industry at the expense of the handloom industry in India. I think the whole question boils down to that. It has been admitted by the Report of the Select Committee that this measure will certainly affect the position of the handloom industry. The question is as to what is the extent to which it will be affected. Before we come to that, Sir, I want to point out that, so far as the number of people who are interested in either of these industries is concerned, if numbers are to influence our judgment in any way, then certainly our judgment should go in favour of the handloom industry. It has been pointed out that the Bombay mill hands number about a lakh and a half, and I think the total number of mill hands in India is about 3,68,000 or thereabouts. When we come to consider the number of handlooms, we find that the number given in the last Census Report was somewhat in the neighbourhood of 20 lakhs of handlooms. But this number did not take into account handlooms in certain provinces and in certain Indian States, so that we do not know exactly what the number of handlooms in India is, but it is safe to put the figure at somewhere near 25 lakhs. And it has been asserted by men who have made a study of this question that, even on a modest computation, the handloom supports over 60 lakhs of people. So when we come to consider the number of people who are affected by this measure we find we have a lakh and a half, or even more if you like, 2 lakhs or 3 lakhs at the most, and on the other hand we have the interests of 60 lakhs of people. Then, Sir, we find that the Select Committee was at pains to point out that inasmuch as we are putting up the import duty on yarn of particular counts only, the effect of that increase in the duty, entailing as it will an increase in the price of yarn, will be to effect an additional cost of about 12 lakhs a year. I will read about one or two passages on this point from the Report of the Select Committee. They say :

“ It is possible that the price may be raised to the full extent of the difference between the $1\frac{1}{2}$ anna duty and the 5 per cent. duty. In that case the additional cost is estimated to be Rs. 12 lakhs a year. But the yarn of counts from 31s. to 40s. is probably not more than 10 per cent. of the total yarn consumption of the handloom weavers, and the additional cost spread over their whole output would not seriously affect them.”

Sir, I am very much afraid that my Honourable friend, Sir George Rainy, and also the Select Committee overlooked the considered observation made by the Tariff Board at page 39 of their Report (paragraph 20) on this subject. This is what they say, while dealing with the question as to whether the price of the Japanese yarn as between these two counts does affect the price of other counts as well :

“ In view of the fact that there is a definite relative value between the prices of the various counts of yarn sold and that a fall in the price of yarn of counts 30s. or 40s. therefore affects the price of all other counts in a varying degree....”

There the Tariff Board was dealing with the question of a fall in price affecting sympathetically the price of other counts. Here we have a converse case : the question as to whether when there is a rise in price of these

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particular counts, the price of other counts will also be affected sympathetically or not. That is a point, Sir, which I submit has been overlooked by the Select Committee, and I therefore say that they were under-estimating the prejudicial effect which this measure will have on the handloom industry. Sir, the Select Committee further made the observation :

“ We recognise the difficulties which always exist in forecasting the exact effect of an increase in duty, and we consider that the actual effect on the handloom industry should be watched. We recommend, therefore, that the Government should be asked to address Local Governments on the subject, desiring them to have special inquiries made and to report on the subject six months after the passage of the Bill into law.”

Sir, I do not know why it is that the Committee fixed the period at six months. We find here that the Committee are absolutely uncertain as to the effect which this increase in the price of yarn will have on the handloom industry. If, therefore, it is their desire to ascertain exactly the effect of the enhanced duty, it is quite conceivable that six months will be too short a period or too long a period. So far as we know and as we can imagine, the immediate effect of our discussions in this House will be, if it has not been already, to lead to a larger import of yarn from abroad, so as to obviate the enhanced duty that we are discussing. The result will be that for some time to come perhaps there will be a considerable additional quantity of yarn available in the country which will not be affected by the enhanced duty, and if its price does not rise on that account, it may be that the effect of this enhancement of duty will not be felt to the fullest extent within the next six months. If, therefore, Government propose to wait for a little while more, that is to say, enlarge the period to, say, 12 months, what is likely to be the effect ? As has been said by Mr. Noyce when he put some questions to a witness :

“ After all, the handloom industry has very little in the way of resources, and if prices go up, would it not be hit very hard ? ”

That was the question he put to the witness :

“ Would it not be hit immediately and possibly with fatal results ? ”

The witness agreed that the price of cloth will go up. Then Mr. Noyce put the question :

“ Quite so. That restricts consumption. My point is that the restriction of consumption may act much more quickly and with more direful results in the case of the handloom industry than in the case of the mill industry. The mill industry might be prepared to put up with restriction of consumption in the hope of an ultimate lasting benefit, but the handloom industry might be dead before the benefit came along.”

So, I say, Sir, the handloom industry might be dead if the Government were to prolong the period for making this inquiry. If not altogether dead, as apprehended by Mr. Noyce, it might be seriously affected. Therefore, I say, Sir, if you are really anxious to look into the matter more carefully (on your own admission, you have not got materials sufficient for the purpose of coming to a definite decision on the point), you ought to undertake an inquiry before you embark on this measure of tariff reform. So far with regard to this point.

Several reasons have been advanced as to why these particular counts have been selected for an increase of the duty. I am not going to repeat them. But to my mind there is perhaps one ground which has not been

so far touched upon, and that is to be found on page 36 of the Tariff Board's Report. The Tariff Board here point out that :

"an almost equally striking feature has been the gain of Japan at the expense of the United Kingdom in counts 31s. to 40s."

Sir, I do not know whether it will be fair on my part to give expression to any suspicion that I may have in my mind as to the reason that induced my Honourable friend Sir George Rainy to select these particular counts for an enhancement of duty. Certainly the Tariff Board never recommended that protective action should be confined only to counts between 31s. and 40s. I do not know whether he had any personal feeling about it, whether in selecting these counts, he wanted to have a sort of retaliation on behalf of Great Britain. Sir, the *Textile Mercury*, a well-known technical journal, dated May 30th, 1925, has the following rather significant observation :

"A suggestion has been made in Lancashire recently that India should be urged to put up a tariff against Japan with the idea of benefiting the Lancashire cotton industry."

Sir, this was followed by the visit of a very prominent millowner of Bombay to England, and I have seen rather uncharitable observations made as to the object of his visit there and as to the nature of the conversations he is supposed to have had with the Lancashire people. I have no intention to peer behind the scene on the present occasion, but the result of all these negotiations and agitation for the protection of the mill industry has taken the shape of a proposal to raise the import duty on certain kinds of yarn in regard to which England has got a very legitimate grievance against Japan. I will not say anything more on the subject.

Sir, it has been said by the Honourable Member in charge this morning—it was said by some other Members also on a previous occasion—that we must pay sufficient regard to the national importance of this industry. I will be the last person to under-rate the national importance of such an industry as the cotton textile industry of India. But, Sir, when an appeal is made to our patriotic sentiments, can we not ask the millowners to observe that rule "Do unto others as you would be done by" ? What has their attitude been in regard to other industries of India ? My Honourable friend Mr. Das on the last occasion made a complaint that the Bombay mill industry had done little or nothing to promote sister industries—allied industries—industries on which they depend for the carrying on of their own business. Here I have an instance in which they have been very negligent of the interests of another great national industry in India. The industry to which I am going to refer has also been suffering on account of unfair competition from another country. May I not expect my friends from Bombay, my millowner friends, to have a little more sympathy for another struggling industry of India ? Sir, telegrams were sent to the members of the Select Committee from the Indian Mining Federation referring to an instance in which the Bombay mill industry, or a particular firm of Bombay mill-owners, went in for a large indent of bounty-fed South African coal in spite of the fact that cheaper coal was available to it. Sir, that message came from an interested party, but here I hold in my hand the comment of a recognised commercial journal conducted by Europeans, I mean the *Commerce*, dated the 3rd September, 1927. This is what it says :

"During the past fortnight there has been no business of any importance reported except that a series of cargoes of Natal coal amounting to about 50,000 tons in the

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aggregate have been fixed for delivery up to June 1928, and that Messrs. Currimbhoy Ebrahim and Sons have accepted Natal Northern Navigation coal 1,500 tons per month, the reported price being Rs. 27 per ton c. i. f., which means about Rs. 18-3 at the present rate of exchange and adding landing and delivery and charges, and import duty it brings the cost delivered to about Rs. 22-9.

“ Now we know..... ”

this is how the paper proceeds :

“ they were offered Selected Grade 14 seam Jherria railborne at a price which would mean, delivered, weighed and stacked at mills, about Rs. 21-4 per ton. What then is to be said when an Indian industry will pay over Re. 1 per ton more for foreign coal rather than support its own country's coal industry ? And further, it is a well-known fact that railborne coal is always in much better condition than is the case with seaborne. However, there is the fact, and this market has to contemplate at any rate for the next eight or nine months, the competition of roughly 6,000 tons per month certain of coal which should by all means have come from India's collieries, instead of from Africa. ”

Are we not entitled to expect fair play even from the Bombay millowners ?

Sir, there is one other point which I desire to mention, and that arises in connection with the effect that our discussions have already produced in Japan. I do not hold any brief for Japan. If we find that our industry is being hit on account of unfair competition from any foreign country, I should be the first man to support any sound proposal for a fair amount of protection to be given to that industry against unfair competition, having regard, of course, to the interests of other home industries and the interests of the consumer. I do not, however, make light of the apprehensions that are crossing my mind of an impending economic war between two great Asiatic people. I have seen observations in the press which make me fear that our apprehensions may not prove altogether groundless. It is said that a Tariff Enquiry Committee is about to sit in Japan, and if we were to take any hasty action with regard to this matter, it might have the immediate result of influencing the decisions of the Tariff Committee in Japan and inducing it to recommend retaliation. When we talk of retaliation, let us remember what great stakes we have in our export trade with Japan. There is one particular trade which perhaps more than any other may be affected adversely if such retaliation ever takes place, and that is pig-iron. I warn this House to seriously consider whether it is proper to rush this measure without paying sufficient regard to the possibilities of complications of a rather international kind. It does not seem that this measure has satisfied anybody. Not sufficient, says the millowner ; injurious, says the handloom industry ; and on the top of this we have the not altogether unlikely contingency of Japan retaliating. I therefore submit to this House very respectfully that before we take this measure into consideration we should have a little more time to ponder over the various issues that are involved ; particularly when we find that the Government themselves are not in possession of sufficient facts to enable them to say with any amount of certainty as to what the effect of this legislation will be on the handloom industry. With these few words I commend my motion to the House.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President in the Chair.

Mr. C. Duraiswamy Aiyangar (Madras ceded districts and Chittoor : Non-Muhammadan Rural) : Sir, may I have your ruling as to whether we should confine our remarks to the amendment moved by Mr. Neogy or discuss the whole matter.

Mr. President : The Honourable Member might go on until he is asked to stop.

Mr. C. Duraiswamy Aiyangar : Sir, I rise to make an appeal to this House on behalf of the handloom weavers, and in so doing I feel no hesitation in opposing the motion made by the Honourable Sir George Rainy. Sir, it seems to me that I cannot congratulate the Honourable Sir George Rainy on this inauspicious inauguration of his administration of the Commerce Department by laying his sword primarily upon the poor handloom weaver. Sir, we have often heard it said, and there is no doubt that the Government in India has gained notoriety for carrying on the administration on the policy of *divide et impera*, but we thought it was confined only to other matters and not to industry and commerce. But to-day, Sir, the Honourable Sir George Rainy is inaugurating his regime by dividing one part of an industry against another by separating the handloom weavers from the millowners and making them fight with each other. Sir, this Bill is, and for the matter of that there always is, a frequent prayer for protection on behalf of the millowners of Bombay. So much so that I have often felt that this Assembly is fast becoming the millowners' association. The present agitation is made soon after the protection that has been granted to the millowners even to the prejudice of the handloom weavers in this country by the removal of the cotton excise duty. That, Sir, was operating as a big protection wall against the poor handloom weavers in this country, and upon some big political issue they raised a hue and cry over that matter and got the cotton excise duty abolished. Sir, I must frankly make a confession to this House that in voting for it I voted against my conscience. Sir, I may point out to this Assembly that there are three classes of millowners. There are mills which are purely spinning mills, there are mills which are purely weaving mills, and there are mills which are combined spinning and weaving mills. Of the 274 mills in this country 50 per cent. are in Bombay while the rest are scattered all over the country. But of these, Sir, the purely spinning mills are 50 in number, the purely weaving mills are 23 in number and the combined mills are 201 in number. Of these three classes, Sir, the class which is most affected and which is most clamouring at the present time, stating that they are in a very depressed condition, that they are dying, that they are in the last agonies of death—all these groans proceed more or less from the first class, the purely spinning mills. So far as the purely weaving mills are concerned, they stand more or less on the footing of the handloom weavers, and they do not mind whether such protection is granted or not, because they have to depend for their yarn upon other mills or upon imports. And so far as the combined spinning and weaving mills are concerned, they are mills which make use of all the yarn which they can spin and they cannot, therefore, be put to serious difficulty. Therefore, it appears to me, Sir, that the whole clamour is proceeding from 50 millowners who have got purely spinning mills. If

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instead of clamouring like this and trying to kill the handloom weavers, they only added looms to their mills all this crying would have vanished. But, Sir, we are not concerned with what they might have done. We are faced with what they are at present doing. Now, Sir, I come to the handlooms. The Honourable Sir George Rainy raised the question which is the national industry of this country, the handlooms or the mills ? But not feeling sure of his ground he evaded giving an answer to it himself. Sir, I will tell him that the national industry of this country is the handloom industry. It is the most ancient industry of this country. It is the industry which is protecting the largest class of poor people in this country. It is the cottage industry above all others of India. Sir, are you going to apply the term "national industry" to this handloom industry or are you going to apply it to the mills, whose owners get all their stores from England and who contribute but a small portion of their work for the manufacture of cloth in their looms ? Is that the national industry or is this cottage industry national ? If this cottage industry is the national industry, then I have no doubt that Sir George Rainy would not have said that it is an extreme proposition to protect the handloom weavers in spite of the depression in the mills. I am sure he would not call it too extreme a proposition if only he had considered the true definition of a national industry and understood that the handloom weaving industry is the national industry of this country. Sir, you will find that the statistics in the case of the handloom weaving industry are not so critically taken as in the case of the mill industry. The Government rarely bestows any attention upon the poor handloom weavers, and if we refer to figures at all we must take the last census of 1921. And we are now six years after that. According to the figures there given, Sir, we have got 19,38,072 handlooms in this country, of which I may specifically mention the important provinces. In Assam there are 4,21,367 handlooms ; in Bengal 2,13,886 ; in Bihar and Orissa 1,64,592 ; in Burma 4,79,637 ; in Madras 1,69,403 ; in the Punjab 2,70,507. I need not quote the smaller figures. But these figures do not give, according to the statement made in the Tariff Board Report or the evidence there, the figures for the Bombay Presidency, the Central Provinces, the North-West Frontier Province, the Mysore State, Kashmir, Baluchistan, Kathiawar, etc. ; and they estimate that in all there must be 20 to 25 lakhs of handlooms in this country upon which depends, not in the luxurious scale obtainable in the mill centres but at the rate of 3 annas per head, the maintenance of 6 millions of people. Sir, I have not heard till now one strong voice being raised in this Assembly during the period of nearly 4 years of my experience here on behalf of these poor people, except that one friend of mine, Mr. R. D. Bell of Bombay, who advocated the cause of the handloom industry in this Assembly. I am sorry I do not find him in this House at present. He was so placed in this Assembly that he was by my side in the non-official block even though he was a nominated official. Sir, it is said also, and I am sure the figures are correct, that in the Bombay Presidency where the mills loom so large there are 800,000 people in three hundred centres who all depend on handlooms. Sir, I ask is the case of these handloom weavers to be treated lightly, with levity, with indifference, with neglect or with apathy ? I say, Sir, that the Honourable Sir George Rainy would do well to bestow his most sympathetic attention on the condition of the

handloom weaver, in the first instance, before he proceeds to hobnob with the millowners of Bombay. Sir, what is the treatment that has been accorded all along to the handloom weavers in this country? When the millowners wanted to import their machinery and stores they were allowed to do it on a duty of $2\frac{1}{2}$ per cent. But when the handloom weavers wanted to import machinery or tools they had to pay an import duty of 15 per cent. till last year. I made some feeble agitation over this in the last Assembly, but my agitation was not favourably treated. Luckily, however, Mr. Saklatvala simultaneously raised the same question in the House of Commons, and when the British Parliament wanted this Government to give an explanation in this connection, then a Bill was introduced reducing the duty to $2\frac{1}{2}$ per cent. That is the treatment, so far as purchase of stores and tools are concerned, meted out to the handloom weavers. Then, Sir, the import duty on yarn, although it was objected to on principle, although it was condemned by the Fiscal Commission, was still imposed at the rate of 5 per cent. for administrative or revenue purposes. Then, Sir, as I have already said, the cotton excise duty was abolished. Now, Sir, I would refer this House to a short passage in the Fiscal Commission's Report in which the members of that Commission expressed complete sympathy with the condition of the handloom weavers. In paragraph 116 of the Report, at page 66, they say :

"In the course of our tour we received a certain amount of evidence in regard to the principle of a duty on cotton yarn, some witnesses advocating it as a measure of protection to the Indian spinning industry, while others pointed out the ill effects which they anticipated any such duty would produce on the handloom industry. In the current year's budget, however, the Government of India, impelled by the necessities of the financial situation, proposed the imposition of a duty at the rate of 5 per cent., *ad valorem*, on imported cotton yarn. The proposal was accepted and passed by the Legislature. We feel that we are not in a position to pronounce any definite opinion regarding the propriety of this duty. But we recommend strongly that in view of the fact that the duty has been imposed without, as far as we are aware, any detailed enquiry into its possible effects on the interests concerned, and that in accordance with our general principle that no duty should be imposed on a partly manufactured article like cotton yarn until the effect has been carefully analysed by the Tariff Board, the question of the continuance of the duty on cotton yarn should be referred at any early date for investigation and report by the Tariff Board. The evidence which we received from those interested in the maintenance of the handloom industry was that the great bulk of imported yarn is consumed by the handlooms, that the rise in the cost of the cloth which would result from a duty on yarn was likely to affect the demand for the product of the handloom, and that it was even probable that the handloom weavers, owing to their ill-organised condition, might not be able to pass on the whole of the duty by raising the price of their cloth, and therefore the duty would to some extent have to be paid directly out of their own pockets. This, it was felt, would constitute a heavy burden on a poor class with small resources. It was further urged that in the coarser qualities of goods the handloom weaver is in direct competition with the Indian power looms, and that a duty on yarn would confer a clear advantage on the power looms. The weaving mills for the most part obtain their yarn from their own spinning departments, and consequently the cost of the yarn which they use will not be affected by the import duty. The handloom weavers on the other hand, having to purchase yarn in the market, will undoubtedly have to pay a price which takes into account the import duty, whether they purchase imported or Indian made yarn. The Tariff Board will have to examine the validity of these contentions and also the question whether any duty on cotton yarn is required for protective purposes, for though the present duty has been imposed by the Government purely in order to raise revenue, the advocates of the duty regard it with satisfaction as a measure of protection."

But, Sir, what has been done by the Government of India since the imposition of the 5 per cent. duty? Did they take the advice of the Fiscal

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Commission? No. But then a chance occurred to them and the Tariff Board had to go through the whole question and had to give their opinion. But with what courtesy is the Tariff Board's Report treated by the Government? They brush aside most uncereemoniously the recommendation made by the majority report of the Tariff Board. The Honourable Sir George Rainy at least, who has had some experience with a Tariff Board, and to whom it was one of the rungs of his ladder, should not now kick it. I would therefore request the Honourable Sir George Rainy to look upon the Tariff Board's Report as more valuable than the clamour which has encircled him since the Report was made. And what does the Tariff Board Report say with reference to the levy of an import duty on yarn? At page 175, they say:

"The majority of us consider, however, that the imposition of any additional duty on yarn is undesirable in view of the effect that this would have on the handloom industry which in 1925-26, according to the figures given in Appendix IV, supplied about 26 per cent. of the total consumption of cloth in India. It was represented to us by many witnesses, including some Directors of Industries, that the imposition of an additional duty on yarn would not affect that industry unfavourably as the greatest part of its output is of cloth woven from yarn of the finer counts and may, therefore, be regarded as a luxury product, any increase in the price of which due to an enhanced duty could easily be passed on to the consumer. We are not convinced by this argument."

Sir, the Tariff Board have made it very plain what their view is; they held an elaborate enquiry and took much evidence. I crave the liberty of referring to a few pages in the evidence. In Volume III we have got the opinions of Local Governments and also the opinions of the Directors of Industries and textile experts, all men who have studied the question and gone carefully into it. But all that evidence is of no value to this Government. At page 1 of Volume III the Madras Government say:

"Until the reasons for the depression are ascertained and the industry reformed and placed on sound business lines this Government are unable to recommend any form of assistance or additional taxation."

To that is appended a note by the Director of Industries, Madras. He says:

"The approximate quantity of cotton yarn consumed per annum by the handlooms in the whole of India and in the Madras Presidency may be taken as 200 millions and 60 million pounds respectively. It will thus be seen that one-third of the total quantity of cotton goods manufactured on handlooms in India is produced in Southern India."

Then again he says, dealing with the suggestions put forward by the Bombay Millowners' Association specifically:

"In the interests of the handloom weaving industry, I am opposed to increasing the duty on imported yarn and am inclined to favour the removal of the present *ad valorem* import duty of 5 per cent. now levied on yarn. The abolition would help power weaving mills, which are not combined with spinning mills, as well as the development of the handloom weaving and indigenous dyeing industries and subsidiary manufactures, such as hosiery. Nearly 75 per cent. of cotton yarn consumed by handloom weavers is imported from overseas. It pays the Indian mills to produce coarse and medium counts of yarn. They do not produce yarn of fine counts on a large scale and the increase of duty on yarn would not therefore materially help the spinning mills in India. A large quantity of imported fine grey yarn is dyed and utilised in the manufacture of a class of coloured goods referred to in my answer to question 38. The removal of the import duty would therefore not affect even the weaving mills in India. The handloom weaver cannot afford to pay more for his yarn than he is doing

at present as the price of the hand woven product is already at a higher level than that of mill made cloth. This imposition therefore constitutes a burden on the mass of poor people with small resources who indirectly pay the duty. When Japan gradually assumed the control of the China market to the exclusion of inferior and costly Indian mill made yarn, the Indian millowners proceeded to add weaving sheds to their spinning mills and necessarily produced yarn superior in quality to that formerly exported to China. The Indian mills hope to supply with the aid of an enhanced duty of 18 per cent., the bulk of the yarn of all counts below 40s. used by the handloom weavers in India. In my opinion it would not be in the interests of the handloom weavers in India if they were to depend entirely on the Indian mills for the supply of yarn.

The fact that handloom weavers demand yarn in straight reeled hanks indicates that they have little faith in Indian mill yarn being of reputed counts and of correct length for a given weight, leaving aside the more important question of strength and elasticity required for standing frictional resistance and strain during weaving."

Sir, then on page 13.....

Mr. President : I would inform the Honourable Member that reading such long quotations is not permissible.

Mr. C. Duraiswamy Aiyangar : The quotations are more authoritative. I will only make a brief reference to them. On page 13 the Burma Government says :

"As regards the proposed import duty on yarn and piecegoods, the Local Government has not sufficient information to say whether foreign exporters of yarn and piecegoods to India are making sufficient profit to enable them to reduce their prices by the amount of the duty and thereby put their goods on the wholesale market at the same price as before."

Then, Sir, on page 15, you have this. It is worth reading. The Government of Bihar and Orissa say :

"While welcoming the inquiry of the Tariff Board into the causes of the present depression in the Bombay cotton mill industry and which is to suggest measures which might be taken to restore it to prosperity the handloom weavers have reasons to view the suggestions of the millowners with some concern lest the interests of the handloom weavers be overlooked. As a result of the inquiry of the Indian Fiscal Commission of 1922 their raw material, viz., yarn was taxed by the imposition of an import duty of 5 per cent. which enabled the cotton mills to put into their pockets and additional profit from the earnings of the handloom weavers. By the abolition of the excise duty in December last the only protection which the handloom weaver enjoyed so far and which counterbalanced the import duty imposed on his raw material was withdrawn. Now the present demand from the millowners is for further enhancement of the import duty not only on piecegoods but also on yarn. It is very unfortunate that there has been little organised effort to put forward the claims of the handloom weavers. Very few people are aware that this industry supporting over 5 million of people is responsible for an annual output of about 50 crores worth of cloth and realise that it plays a very important part in the economic well being of the country. The Indian mills which have practically lost their export trade in yarn have now to depend on the handloom weavers for the disposal of about 230 million lbs. or one-third of their entire output in yarn. The cotton mills have no case to be protected at the expense of cottage artisans who with great difficulty can make both ends meet."

I need not read more. Honourable Members will find other opinions on page 23, and on page 25 they will see the opinion of the Assam Government. All Governments have voted against Sir George Rainy's motion. Then, Sir, on page 457 you will find what the Labour Textile Union of Bombay have stated. I want particularly to quote it for the benefit of my friend Mr. Joshi who supports the Bill and does not want to reject it. This is what they say :

"The imposition of an additional import duty of 13 per cent. on yarn and piecegoods recommended by the millowner's association will have a very adverse effect upon

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the prices of cloth in India. They will go high considerably and the consumer and ultimately the industry itself will suffer. The Board are already aware that the prices of cloth are much higher than those of other commodities and if they are allowed to go still higher my Union is afraid that the prices will be almost prohibitive and that the demand for cloth will be much less than it is to-day. Moreover, my Union is more than doubtful whether, by raising the import duty, the imports of foreign and especially Japanese goods will be restricted or their prices will be such as will enable the Indian mills to sell their cloth favourably. If Japan takes it into her head not to lose the Indian market she can adopt measures to still further lower the selling prices so as to maintain her position in India. If this is done the additional import duties will have no effect whatever; and the Indian mills will still be in the position in which they are to-day. Further, the Bombay Millowners' object of bringing the labour conditions in Japan on a par with those in India will not be achieved; on the contrary, the Japanese employers may worsen the labour conditions there in order to enable them to compete in the Indian market with the increased import duty."

If my Honourable friend Mr. Joshi is not satisfied I will quote his own evidence. My Honourable friend Mr. Joshi is the one gentleman about whom I was disappointed when he abandoned the condition of the handloom weavers and considered only those who are employed in the Bombay mills. On page 515 of this volume.....

Mr. President : Why not lay it on the table ? (Laughter.)

Mr. C. Duraiswamy Aiyangar : This was placed in the Library and nobody read it. I am therefore.....

Mr. President : The Honourable Member does not seem to take the hint. He must understand that such long quotations are not permissible.

Mr. C. Duraiswamy Aiyangar : I am sorry, Sir, I will close with this :

" Q.—There are ways and ways of doing things, Mr. Joshi. You are not in favour of an increased import duty ?

A.—No, because I think it is a wrong method of giving protection.

Q.—You consider it would increase the cost to the consumer ?

A.—Yes ; and on the whole it will not do good to the industry. Your people will not purchase goods if they become more costly and the industry may lose instead of gaining.

Q.—But the millowners consider that probably the increase in the cost to the consumer would be negligible if you put on this 13 or 17½ per cent. they suggest.

A.—I can only say that their idea of negligible and my idea of negligible are different."

Sir, I do not wish to quote any more and I would ask my Honourable friends in this Assembly to read the passage for themselves. I now come to Sir Victor Sassoon's arguments. He has appended a minute to the Select Committee's Report. He need not have appended a minute because he entirely concurred with them. It was not a dissenting minute but a pleading minute, a defence minute, defence of the mills in Bombay. He there takes the opportunity of answering the various charges which are levelled against the mill management, over-capitalisation and mill working and other things for which that was certainly not the right place. However, nobody grudges it. But I am not concerned with the defects of mill management, but I am concerned only with his argument when he says, comparing the price of 40 counts on the 18th August the Japan yarn was saleable at 15.75 annas per pound inclusive of the import duty of 5 per cent. Taking the price of cotton on that date at Rs. 620 per candy he puts the same count of Indian mills at 19.71 annas per pound,

and argues that there is an advantage of 25 per cent. and even if another 5 per cent. is taken away from that, the handloom weaver will still have an advantage of 20 per cent. Of course I do not ordinarily dabble in these figures. We are accustomed more to sections and Codes rather than to figures but to my common sense it does not appeal to say that the price of Japanese yarn on that date, which is based on the cotton price of some other day, is compared with the price of yarn in India on that particular date. Now, Sir, I would like to ask him also to consider in connection with this suggestion that the price of a particular count of cotton is not the only test to be applied when we consider the effect of the import duty that is levied by Statute on a particular count. It is admitted by the Tariff Board on page 36 or 37 that there is a definite relationship between the higher counts as well as the lower counts in the matter of adjustment, rise or fall in prices, when a duty is raised on any particular count. Supposing there is a particular count of yarn which can be had at 12 annas per pound and if $1\frac{1}{2}$ annas is added to it the importer can sell it only at $13\frac{1}{2}$ annas. But the handloom weavers depend upon the Indian mill yarn for the lower counts. Now, what is there to prevent these Indian millowners from raising the price from 12 annas to at least 13 annas, leaving a margin of half an anna in order to shut out Japan. Then, I submit that if the higher count is sold at 15 annas, people will have to take lower counts for 13 annas. Putting it at the lowest, supposing he raises it by three pies, even then, Sir, the handloom weavers who have to depend on Indian mill yarn to the extent of 260 million pounds will have to pay three pies per pound more upon those counts which they purchase irrespective of, the present existing prices. If they raise it 3 pies per lb. over the existing prices, that makes up 40 lakhs of rupees. Where is the force in saying that this additional increase of duty on yarn at $1\frac{1}{2}$ annas will affect only to the extent of 10 per cent. of the consumption and that it will give only 12 lakhs of rupees and nothing more? 12 lakhs of rupees can be easily distributed over 30 crores and those who purchase will not feel it a great burden. But, I submit that this argument cannot be upheld. On the other hand there is absolutely no doubt of the fact that there will be a general rise in prices even over others. But what is the way in which they propose to meet this? They say internal competition will prevent any rise in price of the lower counts. Sir, the millowners are an organised body, they know how to form a combine, they know how to keep the market in their hands, though not by underbidding at least to a certain extent in other ways. The handloom weavers are unorganised, disorganised, helpless, voiceless, voteless. It is therefore perfectly possible for the millowners to buy even lower counts and hold it at higher prices. It is not therefore correct to say that the extent to which the handloom weavers will be affected will be only to the extent of 12 lakhs. On the other hand I submit that even if three pies more are added to the rest of what they have necessarily to buy from the Indian millowners, they will have to add 40 lakhs more. I will not be surprised if they raise the price to half an anna. Is there any guarantee that these Indian millowners will sell lower counts at the price at which they are now selling even after this duty on yarn is modified by this Indian Tariff (amendment) Bill? Sir, they will certainly not give a guarantee and nobody can take a guarantee from them with certainty. Now, Sir, the contributions which the handloom weavers are making to the consumption of cloth in this

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country as not very small. After all, even at this stage, in spite of so many struggles for existence, the handloom weavers are not a negligible factor. The mill production gives us about 1,789 million yards, imports 1,769 million yards, and the handlooms 1,372 million yards. It gives us at least 28 per cent. That is the contribution of the handloom weavers. But, Sir, there is a depression in the handloom industry. Look at Appendix IV of the Tariff Board Report where they say that in 1924-25, the handloom weavers produced 1,256 million yards, but in 1925-26 they produced only 1,160 million yards. Who cares for that depression. If there is depreciation of 40 or even 20 million yards in the mill industry, there is a great hue and cry raised in the whole of India.

My Honourable friend Sir Purshotamdas Thakurdas rightly said in his minute of dissent that this protection which is sought to be given by this Bill is only an eyewash, and in fact, everybody is agreed on this point, and even in the speech of the Honourable Sir George Rainy, we could not find any warmth imported into it because he knows the weakness of his case. He put his case fairly as a judge does to the jury slightly hinting here and there that the Bill should be supported. He himself does not believe in the correctness and stability of his position as to be able to say that this will not affect the handloom weavers ; but that it will benefit the millowners is a proposition which is illogical on the face of it. To the extent that you give benefit to the millowners, to that extent it is a loss to the handloom weaving industry. You only take away something from the handloom weavers and give it to the millowners ; it is nothing else. Therefore, there is no meaning in saying that this Bill does not affect the handloom weavers while benefiting the millowners. That is why no millowners have till now agreed that it is benefiting them. My Honourable friend Sir Victor Sassoon has taken care to say : " Let us take even the small gifts that are offered to us by Government ". I ask Sir Victor Sassoon and his fellow millowners to stand up with self-respect in this Assembly and say to the Government " we will not go to you with a begging bowl. We will not take these small pittances of nine and three pies. If you are prepared to protect our industry, protect us properly. Protect us by all means, but do not kill another neighbouring industry. Do this, otherwise we will not accept your offer. We will rather die than take this protection from the Government which entails the destruction of a neighbouring industry ". Well Sir, this must be the attitude of the millowners towards the Government. When the Government are so half-hearted in giving this protection and at the same time they want to kill this handloom industry, it is up to the millowners to refuse this protection. Sir, these millowners, let it be noted these millowners, like the Japanese people, have never been favourably inclined towards our national industry, properly so called. I am not for the moment pleading the cause of Japan. I am not swayed by the threats of my Honourable friend Mr. Neogy that a tariff war might arise between India and Japan. I am the least swayed by all these threats. The Japanese have been trying to kill our handloom industry and our own millowners have been doing the very same thing now. I refer to the *khaddar* industry. When the *khaddar* industry was started, when hand spinning and hand weaving were introduced in order to make an offday earning method for even the

agricultural population and to make it a widespread cottage industry by reviving it, what did the millowners do? The millowners produced *khaddar* and dumped it in the market. The Japanese did the same thing. Mill-made *khaddar* was passed for Gandhi cloth and pure hand spun and hand woven *khaddar*. The millowners have cheated us. (Laughter.) Therefore I have no sympathy with the millowners nor with the Japanese. Having taken an oath that I will not quote anything, I hope I will be permitted to say merely the words of the greatest man only in a few sentences. With reference to this mill *khaddar*, Mahatma Gandhi says :

“ I have been painfully aware of it. I had hoped that the millowners would give up the undesirable practice. But it was hoping against hope. Wherever I have gone people have drawn my attention to this unpatriotic conduct on the part of some millowners. The only comfort I have derived from the usurpation by the millowners of the name *khaddar* is, that it is proof of the popularity of *khaddar* among the masses upon whose ignorance the millowners are playing. For, I know that wherever the buyers have discovered the deception, they have cursed themselves and the millowners ”.

Sir, I am not therefore in sympathy with either. The newspapers published a telegram saying that the Cotton Spinners' Association of Japan are trying to leave no stone unturned to see that this Bill is thrown out. That is published in the newspapers. The millowners have not been less vigorous. They are also leaving no stone unturned in seeing that this Bill is passed. I have no sympathy with either. My submission is that this Assembly while giving benefit to one industry should see that it does not kill another industry. The handloom weavers are very poor people. You talk of unfair competition in Japan ; you say that women in Japan are working during the night. Here look at the handloom weavers. All of them, men, women and children, are working day and night and they are not able to earn three annas per day per head, and still you want to impose this burden upon them. Why all this talk of giving protection to a national industry. I ask the Honourable Sir George Rainy to give us a proper definition of the term “ national industry ”. Therefore, Sir, I have no hesitation in opposing the motion made by the Honourable the Commerce Member. Of course, as for my Honourable friend Mr. Neogy's motion, that is tantamount to the same. There is a Tamil proverb which mentions two methods of killing, either you employ a sword or you employ a wet cloth. He wants to use the method of wet cloth for killing this Bill ; whereas I want to use the direct method of the sword. The millowners will then know what other form of aid they must get for the protection of the Mill Industry. I ask why should the Government prolong the agony by circulating this Bill. I only want to read to the Assembly one telegram which I received from the handloom weavers of Sholapur assembled at a public meeting at that place. The telegram says :

“ Public meeting, Sholapur handloom weavers held yesterday, opine propose additional duty yarn will jeopardise handloom industry. Therefore strongly urge impose additional duty cloth instead yarn to protect handloom industry. Further resolves if unfortunately additional duty be imposed yarn instead cloth, the amount thus collected be utilised to benefit the handloom industry by granting adequate bounty to handloom cloth, research work in improving handloom machinery and education propaganda ”.

The telegram is issued under the signature of Rai Bahadur Mulai, chairman of the public meeting. Sir, there is certainly a strong feeling in the whole country that this Government is neglecting the condition of these

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handloom weavers. I make this appeal to this House ; I make this appeal to the Honourable Sir George Rainy that he may start his administration with sympathy more for the poor than for the rich. I therefore urge upon the millowners also not to accept this half-hearted—this what shall call it ? (*An Honourable Member* : “Crumb !”), this kind of protection that is now offered by the Government which is most unworthy on their part to accept. I therefore appeal to all the Members of this House to vote down this Bill.

Maulvi Muhammad Yakub (Rohilkund and Kumaon Divisions : Muhammadan Rural) : Sir, in rising to oppose the amendment proposed by Mr. Neogy, I want to make it quite clear that I do not in any way commit myself in favour of the Bill being brought on the Statute-book. My reasons for opposing the amendment of my Honourable friend Mr. Neogy are these, that the Bill under discussion is only an emergent and temporary measure to give some relief to the cotton yarn millowners in India against unfair competition by Japan, and the relief which it is proposed by this Bill to be given to the millowners is only to the extent of the loss which they sustain on account of that competition with Japan. It is not intended by this Bill to protect the cotton yarn millowners against internal competition. Now, Sir, it is advocated on behalf of these millowners that the yarn industry in India is in the throes of death. I do not say that I agree with them. I do not say whatever they say is right or wrong ; but what I say is that this is the proper time that we should discuss this Bill and thoroughly go into the proposition. If we find that the yarn mill industry in India is really in the throes of death, then of course it would be frustrating the object of the Bill itself if the amendment of my Honourable friend Mr. Neogy is accepted, because if the Bill is sent for circulation and takes 5 or 6 months before it comes before this House, then if in reality the condition of the yarn mills in India is such as the millowners say, then by that time the yarn mill industry would have been killed altogether and the object of the Bill will be lost and the millowners of Bombay, in the language of the immortal poet, will have occasion to say :

“ *ki mare gatal ke bad usne jafa se toba,*
hae us zud pashiman ka pashiman hunc.”

which means, “He has taken a vow not to commit tyranny after having killed me, Ah me ! look at the early repentance of that early repentant.” On the other hand, if we find that the case which has been put by the millowners is not a right case, is not a correct case and that in fact they are not in need of any relief, then it becomes still more important that this Bill should be taken into consideration just at present in the Assembly, because the millowners must know that they will not get any relief from us, they must know what their position will be and what steps they are going to take after they have been refused any relief by the Government. Taking all these facts into consideration, I think, Sir, that it will not be fair or just to any party to postpone the consideration of this Bill. Let us decide once for all whether we are prepared to give any relief to the yarn millowners or not ; and for these reasons, Sir, I oppose the motion proposed by my Honourable friend Mr. Neogy.

Mr. Jamnadas M. Mehta (Bombay City : Non-Muhammadan Urban) : Sir, I rise to support the motion for circulation moved by my Honourable friend Mr. Neogy and to oppose the motion for consideration moved by the Honourable the Commerce Member. Sir, I am sorry to say that some friends in opposing this Bill have concentrated the fire of their criticism on the unfortunate millowners of Bombay. They will appreciate my position if I cannot follow them. (*Diwan Chaman Lall* : "Why are they unfortunate?"). Because anybody who is compelled to beg for his very existence is certainly unfortunate. And after all, Sir, I cannot agree that the millowners of Bombay are such a bad lot at all. It must be a cold heart that cannot appreciate the tremendous service which the millowners of Bombay have done to the country in largely displacing the import of foreign cloth into this country by indigenous manufacture ; and while I am as devoted a champion of the handloom industry as anybody else, I am equally devoted to the mill industry and I cannot accept anything to its derogation, because I hold that it is the pioneer efforts of the mill industry of Bombay that have displaced Lancashire and Manchester cotton cloth to such a large extent in this country. Sir, if the figures are examined it will be found that in 1899-1900 the output of the Indian mill industry was only 9 per cent. of the total requirement of cloth in India, and to-day the output of the mill industry has raised the percentage from 9 to 42. And I say, Sir, it is the enterprise, the industry and the business ability of the millowners of India, and Bombay in particular, that are responsible for such a beneficial result. What after all will be the result if the Bombay millowner goes down ? He will only be displaced by the Lancashire millowner and the Japanese millowner. And I ask those friends who have been so hard on the Bombay millowners to say whether they contemplate such contingency with any degree of satisfaction. The rise of the Indian mill industry is a romantic event as it has come in spite of the absence of any assistance from the State. I repeat, Sir, that the State in this country has never helped the mill industry. (*Mr. C. Duraiswamy Aiyangar* : "That is rather ingratitude !"). It would be ingratitude if the State had helped the industry ; but that is not the case. It is quite the contrary. Look at the conduct of the State from 1893 onwards. On account of the exchange and currency troubles for which the Government themselves were responsible—the Tariff Board itself admits it—the whole industry, the production of yarn and the production of cloth were greatly handicapped ; and it was the great Swadeshi movement in Bengal in 1905 in contradistinction to the step-fatherly conduct of the Government, it was this self-relying movement on the part of the people which saved the mill industry in Bombay and India from the throes of the great calamity by which it was overtaken. The Tariff Board has investigated the question long and widely but it has failed to bring out the importance of the great Swadeshi movement which from 1905 saved the mill industry in Bombay from the consequences of the exchange and currency policy of Government. In 1896 everybody knows the 3½ per cent. countervailing duties were levied—an unheard of treatment of a national industry by the Government of the country. My Honourable friend Mr. Duraiswamy Aiyangar was sorry that he voted for the removal of that duty. Well, I am pained to hear that ; if any protection resulted to the handloom industry by the 3½ per cent. duties imposed on the Indian mill industry, that was a downright robbery and I am sure the handloom industry does

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not want to subsist on the robbery of another industry in this country. I say, Sir, it is not by such countervailing duty that the handloom industry or any other industry should expect to thrive, and the removal of the disgraceful impost came not a day too soon. Sir, it is the step-fatherly treatment of Government, their exchange policy, their $3\frac{1}{2}$ per cent. countervailing duties, their failure to give any constructive and active support to the industry, and latterly their raising of the rupee to 18d., and coupled with these the unfair competition of Japan—it is all these that have brought the mill industry to its present most deplorable condition. My friend Mr. Neogy and others have unnecessarily confined themselves to the Bombay mill industry. While the Bombay mill industry stands in need of greater protection, it is not the finding of the Tariff Board that the rest of the industry does not need protection. The Tariff Board have repeatedly said that it is a question of degree, and if my friends will look at the events since this inquiry was undertaken, they will find that the whole Indian mill industry has identified itself with the inquiry that was undertaken by the Tariff Board, and at every stage not merely the millowners of Bombay, but the millowners of Ahmedabad and Cawnpore and the rest have identified themselves with all the steps that had been taken for ventilating the grievances of the mill industry as a whole. Sir, I grant that the Bombay mill industry stands in need of greater protection, but that is not the same thing as saying that the Bombay mill industry is getting or is attempting to get protection at the cost of mills in other parts of India. The difference is only one of degree. Therefore, I say, Sir, it was unfortunate that attention was being focussed only on the Bombay mill industrialists, and that they were being castigated as a sort of untouchables and outcasts who were not to receive any consideration at all in this House. I cannot accept that position; Sir, the figures which are published on pages 228 to 235 of the Tariff Board's Report show that, in spite of all the handicaps to which I have referred, the mill industry in this country has made giant strides—thanks to the enterprise and initiative of our capitalists, and thanks also to the hardy mill worker from the Konkan and Gujarat. We in Bombay are proud of the achievements at once of our industrialists and our mill workers. These capitalists and the mill workers between themselves have built up an industry of which any Government should have been proud, and if this industry had been actively assisted by a sympathetic Government, it would have been possible long ago to clothe every one of the 315 millions of people in this land with cloth manufactured in this country, whether by the handloom or by the mill industry. If we only compare the statistics of the giant strides which the Japanese mill industry has made during the last 15 or 20 years under the protecting wings of the State, the justice of the criticism which I am making will be obvious even to the Government. Compare the progress which the Japanese mill industry has made in 20 years with the progress made by us in this country after nearly 44 years, and we will see that if only the State had rendered active assistance to the mill industry, without looking to extraneous interests, we would have been able to manufacture 100 per cent. of our requirements. From 1883 to 1884, when there were only 82 mills in India, we have now 337 mills in the whole of India. The spindles which were only 20 lakhs in 1883 are now 85 lakhs. The looms which were only 16,000 in 1883 are to-day 1,54,000, and the number of workers which the mill industry

employed in 1883 was 60,000 as against nearly 4 lakhs to-day. Sir, an industry which is responsible for 42 per cent. of the clothing of the people of this country, an industry which employs nearly 4 lakhs of people, an industry which purchases over 30 crores worth of cotton from the cotton growers of this country, and an industry which keeps at bay foreign importers—is that an industry about which any one can afford to talk in a light-hearted manner? Leave the millowners and their sins of omission and commission alone. It is the industry that is seeking protection, and if it gets it in a real genuine form, let us not grudge it because the millowners benefit thereby. We never wanted to help The Tatas as such, but the steel industry; the same is the case here.

Sir, this is the position that I hold as regards the mill industry in this country, and yet I am compelled to oppose the consideration of this Bill, because the protection offered is not genuine.

Sir Hari Singh Gour : From the sublime to the ridiculous?

Mr. Jamnadas M. Mehta : My Honourable friend is nothing but ridiculous everywhere.

And, Sir, I oppose the consideration of this Bill, for two reasons. One reason is that the Government have treated the Report of the Tariff Board with contempt. It would be impossible to imagine anything so outrageous as the treatment which this Government have given to the Report of the Tariff Board. They have spent a lakh and fifty thousand of the tax-payer's money on the inquiry by the Tariff Board, and when that body consisting of independent people, after careful investigation came to definite deliberate conclusions, the Government of India have thrown them to the winds, and their action to-day is in direct contravention of the Tariff Board's recommendations. How can they expect any reasonable man, however well disposed he may be to his own industry, how can they expect any reasonable man to fall into line with their proposals which are, as I say, in direct contravention of the recommendations of the Tariff Board?

Sir, I had supported the reference of this Bill to the Select Committee on the distinct understanding that we would be allowed in the Select Committee to open the whole question of the protection to the textile industry; otherwise I would not have supported it, and although there were rumblings and thunders of warnings that it might not be possible to open the question again in the Select Committee because it would increase the scope of the Bill, I hoped against hope. I had a precedent in doing so. We had the Report of the Currency Commission on which the Government framed the Ratio Bill, and the House was allowed not merely to discuss the question of the ratio, but the whole subject matter covered by the Report of the Currency Commission. We were allowed to discuss the question of the ratio, the gold mohur, the gold standard, the gold currency and everything that was relevant under the Report of the Currency Commission. And therefore, with this precedent in mind, and having regard to the fact that this inquiry was undertaken in the interests of the textile industry; I was hopeful that Government would allow us to discuss the entire question of the protection to the mill industry, although the Bill itself was a restricted one. But unhappily, we were not allowed to raise the question of protection to the textile industry as a whole, and, as I hold, the Tariff

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Board's Report is the minimum protection that the mill industry should get, and as I find that the proposals of Government cannot give any real protection to the mill industry, I am compelled to oppose the consideration of this measure.

Sir, it is a very unfortunate and embarrassing position for the mill industrialists of Bombay, as it is always for those who come to the Government and ask for protection. Beggars cannot be choosers always, and although these mill industrialists have time and again shouted the loudest that the proposals of Government do not carry them anywhere, I am pained to see to-day that they are willing to accept this dole. The real thing is, Sir, they do not like to break with this Government. They dare not say: "Well, if you give us protection, give us a genuine protection or none at all". That is not the stuff of which the capitalists are made. They cannot stand up for their entire right and refuse to have any crust or crumb thrown at them when they really deserve wholesome bread, very nutritive and wholesome, and that is why we are reduced to this very unseemly position of the millowners going behind their repeatedly declared word that the recommendation of the Tariff Board was the minimum they could accept. I will only quote one or two instances of their views until this Bill was introduced. When Government addressed the millowners on the 15th August they reiterated what they had declared over and over again, namely, that they could not impose import duties on piecegoods from foreign countries; the millowners then met in conclave at Hornby Road in Bombay and they thought long and they thought mighty, and from what has seen the light of day, it is clear that they remained unconvinced; here is a telegram from the Free Press which says:

"Opinion in well-informed circles is that the industry should take up the stand that the protection on yarn without protection on cloth is a doubtful benefit carrying with it increased handicap to the handloom industry which is mainstay of the Indian spinning industry and an indirect advantage to foreign imports in finer counts and...."

In the circumstances it is right that the industry should ask that it should be given protection on cloth as well as on yarn and that without the one it should not have the other."

This was the opinion in well-informed circles in Bombay when the millowners were considering the reply of the Government of India dated the 15th August. But that is not all. They have lately addressed a letter to the Government of India in reply to the Government's letter of the 15th August and even there—and this letter was written at the end of August—even there, what do they say? In paragraph 18 which is the last paragraph of their reply and which is signed by Mr. J. P. Wadia, the Assistant Secretary, because I think the Secretary was here, they say:

"In the end I am to express my committee's keen disappointment that even the revised decision of the Government of India should leave the industry practically in the same position as it was before the Tariff Board began their investigation."

What is the meaning of this? That whether you give protection on yarn or whether you do not, we remain in the same position practically—unless imports of piecegoods were taxed it will be six of one and half a dozen of the other. That is practically the latest pronouncement of the millowners of Bombay, their considered judgment that the protection

on yarn alone would render no assistance to the industry. And yet, as I said, before, Sir, the millowners are compelled to accept this measure because they cannot do otherwise. But the representatives of the people are not in that position. I am, Sir, a protectionist by conviction, sentiment and temperament. In these days all over the world the State regards it as its duty to protect the industries of the country and the Fiscal Commission also has recommended protection as a measure for all national industries whenever the occasion arises. I am willing, actively willing to support any industry which stands in need of protection, but I am not here simply to pass any measure, under the guise of protection, if it injures another, industry and when the first industry itself does not really get any benefit from it. It will be said that the contention that the handloom industry is affected is wrong. Now, Sir, the findings of the Tariff Board, the declarations of the Government of India and the statistics of the progress of the handloom industry and the mill industry will clearly prove that the handloom industry stands equally in need of the fostering care of the State. I just now showed, Sir, that while in 1899-1900 the output of the mill industry was 9 per cent. of our total requirement in 1925-26 it is 42 per cent. What is the progress that the handloom industry has made during the same time? The handloom industry, Sir, in 1899 was producing 27 per cent. of the requirements of the people of this country. To-day, according to the statement of the Tariff Board, it is producing 26 per cent. So that in the course of nearly a generation, the handloom industry has made no progress. On the contrary, the handloom industry has deteriorated. Why? When the mill industry has made such tremendous strides, from 9 per cent. to 42 per cent., why is it that the handloom industry has, far from progressing, remained in a stagnant position and made no advance? Because the handloom weaver is not a man of resource. (*Mr. Chaman Lal* : "Like the millowners".) I am sorry you are so unnecessarily inimical to the millowners. I say, Sir, the handloom weaver is a man without resource, he is carrying on from hand to mouth. And on the top of that in March last only by passing that hateful Ratio Bill, the House placed him (Laughter on Official Benches)—you ought to weep instead of laughing that these 60 lakhs of people have been by your vote handicapped by 12½ per cent. against foreign importers. How can they subsist when a measure like this passed only last March cuts them down by 12½ per cent. in competition with foreign importers? And I say, Sir, the repeated handicap which the State has placed on him coupled with his own poverty has been responsible for the failure of the handloom weaver to work up to a higher percentage of output than he has been able to do. For these reasons, Sir, I say that the House ought to think ten times before attempting to place a further strain on that very honest man. Sir, the Government themselves in their Resolution of the 17th June 1927, on the Tariff Board's Report said :

"But an additional duty on yarn only would affect prejudicially the handloom industry and for this reason should not be imposed."

This is the categorical statement of Government supporting the finding of the Tariff Board, and the evidence of witnesses before the Tariff Board ought to have warned Government against taking any measure which will, in the slightest degree even, have the remote probability of having

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a prejudicial effect on the handloom industry. Let us see, Sir, how the Select Committee, the majority report argues about this. It was a very wonderful performance for the Honourable Sir George Rainy, after having signed the Resolution of the 7th June.....

The Honourable Sir George Rainy : I may state that I did not sign the Resolution of the 7th June. It is not usual for a Member of Council to sign a Resolution of the Government of India.

Mr. Jamnadas M. Mehta : I shall say, after having authorised the issue of the Resolution of the 7th of June, wherein it is stated that yarn imports should not be taxed, it was a marvellous metamorphosis on the part of the Government of India to have suddenly, within two months, become a convert to the position that the handloom industry would not be affected by a duty on yarn. But the Report of the Select Committee is so halting that it displays a consciousness of guilt throughout in every line. Sir George Rainy is too honest not to feel that he was performing a *volte face* so soon that even the short memory of the public cannot forget. In paragraph 3 of the Select Committee's Report arguments are given to show that the handloom industry would not be affected. It is said :

"We recognise that this duty can benefit the cotton mill industry only to the extent to which the price of yarn is increased thereby and that any increase in the price of yarn must be a burden on the handloom weaver unless he is able to receive higher price for the cloth that he weaves."

It is admitted that unless he gets a higher price he is at a disadvantage, but it is immediately assumed that he will get a higher price. Why he should get it in this competitive world I cannot understand, and I am sure the House will not understand. It is further stated that the handloom weaver mostly used yarn below 30s. whose prices are governed by internal competition. The effect of the duty will not therefore be large and may be ignored. And thirdly, Sir, in paragraph 4, it is said that the annual consumption of yarn of these counts (*i.e.*, 31s. to 40s.) in India is about 50 million pounds and the production of the Indian mills is more than half of the total. I think there is some mistake in that statement. The Tariff Board on page 188 have recorded a finding in the last few lines of the first paragraph :

"We are of opinion that a production approximating to nearly 100 million pounds (*i.e.*, as a result of the bounty) would constitute a sufficiently large advance especially when it is remembered that the production of counts of 31s. to 40s. in India in 1925-26 was almost exactly the same as it was in 1912-13 (namely 19.7)".

Here the Tariff Board has recorded a finding that the production of yarn of these counts in 1925-26 was 19.7 million pounds, but the Select Committee have made a statement that of the 50 million pounds of yarn of these counts, the annual production of the Indian mills is more than half the total, that is to say, over 25 million pounds.

The Honourable Sir George Rainy : This is a small point of fact, Mr. President, and I think it might save time if I intervene at this moment. The statement that more than half the consumption of the medium counts is produced in India is based simply on the production and import figures of the year 1926-27. The production in India in that year of the medium counts 31s. to 40s. was 27,657,000 pounds.

Mr. Jamnadas M. Mehta : I am glad to have the figures which the Honourable the Commerce Member has quoted. To call the figures of one year, annual production, is, I submit, a discrepancy. The statement on page 188 that the production of yarn of counts 31s. to 40s. in this country was 19.7 million pounds in 1925-26, was not easy to reconcile with the statement of the Select Committee that the annual production of yarn of those counts was more than half of the total consumption. Whichever may be the truth I do not know. I am entitled to rely on the statement of the Tariff Board that.....

The Honourable Sir George Rainy : Mr. President, on a point of explanation, there is no statement in the report of the Select Committee that the figure given is for the year 1925-26.

Mr. Jamnadas M. Mehta : I thought that this was the last year for which we had got figures, and if it is for a later year, I am willing to admit that it may be so for that year but, that is different from saying that is the *annual* production.

The Honourable Sir George Rainy : I have already said that it is for 1926-27.

Mr. President : The Honourable Member is not bound to give way.

Mr. Jamnadas M. Mehta : Thank you, Sir, I am anxious to be scrupulously fair in this matter. Sir, all that I say is that the figures given by the Tariff Board do not warrant the statement that the annual production of these counts of yarn in India is more than half. If the figures of the Tariff Board are right, it is not merely half but nearly 60 per cent. of the total quantity of yarn which will be subject to the additional duty proposed in this Bill. And if the handloom industry consumes 25 million pounds of this yarn, the remaining 6 millions, of the imported yarn are consumed, I would assume, by the 25 weaving mills in this country which have no spinning department at all. We have it also, on the authority of the Tariff Board, that there are nearly 25 weaving mills only, and they must require yarn, and I say these 6 millions must be required by the exclusively weaving mills. I may tell my friend Sir Victor Sassoon that these 25 weaving mills also would be affected by the import duty which is now proposed on yarn. Sir, an added reason is given, which was not present to the mind of the Tariff Board, except indirectly. That reason is that conditions in China will make it possible for the producers there to dump yarn in this country at prices cheaper than the present ones. Sir, if this is so, I should be sorry. But the responsibility for that should be laid on the Government of India in its Finance Department, and not on anybody else. They have sold 92 lakhs ounces of silver. They have depreciated the silver market all over the world, and there is no wonder that the Chinese exchange to-day has in consequence depreciated 4 per cent. and that is the handicap against the mill industry in this country. So, if there is any fear of further dumping the whole responsibility for this added handicap must be laid at the door of my Honourable friend the Leader of the House. Sir, I do not stand isolated in that opinion. I have other authority besides that of my humble self, and that authority is the *Statist* newspaper. What does it say about this latest performance of the Finance Member in its issue of the 13th of August, 1927 ? It says :

“The undertone of the silver market continues very weak. The effect of the Indian Government's sale of fine silver held in the currency reserve is making itself

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felt gradually but unmistakably. Sentiments in the two great countries, India and China have been greatly disturbed. In India it had been generally anticipated that the Government would follow the recommendation of the Indian Joint Committee which had urged that the redundant silver in the Reserve should be handled with more regard to the silver market than the bare recommendations of the Currency Commission appeared to promise. These hopes are rudely shattered by the announcement of the sale and hence rapid deterioration in speculative centres. The transactions during the week have been on a large scale. India and China not only are selling previous purchases but building up a bear position of considerable magnitude."

I need not quote further. It is now established that as a result of the sale of silver, the silver market in the world has been greatly affected. There has been depreciation in the Chinese exchange and for their latest misfortune the millowners of Bombay should hold the Leader of the House directly responsible. But that cannot be allowed to prejudice the handloom weaving industry. Because one wrong is done by the Government of India, we cannot associate ourselves with doing another wrong to the handloom industry in this country.

Lastly, Sir, I must warn the Government of India that, whatever may be the individual merits and demerits of millowners, the people of this country will regard and do regard the mill industry with great affection, and they want it to rise rapidly to the point of being able to supply all the requirements of cloth in this country. They want that Government should give us a genuine measure of protection, not the weak, halting, half-hearted, meagre, niggardly Bill verging on the point of meanness in the question of its protection to the national industry of this country. I want to read in this connection only one quotation, from the statement of an Honourable Minister of the Australian Commonwealth. What does that gentleman say? This is from the *Manchester Guardian* of July, 1926. The Honourable Mr. H. E. Pratten, Minister for Trade and Customs for the Commonwealth of Australia says :

".... owing to our isolated position and somewhat elementary development it is necessary for us to adopt a policy of protection..... I have told your manufacturers (namely, British manufacturers) that no Government and no Parliament would allow an efficient industry established there to be smashed by foreign competition, and that the security for British capital invested in industry in the Commonwealth is absolute, because of the strong national sentiment of the whole people."

And to vary the language, we can say in the terms of the report of the Tariff Board that no Government and no Assembly ought to allow this national industry to be crippled by foreign competition. I shall finish by reading that quotation :

"A great industry is in a serious condition, and our proposals have been inspired by the belief that, in spite of a comparatively long spell of adversity, it still retains sufficient vitality and capacity for self-help which only require to be stimulated into action and this stimulus our modest scheme of state help is calculated to provide."

That modest proposal of State help—you have driven a coach and four through that proposal and reduced it to nullity, and I am compelled to oppose this, because this measure is not a genuine measure of protection to the textile industry but only a pretended measure and the reluctance to tax imports is clearly traceable to an unwillingness in any way to tax the imports from Lancashire and Manchester. The millowners of Bombay committed the greatest blunder of their life in not having led sufficient evidence for protection against Lancashire as well, and the

results of that blunder are being visited upon them by an ever clever and skilful Government who have turned the tables on them and are merely pretending to give a measure of protection which is no protection at all. The two Bills that are proposed to-day, one this and the other that follows, will leave the British manufacturers, whether of cotton or of machinery alone, and will save them lakhs and lakhs of rupees, while imposing further handicaps on the industry here and also on the exchequer. For these reasons, unless a genuine measure of protection is produced, I am unable to associate myself with the consideration of this Bill. Sir, I have done. (Applause.)

Mr. M. S. Sesha Ayyangar (Madura and Ramnad *cum* Tinnevely : Non-Muhammadian Rural) : I feel quite thankful to the Honourable the Commerce Member for what I should call a fair presentation of his case. He practically conceded that whatever is proposed under the Bill will certainly and adversely affect the handloom industry ; but he added that so far as counts above 40s. are concerned the degree to which it will be affected would be inappreciable. But, unfortunately for the House, no statistics are offered by the Honourable the Commerce Member. Similarly, as regards counts below 30s. he also says the same thing, that it will be inappreciably affected. Here, again, there are no statistics given. Probably, the Honourable the Commerce Member thought that the House, being on the duty on yarn, might as well indulge in the pastime of spinning for itself. We are absolutely groping in the dark as to what probably the statistics will be as regards the inappreciable extent to which the Honourable the Commerce Member says counts above 40s. and counts below 30s. will be affected. But he says, that, so far as the medium counts are concerned, certainly the handloom industry will be affected seriously. Lastly, he wants the support of this House for the Bill on the ground that, inasmuch as there is a national industry that needs protection, the House might well consider the propriety of examining that attitude. My Honourable friend, Mr. Duraiswamy Aiyangar, a Swarajist as he is, naturally grew righteously indignant over this application of the word " national " to the mill industries. But even assuming that the Honourable the Commerce Member meant the word " national " in the sense in which I think he took it—even there I submit to the House that the handloom industry is not less national, for what do we find in Appendix IV ? We find, so far as the total consumption of piece-goods in this country is concerned, it is 4,479 million yards of cloth, of which the imports give us 1,529 million yards, the mills about 1,700 million yards, the handlooms about 1,160 million yards. So that, if the handloom industry is able to give us about 26 per cent. of the total consumption of piecegoods in India, the mills supply us about 40 per cent., or a little less than 40 per cent., and from the net imports we have about 35 per cent. Even there, considering these figures, I submit to the House the handloom industry is not less national. In this connection, I would beg leave to correct my Honourable friend, Mr. Duraiswamy Aiyangar, when he gave us the figures of handlooms in this country which he culled from the Census Report—I would beg leave to correct him and say that the last Census Report excludes the handlooms in the United Provinces, the Central Provinces, and many Indian States. So that certainly a larger number of people would be affected by the introduction of this Bill. In this connection, I would also beg to submit to the House that so far as the attitude of the mill-

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owners in the Bombay Presidency is concerned, it has never been friendly, for what do I see ? I see a passage in the Famine Commission's Report of 1901, page 75, paragraph 226, to the following effect :

“ The Famine Commission of 1898 agreed with the Commission of 1880 that it was desirable, where convenient, to relieve artisans of whom weavers are the most numerous, through their own trades, one of their reasons being that it is important to maintain all crafts by which people are supported independently of agriculture. They were also of opinion that a carefully managed, businesslike scheme is not open to any of the objections usually urged against this class of relief ; and that it would probably not result in a greater loss to Government than that caused by employing the weavers on the ordinary relief works. This opinion is more than confirmed by experience, and is now, we believe, accepted in every province except Bombay.”

I dare say that the Bombay Government is influenced mostly by the mill-owners of that Presidency. Again on the next page we find the following :

“ It is sometimes objected that it is useless to prop up handloom or cottage weaving in the face of mill competition. But in fact the two industries supply different wants. The coarse and durable cloths of the handlooms are still preferred in many parts of India by field workers and labourers, while the more delicate and peculiar products of those looms still hold the market.”

But, since then, there has been somewhat of a change of attitude, as we see from the small pamphlet issued, probably for the use of Members of this House, by the Bombay Millowners' Association, under the heading, “ Indian Cotton Textile Industry. Need for Protection ”. I refer to page 61 therein. The Bombay millowners discovered that the Government were not anxious to accept the majority recommendations of the Tariff Report and that they were determined to turn it down. They were alive to the situation and expressed their views in these words :

“ We do not wish to make light of the fact that the handloom industry should above all be protected. But we maintain that the best method of protecting both the mill industry and the handloom industry is by eliminating the unfair Japanese competition which cuts at the very root of the home industry. Japan is deliberately selling her yarn at low prices with a view to oust the home product so that once she has established herself in the market, she could raise the prices to the level she chooses. We have seen that the Tariff Board itself was fully alive to this well-known economic fact.”

The reference made here is to this passage in the Tariff Board's Report on page 170 :

“ From the point of view of the consumer therefore, the imposition of differential duty against unfair competition merely hastens the rise in prices which would in any event be brought about by the play of normal economic forces.”

I submit, therefore, that the millowners have conceded the fact that nothing should be done in this House by the Government to impair the handloom industry. Then, what is there left outstanding which would gain the support for this Bill except the total rejection of the Bill as it stands ? We take it that the millowners themselves are also alive to the situation and they are at one with us who want to protect the handloom industry when we say that the Bill, while it does not give adequate protection to the millowners, actually affects adversely the handloom industry to a very large extent. There is also this fact that the majority of the Tariff Board favoured this view that no duty on yarn ought to be imposed ;

but if at all, a bounty can be suggested ; and lastly I would submit that my Honourable friend Mr. Duraiswamy Aiyangar has said that there are three classes of mills in this country. Let us confine our attention to those that take to spinning alone. Supposing they take to-morrow to weaving also ; that would necessitate the handloom industry seeking for imported yarn ; and if you raise by this Bill the duty on imported yarn it would mean that the effect would be adverse upon them ; and there would also be internal competition which would necessarily mean deterioration first, probably decay next and then death ultimately. So for these reasons I oppose the motion made by the Honourable the Commerce Member.

Pandit Nilakantha Das (Orissa Division : Non-Muhammadan) : I am sorry I have not yet heard anything in support of the motion except what Sir George Rainy spoke in moving the consideration. He did it in a halting manner, as if he was not sure himself of the grounds he was treading on.

The position, however, comes to this, that the mill industry in this measure does not get a good chance and the handloom industry is going to be ruined. I am not an expert economist but I was at any rate influenced to believe that in some way some protection is necessary for the mills, but then I never thought that any protection should be contemplated with regard to something which may be called half raw. I consider yarn as a half raw material. The imported yarn is used by mills to a certain extent but the major portion of the yarn in question here is used by the handloom weavers practically as raw material, and as we know handloom weavers are gradually dying, it is simply cruel and unjust to deprive them of the means of their living.

It has been said that the handloom industry is not a national industry. The statement is not quite without some foundation. There is a view, on account of this crushing Western industrialism, which is growing throughout the world among a class of people, that only the mills should remain and that cottage industries like handlooms should be destroyed. We all know that the agricultural nations with teeming rural populations strenuously strive against it, but I do not know whether even Members for Labour, like my friend Mr. Joshi, have seriously considered the very dislocation of society which await such nations if Western industrialisation is superimposed with unreasonable haste and without a proper study of existing conditions. What will follow if in India the handloom is destroyed ? In this connection Japan has been quoted by my friend Mr. Mehta. He said that the mill industry was protected in Japan, and in some 3 or 4 decades—nay even in 15 years (I am grateful to my friend Mr. Mehta for the correction), Japan has been able now practically to monopolise the Indian market in yarn from 31 to 40 counts. My friend Mr. Duraiswamy Aiyangar also says that if Japan wants, she can reduce her prices, and dump the Indian market with yarn only for the sake of retaliation, as it were. Yes, I think it is possible. But what has the Government done in Japan ? They don't leave the problem of unemployment in villages unsolved, or unconsidered like the Indian Government. They have carefully organised mill industries in village centres, so that the evils of hasty industrialisation do not affect the nation. Ours is a vast agricultural country. I do not know when the day will come when our Government will likewise

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organise small industries in village centres so that the grave question of our national unemployment may be on the way to be solved.

We have seen that the handloom industry has been already damaged by the abolition of the cotton excise duty. Mr. Mehta calls it a legitimate abolition. I grant it to him. But I do not know, what this measure, this illegitimate protection of yarn according to Mr. Mehta, will mean to our poor handloom weavers. We all know that they work day and night, morning and evening, day after day, without rest, leisure, or recreation. We are providing in this Bill against the Japanese double shift labour. But the poor handloom weaver in our villages works actually with not only double, or treble, but with quadruple shifts, or even more. He works night and day, man, wife and children, and as my friend Mr. Duraiswamy has queerly put it, even babies, all engaged. They all work to get how much? Less than 3 annas per day.

I come from a part of the country where I have daily experience of the ways of these weavers. They are getting rapidly out of employment and are being turned into beggars in numbers every day. In my boyhood days I found them a happy and prosperous artisan class, but if you come to my part of the country you will find that 60 to 80 per cent. of the beggars are of these weavers. They are beggars not by choice but by compulsion and for want of employment. They are also going in numbers to foreign lands in search of employment. But alas! no one knows what fate awaits them there! The best that they can have, may not even be better than the fate of Indians in South and East Africa. They have no place here, nor there. What will they do?

Now for argument's sake, I will admit that you may support the mill industry by any means you like. But it is the duty of the Government to look at this question of unemployment which is daily increasing at an alarming rate. If this measure is introduced, what will be the effect. The Government say that it will affect the handloom industry only to the extent of 12 lakhs of rupees. But my Honourable friend Mr. Duraiswamy Iyengar has proved that it will never be 12 lakhs; it will be somewhere near 40 lakhs. I will not be surprised, if it is even more. The organised millowners will put higher prices on even lower counts. They will not rest content with raising it to 12 annas 3 pies, as my Honourable friend has put it. They may even raise it to 13 annas. There is nothing to prevent them from doing so. If they try in an organised manner, they may do that. But who will pay this additional price? It has been said that it will affect the pockets of the consumer. I know, as a matter of fact, that it will affect only the handloom weavers. I have seen with my own eyes, the whole family labour 2 or 3 days and weave 2 or 3 cloths. Then comes the question of finding a purchaser. The father or any male member of the family knocks from door to door in the neighbouring villages for a customer. Do you ever think, Sir, that under such circumstances this additional duty will at all be transferred to the consumer, for the supposed reason that he wants quality? I clearly find that a greater portion if not the whole of it will be paid by the handloom weaver himself. This burden can never be transferred to anybody else. Such being the case, is it not better and more just to tax the handloom directly to pay the mills? One pound of yarn gives 4 yards of cloth—the product of one day's labour.

for a family. At the rate of one anna it comes to a yearly tax of Rs. 20 per loom. Can you, Sir, conceive it ?

Then, what happens ? Our handlooms will inevitably lie idle in thousands and lakhs. Terrific unemployment will be the order of the day. If the Government of India in the Commerce Department are going to create it, then I do not know what the Industry Department will do to face it. There have been on other occasions several questions about unemployment and we were complacently assured there was none. But this kind of evasive dose will no longer have its desired effect, when the disease will grow intensely acute.

I submit, Sir, further that this question is not only one concerning the Commerce or Industry Department of the Government of India, but it also concerns the Provincial Governments. The opinions of all the Local Governments are here in those volumes. They were buried in the Library, and nobody saw them, as is put by my friend Mr. Duraiswamy Iyengar. My friend wants the credit of exhuming them from that burial. Let him have the credit. I don't grudge it. He has just quoted, however, opinions from Madras to Assam. Almost all the Local Governments, it is found, are against this protection. In fact, every Provincial Government is against this measure because it affects the cause of handloom weavers, and especially my province of Bihar and Orissa is the most affected in this respect. The Government as well as the Director of Industries of that Province have expressed very strong views against this duty on yarn. According to some calculations, 28 per cent. of the total cloth consumed in India is produced and supplied by the handloom. Others calculate it to be 26 per cent. Thus we have 26 to 28 per cent. of our cloth produced by handloom weavers in this country. But so far as my province of Bihar and Orissa is concerned, it is 40 per cent. I may say that our province has no mills at all. If this measure is passed, we shall be faced with the problem of unemployment all the more. The province of Bihar and Orissa, besides, has got to manage many flood stricken and famine stricken areas. As Honourable Members are aware flood and famine are a regular feature of my province. Consequently my province of Bihar and Orissa is very strongly against this measure.

I am glad that Provincial Governments are in this connection so well alive to their own interests, but I do not know what the Commerce Department is doing with the opinions of all these provinces. We, the representatives of Bihar and Orissa as well as those others whose provinces are likewise more directly affected, cannot think of voting for this motion. I am here to oppose this motion and support the motion of my Honourable friend Mr. Neogy, which amounts practically to the same thing in a different form of language. In this connection, I should however like to know how the Government are going to guide the votes of official Members who represent the various Local Governments, and particularly of the member who represent the Government of Bihar and Orissa. Those officials who come from Bihar and Orissa represent the Government of that province and they are presumably bound by the opinions forwarded by that Government and they must give their votes in accordance with the wishes of the Bihar and Orissa Government. And so also are the representatives of other Local Governments to be guided by their proper mandates, so to say. But we all know, as a matter of fact, how the Government Whips canvass votes. They manage to whip

[Pandit Nilakantha Das.]

everybody mercilessly and without consideration. We also whip ourselves. (Laughter.) But our whip is not so vigorous. We often keep questions open. (Hear, hear.) I should like to know whether the Honourable the Leader of the Government Party in this House is going to make this question an open one, at least so far as the representatives of the Provincial Governments are concerned. (Hear, hear.) There is my Honourable friend Rai Bahadur Shyam Narayan Singh who represents my province. I should like to know whether the Government is going to allow him to vote in accordance with the wishes of the province he represents or in accordance with the wishes of the Government of India. (Laughter and Applause.) It will be very unfair if the representatives of Provincial Governments are in this particular business to be led by the nose into the lobby. I know my Honourable friend Shyam Narayan Singh is to-day busy as usual in the corridors and lobbies canvassing and collecting votes for the Government. (Laughter.) But I don't understand him. This kind of duty on his part, specially in this particular matter, is unthinkable. I may say, it is simply exasperating. I cannot conceive how the representative of the Government of my province should collect votes in support of this measure, not to speak of his own voting for it himself. In this particular case, there is no reason why my Honourable friend Mr. Shyam Narayan Singh should go contrary to the opinion expressed by the Government of the province which sent him here. (Hear, hear and laughter.) In justice and fairness the Leader of the Government party in this House should allow the representatives of Provincial Governments to vote as they like. In spite of this honest exasperation which I cannot but feel on this occasion, I appeal to the Leader of the Government party to be just to Local Governments, and permit their representatives to exercise their free and unfettered vote according to their own light and sense of duty. There must be complete freedom of voting in this matter.

I pathetically picture to myself specially the condition of handloom weavers in my province if this measure passes out of this House. My Honourable friend Sir George Rainy having served in my province of Bihar and Orissa might have very well known the conditions of my province. As the Commerce Member of the Government of India, I am sorry, to-day he is introducing this measure. But when he was in the Bihar Government, I am sure, he had opportunities to come into daily contact with the peasants and artisans of my province, and let him for a moment throw off the garb of a Commerce Member, and honestly as a man say how this measure will affect the handloom weavers there. Last of all I appeal to the House on behalf of the voiceless handloom weavers who have practically no real representatives, so to say, in this House to safeguard their interests, that they may not be led away to damage the defenceless toiling millions for an imaginary benefit of a few who know best how to protect themselves. This House entirely consists of rich men, millowners, lawyers, zemindars and several others many of whom have perhaps no time or occasion to picture to themselves how the poor toil in fields and villages, in mud and mire, even with one scanty meal a day. The Government who sometimes pose themselves in International Conferences as their trustees against the exploitation of the rich and the powerful are seldom, if ever, found honest in their pro-

fessions of that kind. The poor and the voiceless, therefore, go practically unrepresented. And it is in their name and for their sake that I again appeal to the House to rise up to their real duty, and help those that are in need of help.

With these words, I oppose the motion of the Honourable the Commerce Member and support the motion of my Honourable friend Mr. Neogy.

STATEMENT OF BUSINESS.

The Honourable Sir Basil Blackett (Leader of the House) : With your permission, Sir, I desire to make a statement regarding the Government business which we propose to place before the House to-morrow and Thursday. In view of the fact that it is not possible, in the present circumstances, to resume consideration of the Reserve Bank Bill this week, the Government consider it important to dispose of some at any rate of the business which would normally have come up during next week. We propose, therefore, to-morrow, Wednesday, the 7th, in the first place, to complete the disposal of the Indian Tariff (Amendment) Bills, the Bamboo Paper Industry (Protection) Bill, the Indian Securities (Amendment) Bill and the Volunteer Police Bill, or any of those Bills which have not been disposed of to-day, and the further consideration of the motion relating to accommodation in New Delhi. Thereafter, we propose to make the following motions :

- (1) that the Bill further to amend the Indian Income-tax Act, 1922, for certain purposes (Amendment of sections 2, 23, 28, etc.), be circulated for the purpose of eliciting opinions thereon ;
- (2) that the Bills to amend the Transfer of Property Act, 1882, and to supplement the Transfer of Property (Amendment) Act, which have already been published under rule 18 of the Indian Legislative Rules, be introduced ;
- (3) a motion will be made to take into consideration, and, if that motion is passed, to pass the Forest Consolidation Bill, as reported by the Select Committee ;
- (4) a Resolution will be moved for the appointment of a Committee to examine and report on the system of censorship of cinematograph films.

Thereafter, Sir, the Government propose to give time for the consideration of the Report of the Select Committee on the amendments to the Standing Orders which was presented to the Assembly during the Delhi Session.

On Thursday, the 8th, we propose to dispose of any Government business remaining over from the preceding day and thereafter to undertake the following business :

- (1) a motion to take into consideration and, if that is passed, to pass the Indian Lighthouse Bill, as passed by the Council of State ;

- (2) motions to take into consideration and pass the Bill further to amend the Indian Succession Act, 1925, and the Married Women's Property Act, 1874, as passed by the Council of State ;
- (3) similar motions as regards the Presidency-towns Insolvency Act, 1909, as passed by the Council of State ;
- (4) motions to take into consideration and, if those motions are passed, to pass the Bills further to amend the Cantonments Act, 1924, and to amend the Indian Emigration Act, 1922.

Thereafter, motions will be made to move two Resolutions regarding :

- (a) the draft Conventions concerning seamen's articles of agreement and the repatriation of seamen, and
- (b) recommendations of the General Conference of the International Labour Organisation of the League of Nations concerning the repatriation of masters and apprentices and general principles for the inspection of the conditions of work of seamen.

Thereafter, we propose to give time for further consideration of the Report of the Select Committee on the amendments to Standing Orders.

Mr. A. Rangaswami Iyengar : May I know, Sir, if the Government will put down the Select Committee's Report on Standing Orders on Thursday if it is not reached on Wednesday ?

The Honourable Sir Basil Blackett : I am afraid, not. We must take precautions to see that the Government business which is not otherwise taken next week shall not be shut out altogether.

Mr. President : I thought the Honourable Member would ask the Leader of the House whether Friday would be available !

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 7th September, 1927.