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THIRD SESSION

of the

THIRD LEGISLATIVE ASSEMBLY

1928



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LEGISLATIVE ASSEMBLY.

Thursday, 13th September, 1928.

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

QUESTIONS AND ANSWERS.

Mr. President : Mr. Jayakar.

Mr. M. R. Jayakar : Question No. 518†.

The Honourable Mr. J. C. C. : Will the Honourable Member put the question at a later stage ; I do not see my Honourable colleague.

Mr. President : The Honourable the Home Member will understand that this House and particularly the Chair are much inconvenienced if Honourable Members for Government are not present in the House to answer questions.

Haj Committee.

519. ***Mr. Anwar-ul-Azim :** Will Government be pleased to state whether it is a fact that the suggestions of the local Haj Committees in all the provinces specially in Bombay are not followed by their Presidents, and specially in Bombay by the Commissioner of Police who is the President of the Committee there ?

Mr. G. S. Bajpai : Government are not aware that this is so. If the Honourable Member knows any specific cases and would communicate them to me, Government will gladly enquire into them.

‡520*—21*.

DISAFFECTION AMONG THE LICENSE HOLDERS ON RAILWAY STATIONS IN THE MORADABAD DIVISION OF THE EAST INDIAN RAILWAY.

522. ***Maulvi Mohammad Yakub :** Is it a fact that there have recently been frequent changes of the holders of vending licences on the railway stations in the Moradabad Division of the East Indian Railway, and if so are Government aware that there is disaffection among the licence-holders in consequence thereof ?

Mr. A. A. L. Parsons : Government are not acquainted with the position but will obtain the information for the Honourable Member from the Agent of the East Indian Railway.

NATURALISATION OF INDIANS IN THE UNITED STATES OF AMERICA.

518. ***Mr. M. R. Jayakar :** (a) Will Government be pleased to state how many cases have occurred during the last 5 years where Indians have been denied rights of naturalization in America ?

†For question No. 518, see after question No. 522.

‡For answers to these questions, see at the end of the starred question list for the day.

(b) Have Government taken any steps, or if not, do they propose to take any steps, to enforce the rights of Indians in this connection ?

Sir Denys Bray : I apologise to you, Sir, and the Honourable Member.

(a) As far as Government are aware, about 30, fortunately a small proportion only of the total number.

(b) This unhappy business has engaged the close and continuous attention of the Government of India and His Majesty's Government and His Majesty's representatives in the United States from the outset. Its great difficulty arises from the fact that the ruling that an Indian is not, and has never been, eligible for American citizenship is the ruling of the Supreme Court. This renders it unfortunately impossible to do anything in the case of those who have already been denaturalised. As regards the much larger number who are still naturalised however, the position seems now accepted that a process in the Courts is required in each separate case before a certificate of naturalisation can be withdrawn or cancelled—a procedure which in the natural course and in the absence of any outside stimulus seems likely to check further cancellations.

Mr. Gaya Prasad Singh : What is the total number of Indians in America ?

Sir Denys Bray : I am afraid I could not give a reply.

Mr. Gaya Prasad Singh : You have just said 30 out of a fairly large number. You must be in a position to tell us the total number.

Sir Denys Bray : Some hundreds.

†523*.

INTRODUCTION OF A BILL FOR THE INSTITUTION OF AN ALL-INDIA ACCOUNTANCY BOARD.

524. ***Mr. M. R. Jayakar** : (a) Will the Government be pleased to state whether the draft Bill for instituting an All-India Accountancy Board is now ready, and when Government expect to be able to introduce the same in the Legislative Assembly ?

(b) Are Government aware that the promises made in this behalf by the Honourable Member in charge from time to time have created expectations in the public mind, the fulfilment of which cannot be long delayed ?

The Honourable Sir George Rainy : A copy of a scheme which has been prepared and on which Local Governments have been asked to furnish their views after consultation with bodies or persons interested in the subject has been placed in the Library. The Government of India hope that the opinions of Local Governments will be received in time for them to be able to introduce legislation at the next Delhi Session.

ABSENCE OF THE HIGH COMMISSIONER FOR INDIA FROM THE PEACE PACT CEREMONY IN PARIS.

525 ***Mr. Ghanshyam Das Birla** : Has the attention of the Government been drawn to the report published in the *Indian Daily Mail*, Bombay, on or about the 28th August 1928, sent by its London Correspondent with regard to the resentment felt in Indian quarters in London at the absence of the Indian High Commissioner as a signatory from the Peace Pact ceremony in Paris ?

†For question No. 523, see after question No. 550.

Sir Denys Bray : Yes, Sir. I would add this. In accordance with the procedure approved by the Imperial Conference the Treaty was signed separately on behalf of India as on behalf of each Dominion. India's constitutional position was thus safeguarded.

But there is also the further and more imaginative point emphasised in the Press, unfortunately after the event. When it was originally assumed that it would be most convenient for His Majesty's Secretary of State for Foreign Affairs to affix India's signature, it was not known that the Dominions intended to send their High Commissioners. When it became known, it was unfortunately too late to alter the arrangements.

Mr. Ghanshyam Das Birla : May I ask if the Government of India will convey to the Secretary of State that in future on such occasions India ought to be represented by the High Commissioner ?

Sir Denys Bray : Question and answer will of course be put before the Secretary of State.

Mr. K. C. Neogy : Was the Government of India consulted by the Secretary of State regarding the question of the selection of India's representative ?

Sir Denys Bray : I am not prepared to answer that. I have gone rather beyond my usual sphere in answering the question already. But I am prepared to say that I am myself very sorry that my own imagination went temporarily asleep.

Mr. K. Ahmed : How many nations have signed this treaty ? Is it a fact that 39 of them have signed already ?

Sir Denys Bray : My impression is that a great many more than 39 have signed.

Mr. K. Ahmed : How many ?

Sir Denys Bray : I could not say.

GRANT OF PASSAGE AND ALLOWANCE TO MEMBERS OF INDIAN SERVICES DEPUTED OVERSEAS.

526. ***Mr. Ghanshyam Das Birla :** Will the Government be pleased to lay on the table a copy of the rules governing the grant of passage and allowance to members of Indian Services deputed overseas ? Is any distinction observed in the matter between European and non-European members of the same rank and status and sent on identical work ?

The Honourable Sir Bhupendra Nath Mitra : The relevant rule in the case of passages is that " a Local Government may sanction for any officer deputed out of India free return passages from India to the country in which the officer is deputed ". The Honourable Member will see that no distinction is made between European and non-European officers.

2. By the word " allowance " the Honourable Member presumably means total emoluments, including pay and allowances. Under Fundamental Rule 51, which regulates the pay of Government servants deputed out of India, an officer of non-Asiatic domicile is limited to two-thirds of the pay which he would draw were he on duty in India, while an officer

of Indian domicile may have the two-thirds limit relaxed in his favour. Such relaxations are frequent, and full pay has recently been allowed in the majority of cases where the deputation is for a comparatively short period.

3. No distinction of any kind is made between European and non-European officers in the travelling and compensatory allowances drawn in the country of deputation.

STEAMER FARES CHARGED TO HAJ PILGRIMS.

527. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state whether it is a fact that tickets are sold to the Hajis in Bombay during the Haj season at no fixed rate ? If it is correct, do Government propose to stop this practice ?

Mr. G. S. Bajpai : The reply to the first part of the question is in the affirmative and to the second part in the negative.

FACILITIES FOR HAJIS ON BOARD PILGRIM SHIPS AND AT KAMARAN AND JEDDAH.

528. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state whether it is a fact :

- (1) that there is no latrine on all the decks of Haj pilgrims ships ?
- (2) whether this arrangement does not inconvenience the Hajis during the monsoon season ?
- (3) whether there is any arrangement for distributing fuel and water during the course of the journey from Bombay to Jeddah and back ?
- (4) whether all the pilgrim ships carry qualified surgeons, assistants and nurses and whether the hospital on board the ship is at its bottom ?
- (5) whether the doctor in charge looks after the convenience and health of the passengers on the first, second and third decks ?
- (6) what facilities are given to the Hajis to carry their luggage from the steamers to the island of Kamaran where the Hajis are detained for 24 hours for medical examination and whether any sleeping and resting accommodation is available on that island during this transit ?
- (7) whether there is any British hospital at Jeddah and what is its personnel ?
- (8) whether there is any restaurant or stall on these steamers wherefrom food, fruit, and other provisions could be purchased by the Hajis during the course of their voyage ?

Mr. G. S. Bajpai : Part (1). Latrines are in a convenient and accessible place on the upper deck. In the interests of sanitation they are not allowed either on between-decks or in the hold.

Part (2). Government are not aware that any inconvenience is caused by this arrangement.

Part (3). Yes. The Honourable Member's attention is invited to rules 32 and 33 of the rules contained in Appendix E. of the General Instructions for Pilgrims to the Hedjaz, a copy of which will be found in the Library.

Part (4). As regards the employment of medical officers and attendants to assist them the Honourable Member is referred to section 201 of the Indian Merchant Shipping Act and rules 70 and 80 of the rules in the Appendix quoted in my reply to part (3) of the question. Hospital accommodation may be provided wherever it may be convenient.

Part (5). The medical officer is jointly responsible with the Master of the ship for the care of pilgrims on the voyage.

Part (6). Pilgrims who are required to land for disinfection at Kamaran take ashore their soiled linen and any portion of their personal effects or baggage which the sanitary authority may require them to. Government have no information as to the facilities that are afforded for carrying such luggage but enquiries will be made. As regards accommodation, pilgrims are ordinarily accommodated in mat huts but a limited amount of more substantial accommodation is available.

Part (7). A dispensary is maintained at Jeddah by the Government of India, its personnel being 1 assistant surgeon, 1 dispenser, 1 dispensary boy and 1 servant.

Part (8). A price list in Persian, Urdu and Gujrati of the articles of food offered for sale is put up for the information of pilgrims at the place where stores are sold.

PUBLIC HOLIDAYS.

529. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state by what law the public holidays in India are governed, and on what basis the holidays have been distributed to suit the various needs of the different communities of the Indian people ?

The Honourable Mr. J. Crerar : Public holidays are declared by Local Governments under section 25 of the Negotiable Instruments Act, 1881, and are fixed at their discretion to suit the requirements of the Province from all points of view.

LOCATION OF THE OFFICE OF THE SUPERINTENDENT OF POST OFFICES, CHITTAGONG DIVISION.

530. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state where the office of the Superintendent of Post Offices, Chittagong Division, is located ? Has the attention of Government been drawn to the fact that it requires expansion ? Have Government made any estimate for the same ? Was any other site near about the vicinity of the Chittagong Club once chosen for the office of the Superintendent and his quarters ? If so, why was that abandoned ?

Mr. P. G. Rogers : Government has no information on the subject. A copy of the Honourable Member's question has been sent to the Postmaster General, Bengal and Assam.

RECRUITMENT OF STAFF FOR THE FENI-BELONIA AND CHITTAGONG-NAZIR HAT EXTENSIONS OF THE ASSAM BENGAL RAILWAY.

531. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state how many new recruits have been engaged by the Assam Bengal Railway in connection with their Feni-Belonía extension and Chittagong-Nazir

Hat extension and how many of them are Moslems ? Was any advertisement sent to the Press or anywhere else before the recruitment ?

Mr. A. A. L. Parsons : Three new recruits have been engaged for the Feni-Belonia and Chittagong-Nazir Hat extensions and all of them are Hindus. All other staff engaged have had experience on the Assam Bengal Railway. With regard to the latter portion of the question the reply is in the negative.

QUALIFICATIONS AND SALARIES OF CHIEF MEDICAL OFFICERS ON STATE RAILWAYS.

532. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state what are the qualifications of the Chief Medical Officers on the State-managed Railways and what are their salaries ?

Mr. A. A. L. Parsons : I am sending the Honourable Member a statement giving the information desired.

CHARGES AGAINST HEM CHANDRA DAS GUPTA, ESTABLISHMENT CLERK IN THE OFFICE OF THE DISTRICT TRAFFIC SUPERINTENDENT, ASSAM BENGAL RAILWAY, CHITTAGONG.

533. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state whether it is a fact that the establishment clerk Hem Chandra Das Gupta of the office of the District Traffic Superintendent, Assam-Bengal Railway, Chittagong, was involved in many charges, and that two Assistant Traffic Superintendents enquired about those charges, which were substantially proved ? What punishment have the authorities of the Railway inflicted on him ?

Mr. A. A. L. Parsons : Government have no knowledge of the facts. I must point out to the Honourable Member that the clerk in question is a servant of the Company and not of Government.

PREVENTIVE OFFICERS AT CHITTAGONG.

534. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state how many Preventive Officers there are now at Chittagong ? How many of them are Muslims, Indian Christians and Hindus ? Do Government propose to direct the customs authorities at Chittagong to recruit at least 45 per cent. of recruits from the people of the Muslim faith ?

The Honourable Sir Bhupendra Nath Mitra : There are in all 20 officers in the Preventive establishment at Chittagong ; namely, one non-domiciled European, 14 Anglo-Indians or domiciled Europeans, 2 Hindus and 3 Muslims. The appointing authority has been instructed, when future recruitments are made, to give effect to the declared policy of Government that no single community should be given undue preponderance ; but Government are not prepared to prescribe any definite percentage for the recruitment of men from particular communities.

TOTAL SERVICE RENDERED IN THE POSTAL DEPARTMENT BY BABU A. N. RAY, DEPUTY POSTMASTER GENERAL, BENGAL AND ASSAM.

535. ***Mr. Anwar-ul-Azim :** (a) Will the Government be pleased to lay on the table a statement showing the total service rendered in the Department by Babu A. N. Ray, Deputy Postmaster General attached to the

Postmaster General's Office, Bengal, and the service rendered by him as clerk in the Postmaster General's Office, Bengal and Assam, Personal Assistant to the Postmaster General, Bengal and Assam, and Deputy Postmaster General attached to the office of the Postmaster General, Bengal and Assam ?

(b) Did he serve anywhere outside Bengal during his long service ? If so, for what period ?

(c) Is it a fact that he has been all along in the Postmaster General's Office, Bengal ? If so, why ?

The Honourable Mr. A. C. McWatters : The information asked for by the Honourable Member is as follows :

- | | | | |
|---|---------|---------|-----------------|
| (a) Total service | | | about 30 years. |
| As clerk in the Postmaster-General's Office, Bengal and Assam | | | about 5 years. |
| As personal Assistant to the Postmaster-General, Bengal and Assam | | | about 16 years. |
| As Deputy Postmaster-General, Bengal and Assam | | | about 1 year. |

(b) No.

(c) No. He was in the Director-General's office for nearly 5 years and in charge of a division for 1 year.

REPRESENTATION OF MUSLIMS IN CERTAIN SPECIFIED OFFICES.

536. ***Mr. Anwar-ul-Azim :** (1) Will the Government be pleased to state the number of Superintendents, clerks, and other non-gazetted officers (Hindus, Moslems and other communities) in the office of the (a) Accountant General, Bengal, (b) Controller of Currency, including Paper Currency, (c) Pay and Accounts Office, Miscellaneous Central Departments, (d) Pay and Account Office Survey Calcutta, (e) Controller of Military Accounts, Presidency and Assam District, and (f) Examiner of Government Accounts ?

(2) If the number of Moslems is very meagre in these departments, will the Government be pleased to state what policy they desire to follow to redress this injustice to the Moslems ?

The Honourable Sir Bhupendra Nath Mitra : The information is being collected and will be supplied to the Honourable Member in due course.

PAPERS SET FOR THE EXAMINATION FOR RECRUITMENT OF CLERICAL STAFF FOR THE OFFICE OF THE ACCOUNTANT GENERAL, BENGAL.

537. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state who is the authority responsible for setting examination papers for recruiting the clerical staff in the office of the Accountant General, Bengal, and who are the examiners of those papers ? Do they follow any system by which the names of the examinees could not be known or disclosed ?

The Honourable Sir Bhupendra Nath Mitra : Enquiry is being made and a reply will be sent to the Honourable Member in due course.

AMALGAMATION OF GRADES I AND II CLERKS IN THE FOUR OFFICES IN CALCUTTA UNDER THE CONTROLLER OF PRINTING AND STATIONERY.

538. ***Mr. Anwar-ul-Azim** : (a) Will the Government be pleased to state whether they have received the report as stated by the Honourable Member in charge of the Department of Industries and Labour in his answer to my starred question No. 73 (b) and (c), dated 1st February, 1928 from the Controller of Printing and Stationery who was investigating into the nature of work and responsibilities of the clerks of the two grades I and II in the four offices in Calcutta under his control ?

(b) If the answer be in the affirmative, do Government propose to amalgamate the two grades at an early date and give effect to it since its re-organisation in January, 1925 ?

The Honourable Mr. A. C. McWatters : (a) The answer is in the negative.

(b) Does not arise.

REPRESENTATION OF MUSLIMS IN THE FOUR OFFICES IN CALCUTTA UNDER THE CONTROLLER OF PRINTING AND STATIONERY.

539. ***Mr. Anwar-ul-Azim** : (a) Will the Government be pleased to lay on the table a statement showing the number of Superintendents, head assistants (senior and junior) and assistants in the four offices at Calcutta under the Controller of Printing and Stationery and the number of Musalmans in each grade ?

(b) Is it a fact that there is not a single Moslem Superintendent and head assistant in the above offices ? If so, do Government propose to fill up future vacancies in these grades by direct recruitment or by special promotion of Moslems from the Department to make up the percentage ?

The Honourable Mr. A. C. McWatters : The information desired by the Honourable Member is being obtained and will be communicated to him in due course. As regards the promotion of Moslems to the grade of Superintendent or head assistant, the attention of the Honourable Member is drawn to the reply given by the Honourable Sir Bhupendra Nath Mitra on the 13th September 1927 to part (b) of Mr. Abdul Haye's starred question No. 975 in the Legislative Assembly.

APPOINTMENT OF HINDUS TO POSTS VACATED BY MUSLIMS IN CERTAIN SPECIFIED OFFICES.

540. ***Mr. Anwar-ul-Azim** : (a) Will the Government be pleased to state whether it is a fact that Hindus were provided in the posts vacated by the following Moslem clerks of the offices mentioned against their names :

1. Maulvi Nazir Hosain Khondkar, B.A., clerk grade I, C. P. Branch, resigned in December, 1925 ;
2. Md. Shafi, clerk grade II, Calcutta Press, died in 1925 ;
3. Maulvi Abdul Rashid, B.A., clerk grade II, Central Form-store, transferred to the office of the A. G. Bengal in November 1926 ;

4. Maulvi Mohiuddin Ahmed, B.A., clerk grade I, Central Stationery Office, resigned in 1926 ;
5. Maulvi M. Rausan Ali, B.A., clerk grade I, Central Stationery Office, resigned in 1928 ;
6. Maulvi Farhad Husain, B.A., clerk, Controller of Purchase, resigned in July, 1928 ?

(b) Do the Government propose to increase the number of Moslems in the offices where the percentage of Moslems is already too small ?

The Honourable Mr. A. C. McWatters : The accepted policy of Government in the matter of the appointment of members of minority communities in public offices is being observed in the offices in question. As this policy does not involve the filling of every post vacated by a Muslim by a member of the same community, Government do not consider that any useful purpose would be served by collecting the information asked for in part (a) of the question.

MEMORIAL SUBMITTED BY THE CLERKS OF THE FOUR OFFICES IN CALCUTTA UNDER THE CONTROLLER OF PRINTING AND STATIONERY.

541. ***Mr. Anwar-ul-Azim :** (a) Will the Government be pleased to state whether the memorial that was under the consideration of the Head of the Department as stated by the Honourable Member in charge of the Industries and Labour in his reply to my starred question No. 72 (e), dated 1st February, 1928, has been submitted to the Government ?

(b) If the answer be in affirmative, will the Government be pleased to state what steps have been taken to remove the grievances of the memorialists ?

(c) If the answer be in the negative, will the Government be pleased to state how long the Head of the Department will take to submit the memorial to Government ?

The Honourable Mr. A. C. McWatters : (a) No.

(b) Does not arise.

(c) I am unable to say ; but he has been asked to expedite its submission.

NUMBER OF POSTS SANCTIONED OR VACANT IN THE FOUR OFFICES IN CALCUTTA UNDER THE CONTROLLER OF PRINTING AND STATIONERY.

542. ***Mr. Anwar-ul-Azim :** Will the Government be pleased to state the number of posts sanctioned or fallen vacant in the various grades in 1928 up to this time in the four offices in Calcutta under the Controller of Printing and Stationery and state the number of posts filled up by Moslems ?

The Honourable Mr. A. C. McWatters : The information desired by the Honourable Member is being obtained and will be communicated to him in due course.

NUMBER OF MUSLIMS EMPLOYED IN THE GOVERNMENT TEST HOUSE, ALIPORE ETC.

543. ***Mr. Anwar-ul-Azim :** (a) With reference to the reply to my starred question No. 70 (b), dated 1st February 1928, will the Government

be pleased to state the number of Musalmans in the Government Test House, Alipore, out of 57 superior posts and 33 inferior servants ?

(b) Will the Government be pleased to state whether the temporary clerks on fixed pay or on time-scale of pay are entitled to the privilege of casual and privilege leave and whether their past services are counted if they are subsequently confirmed in those posts ?

(c) If the answer be in the affirmative, why were the ten clerks who were appointed in the posts (of which 8 were on a fixed salary of Rs. 25 and 2 on Rs. 30—80) sanctioned by the Department of Industries and Labour for the Calcutta Press, with effect from 1st October 1921 from the apprentices who were already in the Calcutta Press, deprived of all the privileges mentioned in (b) above ?

The Honourable Mr. A. C. McWatters : (a) The number of Muslim staff employed at the Government Test House, Alipore, on the 1st September 1928, was as follows :—

Superior Staff	1
Inferior Servants	3

(b) Casual leave is not a recognised form of leave and is granted at the discretion of the head of an office. Government servants holding temporary posts are eligible for recognised leave when there is no extra expense to Government. If a temporary Government servant is, without interruption of duty, appointed substantively to a permanent post, his leave account is credited with the amount of leave which he would have earned by his previous duty if he had performed it while holding a permanent post substantively, and is debited with the amount of recognised leave actually taken while holding the temporary post.

(c) The information is being obtained and will be communicated to the Honourable Member in due course.

APPOINTMENT OF MUSLIMS AS CLERKS IN THE BRANCHES OF THE STATIONERY AND PRINTING DEPARTMENT IN CALCUTTA.

544. **‘Mr. Anwar-ul-Azim :** (a) With reference to the reply to my starred question No. 72 (a), dated 1st February 1928, will the Honourable Member be pleased to state whether the preliminary examinations are conducted after notification in the local newspapers or after consulting the Assistant Director of Public Instruction for Muhammadan education, Bengal, to secure a sufficient number of qualified Muhammadan candidates ?

(b) If not, what is adopted in its stead ?

(c) Will the Honourable Member be pleased to state the number of Muhammadan candidates who came out successful in the preliminary examinations held in 1926 and 1927 and how many of them have been provided up till now ?

The Honourable Mr. A. C. McWatters : (a) and (b). Applications are called for by public advertisement from candidates of all communities for appointment to the clerical posts in the Branches of the Stationery and Printing Department at Calcutta

(c) Four in 1926 and 29 in 1927. Information regarding the number of successful Muslim candidates in 1926 and 1927, who have so far been provided with appointments, is being obtained and will be supplied to the Honourable Member separately.

APPOINTMENT OF MUSLIMS IN THE BRANCHES OF THE STATIONERY AND PRINTING DEPARTMENT IN CALCUTTA.

545. ***Mr. Anwar-ul-Azim :** (a) With reference to the reply to my starred question No. 414 (a), dated 25th August 1927, when the Honourable Member said that out of 113 vacancies only 27 were offered to Muslims of whom 6 did not accept, will the Government be pleased to state whether these posts were again offered to other Muslims ; if not, why ?

The Honourable Mr. A. C. McWatters : It is not obligatory to offer posts refused by members of any community to members of the same community ; but I shall ascertain if any of the six posts was offered to a Muslim and shall see that the Honourable Member is informed.

TELEGRAPHIC CONNECTION BETWEEN NOAKHALI AND HATIYA AND THE SANDWIP ISLANDS.

546. ***Mr. Anwar-ul-Azim :** (a) Is it a fact that there is no telegraphic connection between Noakhali and Hatiya and the Sandwip Islands ?

(b) Is it a fact that the Megna River which runs between the above places is difficult to cross in consequence of its swift course ?

(c) If the answers to (a) and (b) are in the affirmative, are Government aware that the inhabitants of the above Islands are put to inconvenience in regard to their communication with other parts of the country ?

(d) Are Government prepared to take necessary steps to establish telegraphic connection between the places in question.

Mr. P. G. Rogers : (a), (b) and (c). Yes.

(d) The matter is under consideration.

NUMBER OF MUSLIM AND HINDU POSTAL CLERKS AND SUB-POSTMASTERS EMPLOYED UNDER THE POSTMASTERS, PESHAWAR AND ABBOTTABAD.

547. ***Mr. Anwar-ul-Azim :** (1) Is it a fact that the Director General, Posts and Telegraphs, issued to his subordinate offices a general letter No. A.M.-516/12-27, dated the 22nd November 1927, on the subject of representation of minority communities and that these orders referred to fresh recruitment ?

(2) Will the Government be pleased to state the exact number of Muslim and Hindu postal clerks and sub-postmasters in the jurisdiction of the Postmasters, Peshawar and Abbottabad, on the 1st December 1927 ?

(3) Will the Government be pleased to state which of the two communities referred to in question 2 above was the minority community ?

(4) Will the Government be pleased to state the name of the postal clerks and probationers recruited there between the 1st December 1927 and the 31st July 1928 ?

(5) Will the Government be pleased to state whether the minority community was given its share according to the Director General's orders in the recruitment referred to in question (4) above and whether the third vacancy was given to a member of the minority community ?

(6) Will the Government be pleased to state what arrangements they propose to make to give a due proportion of communal representation in the Postal Department to Muslims forming 95 per cent. of the population in the North West Frontier Province ?

The Honourable Mr. A. C. McWatters : The facts are not quite as stated by the Honourable Member. The Director-General's letter referred to by him deals with the steps necessary for the prevention of the preponderance of any one class or community in the Department in his charge. The instructions are confined to cases of fresh recruitment.

Information on the other parts of the question is being collected and will be supplied to the Honourable Member in due course.

Mr. M. S. Aney : May I ask if Government is in any way committed to the principle of reservation of posts for majority communities on a population basis ?

The Honourable Mr. A. C. McWatters : Will the Honourable Member kindly repeat his question ? I did not hear it.

Mr. M. S. Aney : Is Government in any way committed to the principle of reservation of posts even for majority communities on a population basis as clause 6 of the question seems to suggest ?

Mr. K. Ahmed : That is a matter of opinion.

The Honourable Mr. A. C. McWatters : No, Sir.

RESTRICTION OF THE RECRUITMENT OF CLERKS IN THE POSTAL DEPARTMENT TO THE REVENUE DIVISION TO WHICH THE CANDIDATES PERMANENTLY BELONG.

548. ***Mr. Anwar-ul-Azim :** (1) With reference to the Director General's reply to question No. 38 of the last Delhi Session, will the Government be pleased to state whether recruitment of clerks in the Postal Department is restricted to the Revenue Division to which the candidates permanently belong ?

(2) Is it a fact that Amir Chand, a candidate in the Ludhiana Division, referred in the reply to question No. 38, was removed because he did not belong to the Revenue Division in which employed ?

(3) Is it a fact that Sohan Lal, a candidate, now reserve clerk, Peshawar, son of Mool Chand, retired draftsman of the Archaeological Department, and a permanent resident of Roorkee (Saharanpur), was taken in by the Postmaster, Peshawar, in the Peshawar head office ?

(4) Will the Government be pleased to state what the permanent residence of Mr. Mool Chand, father of Sohan Lal, is ?

(5) If Sohan Lal does not belong to the North West Frontier Revenue Division, do Government propose to take action similar to that taken in the case of Amir Chand referred to in question 2 above and direct the Postmaster, Peshawar, not to violate orders in this behalf ?

Mr. P. G. Rogers : (1) Yes, that is the policy ordinarily followed.

Information regarding the other parts of the question is being collected and will be supplied to the Honourable Member in due course.

MEMBERSHIP OF POLITICAL ASSOCIATIONS BY GOVERNMENT SERVANTS.

549. ***Mr. Anwar-ul-Azim :** (1) Will the Government be pleased to state if the Revenue Commissioner, North-West Frontier Province, received a communication, dated the 29th May 1928, from Samundar Khan, Secretary of a Muslim Association, Peshawar Cantonment ?

(2) Is it a fact that the said communication contained proceedings of a meeting of the said Association, dated the 27th May 1928 ?

(3) Is it a fact that no Government servant can hold office of a political association according to the Government Servants' Conduct Rules ?

(4) Will the Government be pleased to ascertain and intimate whether Kanshi Ram, a clerk of the Peshawar Post Office, is the Secretary of the local Arya Samaj and whether Jewan Lall, another clerk, is associated with the local Hindu Sabha, and if so, do they propose to take suitable action in the matter ?

Sir Denys Bray : (1), (2) and (3). Yes, Sir.

(4) I understand that Kanshi Ram is not the Secretary of the local Arya Samaj. Jewan Lall is associated, but not closely, with the local Hindu Sabha, which is a non-political body. Government do not propose to take any action in the matter.

ALLEGATIONS AGAINST NAND LAL KHERA, A CLERK OF THE POST OFFICE, PESHAWAR.

550. ***Mr. Anwar-ul-Azim :** (1) Is it a fact that Nand Lal Khera, a clerk of the Peshawar Post Office, was involved in a case of loss of an insured letter on account of his being alleged to have written a letter containing information about the offender ?

(2) Is it a fact that the said Nand Lal took leave on the plea of sickness and conducted the case against him in a court at Mianwali ?

(3) Is it a fact that the said Nand Lal was convicted by the lower court and then the information reached the Postmaster, Peshawar, who placed him under suspension ?

(4) Is it a fact that the said official was acquitted by the appellate court and the Postmaster reinstated him in his post ?

(5) Will the Government be pleased to state if the particulars of the case, the suspension of the official and his reinstatement, were reported by the Postmaster, Peshawar, to the Postmaster General, Punjab and North-West Frontier Circle ; and if not, why not ?

(6) Was the Postmaster, Peshawar, competent to reinstate the official ?

The Honourable Mr. A. C. McWatters : Government have no information.

The Revd. J. C. Chatterjee : Will you kindly permit me, Sir, to put my question ? I was unavoidably absent at the time my question was called.

(Mr. President signified assent.)

RETENTION BY OFFICERS OF THE INDIAN TERRITORIAL FORCE OF THEIR HONORARY RANK AFTER RETIREMENT, ETC.

523. *The Revd. J. C. Chatterjee : (a) Will Government be pleased to give an assurance that the provisions contained in the Indian Territorial Bill as passed during the last Delhi Session will be given effect to in time for the next training camps for the Indian Territorial Force, to be held in January and February 1929 ?

(b) Will Government be pleased to state if they will permit officers of the Indian Territorial Force at present holding Honorary King's Commissions to retain their honorary rank, if they decide to resign from the Force, consequent on the application of the new rules ?

(c) Are Government prepared to equalise, as far as possible, the status of officers in the Territorial Forces with that of the officers in the Army in India Reserve of Officers, by granting to the former privileges similar to those enjoyed by the latter in regard to retaining fees, travelling allowances, equipment, etc. ?

(d) In view of the fact that under the provisions of the new Bill a retaining fee is to be paid to the non-commissioned officers and sepoy of the Indian Territorial Forces, do Government propose to consider the desirability of the payment of a bonus to those non-commissioned officers and sepoy who have completed six years or more of service in the Indian Territorial Forces under the old system ?

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

(b) Officers holding Honorary King's Commissions will be permitted to retain their honorary rank if they continue to serve. Retention of rank after retirement is not ordinarily permitted unless an officer has had 15 years' service.

(c) No, Sir. The officers of the Territorial Force and of the Auxiliary Force (India) on the one hand serve under conditions entirely different from those of officers of the Army in India Reserve of Officers on the other. The conditions of service of officers of the Indian Territorial Force and the Auxiliary Force (India) have, however, been assimilated as far as possible.

(d) The Honourable Member is misinformed. The new Bill makes no provision for a retaining fee, and the remaining part of the question does not therefore arise.

QUESTIONS NOT PUT OWING TO THE ABSENCE OF THE QUESTIONER, WITH ANSWERS TO THE SAME.

REFUSAL OF THE AGENT TO GRANT CARD PASSES TO THE OFFICE-BEARERS OF THE EAST INDIAN RAILWAY UNION AT MORABABAD.

520. *Lieutenant-Colonel H. A. J. Gidney : (1) Is it a fact that the Agent, East Indian Railway, has refused :

(a) to grant card passes to the office-bearers of the East Indian Railway Union, Moradabad ;

(b) to grant special casual leave and passes to members of the Union attending its meetings ; and

(c) to publish the fact of his recognition of the Union in the East Indian Railway Weekly Gazette and to supply the Union with a copy of the Gazette ?

(2) Do Government propose to take the necessary steps to remedy this defect ?

Mr. A. A. L. Parsons : (1) (a) Card or other passes are not granted to the office-bearers of this or other Unions on the East Indian Railway who are not railway employees.

(b) Members of Unions who are railway employees are allowed any leave or passes they may be entitled to by the terms of their railway service, but no special leave or passes are allowed.

(c) I understand that no statement of relations of the Agent with this Union has been published in the East Indian Railway Weekly Gazette, which is purely a railway publication containing working instructions. For the same reason a copy of this Gazette is not supplied either to the Union or to any outside body.

(2) No. The action of the Agent with regard to leave and passes is in accordance with the policy of Government.

DEPLORABLE CONDITION OF THE QUARTERS OF THE INDIAN STAFF OF THE OUDH AND ROHILKHAND SECTION OF THE EAST INDIAN RAILWAY.

521. ***Lieutenant-Colonel H. A. J. Gidney :** (a) Are Government aware of

(1) the deplorable condition of the quarters of the Indian staff of the Oudh and Rohilkhand Railway section ;

(2) the consequent loss of property to the staff ;

(3) the want of repairs to these quarters ; and

(4) the repeated representations made by these employees ?

(b) Do Government propose to take early steps to remedy this condition ?

Mr. A. A. L. Parsons : No report to this effect has been received by the Railway Board, but they are sending a copy of the Honourable Member's question to the Agent, East Indian Railway, in order that he may consider whether any action is necessary.

UNSTARRED QUESTIONS AND ANSWERS.

ALLEGATIONS AGAINST RAILWAY OFFICIALS IN CONNECTION WITH THE ACCIDENT BETWEEN HAYAGHAT AND KISHUNPUR ON THE BENGAL AND NORTH WESTERN RAILWAY.

347. **Khan Bahadur Sarfaraz Hussain Khan :** (a) In view of the serious allegations made against certain railway officers in connection with the railway accident between Hayaghat and Kishunpur on the Bengal and North-Western Railway (*vide* question No. 101 and Government reply in the Bihar and Orissa Legislative Council on the 9th March 1928), will Government please state if the allegations made in clauses (c), (d), (e), (f) and (g) are true ?

(b) If true, wholly or partially, will Government please state if they have taken or propose to take action against the offending railway officers ?

Mr. A. A. L. Parsons : (a) The answer is in the negative but the evacuation of the wounded might have been done more efficiently.

(b) The Honourable Member is referred to the answer given to part (d) of question No. 168 asked by Mr. Gaya Prasad Singh in this Assembly on the 4th September 1928. Government do not propose to take any other action.

ABOLITION OF THE EXPORT DUTY ON RAW HIDES.

348. Mr. Muhammad Rafique : Will the Government be pleased to supply information on the following points :

- (a) If replies in connection with the proposed abolition of the duty on the export of raw hides, to which reference was made by the Honourable Member (Commerce) in his speech at the last Session while speaking on the export duty, have been received from the Governments of Bengal and the Punjab ?
- (b) Have Government appointed an *ad-hoc* Committee to consider this question ? If so, who are the members ?
- (c) If the Committee is not appointed, when do the Government propose to appoint the Committee ?
- (d) Do Government propose to give effect to the recommendations of the Committee in the next year's Budget ?
- (e) Will the Government lay on the table copies of the letters received from the Provincial Governments in this connection ?

The Honourable Sir George Rainy : (a) and (e). Copies of the replies received will be placed in the Library.

(b), (c) and (d). The position of Government will be explained when the Honourable Member moves his Resolution on the subject on the 18th instant.

GRIEVANCES OF THE CLERKS AND PODDARS OF THE CALCUTTA CURRENCY OFFICE.

349. Mr. Amar Nath Dutt : (a) Has the attention of the Government been drawn to the grievances of the Calcutta currency clerks and poddars published in the *Hitabadi* of the 29th June 1928 and 3rd August 1928, the *Forward* of the 24th May 1928, 21st July 1928 and 27th July 1928, and the *Amrita Bazar Patrika* of the 17th July 1928 and 1st August 1928 ?

(b) Have Government made any enquiry into the various grievances referred to therein ?

(c) If so, will the Government be pleased to lay on the table the result of such enquiry ?

(d) If not, do Government propose to enquire into the grievances of the poddars and clerks of the Calcutta Currency Office and arrange for such redress as Government deems fit and proper ?

The Honourable Sir Bhupendra Nath Mitra : (a) and (b). Yes.

(c) and (d). The grievances relate to the following matters :

- (i) recovery of leave allowances paid some years ago ;
- (ii) reduction of establishment ; and
- (iii) an incident in the Coin Section of the Currency Office.

As regards (i), Government have decided to waive recovery from the individuals to whom excess payments were made. With regard to (ii), the position is that, as work had fallen off in certain directions, the sanctioned staff had to be redistributed. The position regarding (iii) is explained in the letter from the Controller of the Currency to the Labour Intelligence Officer, Bengal, dated the 15th August 1928, a copy of which I will give to the Honourable Member. Things have quietened down and work is proceeding smoothly as usual.

STATEMENT OF BUSINESS.

The Honourable Mr. J. O'rerar (Leader of the House) : Sir, with your permission, I should like to make a statement of the probable course of business during the next week. Much depends on the progress made to-morrow with the debate on the Public Safety Bill. On yesterday's list, seven Bills were placed below the Public Safety Bill and these Bills have already been placed on to-morrow's list. Any business on to-morrow's list which is not completed on that day will be taken up on Monday, and if not completed will be taken on Wednesday of next week. In addition to these Bills it is hoped to make progress with the Trade Disputes Bill, on which a motion will be made for the appointment of a Select Committee, with the Dangerous Drugs Bill, on which a motion will be made for circulation, and on the Workmen's Compensation (Amendment) Bill, on which a motion will also be made for circulation. It is also expected to introduce a Bill to amend the Patents and Designs Act. The Insurance Bill, as reported by the Select Committee, will be ready for the consideration motion, which will probably be moved on Wednesday, the 19th.

In addition, supplementary estimates will be put down for Wednesday, the 19th, and notice has also been given for the election of a fresh panel from whom members will be nominated to serve on the Standing Committee to advise on the subjects dealt with in the Department of Commerce. A motion for that purpose will be put down for Wednesday, the 19th. There is a further motion to appoint a Committee to review the separation of railway finance.

THE RESERVATION OF THE COASTAL TRAFFIC OF INDIA BILL.

Mr. President : The House will now proceed to the legislative business. The first business is the motion that Mr. Sarabhai Nemchand Haji's Bill to reserve the coastal traffic of India to Indian vessels be referred to a Select Committee. I am grateful to the European Group in this House for giving me notice that they propose, at the last stage when the Bill is about to be passed and when the final motion is made, to raise a point of order that this Bill is *ultra vires* of this Legislature.

Mr. Sarabhai Nemchand Haji (Bombay Central Division : Non-Muhammadan Rural) : Sir, I beg to move that the Bill to reserve the Coastal Traffic of India to Indian vessels be referred to a Select Committee consisting of Pandit Motilal Nehru, Mr. Jamnadas M. Mehta, Mr. R. K. Shanmukham Chetty, Mr. Satyendra Chandra Mitra, Maulvi Muhammad Shafee, U. Tok Kyi, Lala Lajpat Rai, Pandit Madan Mohan Malaviya, Mr. Ghanshyam Das Birla, Mr. K. C. Neogy, Mr. M. S. Aney, Sir Purshotamdas Thakurdas, Mr. Abdul Matin Chaudhury, Nawab Sir Zulfiqar Ali Khan, Nawab Sir Sahibzada Abdul Qayyum, Sir James Simpson, and the Mover, with instructions to report on or before the 10th February, 1929, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be six.

Sir, in moving this motion, I speak, and I hope not without justification, with the fullest confidence that this motion will be passed by this House. What is this motion ? It is the logical and inevitable step which follows from the motion which this House passed last Session at Delhi when it allowed the Bill to go forward for the purpose of eliciting public opinion thereon. It is no doubt true that the Government could say at this stage that though they received opinions, yet they did not want to examine them at all. I hope the Government will not adopt that course.

Mr. K. Ahmed (Rajshahi Division : Muhammadan Rural) : What are the reasons for that attitude of Government ?

Mr. Sarabhai Nemchand Haji : You will presently know the reasons when the Honourable the Commerce Member speaks on the subject. The other course open to us is to go forward with the motion that I have placed before the House and to take the Bill on to the Select Committee, where all these opinions that we have received—over 100 in number—would be sifted, examined and analysed in order that the Bill may be perfected. This, Sir, is a motion which I do not see how it would become any one in this House to oppose, especially after fact that in the Delhi Session we invited the opinions of public associations and organisations and of the different Local Governments on the matter. How is it possible for Government now to say that this motion should not be made ? The Honourable Sir George Rainy said in the Delhi Session that the Government hoped that the Local Governments would examine this Bill from the point of view of their coastal trade. Having invited the Local Governments to put before the Central Government and before the public their views on the reservation of coastal traffic, how is it possible. I ask, for Government to oppose this motion for the reference of the Bill to a Select Committee ?

Sir, so far as the question of coastal reservation is concerned, it has been one which has been before the House and the country at large for a very long number of years, particularly since the formation of the new Legislatures. It was in the very first Assembly, Sir, that Sir P. S. Sivaswamy Aiyer, who as we are all aware was a tower of strength to the non-official Benches during the period that he was a Member in this House and whose great interest in this matter of an Indian Mercantile Marine—I take this opportunity to acknowledge with thanks—moved a Resolution that a Committee should be appointed by the Government of India to consider the various means by which the Indian mercantile marine could be developed. Among the terms of reference was this question of coastal reservation. This Committee, Sir, I should like to draw the attention of the House, was not one selected by us, but it was a Committee nominated by

Government themselves. It was a Committee on which I certainly admit that the Government tried to make as fair nominations as they possibly could. But, Sir, it appears that they are now sorry that the nomination of members on that Committee was, unlike the other Committees, a fair one, because, Sir, the treatment they have meted out to this Committee and its report is—I would not use a stronger word—scandalous. The personnel of this Committee was one of the best that the Government could secure. It was presided over by Captain (now Sir) Edward Headlam, Director of the Royal Indian Marine, and an expert on the subject of mercantile marine. Sir John Byles was specially called for from London in his capacity as a naval architect and special nautical adviser to the India Office. The British vested interests in the world of shipping were very skilfully represented on that Committee by Sir Arthur Froom. So far as Indian interests were concerned, I gladly acknowledge that the very best men from our public and commercial life were taken. We had Mr. (now Sir) Lalubhai Samaldas, Mr. Jadu Nath Roy to represent commercial interests, and last but not the least Diwan Bahadur T. Rangachariar, to represent the Central Legislature. So splendid being the composition of this Committee and as I will presently show so fair being their report, did it become the Government of India to take months and months before they examined the decisions and challenged the recommendations of this Committee? So far as I remember, Sir, not even an ordinary “thank you” was vouchsafed to this Committee. Why is it so? What was the crime, what was the offence committed by this Committee? The crime was that they recommended the reservation of the coastal traffic of India for Indian vessels, in order that the Indian mercantile marine might be developed. That much, Sir, with regard to the composition of the Committee and the mean treatment which has been meted out to the report of the Committee by the Government of India. Sir, as I said before, the personnel of the Committee was one which inspired confidence and, so far as British interests are concerned, they were very well represented by Sir Arthur Froom.

Mr. President : The Honourable Member must not repeat himself.

Mr. Sarabhai Nemchand Haji : No, Sir, except where I think it leads to emphasis. The personnel of this Committee was very satisfactory. The work of this Committee also was very satisfactory. This Committee examined a large number of witnesses and in all the Indian ports they toured they had the benefit of a strong body of expert advice of Captain Sir Edward Headlam, Sir John Byles and the commercial opinion of Indians and Europeans as represented by the other members. This being so, I feel, Sir, that the attempts that have been made in this House particularly to belittle the achievement of this Committee deserve and call for very strong protest. It has been said in this House by no less a Member than the late Commerce Member of the Government of India that this Committee did not examine the economic effects of their recommendations as regards reservation of the coastal traffic for Indian vessels. Just think of it, Sir. A Committee with three business men and even Sir John Byles is a bit of a business man, as I happen to know him, these three business men, it is said, did not know their business. The scores of Indian associations that put their views before this Committee did not know their business. The Indian commercial Chambers did not know their business. They did not know what they wanted when they came and told the Committee that they wanted coastal reservation for their benefit. The shippers of India

[Mr. Sarabhai Nemchand Haji.]

did not know what they wanted when they told the Committee that reservation was the only method by which any genuine attempt to develop the mercantile marine could be made. The representatives of Indian States and the representatives of consumers, all these have asked for coastal reservation. How does it behove the Government of India to say that the country has not been brought in touch with the economic questions involved in the problem of coastal reservation? It seems to me, Sir, that this economic question or rather the argument that the economic question was not properly examined by the Committee is merely brought in by the Government to justify the inexcusable delay they made in giving expression to their own opinion on the coastal reservation principle as recommended by the Committee. The Committee reported in 1924 and the country was not made aware of the opinions of the Government of India on those recommendations until 1926. I do not believe that two years and more are required to study the recommendations of the Committee. The House is aware that, when it suits the Government, they expedite the enactment of legislation based on recommendations of Committees. As regards the recommendations of a number of Committees, the Government have expedited their legislation. But here of course the Committee had recommended a principle which is essentially in the interests of Indian shipping; and because the Government of India stand there in their strong array to buttress British interests they sit tight on this report as long as they can. Then they came out with their arguments whose fallacies I will presently show.

Sir, the present motion affords an opportunity for all parties in this House to express a definite opinion on this subject. It has been said in the course of the many opinions that have been received on the Bill that there are associations and people who are in favour of the object of the Bill, but they do not seem to agree with the methods recommended by the Bill. But, Sir, these gentlemen have stopped short at that. If they had been really serious, if they had the interests of India at heart they would have said, "Do not follow the coastal reservation method: follow some other method which we suggest". They could have elaborated their points. What have they done so far? They have only said that this thing will not do and they have nothing better to suggest. That is what I find from the recorded opinions of those who have very equivocally supported the objects of the Bill for developing the Indian mercantile marine but opposed the methods recommended by the Bill. After all, Sir, the Bill seeks, and I think rightly, to try and develop Indian shipping in a manner by which the economic interests of the whole country will be served. (*An Honourable Member*: "Question?") The question always emanates from people who are here to conserve foreign interests, who are here to conserve, or as our learned leader, Lala Lajpat Rai, pointed out yesterday, to exploit and to get the best out of the economic life-blood of this country, to fatten and grow rich at our cost, and when we make a most modest demand, to come out here and stand here like sticks in the mud which would not allow any progress to be made. Sir, this motion is an acid test, particularly with regard to those who pretend to have some solicitude for our economic welfare and yet are intent upon conserving their own interests. After this motion is moved, it will not do with any honesty to say that you approve of the desire often expressed to develop Indian shipping but you regret you cannot approve of this

measure. Why, Sir ? Because the whole country, the whole of Indian India is supporting the principle underlying the Bill and it is this principle underlying the Bill which is being opposed tooth and nail by the foreign exploiters of this country and by the Government behind whom they are entrenched. This motion provides an opportunity for those gentlemen who want to vindicate their faith and their honesty in this matter to do so by supporting the motion, because as I said before, what does this motion seek ? Merely to sift, to analyse and examine and thereby to improve where necessary the Bill before us. It will not do for any one to oppose this motion and say that he very much appreciates and is looking forward to the day when India will have a mercantile marine worthy of her greatness in the past. No, Sir. We do not any longer want any platitudes and praises regarding our past. We have had plenty of it before. Sir, that reminds me of a learned man who once said that when Englishmen or rather Britishers in Dominions and in Colonies hark back to the ancient days of glory of the Dominion and of the colony, all that they intend is that the nationals of that Colony or Dominion should continue to look back to the past while the admiring gentlemen are very busy filling their pockets in the present. We do not want any such tactics being continued to be adopted in this country. Let us have it frankly stated here that they are opposed to the whole idea of the development of an Indian mercantile marine. Let them say that Britain serves India so well, that British ships serve India so well, that they do not think it in the economic interests of India to attempt to develop an Indian mercantile marine. If they say so, then we know where they stand and where we stand. But if they propose to say nice things about us and also express very fine hopes with regard to our future, I think it is up to them, in order to show their honesty of purpose, that they should allow this motion to go through and take, whatever steps they propose to, at the consideration stage of the Bill. Sir, it is because we on this side of the House have nothing to fear from the very thorough examination to which the Bill will be subjected in the Select Committee that I have made this motion. Am I to understand that the critics of the Bill feel that they are so weak, that their cause is weak that they are afraid of the analysis of facts and arguments that will take place in the Select Committee ? Is it because in your heart of hearts you know that you have no case that you are afraid to come forward and to support this motion ? If it is not I fail to see any proper ground, particularly after this House has invited the opinions of the whole of the Indian public and the opinions of the European public, after having got the opinions from so many Governments, so many associations and so many individuals on this Bill, for the House to say that we do not want to look at these opinions, because, Sir, as we all know, those opinions can only be seriously considered in the calm atmosphere of the Select Committee. But, Sir, this is an issue on which the opponents of the Bill might prefer to show their strength, to show the great strength that they are given by the Government of India, at some of the later stages of the Bill. For example, I find that in the organ of British capitalistic interests entrenched in this country, the *Capital* of Calcutta, the writer who is well known under the name of "Ditcher" says.....

‘ Sir Victor Sassoon (Bombay Millowners’ Association : Indian Commerce) : Who is “Ditcher” ?

Mr. Sarabhai Nemchand Haji : I do not know but I am surprised that Sir Victor Sassoon does not know who the writer in the *Capital* is, who writes under the name of "Ditcher".

Sir Victor Sassoon : Who is he ?

Mr. Sarabhai Nemchand Haji : I do not know who he is, but "Ditcher" is his *nom de plume*.

Sir, this is what "Ditcher" writes in the *Capital* :

"Mr. Haji returns to the charge this week, as confident as ever, that his essay in legislation is equitable, businesslike and advantageous in the economic interests of this country. The brutal truth is that on such an issue argument is subordinate to power. The Legislative Assembly may pass Mr. Haji's Bill, but it is highly improbable that it will reach the Statute-book unless and until India attains Dominion status."

This outspoken and flagrant confession gives us a thorough idea of the mentality of the gentlemen opposite who oppose even the very modest motion that I have made upon the very modest measure to develop the participation of Indian owned ships in the coastal trade. But it is no doubt possible for the Honourable the Commerce Member to show himself a "Ditcher" in Simla. It is possible for him to repeat—I hope he will not—that argument is subordinate to power, but if he does so, if he, in the interests of the British commercial community in this country, tries to oppose this motion on the ground that sacred rights of property are threatened, that he owes a duty to the people that have put so much capital in this country, I ask him, does he not owe an equal duty, and even a greater one, to the people of this country ? Is he here to safeguard their interests or to develop ours ? Sir, I do not know what attitude the Honourable the Commerce Member is going to adopt in regard to this motion, but, Sir, if he becomes a rank partisan, and if he also makes out that argument is subordinate to power, I should like him to remember that when power is misused, and misused unendingly, as it has been for the last several years, with regard to shipping, even the proverbial worm will turn, and the country will doubtless rise against such an attitude of the Government of India.

Some of the principal issues in connection with the Bill, I will take your leave now to examine, before I put the motion standing in my name. So far as the general question of the development of an Indian mercantile marine is concerned, we have the opinion of Sir Charles Innes that :

"we recognise that it is perfectly legitimate, perfectly natural, that the people of India should desire to have a mercantile marine of their own."

This being so, I do not see how it is possible for any one to shut the door against an examination of one of the measures by which this perfectly legitimate, this perfectly natural, desire may be met in due course. Before I proceed any further, Sir, I would draw the attention of the House to one of the points which at one time was made as regards the competence of this House to embark upon a legislative measure of this character. It was stated that it was not possible for the Legislative Assembly to pass a Bill of this character because it contravenes the relative clauses of the British Merchant Shipping Act. But, Sir, that argument will no longer hold water, and I must say that, so far as the Government Benches are concerned, they have very rightly and properly not attached any weight to it, because they know, though it is not so well known outside, that when my friend Mr. Neogy about three years ago sought to introduce this very Bill in the last Assembly.....

Mr. President : The point of order will be raised at the proper time by the European group in this House and it is not necessary for the Honourable Member to go into that question at all at this stage.

Mr. Sarabhai Nemchand Haji : Sir, the reason why I allude to this point is this, that in my opinion it is not open to any Member of this House or to any people outside the House to challenge the competence of this House.

Mr. President : Order, order. I have already informed the Honourable Member and the House that I will give the fullest opportunity to them to discuss this point when it will be formally raised, and I would again ask the Honourable Member not to refer to it at this stage.

Mr. Sarabhai Nemchand Haji : Very well, Sir. If the opinion of the Law Officers of the Crown as available to us is to be challenged I will give my reply on the appropriate occasion.

I will leave that point now, Sir, and I will proceed to the point that this Bill is confiscatory in character, that this Bill seeks the expropriation of existing interests and the spoliation—I suppose they would say—of their property. Sir, this question of confiscation and expropriation in this connection has a very interesting history. This question of coastal reservation, as I said before, has been before the House and the country for the last six years in a certain definite form and no one raised this question of confiscation or expropriation either here or in the country or in the evidence before the Mercantile Marine Committee itself. The Mercantile Marine Committee itself did not raise this issue. The Honourable Sir Arthur Froom who, as I said before, was on this Committee on behalf of British interests did not raise this issue. Sir, this false issue was raised in this House, I am sorry to say, by the late Commerce Member of the Government of India when he took advantage of the absence from this House of a large majority of the elected Members on a constitutional issue and launched against the recommendations of the Mercantile Marine Committee an attack which was as baseless as it was unworthy of a Member of Government. Sir, with regard to that speech you will doubtless re-call the circumstances. The motion moved by Sir Sivaswamy Aiyer was that the recommendations of the Mercantile Marine Committee be accepted. You, Sir, moved that the motion of Sir Sivaswamy Aiyer was full of controversial points. At that time, Sir Charles Innes was anxious to go ahead with the scheme of nautical training, and it was understood by all parties in this House that nautical training was the issue before the House. It was the only issue that was put at the end of the discussion before the House ; but taking advantage of the fact that there were not enough gentlemen on the elected Benches of this House at that time, the late Commerce Member launched a very undignified attack upon the recommendations of this very competent Committee. And, Sir, the only ground on which he could sustain such an artificial structure of opposition was to talk big about this principle of property and expropriation.

Sir, so far as this question of expropriation is concerned, I should like to draw the attention of this House to the definition of that word. "Expropriation" has been defined as the "act of dispossessing the owner either wholly or to a limited extent of his property or proprietary rights". What, Sir, is now "property"? Property, according to the

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New Oxford Dictionary—and I am sure there is no more competent authority with regard to the English language ; I hope the Commerce Member will also accept that definition of property which I am going to give now—"property", Sir, is defined as "the condition of being owned by or belonging to some person or persons, hence the owning of a thing, the holding of something as one's own ; the right, specially the exclusive right, to the possession, use or disposal of anything, usually of a tangible material ; ownership ; proprietorship". (*An Honourable Member of the European Group* : "What about good will ?"). Sir, I have laid all my cards on the table. I have given you the full definitions of these words. I do not, like some of my Honourable friends, indulge in a half truth here and a half truth there. Good will in connection with British shipping in India is nothing but the crippling of Indian interests. Good will ! Sir, when during the last few decades of their monopoly of the coastal trade of this country they did not entertain a single Indian even as an apprentice upon their steamers. Good will ! indeed, Sir, when these British companies agreed only under pressure to take a few apprentices as occasion arose. Good will ! with regard to a shipping company whose representative said before the East Indian section of the London Chamber of Commerce that so far as the appointment of Indians on ships is concerned, so far as the employment of "Dufferin" cadets, for whom this country has spent so many lakhs of rupees is concerned, they must look to Indian companies for such employment. Good will ! to people who have bled India white and who have not disguised their dislike of Indians because of their colour.....

Sir Victor Sassoon : Will the Honourable Member now define the business term "good will" ?

Mr. Sarabhai Nemchand Haji : I am not of that confederacy to which my Honourable friend belongs. Even in this matter there is such a thing as morality. Anyway I have had my say in connection with this point of good will. I can give example after example to show that racial discrimination of a most poisonous kind was exercised against the employment of Indians and the development of Indian shipping in the coastal trade of India. But, Sir, to go back to our definition, if you are going to make out that this Bill will lead to expropriation you have to prove three things. You have to prove first of all that the Bill proposes to dispossess ; secondly, Sir, that it is dispossession of property ; and thirdly, Sir, that it is property which was rightly obtained. I am prepared to agree that for practical purposes this Bill will take away by degrees from the present interests their participation in the coastal trade of India. But the withdrawal of that participation which the Bill proposes is not confiscation. We do not propose that their ships should be confiscated to the State though I should very much like to do so in view of their history. Sir, most of you are, I dare say, aware of the ancient system in criminal law whereby the instrument of murder was forfeited to the State. Sir, these British ships are the instruments by which Indian ships have been strangled, and it would be in the fitness of things if the Government of India would see their way even to confiscate their ships. But, Sir, what I propose is a much milder thing. What I propose is that the participation of these ships should be gradually diminished until we have 100 per cent. Indianisation of the ships plying along the Indian coast.

I have yet to know that participation in a trade becomes the inherent right of the person participating in the trade. As I said before, participation in a trade is not a tangible material thing. It is intangible. It is under the control of the policy protective or otherwise, which the particular country might choose to adopt and it is not proper for gentlemen on the opposite side of this House to raise this issue of expropriation in this connection, because, Sir.....

Mr. M. S. Aney (Berar Representative) : No prescription.

Mr. Sarabhai Nemchand Haji : I am glad my Honourable friend Mr. Aney has mentioned prescription. Sir, the foreigners, whether Britishers or others, can have with regard to the coastal trade no property or prescriptive right because, both according to international law and Imperial legislation on the subject, the coastal trade of India is a domestic preserve of this country and it is within the competence of this Legislature to pass any measures to regulate the coastal trade in any way it chooses, and even the Government of England cannot debar this House from doing so. Probably the gentlemen on the opposite side of the House are enamoured of themselves as owners of property in connection with ships on the coastal trade. I am reminded, Sir, of another kind of owners. Their position in this connection is that of usurpers, usurpers who taking advantage of the political conditions prevailing in this country prevented Indians from getting any foothold in this shipping business, usurpers who have done a lot of harm to this country, people careful only of their own interests, people who have given a wholly false bias, if I may say so, to the economies of the coastal trade of this country. We find, Sir, that the coastal trade of India to-day is concentrated in about 7 major ports. These foreign shipping companies, times without number, have adopted various means by which the proper economic methods of transport adopted to the requirements of the coastal trade have not been allowed to operate. It is, I hope the House will easily understand, to the benefit of large shipping companies to employ, in the trade, large-sized vessels which call at a few ports, because, under those conditions they make the highest profits. The reason why I oppose any further continuance of the present system in the coastal trade is, among others, that, as I said before, under the monopolistic auspices prevailing to-day smaller ships have been prevented from coming into existence. As soon as a small company comes into existence, a rate war is immediately put into operation by the foreign monopolists, and the small Indian shipowner is forced to lose a large sum of money and the small shipowner retires and then the big company continues to make its enormous profits as of old.

Mr. K. Ahmed : Why don't you buy large ships ? " Jalabala ", " Jaladuta ", etc., will not do.

Mr. Sarabhai Nemchand Haji : I will examine all those subjects, my friend, in the Select Committee, and I hope that for that purpose you will vote with me.

An Honourable Member : You have not taken him in the Select Committee.

Mr. Sarabhai Nemchand Haji : Sir, before I finish this subject there is just one point I would like to touch upon and it is this ; if the word " expropriation " is going to be used in this connection, we have to remember the expropriation of Indians from this trade, if there is any

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property right about it, and not the expropriation of the British interests, because, as I said before, the coasting trade is a domestic preserve. No one outside has any right to come in our way if we suggest the method of coastal reservation or any other method by which the participation of Indian vessels in that trade can be encouraged.

Mr. K. Ahmed : Why don't you include this clause in the Public Safety Bill ?

Mr. Sarabhai Nemchand Haji : I will now come to a point upon which a good deal has been said, and mention of which, if I remember aright, has been made in the minority report of Sir Arthur Froom in the Report of the Mercantile Marine Committee. It is said, Sir, that British capital showed pioneer courage, sacrifice and enterprise when it set out to supply the tonnage necessary for the coastal trade. The claim, Sir, I maintain is fictitious. It is not true, as some Provincial Governments—I believe the Government of Bengal for example,—have attempted to make out that the Britishers have been our teachers in connection with this business of Indian shipping. I do not want to hark back to our hoary past. I will leave it to gentlemen opposite. I come to as recent a date as the first few years of the last century when, Sir, as I shall presently show, India was in a position to give points to Great Britain even with regard to shipping and shipbuilding.

Mr. K. Ahmed : Why do you buy your ships from England ?

Mr. Sarabhai Nemchand Haji : I am talking of 1811, Mr. Kabeer-ud-Din Ahmed. In 1811, a French traveller, F. Baltzar Soloyns wrote :

“ In ancient times the Indians excelled in the art of constructing vessels, and the present Hindus can in this still offer models to Europe—so much so that the English attentive to everything which relates to naval architecture have borrowed from the Hindus many improvements which they have adopted with success to their own shipping.”

Mr. K. Ahmed : How is it that you don't get any Hindu seamen or lascars now ?

Mr. Sarabhai Nemchand Haji : This is not ancient history. This has reference to a period in our recent history before the British commercial interests allied with the political rulers of this country tried their best—I am sorry to say successfully—to put an end to this industry as well as to many other ancient industries as is familiar to all of you. Then, Sir :

“ In 1802 the Admiralty ordered men-of-war for the King's Navy to be constructed at this spot (the Bombay Dockyard). They intended to have sent out an European builder, but the merits of Jamshetjee being made known to their lordships, they ordered him to continue as master-builder.”

Sir, we were good master-builders, our ships used to navigate not only the coast of India but used to carry Indian produce to the distant corners of the world. We had men who could be officers and men who could be lascars. Under the British auspices during the last 70 years we have reached a stage when we can become only lascars and nothing better.

Colonel J. D. Crawford (Bengal : European) : Can you give us the percentage of Indian brigs ?

Mr. Sarabhai Nemchand Haji : Perhaps my Honourable friend, Colonel Crawford, can tell us.

Colonel J. D. Crawford : I asked for statistics of brigs.

Mr. Sarabhai Nemchand Haji : Let my Honourable friend put the question to the Honourable Member for Commerce. I may make it clear that this Bill is intended to bring about the development of steam vessels in the coastal trade of India. (*An Honourable Member :* "Oh!") That is the rule.

Sir Victor Sassoon : Where would you build these ships ?

Mr. Sarabhai Nemchand Haji : Had it not been for this complete uprooting of Indian shipbuilding talent, an example of which I have given you just now, we would have built those ships in the Bombay or Calcutta dockyards. Sir, does it redound to our Government's glory that our ships have to be built outside India ? Whose is the humiliation ? I do not see what is the point of my Honourable friend's remark over there, where shall we build the ships ? Even in England they build ships wherever they choose to do so, and if the Government were prepared and if the Honourable Member from Bombay were prepared to put crores of money I would like to have a shipbuilding yard, say, in Calcutta.

Sir Victor Sassoon : Why should I ?

Mr. Sarabhai Nemchand Haji : I thought you were an Indian.

Sir Victor Sassoon : I am not.

Mr. Sarabhai Nemchand Haji : As Lalaji says, it is good to have such an admission from my Honourable friend that he is not an Indian. No doubt, I have made it clear that I suggest a further participation of Indian steam vessels in the coastal trade of this country. But I will leave that point now, I will leave the things that were done in India even as late as 100 years ago. But before I have done with the argument that the British are pioneers, that they are our teachers, I would like to say that out of the total annual earnings exceeding Rs. 10 crores from the coastal trade, the British shipowners get a large share. Out of the Rs. 50 crores or thereabouts of ships' earnings from the overseas trade of India, the British companies—who have a lion's share of the trade—have their proper share, so that if these British gentlemen have carried on business for the last 50, 60 or 70 years it is not to oblige us. They have made more money than they would have been allowed to make anywhere else. Sir, the British companies are trying to stick to this coastal trade with vehemence because they know that, under the present protective conditions throughout the world, India is the only place where they can have an untrammelled monopoly. I do not want to go into details, but I will say this that though in theory our coastal trade is free to all nations, to-day the permanent British vested interests have succeeded in keeping the other foreigners out, even the prosperous European countries that can afford to lose money to cut into the coastal trade of India. With regard to Indians, they know quite well that we cannot put up very big capital, and no sooner are attempts made to start with small ships than the rate war is begun and Indian enterprise is got out of the way. Sir, the present monopoly prevents any ships but its own from plying in the coastal trade of India and thereby it inflicts a very great economic injury upon this country. (*Mr. K. Ahmed :* "The Scindia Company wants to monopolise all the Rs. 10 crores"). One more point, Sir. It has been said, and that has a slight reference to expropriation,—it has been said in the speech of Sir Charles Innes that under present trade conditions 40 per cent.

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of the coastal tonnage in the slack season has got to go out to other places in order to maintain their tonnage employed. I do not admit that either the facts or figures are correct, but taking the figures of Sir Charles Innes at their face value, if the British tonnage goes outside of India for six months in the year, why cannot they remain outside throughout the year? If you can employ your ships outside for six months in the year, how is it proper for you to say that by this Bill the property in your ships will be confiscated? You are welcome to trade anywhere else. But as I said before, it is not possible to go elsewhere and that is why they are trying their utmost to keep the coastal trade to themselves as long as they can. I need not dilate much further on the pretence made of serving the interests of India. As I said before, I do not think that the interests of India have been served, and it is no good for these gentlemen to come and say that they are here for the benefit of this country. Let them come forward and say,—and then we will consider the problem on its merits—that this is our stake and this is what we want. And I was hoping that this very modest measure would appeal to them because even after the coastal trade is reserved they have got for themselves practically the whole of the overseas trade for years to come, the earnings of which amount to Rs. 50 crores a year. What are your objections to giving India Rs. 10 crores and taking Rs. 50 crores for yourselves at least for sometime to come? The fact of the matter is that this consideration for India is a pose, and it has been staged so often that it no longer deceives us. Therefore I hope that in the discussion of this Bill speakers against the motion will come to the fundamental point of their opposition. And that fundamental point is their self-interest. Let them acknowledge it publicly as they have not done so far. Give up the pretence of serving the needs of India, of looking forward to the prosperity of India and of serving the interests of the tax-payers and the consumers of India. If they honestly tell us that in consideration of their having been here for many years their petition should be properly considered by this House, I am sure the House will not turn a deaf ear to them. But we do not want to hear of this solicitude for us which we know is not genuine, which is hypocritical.

Mr. H. G. Cocke (Bombay : European) : Will the Honourable Member tell us something about solicitude for the consumers having regard to the probable future course of freights should this Bill become law?

Mr. Sarabhai Nemchand Haji : I am glad the Honourable Leader of the European Group has raised this question of rates. I wanted to have it threshed out in the Select Committee, but as it has been mentioned I will give a reply to it here and now. As I said before the coastal trade of this country is controlled by a monopoly. Have we ever known of a monopoly which has not kept rates at the highest possible level? The gentlemen opposite are business men. They at least have no patriotism in business. Surely they have seen to it that while the monopoly lasts the rates are kept at a high level, and the rates have been really high. A large number of Indian witnesses before the Indian Mercantile Marine Committee stated that the present monopoly taxes them too much and they hoped that under the auspices of coastal reservation many Indian companies will be started which will give the suitable kind of tonnage

that is required for the trade of India. For example, on the western coast of India, the requirements of trade demand smaller ships, say of a tonnage of 2,000 or 3,000 tons. That is what the merchants on the Malabar coast require. Until recently the whole of that trade was served or abused by the monopolistic concerns bringing once a month or twice huge ships of, say, 7,000 or 8,000 tons, calling at one or two ports and forcing the merchants to bear all the expenses of having to transport the cargo from one small port to the larger port. That much with regard to the rates. The history with regard to these rates has been bad. Indian witnesses, and if I mistake not one or two European witnesses—I am not sure of this—complained that the rates were very high. I do not want to give figures now. The rates charged here have been very high compared with the rates charged elsewhere. That is a matter of detail which can be threshed out in the Select Committee. (*An Honourable Member* : “Are you going to fix maximum rates?”) That again I shall leave to the Select Committee. I am prepared to examine the subject with you and lay before you the facts and figures that I have got. I shall, Sir, with your permission refer to this matter of rates once again. I should like to draw attention to the fact that at this very moment about 8 or 10 small sized Indian-owned ships have begun to participate in the trade of the western coast of India, by providing suitable tonnage, by providing adequate services. What has the British monopoly done? For the last 8 weeks or so they have started a rate war which, unless stopped in time, will, I know, root out these two or three companies owning about 8 small vessels in the course of the next six months or less. That is my reply with regard to the fixation of rates. That is why we want that we should have by the method of license which I propose such a control over the coastal ships, that a rate war will be unimaginable in future. We want that this British monopoly should be ended, but we do not want that an Indian monopoly should take its place. Should the time arise when an Indian monopoly, equally selfish as the present one, comes into being, this House will know how to deal with that monopoly.

I will now come, Sir, to the opinions that have been expressed in connection with this Bill. The opinions to which I propose to draw the attention of this House are opinions from bodies which have a real stake in the country, not the sort of stake that encourages the stake holders to keep on talking of property when they are really exploiting us. The opinions are those of people with a real stake in the country, because they are people born of the land, people that cannot fritter away their monies elsewhere, people that cannot think of any other country but this one, not like the pseudo-patriots we have got over there (referring to the European Benches). When they talk of patriotism, they really mean the land of their birth and not the land where they are merely birds of passage. I should in theory not very much like to pay any attention to the vested interests but as a practical man, if they would put their whole case and tell us the pace which will be comfortable to them, we shall consider it. I have myself suggested that the coastal reservation be completed in five years. Sir, in other countries coastal reservation has been completely effected within 6 months of the passing of the necessary legislation, but I do want to pay due consideration to the interests that exist, and if those interests think that by opposing this modest measure they can secure their ends, I can assure them that they

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are very much mistaken. With regard to this Bill, the only interests that matter are the interests of the people that have a real stake in this country, and I have got here a list of about 20 Indian Associations which have expressed their strong support of this Bill. Amongst them are the Indian Merchants' Chamber, the Native Share and Stock Brokers' Association, the Marwari Chamber of Commerce, and the Passengers' Traffic Relief Association of Bombay, the Ahmedabad Millowners Association, the Maharashtra Chamber of Commerce, the Southern Indian Chamber of Commerce, the Indian Chamber of Commerce of Tuticorin, the Madura Ramnad Chamber of Commerce, the Mysore Chamber of Commerce—I would particularly draw the attention of this House to this Chamber because it represents the Mercantile interests within an Indian State—the Bihar and Orissa Chamber of Commerce of Patna, the Bengal National Chamber of Commerce, the Indian Chamber of Commerce of Calcutta, the Indian Merchants' Association of Chittagong, the Burmese Chamber of Commerce, the Burma Indian Chamber of Commerce, the United Provinces Chamber of Cawnpore, the Buyers' and Shippers' Chamber of Karachi, and Sir, last but not the least, the Millowners' Association of Bombay.

Sir Victor Sassoon : Hear, hear.

Mr. Sarabhai Nemchand Haji : Sir, the Millowners' Association of Bombay, of which my Honourable friend, Sir Victor Sassoon, is the direct representative in this House, in their letter dated the 16th of August say :

“ My Committee are generally in sympathy with the object underlying the Bill. . . . ”

Sir Victor Sassoon : Hear, hear.

Mr. Sarabhai Nemchand Haji : I am coming to the main thing :

“ . . . which is to provide for the employment of Indian tonnage in the coastal traffic of India. . . . ”

Sir Victor Sassoon : Hear hear.

Mr. Sarabhai Nemchand Haji :

“ They are unanimously of the opinion that as laid down in the Preamble to the Bill it is expedient to provide for the rapid development of an Indian mercantile marine. ”

Sir, we have their approval to the Preamble and the object of the Bill to which my Honourable friend said, “ Hear, hear ”. But, Sir, they go further. They give their approval to the principle underlying the Bill. The opinion reads, Sir :

“ I am directed further to add that while my Committee accept the principle underlying Mr. Haji's Bill, they do not propose to examine its provisions in detail. ”

Sir, if the Association of which my Honourable friend is a direct representative in this House approves of the principle underlying the Bill,—and that is exactly my motion,—I want him to approve of the principle of this Bill. (Applause).

Sir Victor Sassoon : “ The principle underlying the Bill ”.

Mr. Sarabhai Nemchand Haji : He will not be faithful to his constituency if he votes against the motion that I am going to put before this House. (Applause).

Sir Victor Sassoon : " The 'principle underlying the Bill' "

Mr. Sarabhai Nemchand Haji : Sir, I do not know what underlying and underhanding mean. (Laughter). Sir, I feel that he would not be playing fair with the members of his Committee if Sir Victor Sassoon, after this definite committal of his Association with regard to the principle of the Bill, opposes the motion that is before the House. Then his Association says, Sir, that they want the details examined very carefully by Government and the Indian Legislature in so far as the trade of this country is concerned. The Select Committee is just the place where to examine those details. Sir, this House will judge Sir Victor by his vote on this motion. (Applause). Sir, that much with regard to the Indian Associations that have expressed their views on this subject. I have particularly not mentioned the European Associations because we know that all of them are opposed to this Bill ; and I shall not blame any one of the gentlemen opposite, except Sir Victor, if they vote against this motion, because the Chambers which the different Honourable gentlemen opposite represent definitely say that they are opposed to the whole thing tooth and nail. Therefore, even in the Opposition Lobby, I would welcome them, but the voting of Sir Victor in that Lobby would be a betrayal of his constituency. (Hear, hear).

Sir, now that I have come to the opinions of the opponents of the Bill, I am glad that it is bringing me towards the end of my remarks ; I am glad that so far as the opponents of this Bill are concerned, most of the statements are of a similar character, Sir, the Indian Chambers examined the subject from different points of view, the Passengers Association, for example, state how the present-day humiliation sustained by Indians travelling as passengers on these foreign-owned ships would be obviated under national ownership and management, and, Sir, the conditions under which the deck passengers travel are well-known. They are so bad that time after time Government have appointed Committees to examine the conditions under which these people have to travel. That is why the Passengers' Association is looking forward to the day when the foreigners' participation in the coastal traffic of India will have gone from this country and made room for ships which will treat Indian passengers as decent human beings, which will provide the necessary facilities, facilities which, as everybody knows now, are quite inadequately provided to-day. As against these different Indian Associations speaking from different points of view, the Burmese Chamber of Commerce, looking at the subject from the point of view of Burma, the Indian Chamber of Commerce, Calcutta, looking at it from the point of view of the jute and the coal trade, the Bombay and Karachi Chambers also looking at the subject from their wholly individual points of view, what do the European Chambers do ? Whether the opposition comes from Calcutta, Madras or Bombay it is based upon the arguments which are to be found in that notorious and *ex parte* speech of Sir Charles Innes to which I have already referred in the course of my remarks.

Mr. President : Order, order. I must appeal to the Honourable Member's sense of proportion and ask him to consider whether he should continue any longer.

Mr. Sarabhai Nemchand Haji : I thank you, Sir, for your suggestion ; if you will permit me, I will not take more than about five or seven minutes if I may. All these opinions of the European Associations are of one pattern ; that pattern is provided by Sir Charles Innes' speech ; and that speech

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has been so thoroughly exposed in the different statements that are now before the House, that as I am pressed for time I do not go into details regarding them except perhaps to refer to one or two points of particular importance. The poison of that speech, Sir, has not stopped with the European Associations ; it has travelled even to the Government Houses in Calcutta and Rangoon ; I shall not mention the other Government Houses for the time. But the two Governments are opposing this motion on practically the same grounds as those given by Sir Charles Innes in this House, and therefore to save time I will not refer to them, but I will come to a subject which is more pertinent from our Indian point of view. In this connection, Sir, I must say that I really do not much care what the different Governments think about this subject, because I find that so far as the opinions of the Ministers in the different Administrations are concerned, whenever they are individually mentioned, as in the case of the Punjab, I find from the volume of the opinions that all the Ministers in the Punjab who have expressed their opinions individually are in favour of the Bill. I dare say that if other Ministers elsewhere were free or were invited to pronounce their opinions in an individual capacity they would probably have favoured the Bill. But, Sir, I come to what is to me a more important section of the Indian community, the Press in this country. The whole of the Indian Press representing all schools of thought and different interests have supported this measure, each time looking at the subject from their own political, commercial or other point of view. If I may, Sir, I will briefly enumerate the support that this Bill has received at the hands of the Indian Press. The *Young India* of Mahatma Gandhi, the *People* of Lala Lajpat Rai, the *Amrita Bazar Patrika*, the *Basumati*, the *Calcutta Commercial Gazette*, the *Forward*, the *Indian Finance* of Calcutta, the *Bombay Chronicle*, the *Indian Daily Mail*, the *Indian National Herald*, the *Gujerati*, the *Swarajya* of Madras, the *Muslim Outlook* and the *Tribune* of Lahore, the *Leader* of Allahabad, the *Sind Observer* of Karachi and the *Indian Daily Telegraph* of Lucknow have all supported the Bill. That much, Sir, for the Indian Press. With regard to the European Press I have already referred to the last stage of die-hardism to which "Ditcher" of *Capital* was reduced when he said that argument is subordinate to power. As regards other English papers which to my knowledge have referred to the subject, I have to make mention of the *Statesman* of Calcutta, and Sir, I make that mention with the greater pleasure because I find that, though the *Statesman* thinks that the Bill is a wrong Bill, or, to quote its own words :

"the Bill was a bad Bill because it was barking up the wrong tree in preferring Indian capital to non-Indian capital."

That is a matter of opinion. But that paper proceeded to say that the Bill before the House was not discriminatory either racially or politically. That being so, I do not see how any gentleman opposite can honestly make the point that the Bill shows racial discrimination. To revert to Sir Charles Innes, in his speech on naval defence, he used the argument that because India had no Navy therefore India need have no mercantile navy. To that charge even we have a reply : that it was through the obstinacy of Government the Indian Navy Bill has not passed the Legislature. But we have their statement that the necessary readjustments in the Royal Indian Marine have been made, and for all practical purposes there is such a thing as an Indian Navy now. Very well, Sir, there being some sort of an Indian

Navy, the demand for an Indian mercantile marine becomes the greater and more insistent. Sir Charles Innes referred.....

Mr. President : I very much regret that the Honourable Member must bring his remarks to a close.

Mr. Sarabhai Nemchand Haji : I will wind up by saying that I have got an adequate reply in facts and figures to all the statements of Sir Charles Innes including the statement that the reservation principle when adopted in Chili, Algeria and Australia proved a failure. I will not go into details. But I may say with regard to Chili that immediately after the coastal trade was reserved there was such a superabundance of tonnage that rates went down ; and that is my reply to the gentleman opposite who said, what will happen to rates in case the coastal trade is reserved.

Mr. President : Order, order.

Mr. Sarabhai Nemchand Haji : Sir, may I have one word more ? I regret I have no time to refer to the arguments of the Honourable Sir George Rainy.....

Mr. President : The Honourable Member does not seem anxious to put his motion.

Mr. Sarabhai Nemchand Haji : Very well, Sir, before I conclude....

Mr. President : Order, order. The motion before the House is :

“ That the Bill to reserve the Coastal Traffic of India to Indian vessels be referred to a Select Committee consisting of Pandit Motilal Nehru, Mr. Jamnadas M. Mehta, Mr. R. K. Shanmukham Chetty, Mr. Satyendra Chandra Mitra, Maulvi Mohammad Shafee, U. Tokki, Lala Lajpat Rai, Pandit Madan Mohan Malaviya, Mr. Ghanshyam Das Birla, Mr. K. C. Neogy, Mr. M. S. Aney, Sir Purshotamdas Thakurdas, Mr. Abdul Matin Chaudhury, Nawab Sir Zulfiqar Ali Khan, Nawab Sir Sahibzada Abdul Qaiyum, Sir James Simpson and the Mover, with instructions to report on or before the 10th February 1929 and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be six.”

Sir Hari Singh Gour (Central Provinces Hindi Division : Non-Muhammadan) : I beg to move, Sir, that the name of Mr. Tarit Bhusan Roy be added to the Select Committee.

The motion was adopted.

Sir James Simpson (Associated Chambers of Commerce : Nominated Non-Official) : Mr. President, representing the interests that I do I feel sure the House will not expect me to welcome this Bill as a bride and hug it in my arms. I would like however to congratulate the Honourable mover not only on the sincere and honest speech he has just delivered but on the most magnificent piece of propaganda he has conducted in the country. He deserves praise and credit from the interests he is serving for that very excellent piece of work. He called his measure modest, very modest, and he has tricked it out and dressed it up ; but it does not attract me. I want to put it far from me. I am strongly opposed to it. But, Sir, that does not mean that the constituency I have the honour to represent here is opposed to India's interests. Far from it. We hold that India's interests must be the supreme category of policy, and we oppose this Bill because we believe, and we are convinced, that it is neither in the interests of India nor any of her peoples. In this propaganda, this skilful propaganda that the Honourable mover has conducted in the country, he has raised the slogan—India's rights *versus* British interests. As if, Sir, these two things were

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opposite and antagonistic. Sir, I maintain that India's rights and British interests are interdependent, are indivisible, one and the same. I wonder if the House realizes, Sir, to what height among the great trading nations of the world India has been raised by British and Indian co-operation. Sir, there are only four nations in the world that exceed India in annual volume of trade. Great Britain, the United States of America, Germany, France, India; that is a godly place in the Sun and we all want India to maintain that place or surpass it. We want her glory to increase. But, Sir, legislation such as this endangers that co-operation, imperils and brings into jeopardy the whole delicate structure of commerce. If you are going to endanger the co-operation of over 100 years by racial and discriminatory legislation such as this against shipping to-day, and against anything else you like to-morrow—India's glory cannot increase. It will diminish until you will only be able to write one word over India's agriculture, commerce and industry,—Ichabod—"the glory is departed". Sir, on a recent occasion my constituency issued a memorandum and I challenge the House to say that the whole tenour and spirit of that memorandum is not one of service for India and that India's interests have not been made the supreme category of policy. May I read an extract from a newspaper :

"In the memorandum already quoted 'the Associated Chambers of Commerce profess to be greatly concerned at the tendency shown by Indian politicians to introduce legislation discriminating against British commercial interests established in British India.' After reiterating the important part British capital has played in increasing the wealth of India, the Associated Chambers add 'the European firms in India, so far from desiring to hamper indigenous enterprise, welcome it as likely to increase the wealth of the country to the advantage of Indians and British alike. They do, however, claim on grounds of justice, and expediency, that the Indian Legislatures shall not be in a position to imperil the existence or development of any commercial or industrial interests established in India by legislation or taxation indicating discrimination of a racial or communal character'. The Chambers confine themselves to asking for 'national treatment' only, for industries and commerce established in India, whether registered there or not."

Sir, with this Bill before us, that part of that memorandum was drafted. May I read another extract from a newspaper of the same date ?

Sir Hari Singh Gour : What paper ?

Sir James Simpson : *Capital* of the 16th August.

In the introduction to the All-parties' Report I find the comment :

"As regards European commerce, we cannot see why men who have put great sums of money into India should at all be nervous. It is inconceivable that there can be any discriminating legislation against any community doing business lawfully in India." (Applause.)

Sir, that is all we ask for, all we want. Indian politicians who have put their signatures to that report—and I claim that the Honourable the Leader of the Opposition has done so—and those members who have not signed it but who have given their adherence to that report and whose word is as good as their bond must vote against this Bill. (Applause.) If they will do so, they will remove all feeling of nervousness "from men who have put great sums of money into India".

But if they do not vote for this Bill, how can European Commerce be other than nervous ? It is the principle of discriminatory legislation that we fear. The parties behind this Bill have to-day cast their greedy eyes on

shipping. To-morrow others may cast jealous eyes on tea, coffee, oil, anything else you like. (*An Honourable Member* : "Why not" ?) Where are you to stop (*An Honourable Member* : "Don't stop".)

Now, Sir, if this principle is once admitted it would be idle to pretend that the Honourable Mover of this Bill has not succeeded in fixing a great gulf between British and Indian opinion. That to me, Sir, is a lamentable state of affairs, and bodes no good for the future of India if such legislation be persisted in. I oppose this Bill on two main standpoints. Let me deal with the first very briefly. This Bill seeks to take away from the British a right they have always thought they possessed. I wave aside all juridical definitions and I claim to be a British Indian National of long residence, a citizen entitled to and in possession of the franchise, a subject of the King-Emperor of India, and that it is not competent for any of my fellow-subjects to discriminate against me. Surely after more than a century of residence and of pioneer work and labour and service in India, the British have attained the right of adoption. As the Commerce Member knows and some of us on these Benches know, having had it drummed into us in our youth, adoption is an act whereby we are received into the number and have a right to all the privileges of the sons of the soil. I claim that right and all these privileges, and again I quote from the All-Parties' Report :

"It is inconceivable that there can be any discriminating legislation against any community doing business lawfully in India."

We ask no favour, no special privileges, only for equal rights. No more, but, Sir, we will accept no less.

To come to my second standpoint. We believe this Bill to be a bad Bill, an inherently bad Bill in itself, impracticable and unworkable. At the last debate in Delhi in March last my distinguished predecessor, Sir Walter Willson, used these words :

"What I feel is the principal danger to-day is not what I am so often hearing in this House, namely, the exploitation of trade by vested interests as they are commonly called, but a different kind of exploitation of political feeling, of racial feeling and of patriotic feelings in the country, in order to transfer out of hands which have built up the existing trade from what it was years ago to what it is to-day, to transfer that trade into the hands of another single solitary firm at the expense of the shippers of the country. In the past Indian industries in Bombay and Bengal have been able to build themselves up in ordinary straight forward competition with the established interests of the British. The jute mills of Calcutta are owned by 70 per cent. of Indian shareholders to-day :

The cotton mills of Bombay have passed almost entirely into Indian hands, either by purchase or by fair competition and I deprecate as strongly as I can the attempt which is being made to expropriate existing interests by means of playing upon popular feeling and using the machinery of this Assembly for the purpose."

I stand by that statement of my distinguished predecessor, and I have behind me a united British public opinion as it has never been united before. The Honourable Mover may say the same perhaps of Indian public opinion, but not quite. In the two long papers of opinions that have been supplied to Honourable Members of this House there are some doubting and hesitating Indian opinions from the great ports of Bombay and Calcutta. The Honourable Mover has been very successful in fooling some people some of the time. I dare say he will even be able to fool some of the people all the time ; but, Sir, these papers show that he will not be able to fool all the people all the time—I mean the Indian people. There are some Indian opinions which hold that the period of five years in which the Bill would

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eliminate British shipping should be extended to ten years or even more, and moreover that instead of ousting all British shipping it will be better perhaps to be content with 50 per cent. than to take all the shipping. Perhaps they think that half a loaf is better than no bread. One Indian opinion goes the length of saying that "elimination is clearly impossible not even in fifty, let alone five years."

Mr. Sarabhai Nemchand Haji : Is that a Government official ?

Sir James Simpson : There is one notable Indian opinion not appearing in these papers nor even in that fine propaganda that my Honourable friend has issued. It seems that practically every Member of this House has got copies of that propaganda save me—me to whom it would have done most good—and I should like my Honourable friend to send me these copies having put his signature upon them, and I assure him I will preserve them as an interesting memento of a memorable debate. The notable Indian opinion I refer to is the opinion of one who might be called the grandfather of maritime aspirations in India—I refer to Sir Sivaswamy Aiyer. In the account of an interview appearing in a Madras paper about a month ago, Sir Sivaswamy is reported to have said :

"The most important aspect of the question from the point of view of India is how the reservation of coastal trade proposed by Mr. Haji's Bill will react on the shipping facilities available for the commerce of India. Whether Indian capital would readily come forward to step into the breach and make up for the withdrawal of ships belonging to the British and other foreign countries is a matter upon which, not being a financier, I am not able to express an opinion. I do not know whether it will be possible for Indian capital to provide all the necessary shipping within the time table of five years provided in the Bill. I have very serious doubts upon those points. Probably the difficulties arising from the lack of an adequate supply of Indian controlled ships may be met by extending the period of Mr. Haji's time table. I do not know whether Mr. Haji has dealt categorically with the various difficulties pointed out by Sir Charles Innes. I have been out of touch with the subject during the last two years and I have no recollection whether he has dealt with them or not. In any event it will not do to make light of the arguments of Sir Charles Innes and they must all be squarely faced and answered."

Sir, in my opinion, the arguments of Sir Charles Innes have not been squarely faced and answered, though, to put it mildly, a good deal of ink has been slung at him. If I were to confine myself to one opinion in these papers as epitomising the opposition to the Bill, I would stand by that of the Government of Burma. Let Honourable Members ponder over this extract :

"The Government of Burma make no doubt that it must increase for consumers either in India generally or over great parts of India the prices of such important commodities as salt, rice, kerosene oil. Burma kerosene oil is burnt in the poorest households of India, and already India no longer grows enough rice for her own consumption. She imports more rice from Burma than she exports to other countries, and as her population increases, she will become more and more dependent on Burma for an essential foodstuff."

Sir, yesterday the lion of the Punjab thundered about the hunger that the millions of India were feeling. This Bill will not fill their bellies.

The only other extract in these papers in opposition to the Bill that I will trouble the House with is from Bombay and it ought to appeal to Honourable Members from Bengal who are jealous of the interests of their great coal trade.

"There is also the very large Calcutta coal traffic to be considered. This is mostly handled by steamers of the tramp class and its volume is such that any attempt to impose control of the nature suggested could not but involve sea transport difficulties which

would constitute a most serious interference with the affairs of the very important Bengal coal trade. They refer principally to the shortage of tonnage that certainly would ensue after the inflation of freight rates which the elimination of tramp competition would doubtless bring about."

Sir, it is a weariness to the flesh to read the conflicting opinions contained in these two papers, one side holding that the Bill inevitably means higher costs of transport, fewer shipping facilities and that the food of the populace will become dearer, and the other side holding that there will be more ships and that freights will come down, forgetting in so saying or rather ignoring the fact that thereby the ships would never pay and that the last state of that industry would be worse than the first.

Sir, I have conceived it to be my duty to get away from these conflicting opinions and to supply to the House, from as authoritative a source as can be found, independent views on the fundamental principles underlying this Bill, and I think I have found what might help the House in the proceedings of a meeting held in Paris, a few years ago of the Council of the International Chamber of Commerce, at the time they were deliberating upon an historical survey of acts of flag discrimination. Let me read three short Resolutions :

" 1. Cheap and efficient transport depends upon the vessels of all flags which carry the goods and raw materials of commerce and their cargoes and passengers being treated by every country in all that concerns the use of the ports of that country and in all respects on a footing of equality with the vessels, cargo and passengers of that country.

2. The cost of every act which denies equality of treatment as between vessels of different flags being ultimately borne by the trading interests, the International Chamber of Commerce is deeply concerned in securing an international agreement which would ensure a real equality as between such vessels."

Mr. Sarabhai Nemchand Haji : It applies to overseas trade only.

Sir James Simpson :

" 3. Any agreement which, while it seems to secure acceptance of this principle, admits of acts of a discriminatory character would be positively harmful and should not receive the signatures of the maritime countries. For the same reason, qualifications and reservations should be avoided."

Sir, to my way of thinking, the House cannot attach too much importance to the views of the International Chamber of Commerce particularly as these apply to countries which have to consider the protection of their own sea frontage and the maintenance of a mercantile marine as a second line of defence to their navy. No such considerations are applicable in the case of India. For very many years to come, India will not be in a position to dispense with the protection afforded by the British Navy. There is no use of the House blinking that fact. When an Indian naval force manned by Indians, and supported entirely by the Indian Exchequer is sufficient to cope with the entire protection of its own shores, without assistance from the British Navy, the claim for coastal reservation might have a certain amount of justification. But that day is far distant, and this Bill has no justification.

Mr. B. K. Shanmukham Chetty (Salem and Coimbatore *cum* North Arcot : Non-Muhammadan Rural) : I am sorry to interrupt my Honourable friend. Can the Honourable Member give the example of any country in which a mercantile marine was developed after a navy was established ?

Sir James Simpson : This Bill, in my opinion, is just protection run mad. Indian politicians should not seek to launch the country upon an

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expensive Indian naval programme, while there is so much to do for the amelioration of her millions of people, in agriculture, banking, education, industry and many other ways.

Now, Sir, the first question to ask the promoters of this Bill is, have you counted the cost ? Can you deliver the goods, that is to say the ships within five years ? I make out that if the British companies are prevented from trading on the Indian coast about 100 Indian owned ships would be required to replace them. This would cost 12 crores of rupees. I do not say this cannot be done but I do say, judging from past experience, that it will not be done. In this connection let me refer to the reports of the Fiscal Commission and the External Capital Committee. The Commission stated :

“ Capital in India is shy specially in regard to new industrial enterprise, nor is the Indian investor satisfied with the low rates of interest at which in normal times money can be borrowed in Europe.”

Yet this Bill proposes to expel British capital. Let Honourable Members examine the recently issued report of the Indian Tariff Board regarding the grant of protection to the match industry. That is the highest possible Indian opinion and it is against any restrictive or discriminating measures upon “ foreign ” capital. Why ? Because it is not in the national interests. If these 12 crores of capital are not forthcoming—and I do not believe they will be—Indian shipping will be no further forward and all that will have been achieved will have been the creation of a general feeling of unrest and dissatisfaction on the part of the present shipowners catering for the trade. It would appear, however, that one member of the alleged monopolistic combine will not be averse to that state of affairs. I refer to the company of which the Honourable Mover of this Bill is a paid servant—the Scindia Steam Navigation Company—which I take it is the single solitary company referred to by my Honourable friend.

Mr. Sarabhai Nemchand Haji : May I say that that Company is in bad company.

Sir James Simpson : Perhaps the Bill would have smelled sweeter and the House would have preferred it to have been sponsored by less interested parties. I trust that the House fully realises that the Scindia Company are parties to the present coastal conference and quote rates, etc., in conjunction with the British companies. I hold in my hand a copy of their last balance sheet. They are not now doing too badly ; but it is common knowledge that they have written down half of their capital. Having become members of this so-called monopolistic combine, having become birds of a feather, surely it is a poor return that they should seek to kick out all the others and to control the trade entirely by themselves. Sir, it is an ill bird that files its ain nest. I am informed that half the ships they do sail on the coast, are British or foreign owned. I take it that the owners of these chartered ships make no effort to encourage Indian youths in their laudable desire to find careers at sea. It would be interesting to know, Sir, how many Indian deck officers this Company has on its steamers and how many they are training.

I would like to refer to another point in this controversy. We have constantly heard of the monetary drain amounting to crores per annum. The lion of the Punjab referred to it yesterday and the Honourable the Mover has repeated it to-day. I am no economist, Sir, but I know that payment for services rendered is no drain. I know that India is one of the

poorest countries in the world. Many of her millions of inhabitants never see a silver coin during the course of a year ; but I also know that India imports crores of gold per annum ; last year 18 crores ; and that India is known as the sink of the precious metal. Perhaps the House will bear with me, Sir, while I attempt a rough analysis of expenditure of a coastal shipping company to see what difference it makes to the destination of the various payments made by the shipping company if the company is Indian instead of British or foreign ?

Shall we say that the following 7 heads cover the main expenditure of a shipping company ?

- (1) Capital cost of ships.
- (2) Capital cost of offices.
- (3) Port dues, pilots, etc.
- (4) Stores, maintenance, repairs, etc.
- (5) Salaries of officers and crews.
- (6) Salaries of office staff.
- (7) Profits to shareholders.

As there is no shipbuilding industry in India, it is clear that the destination of payments on account of the capital cost of ships will be a foreign one, whether the company is Indian or foreign. Did we not see photographs in the papers of you, Sir, our revered President, launching in Glasgow last year a ship of the most beautiful name, *Jalabala*, daughter of the sea, for the Scindia Steam Navigation Company ? Is there a shipbuilding yard in India that could build a ship like that during the period of five years contemplated in the Bill ? The answer is in the negative. I fancy the Indian opinion already mentioned would say " not even in 50, let alone five years."

This is not a Bill to encourage Indian shipbuilding. Similarly, the destination of payments on account of item (2), the capital cost of offices, etc., will be the same in both cases.

It is clear, therefore, that the destination of the capital outlay of a coastal shipping company will be the same, whether the company is Indian or foreign. Payments on account of item (3), namely, port dues, etc., will obviously be made in India in either case. Similarly, as regards item (4), the destination of payments for stores, repairs, maintenance, etc., will be the same in either case. As regards items (5) and (6), namely, the payment of the personnel, the vast majority of the office staff and crews employed by foreign companies are Indian, and although an Indian company would probably employ no European staff in its offices, it would, I think, be compelled to employ European officers and engineers on its ships. In so far as an Indian company employed Indians instead of Europeans, the so-called drain would be lessened only by the amount which the European officers of a foreign company make remittances outside India, for they are paid in India and most of their expenses are incurred in India, and the surplus available for remittance to their own country is comparatively small. Finally, there is the item profits to shareholders. Assuming that all the shareholders of a foreign company are foreigners and that all the shareholders of an Indian company are Indians, there is a definite drain of the amount of profits paid to shareholders. But this represents only interest on capital invested, and as I have already tried to show, it is doubtful

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if sufficient capital would be forthcoming in India to replace the capital now invested in the foreign coastal shipping companies.

When the facts are analysed in this manner, it is clear that it is absurd to talk of crores of loss to India on account of the coastal shipping being mainly in the hands of foreign companies. The net result of the substitution of Indian companies would be that the destination of the profits and the surplus earnings of a few officers would be India instead of a foreign country. In any case, such payments are merely made for services rendered, either in the form of supply of capital or in the form of direct personal service, and it is doubtful if these services could be rendered to India from an Indian source. Where therefore is the drain ? Sir, there is no drain.

May I crave the indulgence of the House for a few minutes longer, Sir, to examine a few extracts from the statement on this Bill sent by the Indian Merchants' Chamber, Bombay ? I reckon that this is perhaps the most important contribution to the subject from the Indian point of view. I shall just read a few quotations and then I shall give you what I think the reply should be. The first quotation from that statement is :

" The fight to obtain for Indians equality of status as citizens in Dominions has nothing in common with the attempt to develop an Indian Mercantile Marine by means of the reservation of the coastal trade of India. Moreover, economic discrimination against non-nationals, particularly in a manner recognised by law, is a totally different proposition from the anti-Indian legislation intended to turn Indian colonials into belots of the Empire."

My reply is that I am not a non-national, and in any case I fail to see any difference between anti-Indian legislation in British colonies and anti-British legislation in India. The Chamber goes on :

" The first misstatement to which Sir Charles Innes seeks to give currency is that coastal reservation means expropriation. That this is a wrong statement is clear when we remember that the coastal reservation merely precludes non-national ships from trading on the coast, but it does not mean their confiscation."

Of course, the Bill does not mean expropriation of the ships ; but it certainly means, what is equally important, expropriation of the good will, and the earning power of the large British interests in the coastal trade who have through good years and bad years and by immense pioneer work built up this very coastal trade and have at all times met the peculiar requirements of that trade, and under all difficulties, kept up regular services in a most efficient manner. Yes, we could sail away with our ships in five years, but if you are legislating like this in other things we could not sail away with our tea gardens, or our coal mines, or our oil fields, or the railways or any other immoveable property we have bought and paid for. The principle of the Bill is confiscation of the deepest dye. Worse than anything any socialist Government in any part of the world would ever dream of.

About two months ago, the Labour Party in Great Britain published their programme. Dealing with the land, communications, transport and other " fundamental necessities " the labour programme says :

" With careful preparation, with the use of the best technical knowledge and managerial skill, and with due compensation to the persons affected : the Labour Party will vest their ownership in the nation and their administration in authorities acting on the nation's behalf."

Does this Bill offer due compensation to the persons affected ? Does it vest their ownership in the nation ? No, Sir. The spoliation would be for the

benefit of the "single solitary firm", of which the Honourable Mover is the paid servant.

Mr. President : Order, order. I propose to adjourn now if the Honourable Member is not inconvenienced by that adjournment.

Sir James Simpson : If you can give me five minutes more. I shall pass over some of the extracts referred to in that statement and I shall only read this. Would you prefer me to continue after Lunch ?

Mr. President : The House stands adjourned till 2-45 P.M.

The Assembly then adjourned for Lunch till a Quarter to Three of the Clock.

The Assembly re-assembled after Lunch at a Quarter to Three of the Clock, Mr. President in the Chair.

THE HINDU CHILD MARRIAGE BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

Rai Sahib Harbilas Sarda (Ajmer-Merwara : General) : I beg to move that the instructions given to the Select Committee on the Bill to regulate marriages of children amongst the Hindus to present its Report within three days be withdrawn and that the Select Committee be instructed to present its Report by the 13th September, 1928.

The motion was adopted.

Rai Sahib Harbilas Sarda : I beg to present the Report of the Select Committee on the Bill to regulate marriages of children amongst the Hindus.

THE RESERVATION OF THE COASTAL TRAFFIC OF INDIA BILL—*contd.*

Sir James Simpson : I thank you for your kindness and I thank the House for its indulgence. My only excuse for detaining the House is that this is a very serious matter. This Bill is the test case on which the whole fabric of British industries in India depends. I will for a very few moments continue the thread of my discourse. The Indian Merchants' Chamber of Bombay says that this Bill is intended to provide careers for Indian youths who have so far been kept out by British shipping companies on racial grounds. Sir, 90 per cent. of the personnel of steamers at present plying on the Indian coast are Indians. It is true that they do not occupy the executive positions but as soon as they possess the necessary qualifications the British coastal companies have promised Government to employ them. There is no intention to depart from this promise. That is not the British way. We play the game. The last quotation I shall make from this document is this :

"If normal rates of freight are to prevail in the coastal trade of India no time should be lost in abolishing the present foreign shipping monopoly in the Indian coastal waters."

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions : Non-Muhammadan Rural) : May I ask the Honourable gentleman if he is interested in foreign shipping ?

Mr. President : Order, order. The Honourable Member is not willing to give way, it seems.

Sir James Simpson : Normal rates do prevail at present on the Indian coast. The various Indian shippers and other Associations have a very great deal to say on the regulation of rates. The inference from these remarks by the Bombay Merchants' Chamber is a slight on the ability of the various Indian shippers' and importers' associations to look after their own interests. Why ? Sir, in my own business at Coconada the other day I pointed out that a certain commodity could hardly bear the freight rate charged. The companies at once made a decent reduction. Sir, I have inquired diligently at every port on the Coromandel Coast and the Malabar Coast, and at the great ports of Bombay, Colombo, Calcutta, Karachi and Rangoon ; I have inquired of Indian merchants as well as British merchants, and all I can say is that this type of legislation is viewed with horror and dismay.

Sir, just one word more. Dispassionately analysed to the British way of thinking, the Bill boils itself down to the cupidity of Indian capitalists, shipowners or otherwise, desiring by the help of the Legislature, regardless of the general interests of the country, unfairly to capture a trade, which has never been closed to them in the past, but has been and is now as free and open to them as it is to British owners. The Bill does not encourage Indian shipbuilding, nor Indian officers nor Indian engineers but only provides ways and means for Indian capitalists to attempt to earn dividends, at the expense of the general community, by "importing" non-Indian vessels, buying them or chartering them, and working them by "foreign" officers and engineers, exactly as at present. It will only be the owners who will be changed !!

In short, the country is to provide such Indian capitalists as the Bill is designed to benefit, with the support of the British Army and Navy, while they confiscate British shipping !!!

Sir, how much better it would be for India, if Indian politicians gave up their jealous attempts to *supplant* British effort and occupied themselves in straining every nerve to *supplement* it. Do not waste time in trying to dispossess the men in possession. Break new ground. You have the advantage in your superior knowledge of your own country and countrymen. Indian, as against British-managed, concerns already enjoy the large advantage of cheaper management, while, in a degree peculiarly exclusive to Indians, there lies open to them the immense potentiality of financial resources in India's enormous idle and unproductive wealth. With such advantages, Indian concerns have nothing to fear from British concerns ; rather, is it the reverse which is the truth. Legislation is no substitute, Sir, for enterprise, or endurance, or any other attributes you like, nor can it be properly employed as a remedy for the lack of any such attributes in any one section of the body politic to the detriment of any other possessing them.

Sir, no man should reap where he has not sown or gather where he has not sowed.

On behalf not only of the British in India but in the real and true interests of all the other peoples in India I strongly and strenuously oppose this Bill.

Mr. K. C. Neogy (Dacca Division : Non-Muhammadan Rural) : Sir, I utilized the luncheon interval in looking up certain books of reference so as to know something about the last speaker. The first was the Indian Year Book, and I turned to the section, "Who's Who" in India. I found that there is one Simpson there, only one, "Simpson, C.I.E., King's Police Medal", and all that. I could not identify the gentleman, I suppose I must call him the Honourable gentleman in this House, with that description. So the next book that I looked up was Thacker's Indian Directory, and I found there were as many as 45 Simpons enumerated there, and one of them is the head of a firm....

Mr. President : Order, order. What has that got to deal with the Bill ?

Mr. K. C. Neogy : Sir, I find that in this House these personal factors are brought in to lend support to one's argument. That is my excuse, Sir, and I have the precedent of the gentleman who has just sat down in my support. I find that one Sir James Simpson is the head of a firm called Gordon, Woodroffe & Co., who are the agents for as many as four or five shipping companies. Therefore, Sir, I thought to myself that if anybody ought not to have referred to my Honourable friend Mr. Haji as the paid servant of the Scindhia Steam Navigation Company, it was this particular gentleman.

Sir James Simpson : I am not the agent of any coastal company, and this Bill deals with the coastal trade.

Mr. K. C. Neogy : Sir, my Honourable friend is seeking to draw a distinction between coasting trade and overseas trade.

Sir James Simpson : Surely.

Mr. K. C. Neogy : Well, this gentleman represents what could be better described as the conspiring European Chambers in India, and I dare say all the British shipping interests, including the Inchcape gang, are represented on that body. It is an open secret that that particular body has the practice of paying their representatives in the Central Legislature. Therefore, can we not take it that the maintenance of the Inchcape interest unaffected in India means bread and butter to the representative of this particular body ? Sir, it is an accident that Mr. Haji is fathering this Bill to-day. This particular Bill was given notice of by me three years back, as Mr. Haji has already said. I balloted for it not once, but twice, and it was only on the representations of the then Member in charge, Sir Charles Innes, that I agreed to postpone it. The Government did not know where they stood. They wanted to consult the legal officers of the Crown in England as to whether this measure was *intra vires* of this Legislature, and it was in order to oblige Government that I did not push through this measure at that time. Mr. Haji is in this House now, and I thought that he knew a good deal more about this question than I did. That is the only reason why I permitted my Honourable friend to take up this measure instead of introducing it myself in this House. Sir, we are here in our representative capacity ; whether we are personally paid

[Mr. K. C. Neogy.]

servants of this man or that man, wherever we may make our living, has nothing to do with the consideration of the question which is before the House. I have been in this House during the last eight years, and I have never before listened to a disgraceful speech like the one that has been delivered, in its reference to Mr. Haji. Sir, the Honourable gentleman has finished with a feeling perroration. He says "We play the game". I say, yes, the British game. And what is that game? Let the spiritual fathers of the Honourable gentleman say what that game is with reference to this particular question. I have here an extract from a report of the Directors of the East India Company written on the 27th January 1801, in which they opposed the employment of Indian-built ships in the trade between England and India: and this is one of the many arguments used—I will not tire the House with the whole extract. This is what they said:

"No British heart would wish that any of the brave men who have merited so much of their country should be without bread whilst natives of the East brought the ships belonging to our own subjects into our own ports; and considered therefore in a physical, moral and commercial and political view the apparent consequences of admitting these Indian sailors largely into our navigation form a strong additional objection to the concession of the proposed privilege to any ships manned by them."

That is the "game". That is the British game, and that is the game which this Honourable gentleman is playing to-day.

Pandit Motilal Nehru (Cities of the United Provinces: Non-Munam-

3 P.M.

madan Urban): Sir, I thank my Honourable friend, Sir James Simpson, for the honour he has done me of

quoting a passage from the Report of the All Parties' Committee over which I had the honour to preside. After quoting that passage, my Honourable friend extended to me a very cordial invitation to go with him into the lobby.

Sir James Simpson: Yes, I hope you will.

Pandit Motilal Nehru: Sir, I will make a very sporting offer to him. If he and his constituency would accept now and here the Dominion status which we claim, I shall be the first to accept his invitation. (Applause). I made this offer, which I call a sporting offer, in the lunch interval to my Honourable friend. His reply was "I am willing to go into the report with you; I have not yet read it". My answer to my Honourable friend's invitation is that I am willing to go with him into the Bill in Select Committee. Then, my Honourable friend was very eloquent in dealing with the glories of India and as to what had contributed to those glories, viz., co-operation with the British. Well, if he had said "glories of Anglo-India", I could have understood it. In fact I have myself witnessed—and I use the word "Anglo-India" in the general sense and not in the restricted sense in which it is used now—I have witnessed that glory myself when going up to Gauhati by river. Along the banks of the Hooghly for some miles, I saw noble palaces, rising to the skies, belonging to the jute kings of Bengal. That was one glory that I saw. A few miles further what did I see? The misery of India. Men, half-fed, half-clad, with bodies shrivelled up, living under flimsy roofs of palm leaves giving no protection against wind or rain. Those two things I saw side by side. Now, what does the report say? The report deals with people who have sunk their money, vast sums of

money, and are doing business *lawfully* in India. I stress the word "lawfully". Has my Honourable friend in the course of his speech given any answer to the long indictment of my Honourable friend Mr. Haji as to how it was that they came to be in possession of the best part of this particular trade? My Honourable friend has answered it by calling certain monopolies "British rights". What are these British rights? Monopolies in the coastal trade, tea, jute, oil, coal, and so on. The tragedy of it is, Sir, that these rights have been acquired in India, the right of the coastal trade and the right of growing tea and coffee and the right in oil. (*An Honourable Member*: "And indigo"), it is a dead trade now—that all these rights should be entirely in non-Indian hands. Equal rights; yes, by all means equal rights, but equal rights are accompanied by and are derived from equal opportunities, (*Lala Lajpat Rai*: "Equal powers"), equal opportunities lead to equal power. Give us the opportunity and if we lag behind, you can say it is our misfortune. Have we had the opportunity? Will you allow us the opportunity? What about the extract just read by my Honourable friend, Mr. Neogy? What about the hundred different tales about Indian commerce, Indian trade being brutally suppressed by the English people in the past. I need hardly go into that; it is a matter of history and we all know it.

Then, it is quite evident that what the report deals with is the time when Dominion status shall be established in India, and not the present time. To talk of discriminatory legislation as something reprehensible in this present rule and in the present circumstances seems to me, Sir, to be more a joke than a serious argument. Are there not already on the Statute-book discriminatory laws? Did any of my friends support us when we all rose as one party either for the repeal of those laws or the non-passing of fresh discriminatory laws? What about the discriminatory Ordinances and Regulations which from time to time we tried to get rid of? Did you ever support us in that? Are they not discriminating laws? What right have you to ask now under the present system and the present regime that no discriminating laws should be passed?

My Honourable friend was pleased to say, "I am against discriminating legislation, both anti-Indian and anti-British". Well, I am very sorry that my Honourable friend was not in the House when we attacked such legislation. He might have had the courage to vote with us, but I see other Honourable gentlemen on those Benches who were in the House and never stood by us on one single occasion.

Then you talk of vested rights. Have we no right to ask how these rights became vested in you? Are you not accountable to us, the people of the land? But it is a land of discriminations. What we want to do is to get rid of this discrimination which is to be found in everything. Where is there no discrimination? Take the political, social, and economic spheres; everywhere there is discrimination, and that to the advantage of the people whom that group represents.

But the best answer to the whole speech of the Honourable Sir James Simpson was given by my Honourable friend, Sir Victor Sassoon in the course of an interruption during Mr. Haji's speech. He said, "I am not an Indian". That is an answer to every argument that has been put. If you are not an Indian what right have you to say that you must have the same privileges as Indians? I am talking now of an Indian Government.

Sir Victor Sassoon : On a point of explanation, Sir. The reason why I had to point out to Mr. Haji that I was not an Indian was because he suggested that I should subscribe capital to these companies, and it was to emphasize the fact that he was not encouraging foreign capital for these companies that I said I was not an Indian.

An Honourable Member : " It comes to the same thing ".

Pandit Motilal Nehru : Now, Sir, what is claimed is national treatment ? Has anybody ever heard of national treatment except among nationals of the same country ? What is national treatment ? Is it a thing which goes floating about on the seas which one has to cross between India and England ? You have to be a citizen if you claim the rights of citizenship. That is the only basis upon which you can claim equality and non-discrimination, because in the case of others who are not citizens there can be and there should be and in fact there is in every country discrimination as regards national treatment. Well, let Dominion status be given, let Dominion rule be established, accept and comply with the terms upon which Indian citizenship can be acquired and then if discrimination is made, you will have the right to complain. But what does this claim come to, this British right as it is called in the present circumstances ? That is not a mere right of carrying on the coastal trade of India or to take part in the coastal trade of India. In every other country when you hear of preference being given to a particular country or a particular Dominion to use its own ships in the coastal trade, there is always a pre-existing home shipping. The question arises when some other nation or Dominion wants to take part in it, as to how it should be regulated. But what has happened here ? Here whatever indigenous beginnings were made—and that has not been challenged—whatever beginnings were made were crushed by superior strength, superior backing and superior organising of Britishers. That being so, what does this claim come to ? It is not merely a claim to remain in peaceful enjoyment of the coastal carrying trade, but the claim when closely examined comes to this that it is we Britishers, and we alone, who must form the mercantile marine of India. You may talk of discrimination in various things, but has anybody ever heard that discrimination is not permissible, is not advisable, is not necessary in matters of defence of a country ? Is not this particular question a question primarily of the defence of the country ? What will be the position if we have a mercantile shipping ? Is it not going to be our mercantile marine, our second line of defence, and if it ever falls to us to defend our country is it you or is it we who are to lay down the regulations for it ? The present combines may form the mercantile marine of India, but the tragedy of it will be that it will be a mercantile marine of India with no Indian on it. Then, again, Sir, take Dominion status and imagine Dominion rule fully established. It is with this rule alone that the report from which my Honourable friend has quoted deals ; what does it mean ? It means that particular rule in the whole of India. It means that that rule is to be established for the citizens of India, for the population of India and for the greatest good to the greatest number. That being so, is it just, is it reasonable for one community to say that we shall continue to enjoy the monopoly which we have somehow or other acquired. I heard a beautiful expression to-day—it may be a legal expression, but I do not profess to be a mine of legal knowledge and to know everything—the expression was

“expropriation of good will”. I can imagine your parting with your property along with the good will or rather trade along with the good will, but I cannot conceive the case of only parting with good will and keeping the trade to yourself. It may be, and I think it will be, more accurate to describe it as a restraint on trade. Talking of restraint on trade, as every lawyer knows, it may be of two kinds. It is either by contract between private individuals or it is by legislation in the interests of the country. Now, in the former case, restraint is permitted to a limited extent in certain instances. In the latter case, when a restraint has to be imposed on trade for the political, economic or social advancement of the country, there is absolutely no limitation. If private interests are likely to suffer they will have to suffer. The present is a case I submit which raises a question directly affecting the advancement of the country, and is therefore of national importance. If it becomes necessary at any time—I do not say that it is necessary now—to pass discriminatory legislation, it would be perfectly open to the Indian Legislature to do so even before it has got Dominion status. But I do not admit that this is discriminatory legislation at all. What is there discriminatory in it? It is not discrimination between individuals or races. It simply lays down that the controlling interests in the trade shall belong to nationals. It is entirely open to anybody to comply with whatever laws there may be in force and become a citizen. Discrimination in legislation, as I said, implies discrimination between races and individuals. It does not certainly mean regulation of the trade of a country whether coastal or otherwise; it does not mean that the Legislature is incompetent to remove monopolies; it does not mean that the Legislature is not to put a stop to exploitation; it does not mean that the Legislature is to perpetuate rate wars. As to discrimination in other ways, for instance, by giving bounties, raising tariff walls and such like, no one will ever object or will ever deny that every country has the right to make it. Imagine for one moment that we had our own way: would you have found Indian-owned shipping in the miserable condition in which we find it to-day? Could we not have helped it by various means and would it not have been able to stand any competition, however strong? It is something like what my Honourable and gallant friend, Colonel Crawford said some time ago, that when there is war then Indian politicians would be citing law reports and pages of old history. He asked us “Who is there to fight? How will you fight?” How can we fight? you have made us helpless; we cannot do it; we cannot compete with you now. Why? Because you have consolidated your position to such an extent that it is not possible for us with our meagre resources without legislative help to hold our own against you.....

Mr. K. Ahmed : Why not ask for bounties ?

Pandit Motilal Nehru : Who is there to give us bounties ? Will you ? It is like offering battle to your helpless victim whom you have deprived of all arms and all strength and then you roll up your sleeves and say “Stand up and I will fight you.” We simply want to be put on our feet and no more. It is not that you have any right of pre-emption upon India. You know how you got it and how you have kept it so far; and now that we are asserting our rights in various directions, is it for you to say : “Oh, this is discrimination.” Discrimination is there from the very beginning; and we are now trying to get out of discrimination by, what you may, if you are so pleased, call in a loose sense, counter-discrimination. Why should the people of the country not resort to it ?

[Pandit Motilal Nehru.]

Sir, I submit that the whole of the argument of my friend was an argument for sending up the Bill to the Select Committee. He said nothing against the principle of the Bill. I do not mean to say that the measure as drafted is perfect. There is room for improvement, and I think the best we can do is to put our heads together and see if we can reconcile it with our various view points without in any way affecting the principle of the Bill. That there should be an Indian mercantile marine in its true sense, I think, every reasonable person will admit.

Mr. Ghanshyam Das Birla (Benares and Gorakhpur Divisions : Non-Muhammadan Rural) : Sir, I rise to support the motion which is before this House. Sir, when Sir James Simpson got up to oppose this Bill, I expected to hear some very convincing arguments against it, but I was very much disappointed to hear him resorting to appeals to Pandit Motilal Nehru in the name of the All-Parties Conference Report and also opposing the Bill in the name of the consumer without telling us as to how the consumer was going to suffer. Sir, so far as the question of racial discrimination is concerned, I think I need not say much. Panditji has already replied to his remarks, but I might add that the European section of this House by their supporting yesterday a Bill of a discriminatory character have cut the ground from under their feet.

Sir, it has been admitted by the European section of this House that in the best interests of India the Britishers could be deported from this country. If, Sir, we accept this principle that the Britishers in the best interests of India could be deported from this country. I do not see any reason why the British ships might not be deported from India in her best interests.

Sir, so far as the interests of the consumers are concerned, I wish my friend had said something convincing. It is no use saying that under a monopoly, and by the reservation of the coastal trade to Indians, the rates of freight would go up and that the consumer would suffer. Sir, let us be frank. The European section in this House is not for protecting the interest of the Indian consumer.

Sir James Simpson : Yes.

Mr. Ghanshyam Das Birla : Well, I wish to tell this frankly to them. Let them stand on the ground of self-interest rather than talk of the interests of the consumer. I think, Sir, this is sheer hypocrisy. It is most insincere to say that they are opposing this Bill on the ground of the consumer's interest. Let us examine the history of the last 50 years of the present shipping concerns owned and controlled by the Britishers, and let us see how the consumer's interests have been served and protected by them.

I would, Sir, take only one instance of a company plying for coastal trade, that is, the British India Steam Navigation Company. Now, Sir, the ordinary capital of this Company is 9 lakhs and 57 thousand pounds, and from 1901 to 1925 the total profits which it made amounted to 51 lakhs and 71 thousand pounds, or approximately 22 per cent. per annum. Twenty-two per cent. per annum is the profit which these protectors of the consumer's interests have made during the last 25 years. And still they have the audacity to say that they are opposing this Bill on the ground of the poor consumer's interests ! Now, Sir, let us also examine the rate

of freight which they charge for the coastal cargo they carry. I have calculated that on an average they charge about Rs. 20 per ton for the coastal traffic. If my figure is not correct I would ask my friends who know about these things to correct me. And, Sir, as compared with these figures the freight from India to the United Kingdom is about Rs. 16 per ton—a distance probably three times the longest distance of a coastal trip. That is how they serve the country ! It comes to this, that they charge for the coastal traffic nearly four times the rate they charge for the United Kingdom. That means that the importers of food grains and other raw materials in the United Kingdom pay a freight rate about 25 per cent. of that paid by the Indian consumer. Now, Sir, in spite of all these big profits, the present European concerns interested in the shipping trade on the coast could not stand any Indian shipping company to come into the field. It was estimated during the enquiry by Mr. Rangachariar that companies with a capital amounting to about 10 crores of rupees were ruined on account of the “rate-war” and the “deferred rebate system.” The European shipowners have so far been successful in keeping Indian companies out of the field by resorting to all kinds of means, fair or foul, with the result that the coastal trade at present is practically monopolised by two English companies. Now, Sir, we can reasonably expect that if proper protection was given against these unfair means, against the deferred rebate and rate war systems, by which the present shipping interests have successfully attempted to kill the Indian industry, I have not the slightest doubt that sufficient capital would be found in India to take up the trade which at present is being carried on by these concerns. Sir James Simpson very pertinently enquired how India would be able to get 12 crores of rupees which would be required to completely displace the foreign concerns. Sir, if the Government of India could get from this country every year through borrowing from 20 to 40 crores of rupees, there is no reason to think that it would be difficult to find the small sum, if I may say so, of Rs. 12 crores provided proper protection was given to the Indian industry.

Sir James Simpson : Private enterprise is required.

Mr. Ghanshyam Das Birla : No doubt about that. Do you mean to say that the money which Government gets at present from Indians is not from private investors ? A good part of it is from the Indian investors. (*An Honourable Member :* “The greater part of it.”) Yes, the greater part of it.

Now, Sir, the suggestion has been made that during the slack season the Indian ships would find it difficult to get cargo on the Indian coast and that therefore their overhead charges would have to fall entirely on the busy season, and for that purpose the rate of freight will have to be automatically enhanced. The figures that I have been supplied with show that during 1924 and 1925 the sailings from Rangoon, Calcutta, Bombay and Karachi were very nearly equally divided between the two half-years. As a matter of fact, no such thing existed as a slack season. But assuming that there is such a thing as a slack season, there is no reason to believe that the Indian ships would not take to the foreign trade just as is being done at present by the present English-owned concerns.

Now, Sir, much has been said about confiscation and expropriation. I must say and it is very well-known in this House that this word was introduced first of all by Sir Charles Innes. Sir Arthur Froom, who was a member of the Mercantile Marine Committee, never suggested that

[Mr. Ghanshyam Das Birla.]

reservation of the coastal traffic to the Indian ships would amount to an act of expropriation. I do not want to go into detail, but if the meaning as provided to us by Mr. Haji is correct that "expropriation" means dispossession of property or of proprietary rights, I should like to know from my friends who is being dispossessed of his property ! If they think that this organised killing of the Indian trade means to them a proprietary right, then I must say that this proprietary right should be taken away from them as immediately as possible. It has also been suggested, Sir, during the debate and also in the opinions sent to this House by the various European Chambers that if such a Bill were passed, it would only benefit Bombay at the cost of other provinces. I think, Sir, this is a very dirty game which has been introduced into this controversy by trying to set up one province against another. But I would tell my European friends that fortunately the provinces have not fallen into the trap laid for them. I should like here to refer to a few witnesses who appeared before the Mercantile Marine Committee and to the opinions they expressed about this measure. I should like to cite the evidence of one or two witnesses from Bengal to show that the people of other provinces do not feel that this measure is calculated to benefit Bombay at the cost of the other provinces. Sir, before the Mercantile Marine Committee, Maulvi Muhammad Nur-ul-Haq Choudhari of the Central National Muhammadan Association, when questioned whether he wanted the coastal shipping to be reserved entirely for Indians, said, "Yes, I do." He was asked, "You do not want any English people on the coastal trade at all", and he said, "I do not." Babu Jogendra Nath Roy of the East Bengal River Steam Service, Limited, when examined, said that within four or five years by gradual replacement of European ships by ships built by the Indian Mercantile Marine he wished that the coastal traffic should be reserved for Indians. Kumar Pramatha Nath Roy of the British India Association in reply to the question :

"Among the various recommendations which you make.... for developing the Indian Mercantile Marine for coastal purposes, to what do you attach the greatest importance ?"

said :

"To navigation bounties and the reservation of the coastal trade."

Then, Sir, I would like to refer to the evidence of our Honourable friend, Mr. Kabeeruddin Ahmed of the Indian Seamen's Union. (Laughter.)

"Q. There is no use of training boys if there is no prospect in the mercantile marine. So your Union considers that the best way to find that prospect is to reserve the coastal trade for Indian-owned ships ?

A. That will be good in the beginning.

Q. Has your Union studied any practical means of arriving at the reservation ?

A. It seems to me that if you reserve the coastal trade for Indian shipping, they will get the necessary facility."

The question before us is this, is it or is it not a legitimate aspiration of India to have her own mercantile marine ? If it is acknowledged by the European Members of this House that it is a legitimate aspiration, I think it is no use their opposing this Bill. They ought to suggest some better alternative in case they do not like the one before the House. In the absence of any better alternative than the present Bill, what one feels

is that the sympathy expressed by the Europeans is not genuine, but that it is all lip sympathy and nothing more. It is a well-known fact that almost all the countries in the world have in one way or another, protected their mercantile marine. I should like to know from the Government of India what they have done so far. The English ships have been plying along the Indian coasts for the last 50 years. And what is the result? Let us have statistics from them to show how many Indians have been trained so far in the ships. Let us have something from them as evidence of the efforts they made to get a real Indian mercantile marine created to ply along the Indian coasts. Sir, it could be seen from the history of the past years that the Government of India have been keeping silent, that they have been making no attempts to do anything to protect the Indian industries with the result that nearly Rs. 10 crores have been lost by private enterprise. It is high time that something was done, and if the Government of India are really serious, it is their duty, as well as the duty of the European Members, to suggest some better proposal if they do not like the present one.

The Honourable Sir George Rainy (Member for Commerce and Railways) : Mr. President, there has been one very remarkable feature in this debate—I do not know whether it has struck other Honourable Members besides myself—and that is the singular reluctance on the part of all speakers, including the Mover, to refer to the Bill which we are supposed to be discussing. I do not recollect any previous case in which the mover of a motion referring a Bill to a Select Committee has spoken for over an hour, without any attempt to explain what the principal provisions of his Bill were and the reasons which he considered justified those provisions. I suppose the Honourable Mover believed that the Bill having been before the Assembly in one form or another for a very long time, for as Mr. Neogy pointed out it was originally brought forward by him in a previous Assembly, Honourable Members by this time were so familiar with its provisions that it was unnecessary to say anything about them. Still movers of Bills are usually expected to have some pity on the weaker brethren whose study of the voluminous papers placed before us is not so thorough and energetic as that of the majority, and I think it is an advantage that, when we are discussing a Bill, we should not altogether ignore the precise provisions which find a place in it. I am not altogether surprised that the Honourable Mover was a little reluctant to say very much about the provisions of the Bill, because, if it is referred to a Select Committee, I should expect to see it emerge in a somewhat different form from the form in which it entered the Committee.

I do not want to occupy the time of the House with points which are really Select Committee points, but there are two or three to which I think I ought to draw the attention of the House as being of some substance. The first of them is this. Clause 3 of the Bill says :

“ No common carrier by water shall engage in the coasting trade of India unless licensed to do so.”

That, perhaps, I might call the operative provision of the whole Bill. I wonder whether the Honourable Mover of the Bill ever considered what the precise effects of these words would be, because, if the Bill should emerge from the Select Committee with that clause in its present form, it would not surprise me if the opposition to the Bill on the part of a certain group of Members in this House was suddenly to lapse. Is the Honourable Member quite sure that any of the ships employed by the

[Sir George Rainy.]

monopoly which he attacked are in fact common carriers? That is rather an important point because it would put this House in a somewhat ludicrous position, if after the legislation had been passed, it should totally fail to carry out its professed purposes.

Mr. R. K. Shanmukham Chetty : Common carrier by water is defined in the definition clause as a common carrier by water engaged in certain traffic.

The Honourable Sir George Rainy : But the definition clause says that " a common carrier " means a common carrier of a particular sort and you will have to get the lawyers to interpret the meaning of the phrase " common carrier ". I admit that it is a Select Committee point, but it is a point that deserves careful attention from the Select Committee.

The second point to which I wish to allude is one to which I drew the attention of the House on the motion for the circulation of the Bill. In clause 1, it is said that the Bill extends to the whole of the coastal traffic of British India and of the continent of India. Now the effect of that clause would be to apply the condition that no ship should engage in the coastal trade unless it were licensed to the foreign settlements in India, and it would also cover the Indian States. Whether it would cover Ceylon is a matter on which I am not quite sure. There was a sharp controversy between Sir Walter Willson and the Mover on the last occasion in which each accused the other of not knowing his geography. I am not wise enough in the law to say how the courts would interpret this phrase, " the continent of India " ; but I do think as regards Ceylon at any rate the point ought to be cleared up. As regards the foreign settlements in India, Goa and Pondicherry, I do not contend for a moment that it is not within the power of the Indian Legislature to pass a law restricting the trade between those two points and British Indian ports to Indian ships. I do not say for a moment that it would be *ultra vires*, but what I do say is that if it were passed, it would involve a contravention of some of our international obligations, and in particular of the maritime convention to which I referred in my previous speech. Under that convention, the ships of all the signatories are entitled to ply between Goa and Bombay let us say, or between Pondicherry and Madras ; and if we were to pass the law in the form in which it has been introduced, then we should have to denounce that particular convention and I think also our commercial treaties with Portugal and France. That seems to me an important point. As regards the Indian States, the position is not quite the same. If British India by agreement with the Indian States were to impose a restriction by which the trade between a port or ports in the Indian States and ports in British India were to be restricted to Indian vessels, that could be done as far as I can see without breach of any international obligation ; but what I would submit to the House is this, that it cannot be done simply over the head of the Indian States. This is not a matter in which this Legislature can fairly assume the final authority, but ought only to proceed in agreement with the authorities responsible for the administration of the States. Now, Mr. President, I think most Members of the House, particularly those who come from Bombay, are alive to the fact that in certain States their interests as regards shipping and commerce are not necessarily regarded by them as identical with the interests of British India. I do not want

to go deeply into this matter, but I think I am referring to a fact which is very well-known; and the effect of this difference of opinion as to the identity of interests apparently has been to transfer a certain amount of trade from Bombay to ports in Kathiawar. What I want the House to consider is this. If the consent of the Indian States were not obtained, and with the two foreign settlements on the coast of India, one on the east and one on the west, and with the great port of Colombo in Ceylon half-way on the voyage from Calcutta or Rangoon to Bombay, with the coast dotted with all these ports which are not British Indian ports, and over which therefore the Government of India and the Legislature of British India have not got full control, I would ask the House very seriously to consider whether any measure for the reservation of the coastal trade, limited to trade between British Indian ports, could in fact be effective. It seems to me that there are loopholes all along the line, and that it would not be difficult for any great shipping corporation, especially one so sagaciously administered as for example the British India Company has always been, to evade the restriction, and if that happened, the inevitable effect would be the transfer of a great deal of trade from British Indian ports to these other ports. Take, for example, the coal trade from Calcutta that goes round to the west coast of India. If this Bill were passed in the form that only trade between British Indian ports was reserved to Indian vessels, I should expect to find that, so far as coal was imported on the west coast of India, it would go round from Calcutta and be imported at Bedi Bunder or at Marmagao and reach the interior of India in that way. And it is quite obvious that our land customs line could not prevent that in any way, because, *ex hypothesi*, the coal we are speaking of is British Indian coal and could not therefore be subject to any duty of customs. I am not going to elaborate this point further to-day. I have some sympathy with my Honourable friend when he preferred to reserve the cream of his arguments for the more select audience of the Select Committee. That attitude might argue a certain lack of respect to the House in general, and an implication that we are not considered worthy to hear what Mr. Haji has to tell us as regards the economic arguments used by Sir Charles Innes. But I am quite sure the Honourable Member did not intend any such disrespect, and, as I say, I agree with him to this extent that it is very difficult when the argument one is trying to place before the House is largely a matter of detail, it is very difficult in a set speech without being intolerably long to make one's meaning clear. Therefore I shall pass on to another feature of the Bill, which is connected, however, with what I have just been saying. I do not know whether the House realizes that, as this Bill is drafted, it will make it illegal for any subject of an Indian State to take part in the trade between a port in his State and a port in British India. It seems a rather summary way of treating the subjects of the Indian States, and if the Honourable Mover were to tell me that that was not what was intended, I should without hesitation accept that assurance. But what this particular flaw in the Bill, taken along with the others, suggests to my mind is this, that as there has been a very long delay between the time when the Bill was first brought forward by Mr. Neogy and the time when it has come up for discussion in this House, it is perhaps unfortunate that those who have successively been responsible for its fortunes, have not devoted a little time to removing the more obvious flaws. I think that on the whole the House was fairly entitled to expect that much from them.

[Sir George Rainy.]

Sir, the Government of India have considered very carefully the argument which I have tried to outline as regards the probable ineffectiveness of the Bill, if the reservation of the coastal trade is confined to ports in British India. Their conclusion quite definitely is that it would be ineffective, that there are too many loopholes and that therefore the Bill, if passed, would not accomplish its object. Now it is obvious, if the Government of India are correct in their view, that that is a very serious difficulty, because I am quite sure that the supporters of the measure, whatever else they want, want it to be effective. I believe also that a great many of them, if they were satisfied that the measure was likely to be ineffective, would hesitate a good deal about passing it. At this point perhaps I might throw back a little as a preface to what I am going to say. In the speech that I made at the time of the circulation of the Bill I said this :

“ I am anxious to make it clear that while Government do not oppose the motion for circulation, they do regard the objections raised by Sir Charles Innes on that occasion as very serious and very important, and unless a further examination of the subject should show that they were not well-founded, these objections would, I think, be regarded by them as very nearly conclusive against the scheme.”

Frankly, I was disappointed when Mr. Haji told us to-day, Sir, that he was going to reserve his reply to the arguments of Sir Charles Innes for the Select Committee, because, Mr. President, I shall not be a member of the Select Committee if it is appointed, and therefore I shall have no opportunity of hearing the reply to these arguments.

Mr. K. C. Neogy : On a point of order, Sir, is it open to the Honourable Member in charge to say that he would not be a member of the Select Committee ? If my recollection serves me right, the rules are perfectly definite on the point, that whether or not the Honourable Member is named specifically in the motion, he is automatically a member of the Select Committee.

Mr. Sarabhai Nemchand Haji : May I say on a point of personal explanation, Sir.

Mr. President : One by one ; let this point be disposed of. Mr. Neogy has raised the point that the Honourable Member is not entitled to say that he would not be a member of the Select Committee, and he refers me to a Standing Order which says that a member in charge of the Bill on behalf of the Government becomes *ex-officio* member of the Select Committee on that particular Bill. Is that the point the Honourable Member raised ?

Mr. K. C. Neogy : Yes, Sir.

Mr. President : The Honourable Member, by virtue of his being the Government Member in charge of that particular Bill, becomes *ex-officio* member of that Select Committee. It is absolutely clear:

The Honourable Sir George Rainy : Before the point of order is finally disposed of, Sir, I had always understood that the “ member in charge ” in that Standing Order meant the member in charge of a Government Bill. I did not know that it covered a member in charge of the Opposition to a private Bill.

Mr. President : I am open to correction.

Mr. K. C. Neogy : Sir, I invite attention to Standing Order No. 40.

" The member of the Government to whose department the Bill relates, the member who introduced the Bill and the Law Member of the Governor General's Executive Council, if he is a member of the Assembly, shall be members of every Select Committee, and it shall not be necessary to include their names in any motion for appointment of such a Committee."

Mr. President : Is it Standing Order 40 ?

Mr. K. C. Neogy : 40, Sir.

Mr. President : Has the Honourable Member got anything to say on the point of order ?

The Honourable Sir George Rainy : I am quite prepared to accept it.

Mr. President : I congratulate the Honourable Member.

Mr. Sarabhai Nemchand Haji : On a point of personal explanation,

.....

Mr. President : The Honourable Member will have the right of reply. Then he can make any explanation he likes.

The Honourable Sir George Rainy : Sir, I owe an apology to the Honourable Member for unjustly attributing to him the base motive that he wished to withhold from me the admirable arguments with which he has no doubt furnished himself as regards this question. But, Sir, the Honourable Mover has not supplied this House with the arguments—in reply to the economic objections raised by Sir Charles Innes—I think he ought to have done so for these objections were essentially objections for the second reading and not Select Committee objections, and however much they may impress members of the Select Committee, I think that the House is entitled to hear them. But instead of replying to Sir Charles Innes' arguments, he complained bitterly of the improper conduct of Sir Charles Innes in taking advantage of an opportunity not intended for the purpose to give at full length the whole of the difficulties and objections he felt to the reservation of the coastal trade. Now, Mr. President, whom did it injure ? In March 1926, Sir Charles Innes stated the objections at length so that they should be fully before the country, and that all the supporters of the scheme should have the most ample opportunity of replying to them and showing that they were unfounded.

Is that unfair ? I admit that when Mr. Haji first said that the conduct of Sir Charles Innes was unworthy of a member of Government, I thought he was on the point of commending him. Very fresh in our minds is what we constantly hear from the Benches opposite as to the character of Government, and when I heard that Sir Charles Innes was unworthy, it seemed to me that he had found favour in the sight of the Honourable Member. But it was not so. Not even on that occasion has one member of the Government found favour in the sight of one member of the Opposition ! But I do think that whatever may be the character of this Government on ordinary occasions, I really cannot see that Sir Charles Innes deserved any censure whatever for the line he took on that occasion, and the position is this. •

Mr. B. Das : But Sir Charles Innes did not bring up the Resolution for discussion in the Legislative Assembly. Let me quote the amend

[Mr. B. Das.]

ment moved by Sir Charles Innes to the Resolution of Sir Sivaswamy Iyer on the 19th March, 1926—and that was carried :

“ That the debate on all subjects covered by the Resolution, except the proposed training ship, be adjourned till the next Session, and that, as regards the training ship, the Assembly recommends, etc., etc.”

Sir Charles Innes did not fulfil this promise.

The Honourable Sir George Rainy : Sir, Sir Charles Innes on that occasion acted subject to your approval, and I have no doubt that if his conduct was unworthy, that approval would not have been given.

What remains is this, that it is 2½ years since Sir Charles Innes stated these objections, and so far as this House is concerned, they remain unanswered to this day. The Honourable Mover, except on the point of expropriation, made no attempt to deal with the economic argument, and I think I am entitled to claim that that being so, and in view of the fact that last March I indicated clearly the very serious view that Government were inclined to take of these arguments, the Honourable Mover cannot expect that Government should lightly dismiss their arguments and express their concurrence with him.

Now, Mr. President, there is one aspect of the case to which I must devote two or three sentences, and that is the question of Burma. I most sincerely hope that some Member who comes from Burma will deal more fully with that aspect of the matter. As nearly as I can make out, more than half the coastal trade in India is trade between India and Burma. Apprehensions were expressed by Sir Charles Innes—and he gave very good reasons for them, though I know quite well that the Members opposite do not accept these reasons—he gave his reasons for believing that the reservation of the coastal trade would mean a more expensive service and higher freights. Now if that should happen I think you would get an irresistible demand from Burma that they should be left out of the scheme of reservation of the coastal trade. It is very unlikely that for many years to come the Burmese people themselves will take much, if any, part in the coastal trade, and if they think that the effect of reservation is to raise freights against them, we shall be faced by a strong and effective demand that reservation be withdrawn. The House knows perfectly well that in various matters in recent years it has been strongly felt in Burma that their economic interests are not the same as the economic interests of India. That was felt in the case of the steel duties, of the export duties on rice, and of the export duties on hides and skins. In these matters we have to consider the interests of India as a whole, and it is not competent for us to impose different rates of duty at different ports. It was considered that the interests of India as a whole demanded these duties and therefore we had no alternative but to apply them in Burma. But that is not so, Sir, as regards the reservation of coastal trade. There is no international obligation on our part that would oblige us, if we reserved any part of that trade, to reserve the whole of it, and it would be perfectly competent to exclude trade between India and Burma in the Bill without any breach of international obligations. I believe that, if that were done, the decision would be acceptable to Burma. I thought it right to mention this, Sir, but I hope that some Member from that province will deal with the matter more fully.

I come now, Sir, to the very interesting speech which we heard from the Honourable Pandit, the Leader of the Opposition. The statements he made were of absolutely first class importance, and I have no doubt that they will receive very earnest consideration from the Members of the European Group to whom most of them were chiefly addressed. What, in effect, he said was this : Accept Dominion status as the principle of India's future government and then I will talk to you of removal of discrimination. In his view the two things hang together, that India should get Dominion status and that in that case there should be no discriminatory legislation. He called that a sporting offer. I know that the Honourable Member is a sportsman and any offer coming from him is likely to be a sporting one. But I am not quite sure that the phrase "sporting offer" is entirely congruous in the language used in the famous quotation from the report, especially with the words "it is inconceivable". What the Honourable Pandit has offered to-day on behalf of India is to refrain in certain circumstances from pursuing the course which he recognised to be inconceivable. Well that is not quite such a sporting offer as some I have heard. I think the Honourable Member, if he tries, can do better than that, because to refrain from the inconceivable is a task not beyond the capacity of any Member in this House. He went on to offer some very important explanations.....

Pandit Motilal Nehru : On a point of personal explanation, Sir, I used the words "sporting offer" in connection with my intention that it was not discriminating legislation ; but even so, if they admit the Dominion status, I offered to accept the invitation.

The Honourable Sir George Rainy : I must apologise to the Honourable Pandit. I had not quite appreciated his attitude. The reason why I failed to do so I think was that the phrase about the "sporting offer" came first and his explanation, which I clearly followed, that he did not regard this Bill as discriminatory legislation, came later on.

Mr. President : It did come.

The Honourable Sir George Rainy : I fully recognise that, Sir. I had no intention and I am sure the Honourable Pandit will acquit me of any intention of misrepresenting him. I fully admit that on his view that the Bill is not discriminatory legislation, it was something of a sporting offer. He was prepared to go beyond the report and to discuss the question as to whether this legislation should go through or not. So much for that. The Honourable Pandit anticipated what I was about to say as regards the fact that he did not regard this legislation as discriminatory. I am quite sure that this particular statement is of the greatest possible interest to the European Group. I am a little afraid, however, that the value that they may have been inclined to attach to the statement in the report submitted to the Lucknow Conference will not be quite so high this afternoon as it was this morning. The Honourable Pandit has justified his claim that this Bill is not discriminatory partly on the ground that if what you want is national treatment then you must become a national. He said if the Members of the European Group were to make themselves British Indian citizens under the new constitution, then of course they would be in exactly the same position as other British Indian nationals, but that if they preferred to remain outside, then they must not expect national treatment in the full sense. Well, Sir, that may have been the Honourable

[Sir George Rainy.]

Pandit's meaning, but I do not think the words in his famous utterance are such as to convey it. "It is inconceivable" he said "that there can be any discriminating legislation against any community doing business lawfully in India....."

Pandit Motilal Nehru : In the Commonwealth of India when established.

The Honourable Sir George Rainy : "Any community doing business lawfully in India?" I fully accept the Honourable Member's statement as to what he meant, but I cannot admit that he said it on that occasion, and I think we are indebted to my Honourable friend Mr. Haji for bringing forward this Bill because it has given us an opportunity of eliciting what the real meaning of the Honourable Pandit is.

I would turn now—and what I have been saying about the statement of the Honourable Pandit leads up to it—to what I regard as by far the most important aspect of this Bill. It is this : In British Colonies and Dominions in many parts of the world, but especially in Africa, it is the duty of the Government of India to maintain an unceasing struggle in the interests of the Indians who have settled there ; and our most powerful weapon has hitherto been the claim that the Indians who go to these territories are entitled to equal treatment as compared with other British subjects, and that there shall be no discrimination on racial grounds. The Honourable Mover and his supporters would disarm us and leave us helpless in the presence of the Governors of these territories.

Mr. Jamnadas M. Mehta : Question ?

The Honourable Sir George Rainy : It is all very well for Honourable Members to say that this Bill is not discriminatory, but it is not their opinion that will count, nor is it the opinion of the Government of India that will count ; it is the opinion of the Government of the Union of South Africa that will count. (*Lala Lajpat Rai :* "Which happens at present to be the case.") and the Government of the Colony of Kenya and the Government of the mandated territory of Tanganyika ; and when our agents interview the authorities in these territories and ask for equal treatment and no discrimination, they will be met with the reply "Oh, why do you object to it ? You do it yourselves." I will put it to the Honourable Member ; I will make it very clear what I mean. If this Bill had been limited to this, that the coastal trade of India was to be reserved to nationals in the ordinary sense, and that is to companies registered in the country, which is the usual test of the domicile of a company, then I think he could have argued that there was no racial discrimination. But if 75 per cent. of the capital is to be reserved for British Indian nationals, if 75 per cent. of the managing agency is to be reserved for nationals, and if another 75 per cent. which for the moment has escaped my memory is also to be reserved, I say it is racial discrimination and nothing else. Assuredly I should feel myself perfectly helpless if I attempted the task of convincing General Hertog that this was not so. I do trust that the House will consider this subject very carefully, because it is of absolutely first class importance. I know perfectly well how deeply Honourable Members on both sides feel as regards the treatment of Indians in the British Dominions and Colonies. I am perfectly certain that the very last thing that they desire is to do anything which would restrict and hamper the power of the

Government of India, as the agent of India, to protect these people and to secure for them the best treatment possible. But I am very much afraid that if this Bill passes and becomes law, the effect upon the treatment of Indians in many of these territories could only be described as deplorable. I would therefore ask the House to think twice and three times before it agrees to this particular proposal.

I think, Sir, that I have very little to add to what I have said, and I should like to leave the matter there. The Government of India are unable to accept the motion for a Select Committee. I must leave it to the House to decide with a full sense of responsibility what they will do, but the Government of India must oppose the motion for referring the Bill to a Select Committee.

One word more, Sir. The Honourable mover said that any one who opposed this Bill must be regarded as definitely opposed to the development of an Indian mercantile marine. Well, Sir, I repudiate that. Honourable Members may believe me or not, but I cannot refrain from saying it, I repudiate that charge. I am sincerely interested, and the Government of India are sincerely interested in securing the development of an Indian mercantile marine.

Mr. Jamnadas M. Mehta (Bombay City : Non-Muhammadan Urban) : Is there any proof ?

The Honourable Sir George Rainy : Honourable Members have said that we are very slow. It is not the first time that I have heard that particular accusation brought against the Government of India, and when that accusation is brought very frequently I am afraid there is sometimes something in it. But if we could once get this entirely impossible proposition, as I regard it, namely, the reservation of the coastal trade, out of the way, then we may be able to get down to business. I quite recognise that there are other aspects of the case which ought to be considered. If I am correct, as I believe I am, in thinking that there are other schemes which are likely to be brought to the notice of the Government of India at an early date, I can assure Honourable Members that these will receive careful consideration. But I want to make it perfectly plain that in opposing the reference of this Bill to a Select Committee, the Government of India believe that they are acting in the true interests of the country, and they also believe that it is impossible in any useful way to develop an Indian mercantile marine by the reservation of the coastal trade.

The Assembly then adjourned till Eleven of the Clock on Friday, the 14th September, 1928.