THE

LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume II

(8th March to 27th March, 1928)

SECOND SESSION

OF THE

THIRD LEGISLATIVE ASSEMBLY, 1928



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LEGISLATIVE ASSEMBLY.

Saturday, 10th March, 1928.

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

QUESTIONS AND ANSWERS.

ALLOWANCES OF MILITARY ASSISTANT SUBGEONS WHO WERE SENT TO CHINA ON DUTY WITH THE SHANGHAI DEFENCE FORCE.

- 383. *Lieut.-Colonel H. A. J. Gidney: Will Government be pleased to state if it is a fact:
 - (i) that Military Assistant Surgeons of the Indian Medical Department who were sent to China on duty with the Shanghai Force were paid no other allowance than \$9 per month as Colonial Allowance?
 - (ii) that these Assistant Surgeons had to serve in places where their families could not join them? If so, were they paid separation allowance as was drawn by other warrant and commissioned officers? If not, why not?
 - (iii) that six of these Assistant Surgeons had to live for nearly one month in one room measuring 25' × 15' and, later, two in one room measuring 15' × 10', and yet, they were not allowed any compensation in lieu of quarters as was paid to other warrant and commissioned officers who had far better accommodation?
 - (iv) that Sub-Assistant Surgeons attached to the Indian Military Hospital in Hongkong were allowed 50 per cent. of their salaries as Hongkong Allowance in view of the high cost of living in that city? Did Government consider this in the case of Military Assistant Surgeons and allow them some such allowance to enable them to meet the high cost of living? If not, will Government give their reasons for such differential treatment?
 - (v) that the application of a few married Military Assistant Surgeons for repatriation to India, solely on account of the high cost of living and the fear of getting into debt having had to maintain two homes one in India and another in China, was not even taken notice of by the authorities concerned? If so, why?
- Mr. G. M. Young: (i) No, Sir. In addition to Colonial Allowance, they drew full rates of charge pay or sub-charge allowance for foreign service in respect of the appointments held by them, and were also given the concession of free postage.

- (ii) The answer to the first part is in the affirmative, but I would point out that these Assistant Surgeons were in a similar position to corresponding ranks of other units in the Shanghai Defence Force. Separation allowance was not paid as this was not admissible under regulations. The grant of a marriage allowance or some such other concession is at present under consideration.
- (iii) The Government of India have no information on the subject, but I am informed that compensation in lieu of quarters was granted to certain Assistant Surgeons serving with No. 3, British General Hospital, Hong Kong.
- (iv) There are two appointments held by Sub-Assistant Surgeons at Hong Kong who receive special rates of pay, and the question of extending that special rate of pay to others serving in the same locality is under consideration. I would, however, remind the Honourable Member that the pay of Assistant Surgeons is in no way connected with or regulated by the emoluments of Sub-Assistant Surgeons.
- '(v) The Government of India have no information on the subject. Assistant Surgeons like other ranks are liable to be moved according to the exigencies of the service.
- Lieut.-Colonel H. A. J. Gidney: Will the Honourable Member kindly tell us, considering that marriage and separation allowances for the I. M. D. have already been under consideration for so many years, how much longer the Government intends to consider the matter? It has been considered for so many years that it surely must be forgotten by now?
- Mr. G. M. Young: Sir, I must ask for notice of that question. I will send a copy of this question and answer to the authorities concerned. I have given the Honourable Member all the information that I have in my possession.

Lieut.-Colonel H. A. J. Gidney: I thank you, Sir.

TRAVELLING TICKET INSPECTORS AND CREWMEN ON THE EAST INDIAN RAILWAY.

- 384. *Lieut.-Colonel H. A. J. Gidney: (a) Will Government be pleased to furnish this House with:
 - (i) the number of travelling ticket inspectors employed on the East Indian Railway prior to 1925;
 - (ii) the number of travelling ticket inspectors now employed on the East Indian Railway; and
 - (iii) the present strength of the new crew system?
- (b) Is it a fact that, in spite of the introduction of these new preventive measures and the reduction of fares, and season tickets, every travelling ticket inspector is required to collect a certain minimum amount of excess fares to entitle him to his annual increment?
- (c) Will Government be pleased to state the minimum amount of excess fares required to be collected by (i) a crewman and (ii) a travelling ticket inspector, to entitle them, respectively, to their annual increments? If there is a difference in the amounts demanded of these two sets of employees, will Government please state why?
- Mr. A. A. L. Parsons: The information required by the Honourable . Member has been called for and will be furnished in due course.

PREVENTION OF EXTORTION BY TRAVELLING TICKET INSPECTORS AND CREWMEN ON THE EAST INDIAN RAILWAY.

- 885. *Lieut.-Colonel H. A. J Gidney: (a) Will Government be pleased to state what steps they have taken to prevent the travelling ticket inspectors and crewmen from resorting to extortion from ignorant passengers in their desire to collect the stipulated amount of excess fares, and, to ensure that earnings shown by these subordinates are genuine excess fares?
- (b) Has the attention of the Government been drawn to the correspondence that has passed between the Agent of the East Indian Railway and myself on this subject?
- (c) Will Government be pleased to state what steps they have taken to supervise these subordinates? What is the principle followed in considering the increments of the supervising staff of this Department?
- Mr. A. A. L. Parsons: I am obtaining from the East Indian Railway administration information which will enable me to reply to part (c) of the Honourable Member's question. I have not seen the correspondence which he has had with the Agent of the Railway on the subject, though I believe he gave the House the benefit of quotations from it in a recent debate. I am not aware that travelling ticket inspectors and crewmen are required to collect any stipulated amount of excess fare, and must ask the Honourable Member to give me specific instances justifying the charge of extortion which he makes against these servants of the Railway as a whole in the first part of his question.
- Lieut.-Colonel H. A. J. Gidney: In response to the reply given by the Honourable Member which I did not hear in full, I am prepared to give him a copy of a letter I received from the Agent of the East Indian Railway in reply to a statement made by me based on the question I have asked to-day.

RULES OF THE EAST INDIAN RAILWAY GUARANTEE FUND.

- 386. *Lieut.-Colonel H. A. J. Gidney: With reference to the Honourable Member's replies to my questions 1065 to 1070 of the 21st March, 1927, on the Guarantee Fund, East Indian Railway, will Government please furnish me with a copy of the Rules of the Guarantee Fund of the East Indian Railway Company and state:
 - (a) when the Fund came into existence and the authority for its inauguration, and
 - (b) whether before inauguration it had the sanction of the Governor General for the time being of India, and approved under his hand, or the hand of his Secretary given previous to the same being acted upon by the said East Indian Railway Company before it was State-managed in 1925?
- Mr. A. A. L. Parsons: I am sending a copy of the Rules to the Honourable Member. The Fund came into existence on the 1st January, 1880 and the Rules were framed by the Board of Directors of the East Indian Railway Company with the approval of His Majesty's Secretary of State for India.

EDUCATIONAL GRANT TO THE CHILDREN OF THE EMPLOYEES OF THE EAST INDIAN RAILWAY WHO CANNOT BE ADMITTED INTO THE OAKGROVE SCHOOL, MUSSOORIE.

- 387. *Lieut.-Colonel H. A. J. Gidney: (a) Will Government please state whether the Oakgrove School, Jharapani, near Mussoorie, is under the dual control of the North Western and the East Indian Railways?
- (b) Will the Honourable Member please inform this House of the maximum number of boys and girls this school can accommodate?
- (c) Is it a fact that the accommodation in this school is not adequate to cater for the educational needs of all the children of the European and Anglo-Indian employees on these two Railways?
- (d) Will Government please state if it is a fact that the North Western Railway allows an educational grant to those children of its employees who do not get accommodation in the Oakgrove School which enables them to send their children to other recognised European hill schools?
- (e) Will Government please state whether such a grant is allowed to the children of its employees on the East Indian Railway? If not, why not?
- (f) Are Government aware of the fact that there are hundreds of children of European and Anglo-Indian employees of the East Indian Railway who for want of accommodation in the Oakgrove School are being educated at other European schools?
- (g) Are Government prepared to allow an educational grant to the children of the employees on the East Indian Railway who cannot get accommodation in the Oakgrove School as is given to employees of the North Western Railway?
- Mr. A. A. L. Parsons: (a) The Oakgrove School is under the East Indian Railway administration. The North Western Railway is represented on the governing body.
- (b) Government do not know the exact figures, but there were 483 boys and girls on the rolls on the 31st March, 1926.
 - (c) Yes.
- (d) The North Western Railway gives assistance to its employees towards sending their children to approved schools including the Oakgrove School.

For a general account of the methods by which assistance is given, I would refer the Henourable Member to Chapter III of the "Report on the Expenditure of the Railways on the Education of the Children of Employees in 1925-26", a copy of which is in the Library.

- (e) The East Indian Railway do not give assistance in this form to the staff of the old East Indian Railway Company because they have provided a school at Oakgrove. The staff of the late Oudh and Rohilkhand Railway get assistance in this way.
- (f) This has not been brought to the notice of the Railway Board by the East Indian Railway administration.
- (g) As the Honourable Member is aware, the whole question of the assistance which should be given towards the education of the children of railway employees is under consideration. Government are not in a position, at present, to say what action will be taken.

- Lieut.-Colonel H. A. J. Gidney: Will the Honourable Member state whether the East Indian Railway will be prepared to consider the grant of an Educational grant to children who cannot be accommodated in Oakgrove School, considering the fact that there are thousands of children in the East Indian Railway and the school can only accommodate 450, the balance having to be sent to other schools at enormous cost to the parents.
- Mr. A. A. L. Parsons: The Railway Board will not be prepared to consider that, apart from the consideration of the general question of the assistance to be given in the future to the employees of Railways for the education of their children.
- Pandit Hirday Nath Kunzru: May I ask whether Government are aware that it has been stated in the Jones Report that out of the boys and girls who are in the Oakgrove School nearly 212 come from places which provide nearly as good educational facilities as Oakgrove.
 - Mr. A. A. L. Parsons: I have read Mr. Jones' report, Sir.

INTRODUCTION OF REFORMS IN THE NORTH WEST FRONTIER PROVINCE.

- 388. *Sir Hari Singh Gour: (a) Has the attention of Government been drawn to a paragraph appearing in the news columns of the *Pioneer* of 27th February, 1928, to the effect that it is strongly rumoured in Peshawar that Government have decided to immediately introduce constitutional reforms in the North-West Frontier Province?
- (b) Is it proposed that there will be a Legislative Council of not less than 30 of whom not less than 16 shall be elected, and that Sir Abdul Qaiyum is likely to be the first Minister?
- (c) If so, will the Government be pleased to make a complete statement on the subject?
- The Honourable Mr. J. Orerar: (a) The statement in the *Pioneer* of February 27th has been brought to the notice of Government.
- (b) and (c). The attention of the Honourable Member is drawn to the reply given by the Honourable Sir Alexander Muddiman to Mr. Jinnah's question on the subject which was answered in the Legislative Assembly on the 16th February, 1927, at the end of the starred questions which were down for that day. I have no further statement to make.
- Nawab Sir Sahibzada Abdul Qaiyum: Do Government realise the importance which the question of the Frontier Reforms has assumed, and will they, in view of the long delay, decide to introduce the measure of reforms recommended by the Bray Committee, minus the so-called Ministry, if they like, and allow more Members coming to this House to represent the cause of the North-West Frontier Province?
- The Honourable Mr. J. Crerar: Government certainly recognise the great importance of this question. As I have already said, I have at present no further statement to make.
- Mr. M. A. Jinnah: May I ask the Honourable Member whether the matter is still under consideration and can be tell us when the consideration of this matter would be concluded, the probable date, the probable period?

The Honourable Mr. J. Crerar: I am afraid I cannot suggest any particular date.

Lala Lajpat Rai: Are the Government aware that the non-decision of this case, the delay in the decision of this matter, whatever the actual decision, causes a great deal of friction between the Hindus and the Muhammadans?

The Honourable Mr. J. Crerar: Government appreciate the great importance of this question in all its bearings.

Indianisation of the Medical Services.

- 389. *Mr. M. S. Aney: (a) Will the Government be pleased to state whether the recommendations of the Lee Commission regarding Indianisation of the Medical Services and reduction of the cadre of the Indian Medical Service have been given effect to?
- (b) With reference to the despatch of the Secretary of State for India under Devolution Rule 12 regarding Indian Medical Service officers, will Government be pleased to state whether they have given or made any attempt to give effect to the scheme promoted in that despatch? If not, why?
- Mr. G. S. Bajpai: Government hope to make an announcement on the subject shortly.

The Honourable Member is presumably referring to the scheme of reservation sanctioned by the Secretary of State in 1923 under rule 12 of the Devolution Rules. If so, the reply to this part of his question is in the affirmative.

PAY OF POSTAL EMPLOYEES IN THE MADRAS CIRCLE.

- 390. *Mr. G. Sarvotham Bao: (a) Did the Postal Enquiry Committee of 1920 recommend to the several classes of postal employees in the Madras Circle the same scales of pay—especially with reference to the maximum pay in each scale—as for the Bombay and Bengal Circles?
- (b) What are the reasons which induced the Government to give a lower scale of pay for the Madras Circle?
- (c) Is it due to the difference in the cost of living and if so, have Government made investigation in the matter, or, is it due to a comparison with the scales of pay obtaining in the Local Government?
- (d) Why was not comparison made with similar All-India Government services such as the telegraphists?

The Honourable Sir Bhupendra Nath Mitra: (a) No.

- (b) Government did not consider the places in Madras Circle at which lower scales of pay have been given to be as costly as the places in the Bombay and Bengal Circles where higher scales of pay have been given.
- (c) The Government of India have made no independent investigation into the cost of living, but in these cases the scales of pay granted by the Local Government are accepted as a suitable index of such cost.
- (d) Local scales of pay are fixed with reference to local conditions. The pay of All-India Government services is fixed on different considerations.

INITIAL SALARY OF POSTAL CLERKS IN MADRAS CITY.

- 391. •Mr. G. Sarvotham Rao: (a) Was the initial salary fixed by the Postal Enquiry Committee for Madras City lowered by the Government recently? If so, why?
- (b) Is the initial salary for postal clerks and of similar employees in Civil Account Offices in Madras city the same now?
- (c) Is it due to the fact that there is a large number of educated men available in Madras for any salary?
- (d) Are not wages in England fixed by a Wages Board with reference to the cost of living and is any variation in the cost of living met by the cost of living 'bonus'?
- The Honourable Sir Bhupendra Math Mitra: (a) Yes, in the case of clerks. The Government of India came to the conclusion that the local conditions in Madras City did not justify the continuance of the initial salary recommended for pestal clerks by the Postal Enquiry Committee.
 - (b) Yes.
 - (c) No.
 - (d) Yes.

PAY OF POSTAL CLERKS IN MADRAS CITY.

- 392. *Mr. G. Sarvotham Rao: (a) Is it a fact that in the Presidency Towns of Bombay and Calcutta and with the exception of a few stations in the rest of the Circles the maximum pay for clerks, postmen, packers, etc., is the same?
- (b) Have Government ascertained whether the cost of living is uniform in all these places?
- (c) Have the postal officials at Madras sent representations to the Government through their Union praying that they should be given the same scale of pay as officials at Calcutta were given by the Postal Enquiry Committee? If the reply be in the affirmative will their request be granted? If not, why not?

The Honourable Sir Bhupendra Nath Mitra: (a) No.

- (b) No.
- (c) Such representations have been received in respect of postal clerks. It is not proposed to grant postal clerks serving in Madras the same scale of pay as for postal clerks serving in Calcutta, for the reason already given in my reply to part (b) of the Honourable Member's question No. 390. It has been decided, however, to grant an improved scale of pay to postal clerks serving in the Madras City.

VISIT TO INDIA OF MISS SCHALER.

- 393. *Mr. B. Das: (a) Did Miss Mayo come with a letter of credentials from the American Government and did the India Office and the Government of India scrutinise her letter of credentials before she was allowed the confidence of the Government officials?
- (b) What safeguards have Government adopted so that Miss Schalek may not commit acts of misrepresentation in her writings on India and the Indian people?

The Honourable Mr. J. Crerar: (a) The answer to the first part of the question is in the negative, and the second part does not arise.

(b) The action which Government thought desirable is indicated in the letter which the Honourable Member has quoted in a previous question.

Lala Lajpat Rai: Are the Government aware that Miss Mayo has stated in her book that she accompanied Deputy Commissioners and Commissioners in their tours in order to study conditions? Did the Government authorise her to accompany those officers on their tours?

The Honourable Mr. J. Crerar: I think I must ask the Honourable Member to refer me to the document which the Honourable Member is quoting from before I can give an answer to that question.

Lala Lajpat Rai: I presume that the Honourable Member has already read that book, because he answered questions relating to it before.

The H-nourable Mr. J. Grerar: I have certainly read the book, but I have not memorized it.

REPRESENTATION ON THE AMERICAN STAGE OF MISS MAYO'S BOOK "MOTHER INDIA".

- 394. *Mr. B. Das: (a) Has the attention of the Government been drawn to a letter of Sreemati Rangini Devi from the United States in the Hindustan Times and other papers that Miss Mayo's book "Mother India" is being presented on the American stage as a one act play depicting the inhuman cruelty of an Indian husband to his wife?
- (b) Have Government taken any action so far to stop misrepresentation of Indian life to the American people? If not, are Government prepared to take any action?

Sir Denys Bray: Steps were taken to initiate such action as may be possible the day the article came to my notice.

EMPLOYMENT OF BIHARIS AND ORIVAS IN THE GOVERNMENT OF INDIA SECRETARIAT AND CENTRAL DEPARTMENTS.

- 395. *Raja Raghunandan Prasad Singh: (a) Will the Government be pleased to state how many men from the Province of Bihar and Orissa are serving at present as clerks in the Central Government's offices which are under the Public Service Commission?
- (b) Will the Government be pleased to state what is their proportion to the total number employed as clerks from the various other Provinces of India?
- (c) Is it a fact that there is not a single Oriya in any of the offices of the Imperial Secretariat?
- (d) Is it a fact that there is not a single Oriya serving as a clerk in any of the following offices which are not under the Public Service Commission:
 - (1) Director General, Posts and Telegraphs.
 - (2) Railway Board.
 - (3) Audit Officer, Indian Stores Department.
 - (4) Accountant General, Railways.
 - (5) Accountant General, Central Revenues?

- (e) Will the Government be pleased to state how many candidates from Orissa and how many from Bihar have in the last year (1927) and in the current year (1928) applied for service in the Central Government and what favourable consideration has been shown to them?
- The Honourable Mr. J. Crerar: Parts (a) to (e). The information is being collected and will be furnished to the Honourable Member in due course.
 - CREATION OF UNIVERSITY TRAINING CORPS AT DACCA AND NAGPUR.
- 396. *Dr. B. S. Moonje: With reference to parts (b) and (c) of my question No. 962, dated the 15th March, 1927, in which it was stated that the applications of the Universities of Nagpur, Dacca and Andhra for permission to form University Training Corps were received and that they were under consideration, will the Government be pleased to state if the permission asked for has been granted?
- Mr. G. M. Young: Government have decided to create University Training Corps at Dacca and Nagpur and funds for this purpose have been provided in the Budget for 1928-29. The constitution of these two units will be taken up as soon as possible after the 1st April. The formation of a similar unit for the Andhra University must. I am afraid, wait until more funds are available.

Subsidies, Rewards or Allowances paid to Trans-Frontier Tribesmen, etc.

- 397. *Dr. B. S. Moonje: (a) Will the Government be pleased to supply information on the following points:
 - (i) the amounts of subsidies, rewards or allowances paid to the tribesmen of the Trans-frontier tribal country for keeping peace per year during the last five years;
 - (ii) an estimate of the number of modern rifles possessed by the tribesmen of the Trans-frontier tribal country;
 - (iii) an estimate of the number of men between the ages of 16 and 55 years in the tribal country;
 - (iv) the number of raids committed by them per year during the last five years with an account of the number of Indians killed, wounded, looted and carried away and their classification according to their religion and the amount of property looted?
- (b) How many Indians were carried away and held up for ransom per year during the last 5 years with their classification according to their religion and the amounts of ransom paid, if any, in each case?
- (c) Is the Arms Act in operation in the villages and towns within the borders of the Frontier generally liable to such raids and if so how many Indians are licensed to possess modern arms with their classification according to their religions?
- Sir Denys Bray: The statistics are being collected and will be sent to the Honourable Member in due course.

- Mr. Gaya Prasad Singh: Will the Honourable Member be pleased to send a copy of the statistics to me also?
- Sir Denys Bray: I shall be glad to send the Honourable Member a copy.

RESIGNATIONS OF THEIR COMMISSIONS BY OFFICERS OF THE TERRITORIAL AND AUXILIARY FORCES SINCE 1923.

- 398. *The Revd. J. C. Chatterjee: Will Government be pleased to state the number of resignations of their Commissions (whether accepted or pending), received from officers of each battalion of the Territorial and Auxiliary Forces since 1923 and the names of the various battalions from which such resignations have been received?
- Mr. G. M. Young: The information desired by the Honourable Member is not readily available and its collection would involve an expenditure of time and labour which, in the opinion of the Government of India, would not be commensurate with the results. All resignations of commissions are published at the time in the Gazette of India.
- The Revd. J. C. Chatterjee: Are Government aware that the number of resignations from efficers of the Territorial Forces are very much in excess of the resignations received from officers in the regular army?
 - Mr. G. M. Young: No, Sir, not at the moment.

Adjutants and Commanding Officers of Units of University Training Corps, etc.

- 399. *The Revd. J. C. Chatterjee: (a) Will Government be pleased to state, what special considerations, if any, are borne in mind, in selecting Adjutants and Commanding Officers of units of University Training Corps?
- (b) Are similar considerations also kept in view, in making selections for Commanding Officers of active battalions of the Indian Territorial Force?
- Mr. G. M. Young: (a) and (b). In both cases officers are selected with special reference to their military qualifications and the composition of the Corps or unit to which they are appointed.

MEDICAL INSPECTION OF SCHOOL CHILDREN IN DELHI.

- 400. *The Revd. J. C. Chatterjee: (a) Are Government aware of the fact that no provision has hitherto been made for the medical inspection of school children in Delhi?
- (b) Will Government be pleased to state how long a scheme for the medical inspection of school children has been under their consideration?
- (c) Will Government be pleased to state when they propose to give practical effect to the scheme?
- Mr. G. S. Bajpai: With your permission, Sir, I shall answer parts (a), (b) and (c) together. A scheme of medical inspection of children in schools in Delhi was submitted to Government in October 1927 and has been sanctioned with effect from the 1st February 1928, and the necessary funds have been provided for it. Steps are being taken to give effect to the scheme immediately.

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RECRUITMENT OF THE MERS AND MERATS OF AJMER-MERWARA TO THE INDIAN ARMY.

- 401. *Rai Sahib Harbilas Sarda: (a) With reference to Government's reply to my question No. 840, given on the 2nd September, 1927, will Government be pleased to state whether it is after the world war or from before it that the material furnished by the Mers and Merats of Ajmer-Merwara has been considered inferior to that furnished by others?
- (b) Will Government be pleased to state whether this belief is based on reports submitted by officers who were in command when the Mers and Merats were on field service?
- (c) Were these reports supported by incidents, occurrences or other facts proving their physical inferiority and have Government tested the correctness of these reports?
- (d) Is it a fact that Colonel Hoskqri, who long served in and later commanded the Merwara Infantry at Ajmer, and the present Recruiting Officer in Rajputana protested against the ban being placed on the recruitment of Mers and Merats and have these and other officers who have had intimate knowledge of Mers and Merats strongly recommended that these classes should be recruited for the Army?
- (e) Will Government be pleased to state, in case the Mers and Merats were not considered inferior in fighting qualities, before the World War, the reasons why they are now considered inferior?
- (f) Is it a fact that almost the entire adult male Mer and Merat population of Merwara enlisted in the Army during the Great War and went to the front and that their field service was declared to be efficient and satisfactory?
- (g) Are Government prepared to hold an open enquiry to find out whether the Mers and Merats are fit for recruitment to the Army?
- Mr. G. M. Young: In the interests of the community concerned, I would prefer not to give a detailed answer to my Honourable friend's question on the floor of this House. I will, however, supply him privately with all the information he desires, and he can use it in any way he likes.

Appointment of Indians as Chief Medical Officers on State Railways.

- 402. *Nawab Sir Zulfiqar Ali Khan: (a) Will the Government be pleased to state whether any Indian has ever acted as Chief Medical Officer in any State Railway since the inauguration of the Reforms in 1921?
- (b) Will the Government be pleased to state the medical qualifications essential for holding administrative medical appointments on Railways?
- (c) Will the Government be pleased to lay on the table a statement giving the names of medical officers serving in the E. I., the G. I. P., the E. B., and the N. W. Railways, with their medical qualifications and indicating which of them possesses the requisite professional qualifications for administrative appointments?
- (d) Will the Government be pleased to state whether they are considering the desirability of appointing at the earliest opportunity qualified Indians to administrative posts such as those of C. M. Os. and P. M. Os.?

Mr. A. A. L. Parsons: (a) No.

- (b) There are no general orders on the subject, but it is considered desirable that incumbents should hold a diploma of public health.
- (c) I would refer the Honourable Member to the Classified List of State Railway Establishment which also gives the degrees held by the officers concerned.
- (d) The appointments go by selection; there is no reason why Indians should not hold them; the most suitable man is selected irrespective of either nationality or seniority.

SHORT NOTICE QUESTION AND ANSWER.

LOCKOUT AT LILLOOAH ON THE EAST INDIAN RAILWAY.

- Mr. N. M. Joshi: (a) Is it a fact that about 14,000 workmen working in the workshop at Lillooah have been locked out since the 7th instant?
- (b) Will Government be pleased to state the facts and issues involved in the dispute?
- (c) Will Government be pleased to state what steps they have taken to give proper consideration to the demands of the workers involved?

The Honourable Sir George Rainy: The facts of the case as far as is known to Government at present may be briefly stated as follows:

About 1½ months ago, the Agent of the East Indian Railway received two appeals from the Lillooah workshops, asking for increased pay. One of the appeals appeared to come from the unskilled workers and the other from the skilled workers, and in the latter reference was made to the rates of pay at Lahore and Lucknow so that an enquiry had to be made from those places as to the rates of pay in force there. After examination the Agent came to the conclusion that there was neither a case for a general increase of pay nor a case for assimilating or making comparisons with the rates in force in Lahore and Lucknow where conditions are different. He referred his conclusions on these points to the Railway Board who agreed with his views.

The Agent is, however, further examining the question whether the rates of pay of any particular class or classes of workmen in the Lillooah workshops compare unfavourably with the rates of wages paid for similar workmen in other workshops in the vicinity of Calcutta. The full facts have been communicated to the Press in the Agent's communiqué of the 6th instant.

Before the above decision was communicated to the men, the men who had come in to work as usual on Monday morning downed tools after the mid-day break on that date and refused to work. Tuesday was a holiday. On the works re-opening on Wednesday morning the men came in to work again but stood by and did nothing, and in the afternoon of that date they were informed that they would get no pay for the hours they were standing idle and that as they did not appear to be inclined to work the shops would be closed till further notice. In consequence the shops have been closed from the afternoon of that date.

In a telegram, which the Railway Board received from Mr. Mitra, the leader of the Union, the dismissal of 4 men was mentioned as the reason for the men stopping work. On enquiry from the Agent it is understood that after an enquiry 2 men were discharged on the 16th February for

fighting with each other inside the workshop about some private matter, and that 4 men were suspended for 2 days for idling on the 2nd instant. As regards the latter, there was never any question of discharge or dismissal of these 4 men and it would have been open to them to resume work in the ordinary course after the period of suspension was over. The sole reason for closing the shops is the men's refusal to work, and the only explanation of their refusal which has yet been given on behalf of the men is contained in Mr. Mitra's telegram to which I have referred. It does not appear that since the shops were closed, the men have yet approached the Agent or asked that they should be re-opened.

Mr. N. M. Joshi: May I ask whether Government are prepared to appoint either a conciliator or an arbitrator to investigate the issues in this dispute?

The Honourable Sir George Rainy: I don't think in a case of a dispute arising in this way over a mere refusal to work, unexplained on behalf of the men, that the question of appointing an arbitrator or a conciliator really arises. The first step to be taken is that the men should approach the Agent, and until that has been done it is impossible to consider any action of the kind suggested.

Mr. N. M. Joshi: Is it not a fact that the men had complained that the wages paid at Lillooah were lower than in some other workshops?

The Honourable Sir George Rainy: I thought that I had made it clear in my answer, that in their petition they asked that their pay might be assimilated to the rates prevailing in Lucknow and Lahore.

Mr. N. M. Joshi: When the issue consists of the demand for higher-wages, may I ask why Government should not appoint either a conciliator or an arbitrator to investigate whether the wages paid at Lillooah are lower or not?

The Honourable Sir George Rainy: I must point out to the Honourable Member that, so far as any statement has been made on behalf of the men, it has not been stated that their refusal to work has any connection with their demand for higher pay.

Mr. K. Ahmed: How is that four men who were previously dismissed in private grounds and two other men who had been suspended foment trouble among 14,000 men, causing them to strike? Is it not on the ground of higher pay?

The Honourable Sir George Rainy: I am afraid I must ask for notice of that question.

Mr. K. Ahmed: In view of the fact that the Honourable Member has himself admitted in his answer that four men were dismissed for private reasons and two were suspended for fomenting trouble, how could they cause a strike among 14,000 men, if not for higher pay? Is that clear?

The Honourable Sir George Rainy: I am sure the Honourable Member will acquit me of any intentional discourtesy, but I should wish to examine maturely the important considerations he has brought to my notice before I reply. (Laughter.)

Mr. K. Ahmed: Will it not be for the benefit of the Honourable Member to take into confidence some other Members also? (Laughter).

UNSTARRED QUESTIONS AND ANSWERS.

- (1) CREATION OF A NORTH-EAST FRONTIER PROVINCE.
- (2) REVERSION OF SYLHET TO BENGAL.
- 336. Khan Bahadur Sariaraz Hussain Khan: (a) Is the statement published in the issue of the Statesman of December 21st, 1927, page 7, under the heading "New Frontier Province" correct?
- (b) If so, will Government please state if it is a fact that they are considering the creation of a North Eastern Frontier Province, and that they are negotiating on the matter with the Assam Government?
- (c) If the answer to (b) is in the affirmative, will Government please state what action they propose to take in the matter, and whether they are in a position to place on the table the views of the Assam Government regarding such creation?
- (d) Will Government please state if it was proposed that Sylhet should revert to Bengal?
- Sir Denys Bray: I beg to invite the Honourable Member's attention to the reply given on the 7th instant to unstarred question No. 191.

DEVELOPMENT OF CIVIL AVIATION IN INDIA.

- 337. Khan Bahadur Sarfarax Hussain Khan: (a) Has the attention of Government been drawn to the statement published in the Statesman of December 21st, 1927, page 8, under the heading "Air Centre of East"?
- (b) If so, will Government please state whether they can state their policy apart from the statement made by Colonel Shelmerdine, Director of Civil Aviation, India, at the annual conference of Associated Chambers of Commerce of India and Ceylon in Calcutta, with regard to the Indianization of the Air Service in India?
- (c) Have Government established any institution for the proper training of Indian youths, and will they please state what would be the minimum qualifications of the candidates for such recruitment?

The Honourable Sir Bhupendra Nath Mitra: (a) The answer is in the affirmative.

- (b) I would draw the attention of the Honourable Member to my speech in this House on the 1st March 1927 in connection with the demand for a supplementary grant of Rs. 9,96,000 for Aviation during 1926-27. In that speech I explained the general policy of the Government of India in regard to the development of civil aviation in India.
- (c) No; but a scheme has been formulated for the grant of scholarships to young Indians for training in aviation in England with a view to possible future employment under the Civil Aviation Directorate in India. The minimum qualification for such scholarships is the B.Sc. Degree, preferably in engineering, or its equivalent, and candidates should not be more than 25 years of age.

CIVIL AERODROMES.

- 338. Khan Bahadur Sarfaraz Hussain Khan: (a) Will Government please state if the new aerodrome is ready at Gya for the purpose of dealing with such traffic as reported by Colonel Shelmerdine?
- (b) Does any other aerodrome exist at any other place besides Gya for the same purpose? If so, what are the names where aerodromes exist?

- The Honourable Sir Bhupendra Nath Mitra: (a) No, but a site for a civil aerodrome at Gaya has recently been acquired, and the work of preparation will be put in hand at once.
- (b) Yes. Government civil aerodromes and landing grounds exist at Karachi, Allahabad (Bamraoli), Fatehpur, Calcutta (Dum Dum), Akyab and Victoria Point.
 - STATEMENT IN THE STATESMAN OF DECEMBER 21st, 1927, UNDER THE HEADING "BENGAL RAIL PROJECT".
- 339. **Khan Bahadur Sarfaraz Hussain Khan:** (a) Is the statement published in the issue of the *Statesman* of December 21st, 1927, page 11, under the heading "Bengal Rail Project" correct?
- (b) If so, will Government please state the total estimated cost for the purpose of the Bengal rail project?
- (c) Is it a fact that the project is the biggest scheme (f the Eastern Bengal Railway programme and is it contemplated to be completed by the next 5 years?
- Mr. A. A. L. Parsons: (a) Yes, except that the project has not yet been put before the Standing Finance Committee, certain details being still under consideration.
- (b) The estimated cost of the Dacca-Aricha Railway, if built on the broad gauge, is Rs. 189 lakhs.
 - (c) Yes.

ESTABLISHMENT OF A PROVIDENT FUND FOR TEMPORARY AND EXTRA TEM-PORARY STAFF IN THE ORDNANCE AND CLOTHING FACTORIES.

- 340. Khan Bahadur Sarfaraz Hussain Khan: (a) With reference to Government reply "The question of establishing a Provident Fund to include a contribution by Government is under consideration" to starred question 1138 on the 19th September, 1927, will Government please state if they have come to any decision in the matter?
 - (b) If so, will they please communicate the result to the House?
- Mr. G. M. Young: The Honourable Member is referred to the reply given on the 1st February to Mr. N. M. Joshi's starred question No. 30.

RECRUITMENT OF A CHEAPER CLERICAL STAFF IN THE POSTAL DEPARTMENT.

- 341. **Khan Bahadur Sarfaraz Hussain Khan:** (a) Will Government please state if they have arrived at any decision regarding the subject of recruitment of a cheaper clerical staff in the Postal Department (vide Government reply to starred question 1101 on the 19th September, 1927)?
- (b) If so, will they please state if orders on the subject have been issued?
- The Honourable Sir Bhupendra Nath Mitra: The attention of the Honourable Member is invited to my reply to Mr. N. M. Joshi's unstarred question No. 296 on the 7th of March 1928.

VACANT MILITARY BUILDINGS AT SATARA.

- 342. **Khan Bahadur Sarfarax Hussain Khan:** (a) With reference to Government reply "A proposal for utilizing the buildings is under consideration" to part (c) of the unstarred question 130 on the 19th September, 1927, regarding vacant military buildings at Satara, will Government please state if any decision has been arrived at on the subject?
 - (b) If so, will Government please lay the result on the table?
 - Mr. G. M. Young: (a) The answer is in the negative.
 - (b) Does not arise.

RESOLUTION NO. 90, PASSED AT THE 7TH SESSION OF THE ALL-INDIA POSTAL AND RAILWAY MAIL SERVICE CONFERENCE HELD AT NAGPUR.

- 343. Khan Bahadur Sarfarax Hussain Khan: (a) Will Government please state if they have come to any decision regarding the resolution No. 90, passed at the 7th session of the All-India Postal and Railway Mail Service Conference held at Nagpur as referred to in Government reply to unstarred question 134 in the meeting of the Legislative Assembly on the 19th September, 1927?
 - (b) If so, will they please communicate the result to the House?

The Honourable Sir Bhupendra Nath Mitra: (a) and (b). The matter is still under consideration.

HEALTH OF MR. SATISH CHANDRA CHARRABARTY, A STATE PRISONER.

- 344. Khan Bahadur Sarfaraz Hussain Khan: (a) Will Government please state if they have made inquiries on the points raised by Mr. Satyendra Chandra Mitra as referred to in Government reply to starred question 1034 on the 14th September, 1927?
 - (b) If so, will they please communicate the result to the House?

The Honourable Mr. J. Crerar: (a) Yes.

(b) A copy of a letter dated the 19th November 1927 sent to Mr. Mitrate laid on the table. With reference to the last sentence of the letter I should add that Mr. Chakrabarti has since been brought back to Bengal and placed in village domicile.

COPY OF LETTER NO. D.-3667, DATED THE 19TH NOVEMBER 1927, FROM THE DEPUTY SECRETARY TO THE GOVERNMENT OF INDIA, TO S. C. MITRA, ESQ., M.L.A., NO. 122, BOW BAZAR STREET, CALCUTTA.

Subject :- Health of State prisoner Satish Chandra Chakrabartti.

I am directed to invite a reference to the reply given by the Hon. the Home Member in the Legislative Assembly on the 14th September 1927 to your question No. 1034 on the subject noted above, and to furnish the following information with reference to the points raised in your question:

(a) Symptoms shown by Mr. Chakrabartti while in confinement have given rise to the suspicion that he is suffering from filariasis. But the blood test for filaria, the organism that produces the disease, has given negative results. It is not possible to say when this condition first began to appear, since it is one that develops slowly. It was first brought to Government's notice while Mr. Chakravartti was in the Mandalay Jail, and

was then believed to be of some years' standing, though it gave rise to no active symptoms while he was there, and the presence of filaria has never been definitely established.

- (b) The Superintendent reported that no treatment other than that already given, was likely to be beneficial, and that there was no specific cure for filariasis. Mr. Chakravartti was allowed Ayurvedic treatment, under which there was some slight improvement, but the symptoms remain. Government have no information as regards any assurances that Kaviraj Shyamadas Bachaspati may have given him.
 - (c) There is no such proposal before Government.

CASE OF MB. BEPIN BEHARI GANGULI, A STATE PRISONER.

- 345. Khan Bahadur Sarfaraz Hussain Khan: (a) With reference to Government reply "A petition has been received and is at present under consideration" to starred question 1035 on the 14th September, 1927, will Government please state if they have come to any decision on the subject?
 - (b) If so, will they please communicate the result to the House?

The Honourable Mr. J. Crerar: The State prisoner has been allowed to visit places where his land is situated, in order to enable him to produce evidence before the settlement authorities engaged in preparing the record of rights.

NUMBER AND NAMES OF ANCIENT BUILDINGS OF HISTORICAL INTEREST EXISTING IN THE NEW CAPITAL AREA.

- 346. Khan Bahadur Sarfaraz Hussain Khan: Will Government be pleased to state the number and names of the ancient buildings of historical interest existing in the New Capital area?
- Mr. G. S. Bajpai: A list of succent buildings and monuments of historical interest in the New Capital area, which are looked after by the Archæological Department, has been placed in the Library of the House.

ASSAM-BENGAL RAILWAY STAT ON AT SYLHET GHAT.

- 347. Khan Bahadur Sarfaraz Hussain Khan: (a) Will Government please state if they have received the Proceedings of the Assum Council for the 20th July 1927, as referred to in Government reply to starred question 1036 in the meeting of the Legislative Assembly on the 14th September, 1927?
- (b) It so, are Government in a position to furnish the replies to parts (a); and (b) of Mr. Sris Chandra Dutta's question?

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

(b) I am having a copy of the letter containing the information sent to the Honourable Member.

TIME TEST OF DEAD LETTER OFFICES.

349: Kuan Bahadur Sarfaras Hussain Hhan: (a) Will Government please inquire if the Director-General of Posts and Telegraphs has arrived

at any final decision on the subject of the time test of Dead Letter offices, which was under revision (vide Government reply to unstarred question 122 in the meeting of the Legislative Assembly on the 14th September, 1927)?

(b) If so, will they please communicate the result to the House?

The Honourable Sir Bhupendra Nath Mitra: (a) and (b). The matter is still under consideration of the Director General.

NUMBER OF RAJPUTS SERVING AS COMBATANTS IN THE INDIAN ARMY.

- 349. Mr. Gaya Prasad Singh: (a) Will Government kindly give a statement, showing the number of Rajputs employed in the combatant force of the Indian Army, year by year, during the last 25 years, or for such other period for which the figures may be available?
 - (b) Are such figures available separately for the different Provinces?
- Mr. G. M. Young: (a) and (b). I will furnish the Honourable Member separately with a statement showing the number of Rajputs, by provinces so far as this is possible, who were serving as combatants in the Indian Army on the 1st January of each of the years from 1918 to 1927. I trust that this information will suffice for the Honourable Member's purpose.

ADVERTISING OF ALTERATIONS ON THE TIMINGS OF TRAINS ON THE EAST INVIAN RAILWAY IN THE SAKTI OF BURDWAN.

- 350. Mr. Amar Nath Dutt: (a) Is it a fact that alterations in the timings of trains on the East Indian Railway are advertised in some mofussil vernacular newspapers?
- (b) Is it a fact that such alterations of timings on the East Indian Railway are not advertised in the Sakti newspaper published weekly in Burdwan, East Indian Railway? If so, will the Government please state the reasons for the same?
- Mr. A. A. L. Parsons: (a) and (b). I would refer the Honourable Member to the reply given to questions Nos. 635 and 636 to Mr. Mukhtar Singh on the 1st March, 1927.

AMENDMENT OF THE IMMIGRATION LAW IN PANAMA.

- 351. Khan Bahadur Sarfaraz Hussain Khan: Have the Panama authorities amended the Immigration Law for Indian residents known as "benevolent leniency" as promised by the sail authorities in accordance with His Majesty 8 Government's representation [vide Government reply to my starred question No. 467 (b) on the 25th August 1927]?
- Sir Denys Bray: Not yet, so far as the Government of India are aware. It is understood that the matter will be taken up when the Panama National Assembly meets this year.
 - STATEMENT IN THE STATESMAN OF DECEMBER 21st, 1927, UNDER THE HEADING "INDIAN FLOOD RELIEF".
- 352. Khan Bahadur Sarfaraz Hussain Khan: (a) Has the attention of Government been drawn to the statement published in the Stateman of December 21st, 1927, page 7, under the heading "Indian Flood Relief"?

- (b) If so, will Government please state if the statement made therein "£1,435 being the total amount which has been collected" is correct?
- (c) If correct will Government please state if they will obtain the information from the Governor of Bombay if he has received the amount remitted to him?
- (d) Has the Governor of Bombay distributed the amount so collected in the different circles in India where flood havor devastated the area?

Mr. G. S. Bajpai: (a) Yes.

• (b), (c) and (d). The information is being collected and will be supplied to the Honourable Member later.

CIRCULAR No. 29 ISSUED BY THE DIRECTOR-GENERAL OF POSTS AND TELEGRAPHS.

- 353. Mr. Srish Chandra Dutta: (a) Has the attention of the Government been drawn to the paragraph "Foolish Postal Circular" in the editorial column of the Amrita Bazar Patrika of the 17th February, 1928?
 - (b) If so, will the Government be pleased to state:
 - (i) the circumstances that led to the issue of such an order for the Posts and Telegraphs Department?
 - (ii) What effective provision has been made to guard against the disabilities for the young men seeking appointment in that Department as pointed out in the resolution of the All-India Postal and R. M. S. Conference referred to in the editorial?
- (c) Are the Government aware of the fact that there is no such restriction relating to the recruitment of clerks in the mercantile establishments in Calcutta or Bombay?
- (d) Are there restrictions to the recruitment for Local Government services similar to those imposed by Director-General's Circular No. 29?

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

- (b) (i) and (d). The Honourable Member is referred to the reply given to part (c) of his question which was answered in the Legislative Assembly on the 14th March, 1927.
- (b) (ii). Government do not consider that there are any disabilities involved as alleged in the resolution referred to by the Honourable Member.
 - (c) Government have no information.

MOTION FOR ADJOURNMENT.

LOCKOUT AT LILLOOAH ON THE EAST INDIAN RAILWAY.

Mr. President: I have received notice of a motion for the adjournment of the business of the Assembly to discuss the subject matter of the questions just answered by the Honourable Sir George Rainy. The notice is from Mr. Joshi. I do not know whether the Honourable Member wishes to press his motion, in view of the answers that he has received to his short notice questions.

Mr. N. M. Joshi (Nominated: Labour Interests): In view of the unsatisfactory nature of the replies, I do not think I should give up my right of making the motion for adjournment, but if it is to the convenience of the House that I should take it on Monday.

Mr. President: It is not a question of the convenience of the House.

Mr. N. M. Joshi: Then in that case I shall move this motion for adjournment on Monday. I want to know whether there is anything against giving another notice on Monday and moving the same motion.

Mr. President: The Honourable Member does not then consider this motion to be of urgent public importance?

Mr. N. M. Joshi: All right, Sir, then I move my motion.

Sir, the subject matter for which I wish this House to be adjourned is now before this House in the form of the questions and answers. There is a lockout of about 14,000 men in Lillooah. The main issue involved is the demand of the men for an increase in wages. It is quite true that a small side issue has somehow crept in on account of the suspension of four men, but the main issue is the demand for higher wages, and the men have been locked out. In my judgment this is a subject of great public importance, because the East Indian Railway is public property, and any great event like this is bound to affect the public interests. Secondly, it is of recent occurrence, therefore I do not think there is anything in the Standing Orders which will come in the way of my moving this adjournment. It is a definite matter, a matter of public importance, and a matter of recent occurrence. I therefore hope that leave will be given to me to make my motion to-day.

The Honourable Sir George Rainy (Member for Commerce and Railways): I think, Sir, it would be unfortunate if the doctrine advanced by the Honourable Member were stretched to this extent, that it was held that the occurrence of any strike on a railway was a matter of such urgent public importance as to deserve to be considered by means of a motion for the adjournment of this House. I frankly admit that, when a large industrial establishment like a State Railway workshop has to be closed down, it is a matter of public importance. But I do submit that the degree of urgency, as well as, to some extent, the importance of the question, must depend upon the circumstances of each particular case. Now in this case the Honourable Member has submitted that the real cause of the refusal to work is the claim to increased pay. But, Sir, I would point out that no information has reached Government to that effect from the men themselves. I have stated the facts as fully as I could in my answers, and it does seem to me, Sir, that in this particular case it cannot be said that the matter is of such urgency as to justify a motion for adjournment. Clearly it is a case in which the natural course would be for the men to approach the Agent and to clear up the issues which are involved in the matter. I submit this is a case in which it would be within the discretion of the Chair to rule that the mation was not of such public importance or of such urgency as to justify the motion for adiournment.

Mr. President: If I were to admit this motion it would mean that, every lockout or strike can be a subject matter for a motion for adjournment. I am afraid I am not prepared to lay down such a general rule,

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Unless there are any special circumstances connected with a lockout creatrike justifying the Honcurable Member to break through the normal business of the House, I am not prepared to allow him to do so. I therefore rule the motion out of order.

MOTION FOR ADJOURNMENT.

Announcement made by His Excellency the Commander-in-Chief on the 8th March, 1928, in connection with the Report of the Sandhurst Committee.

Mr. President: I have also received notice of a motion for the adjournment of the business of the Assembly from Mr. Jinnah. The motion reads thus:

"I beg to give you notice that I shall move to-day for an adjournment of the business of the Assembly for the purpose of discussing a definite matter of urgent public importance, namely, the announcement made by His Excellency the Commander-in-Chief on the 8th March, 1928, in connection with the Report of the Sandhurst Committee."

Mr. M. A. Jinnah (Bombay City: Muhammadan Urban): Sir, I beg your leave to allow me to make this motion for the adjournment of the business of the Assembly, on the ground that the matter that I want to discuss is a definite matter of urgent public importance. That it is definite I do not think it can be doubted. That it is a matter of public importance of the highest order cannot be disputed; and further it is an urgent matter and I want to restrict myself to this one specific matter of recent occurrence and it is this: that the announcement made by His Excellency the Commander-in-Chief is in total defiance of the decision of the Assembly which was arrived at in its last session at Simla, which endorsed without a division the unanimous recommendations of the Sandhurst Committee. Sir, I therefore ask you to give me leave to move this motion.

The Honourable Sir Basil Blackett (Leader of the House): Sir, that this is a matter of definite public importance I should be the last to deny. The Government welcome a full discussion of the matter and have from the first undertaken that full opportunity would be given to this House to discuss the Government's views on the Report of the Skeen Committee. But for that very reason the Government would deprecate this discussion in the comparatively short time that is available for a motion for the adjournment of the House. I would ask you, Sir, to rule that this proposal is out of order on the ground that it anticipates a matter which has been previously appointed for consideration and a matter with reference to which a notice of motion has been previously given. The whole subject can be discussed on the Army Department Grant. The discussion of that Grant has been specially advanced for Tuesday or Wednesday of next week, indeed, at the request of the Honourable Member who desires to move this motion for adjournment, and a notice has been given of a special tnotion with a view to raising this question. If by any chance . . .

Mr. President: Is there a special motion down on the paper?

The Honourable Sir Basil Blackett: Yes.

Mr. M. A. Jinnah: By whom?

The Honourable Sir Basil Blackett: I have Mr. Chaman Lall's motion—
'for obvious reasons'. (Laughter.) But there is also a motion on the question of Indianising the Army.

Lala Lajpat Rai (Jullundur Division: Non-Muhammadan): Mr. Chaman Lall was not present when this announcement was made.

The Honourable Sir Basil Blackett: In any case if by any chance the motion for that discussion were not reached before the guillotine falls next Thursday, the Government would be very willing to consider the grant of a special day later in the Session with a view to discussion of the whole question of the Government's decision on the Skeen Committee Report, for the reason that they do desire a full discussion of the matter.

Mr. M. A. Jinnah: Would you allow me to say a few words, Sir? The Honourable the Leader of the House has missed the point entirely. He says the Government are prepared to give a day to discuss the whole question. That is not the purpose of my motion. The purpose of my motion, as I made it clear, and surely the Honourable the Leader of the House ought to know, is this.

Mr. President: The Honourable Member has no right of reply.

Mr. M. A. Jinnah: I want to make it clear in my arguments that he ought to know that I am restricting my motion to one specific matter of recent occurrence which is the only justification for a motion of this character; and that specific event of recent occurrence is that the announcement made by the Commander-in-Chief overrules the unanimous recommendations of the Assembly. That is my grievance. I am not going to discuss Indianisation; I do not want to discuss the policy, military or otherwise; and it is this specific purpose I have in view. Then, Sir, he said.

Mr. President: The Honourable Member is really replying.

Mr. M. A. Jinnah: I am arguing that his arguments are wrong.

Mr. President: The Honourable Member is not entitled to make a reply.

*Pandit Madan Mohan Malaviya (Allahabad and Jhansi Divisions: Non-Muhammadan Rural): Sir, I am sorry that the Honourable the Leader of the House opposes this motion. The ground that he advances is that he wishes the matter to be fully discussed and that the time allowed for an adjournment motion will not give the House that time to discuss the subject. He has said that, if the guillotine falls before the motion of Mr. Chaman Lall is reached, the Government will set apart one day for the discussion of this question. But, Sir, the rule referred to by Mr. Jinnah points cut what kinds of matters should be taken up for an adjournment of the House. The word "urgent" is important there and the urgency of this matter lies in the fact that the Government after having for a long time refused to listen to complaints on this subject, after all appointed a Committee which took fourteen months to report and on the report of that Committee the Government took a long time and have announced a decision which has come as a shock to the Members of this House and to the country. Sir, the fact that that shock was received by us at the last meeting of this Assembly leads us to ask for

^{*}Speech not corrected by the Honourable Member.

the earliest opportunity to give expression to the feelings created in the minds of our people. The question whether a military college shall or shall not be established in India is a question of life and death to the people of this country. The whole question of future responsible government in this country hangs upon that question.

Mr. President: No one has questioned the urgency of the motion.

Pandit Madan Mohan Malaviya: That is the urgency of it; the urgency of it lies in the fact that, if our feelings have really received the shock that I say they have received, we should take the earliest opportunity to give expression to those feelings. A day matters; four days matter much more. To suggest that we should not take it up now, but wait till the Army Department Grant comes up, is, I submit, entirely to ignore the importance of this question. We want an opportunity to give urgent expression to our opinion so that the Government in this country, the people in this country and the Government in England should know in what light we received this announcement of Government. We feel that there has not been an announcement of greater importance for a long time past than this announcement. We want therefore to take the earliest opportunity to give expression to the feelings which are entertained by our people on this subject. I hope, Sir, that you will rule that this is a matter, of course of definite public importance, but also of definite urgent public importance which the House should have the earliest opportunity to discuss.

Mr. President: Order, order. Pandit Motilal Nehru.

Pandit Motilal Nehru (Cities of the United Provinces: Non-Muhammadan Urban): Sir, the question which you have to consider before you exercise your powers of allowing or disallowing the motion is a very short one. It is admitted on all hands in the House that it is a very urgent matter; it is also admitted that it is of great public importance. Now, what you have to see, Sir, is whether the grounds advanced by the Honourable the Leader of the House for your disallowing the motion are legitimate and valid. I say that they have absolutely no support in the rules. The first ground is that there are certain motions on the Army Grant on which the question can be raised. What is the question to be raised? Mr. Jinnah has clearly pointed out the specific question which he wants to raise and that question is—if he will permit me to make it even simpler than he did—that we wish to censure the Government in this matter. Now, Sir, is it any answer and will you not be setting a very unsatisfactory precedent if you were to entertain any such proposal as has been made by the Honourable the Leader of the House who says "Oh, well, please do not censure us to-day; we will give you time on another day to discuss the matter?" These are the only two grounds. The first, I submit, has not been made out. This motion does not anticipate any other motion on the agenda; and as regards the second ground, I submit it should not be considered at all; because if you take it into consideration, it would be urged and could be urged in every case where a motion for adjournment is sought to be moved. It is not the discussion of the policy that we are aiming at. We are only concerned with the fact whether the Government deserves a vote of censure at the hands of this House or not for something that they have already done, and I submit. Sir. that on these grounds there is absolutely no reason why this motion should not be allowed.

Golenel J. D. Grawford (Bengal: European): Sir, Mr. Jinnah in pressing for his motion argued that the Report of the Indian Sandhurst Committee and the wishes of this House had been definitely flouted in the announcement made by His Excellency the Commander-in-Chief and pressed the urgency of the adjournment on that particular issue. With all due respect to him, I would suggest that the statement made by His Excellency the Commander-in-Chief is not tantamount to definitely flouting the views of this House; it is only a difference in method to be adopted regarding the Indianization of the Army, and that to confine the debate to the two hours allowed for an adjournment motion will preclude many ind viduals who would like to discuss the matter from taking part in the debate.

Mr. President: I understand that the object of the motion is to censure the Government of India for turning down the unanimous recommendations of the Committee of their own creation. I have no doubt whatever—in fact, it has been admitted on all hands,—that the matter proposed to be raised is definite, urgent and of public importance. • I am also convinced, and in fact it has been recognised, that an early opportunity should be afforded for raising this matter. The question is, when should that opportunity come? I am of opinion that the matter proposed to be discussed is of such vital importance to the people of this country that an immediate opportunity should be afforded to the representatives of the people in this House to discuss it. The only objection taken by Government is that the motion is barred by anticipation. I have seen the various notices of motions on Demands for Grants, and I find none on which this definite question which is proposed to be raised by Mr. Jinnah can be raised. It might be argued, though it has not been argued, that Mr. Jinnah might put down a moticn even now on the army estimates, but the answer to that argument is that, no one could say with any degree of certainty that the motion would be reached. It may or may not be that if a notice of motion is given by Mr. Jinnah it will be reached either on Thursday or on Friday or will be reached at all. There is no reason why the Honourable Member should take any risk. In this view I am not prepared to hold that the motion is , barred by anticipation. In any case, I consider the matter is of such grave importance to the people of this country that I must allow the earliest possible opportunity to raise it, and I therefore rule that the motion is in order.

I now ask whether the Member from Bombay has the leave of the Assembly to move the adjournment?

As no one objects, I intimate that leave is granted and the motion will be taken up for discussion at 4 P.M.

THE INDIAN TERRITORIAL FORCE (AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

Mr. G. M. Young (Army Secretary): Sir, I beg to present the Report of the Select Committee on the Bill further to amend the Indian Territorial Force Act, 1920, for certain purposes.

THE AUXILIARY FORCE (AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

Mr. G. M. Young (Army Secretary): Sir, I beg to present the Report of the Select Committee on the Bill further to amend the Auxiliary Force Act, 1920, for certain purposes.

THE INDIAN SUCCESSION (AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

Maulvi Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Sir, I beg to present the Report of the Select Committee on the Bill further to amend the Indian Succession Act, 1925.

THE GENERAL BUDGET—LIST OF DEMANDS.

SECOND STAGE.

Expenditure charged to Revenue.

DEMAND No. 16-Customs.

The Honourable Sir Basil Blackett (Finance Member): Sir, I beg to move:

"That a sum not exceeding Rs. 72,74,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st March, 1929, in respect of 'Customs'."

Abolition of the Export Duty on Raw Hides.

Mr. Mohamad Rafique (Calcutta and Suburbs: Muhammadan Urban): Sir, I beg to move:

"That the Demand under the head 'Customs' be reduced by Rs. 9,00,000."

Sir, this cut is proposed to draw the attention of the Government to the fact that it has not abolished the export duty on hides. This matter for the abolition of the duty on hides was brought up last year, but unfortunately, as the House was not in a good mood after the fate of the Ratio Bill, and as some Members suspected that the abolition of the duty would lead to the slaughter in larger number of cows in the country, they voted against it. The third reason was that it was made a party question by the Swaraj Party and the party decided to vote against the abolition of the duty and the House carried it. I will just narrate the short history of the duty. This duty was imposed by the Government of India in 1919, and at that time the then Commerce Member, the Honourable Sir George Barnes, in introducing the Tariff Amendment Bill said as follows:

"It is to impose an export duty of 15 per cent, on hides and skins with a rebate of 10 per cent, on hides and skins exported to other parts of the Empire and there tanned. Its object is to convert into fully tanned leather or articles of leather so far as possible in India or failing this in other parts of the Empire instead of being exported in a raw state for manufacture in foreign countries."

Sir, from the above it will be apparent that the Government in imposing the duty had two objects in view, namely, (1) to encourage the

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tanning industry so as to convert hides into fully tanned leather or articles of leather, and (2) to confine the export of raw hides from India to the British Empire only.

And in further moving the introduction of the Tariff (Amendment) Bill, Sir George Barnes said as follows:

"Though Indian tanners have enormously increased during the past three years, they can only deal with a comparatively small proportion of the raw hides and skins which India produces and it is to the advantage of India and the security of the Empire generally that this large surplus should, so far as possible, be tanned within the Empire."

There we find that, while suggesting a form of relief to Indian tanners he is that these tanners can consume only a small quantity of the whole product, and that was why he wanted that the duty should be at the rate of 15 per cent. to foreigners and 5 per cent. to the people in the British Empire. So, there are two things, firstly, to help the tanning industry and secondly to help British tanners, and in the end he said:

"I need hardly tell you that the effect of the Bill on the producer of raw hides and skins has been most carefully examined by our expert adviser. We have no desire to benefit Indian tanners at the expense of the Indian cattle owner or dealer in hides and skins."

He, therefore, said that this duty had been imposed after consulting the greatest authority that the Government of India could think of and that this duty would not be any hardship to the Indian cattle owner or producer of hides and skins. I will just show you, Sir, that all these that Government wanted to give relief to, has not been fulfilled. I will just narrate shortly its history for the benefit of the House and especially those Mcmbers of the House who are not well informed about this industry. As I have been in this tusiness for a long time I think it my duty to tell them how it affects the people at large. Sir, the Indian Taxation Enquiry Committee in 1924-25 submitted a report on the duty on hides and skins. I think I will read the whole paragraph. They said:

"The last of the existing export duties is that on hides and skins. This was first designed mainly as a measure of protection to the Indian tanning industry and to divert the tanning of Indian hides from Germany to the British Empire . . . "

So they make it quite clear that the relief that the Government of India wanted to give was not due to a sincere wish on their part to help the tanning industry but to divert it from the hands of the German people to the British people, and in order to do that, they gave this 10 per cent. rebate to the British people so that they can gain by this protection and preference complete monopoly and compete with the German people. The report further said:

"The experiment failed to achieve either object."

That is, it did not give any relief to the tanning industry in India and it did not give any help to the British tanners.

"... The Indian tanning industry did not succeed in establishing itself in the manner which was expected when the duty was imposed; the export of hides from India has fallen to about half the pre-war figure, and the greater part of the trade has again passed to Germany. The Fiscal Commission condemned the duty as wrong

in principle, on the ground that, if protection was needed, it should be obtained through an import and not through an export duty, and considered that it had failed in its objects. Recognising the defects of the duty, the Government of India in 1923 reduced the rate to 5 per cent. and abolished the 10 per cent. preference on hides and skins tanned in the British Empire. The retention of the duty in its modified form was due to the need for revenue. The Committee, by a majority, agree with the Fiscal Commission in considering the duty on hides to be wrong in principle and dangerous in its effects."

Sir, before this report in 1923, the then Finance Member of the Government of India moved that the 15 per cent. duty should be reduced to 5 per cent., and in moving that he said that the Government was going to abolish the whole of the 15 per cent. duty. He reduced it to 5 per cent. for revenue purposes only. He made it quite clear at that time that the Government was anxious and determined to do away with the duty altogether.

Now, Sir, there is a misapprehension in the minds of many of my friends that this duty is really giving relief to the tanning industry. What is confusing them is the term "tanning". They think that the Madras people do real tanning. It is not so. They say they are tanners, but they are not. What they do is that they put the raw hides in some solution of lime. They also export hides to other countries just as those engaged in the raw hides trade do. What do the people who are engaged in the raw hides trade do? They bring the raw hide from the country, pass it through a solution of arsenic or salt and lime or trine, and after giving it a preservative effect export it to Europe, in competition with other foreign hides from different parts of the world. As regards the tanners, the real tanners, who tan the hides and convert the raw hides into the real articles. of leather, they do not get any relief from the duty imposed on raw hides. I think Government are aware that for the last 6 or 7 years the number of tanners who tan hides in India and turn them into leather is decreasing day by day. In Calcutta, where I come from, there were two big tanneries. owned by Bird & Co., and Grahm & Co., but they have now stopped work. The object of the duty was that all these hides which are produced in India would be utilised by the tanning industry in India. That is not so. The real tanners buy hides from the slaughter houses and they buy the test of the kind and that also in the wet state. The hides merchants all over the country are penalised by the imposition of this duty. They have got 5 or 6 kinds of hides that come into the market. They are called Arsenicated, Killed. Salted, Common and Crumpled, etc. Out of these only the best Common hides are taken by the Madras people. The tanners who want to tan hides for leather purposes purchase them directly from the slaughter house and pay exorbitant prices which no country in the world can pay for Indian hides. The foreign buyers are not anx ous to buy our high quality hides. They produce high quality hides in their own countries and they do not require them from us. That is the reason why the German people take the inferior quality hides, because they have got their secret process of tanning. They have this secret industry just as they have the dyeing industry. They buy this low inferior quality of hides from India, give it an artificial grain and then export it as articles of manufactured leather to different countries of the world. will show you, Sir. by the figures that I have got with me that if the Government was anxious to give any relief to the tanning industry, Government could have come forward with a measure of protection in the form of a heavy import duty as in the case of Japan which has an import duty

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of 40 per cent. or as in the case of America or Germany where the duty was 20 to 25 per cent. when the tanning business was in its infancy. After the abolition of this 10 per cent. preference duty the import into India of leather in 1923 was Rs. 51 lakhs, in 1924 Rs. 52 lakhs; in 1925. Rs. 56 lakhs; and the export of tanned hides—of course I do not like to use that term: I would call it dressed hides or half tanned; they are not tanned hides in the real sense of the word; the export was in 1921 Rs. 345 lakhs; in 1922, Rs. 469 lakhs; in 1923, Rs. 573 lakhs. In 1923, when they say the effect of the reduction of the 10 per cent. was disastrous, it increased to 573 lakhs; in 1924, it increased to Rs. 690 lakhs: in 1925 to Rs. 708 lakhs and in 1926 to Rs. 716 lakhs. So, Sir, that is the effect of the duty on the trade. The import of boots-that is not given in the import of leather; it is separated from leather-increased from Rs. 10 lakhs in 1922 to Rs. 27 lakhs in 1926. All these imports have increased. What relief can there then be to the leather industry? What relief can the tanning industry expect when these leather imports are increasing? We do not give any protection to the tanning industry. import of belting, leather belting has not increased; it is in competition with wire and hair belting. So, the tanning industry has not been given any relief at all, and the Madras people also do not get any relief at all. They are under the impression that if this duty is abolished, prices will go up and the industry will be crippled, while prices go up with world demand.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): Ask for a bounty as well.

Mr. Mohamad Rafique: Now, Sir, I think I have made it clear from the Report of the Taxation Enquiry Committee that the decrease in export has been nearly to half the pre-war figure. Last year, after the motion was defeated, the Government, I remember suggested a proposal that a cess should be imposed on export of all hides from India. They had a proposal that a cess should be imposed with a view to protect the cattle and fight cattle disease, and for other purposes. Government have not come forward with that proposal, but even if a cess is imposed it will be imposed on people who export raw and half tanned hides, and such cess will be utilised for improving flaying and fighting the diseases. That cess would not give any relief to the leather tanners and they will not be benefited in the least. What I submit is that Government should abolish this hide duty as soon as possible this year and propose an import duty rising to 40 per cent. to give relief to tanners of leather in India.

With these few words I move my motion.

Mr. Vidya Sagar Pandya (Madras: Indian Commerce): Let me first of all congratulate the Honourable the Mover on his maiden speech. I am very sorry that I am not able to support his contention. Generally you do not find me on the side of Government, but in this matter I think Government have deviated into sense and it is, therefore, my duty to support them in this matter. But I may also point out that Government have not gone sufficiently far. They have got the old rate of 5 per cent. only while I should have expected them to raise it to 15 per cent. taking into consideration the condition of our budget. It would have added a further income of about rupees seventy lakhs if they had raised the duty from 5 to 15 per cent.

Sir, the Honourable Member has specifically mentioned about Madras and the Madras people, and as representing the Indian commerce of the Madras Presidency it is my bounden duty to point out that it will seriously affect our tanning industry. In his desire to push his case too far he has gone to the extent of saying that our industry is no tanning industry at all. He could not find any other word to designate it and did not explain what he meant by saying that it was no tanning industry. Then what it is I should like to know. He is aware that the Madras Presidency is an important part of India which has seriously undertaken this tanning industry, and in order to protect that important industry Government are levying this duty and it is also to the general interests of the country that such revenue should be secured. My Honourable friend has quoted certain figures in support of his contention, but I should say that those figures rather go against him. In spite of the duty the export of hides and skins has gone up both in value and in volume. As such when the hides and skins can beer that duty and add to our revenue I do not see. why we should give it up. Besides he is directly interested in hides and he does not care for skins, and he says you might levy the duty on skins but not on hides.

Mr. Mohamad Rafique: It is not a menopoly.

Mr. Vidya Sagar Pandya. The one is as good as the other so far as tanning is concerned. When the duty is levied as an ad va orem duty it does not really affect the hides and skins business so much as it is sought to make out.

Then I should like to draw the attention of the House to the fact that last December we had the fifth session of the Indian Industrial and Commercial Congress held at Madras where a resolution was passed to this effect:

"That this Congress is strongly opposed to the idea of altering the duty into a. Cess and confirms the Revolution passed in the Calcutta Session of the Congress to the effect that the Export Duty on raw skins and hides be retained and increased to 15 per cent."

This was a Congress of all the leading Indian chambers and merchants' associations, and the resolution was unanimously adopted. The Association which my Honourable friend represents and which have sent a telegram to every Member of this House, namely, the Calcutta Skins and Hides. Traders. Association, did not care to send their representative even to defend their position. They did not think it of sufficient importance to put it before the Federation of Indian Chambers. The Indian Chambers are generally very jealous of their own interests; they are not in favour of any sectional interests being furthered. As such if they had thought that the Indian hides and skin business does suffer, they would have duly taken the matter into consideration and urred upon Government the necessity of protecting it. Under these circumstances and in view of the budget position at present, I think the House should negative the motion. If the budget is better next year and a really good case is made out in favour of it, then we might consider.

Sir, I oppose the motion

Mr. William Alexander (Madras: European): Sir, I would like to say a few words from the point of view of Madras, against the proposals which have been put forward in favour of the abolition of the export duty on raw hides. The Madras tanning industry is a very ancient one and has grown up through many years on account of the ease with which the people who are engaged in it get the materials for tanning,—I may say they are largely of indigenous origin. Again, this industry is very largely an Indian industry. It is financed and controlled by Indians and I say, for that, if for no other reason, the people who are engaged in it have a right to expect the kind consideration and thought of this House and of the Government. Sir, it is a fact that at this moment the industry is labouring under a great sense of injustice brought about by the tremendous difficulties with which it is faced in obtaining the principal articles required in the work, that is to say, raw hides and skins. Sir, the whole trend of thought and movement of late in respect to industry generally in this country has been to support any industry which can be profitably carried on here and keep the raw articles instead of having them taken across the seas and the tanning work done in Britain, America, Germany, France, Italy or any other part of the Continent. some of us it appears that of late this point has been rather lost sight of in respect to this question of the export duty on raw hides and skins. It does not appear to have been fully considered,—or at least has not been deemed of such great importance as it actually is,—that the shipment of raw hides and skins in such great quantities has taken away a very large amount of work,—and consequently wages, from this country. Take what happened in Campore the other day. I have here a letter, written in February, from a Madras tanner. He writes:

"The tanned hides market at the beginning of this month suddenly slumped very badly which frightened Madras tanners off buying raw hides; this slump coincided with a fall in raw hide prices throughout the world. Hides prices in Cawnpore and Calcutta thereupon fell rapidly, in Cawnpore from Rs. 68 to Rs. 50 per 82 lbs. for the cheap variety of hide usually bought by Madras tanners and ignored by exporters. At this price exporters cleared the Cawnpore market of stocks of this variety lefore any but a few Madrasees had been able to buy at all."

This is the sort of thing that is going on. He gives other instances but I need not take up the time of the House by giving them. They all tend to show that the trade is badly handicapped. The fact is that the present duty of 5 per cent. is not of sufficient help. It is not high enough owing to the fact that the tariff value has been taken at such a low figure that the 5 per cent, nominal duty really only represents about 2½ per cent, on the basis of actual values during the past year. A few years ago the duty was reduced from 15 per cent. to 5 per cent. That was a very great mistake, and we in Madras believe that it was very largely brought about owing to a misunderstanding as to the actual position. My Honourable friend, Mr. Mohamad Rafique, has just referred to the change in the duty. When the 15 per cent. duty came, the British Government held enormous stocks of war surplus tanned hides. Those took a long time to be absorbed and during that period there were all kinds of reports of sales, and threatened sales, in the London market, which knocked the bottom out of the Madras market and brought the business almost to a standstill. This of course affected the raw hide trade also, and the yield from the duty was comparatively small. The export shippers made great capital out of this and were able to induce the Government to reduce the duty from 15 per cent. to 5 per cent. Let me ask who are the buyers of these raw hides. They are the representatives of American, German, and other Continental firms, and to a smaller extent British firms. Why should Government hesitate for a moment in the matter of raising the duty? The money comes out of the pockets of foreigners who can well afford to pay. The difference between 5 and 15 per cent. represents, as my Honourable friend Mr. Pandya pointed out, about 70 lakhs of rupees and this large sum of money the Government are neglecting to gather in through an entirely wrong conception of the actual position. We do not say, stop this raw hide export trade entirely, but we do say that the attitude of Government should be to tell the foreigner "We are very glad to trade with you but our own people must have our first care. Trading with you under the present conditions is greatly injuring them and we propose to stop this by altering those conditions and in doing this we do not believe that you will find any hardship." Reverse the position. Take any of those countries that are taking away the raw hides from India for tanning. If they had the raw hides and at the same time the facilities for tanning, would they sell to us on reasonable terms? The reply is emphatically "No", not one hide—preventive steps would be taken at once. We say therefore that this Government should not hesitate to take the necessary steps to safeguard an industry on which so many of her people are dependent for their livelihood. Owing to the unfavourable conditions with which he is surrounded the Indian tanner is always short of finance. He cannot compete with the foreigners who think nothing of taking 40 or 50 thousand hides off the market in one morn-The remedy is simple. Let the foreign buyer pay a little more and the Indian tanner would not then have such a desperate struggle to get supplies in his own country. I notice an extraordinary thing in connection with this subject,—in the cut which my Honourable friend Mr. Jogiah has proposed.

Mr. Varahagiri Venkata Jogiah (Ganjam cum Vizagapatam: Non-Muhammadan Rural): That is a mistake. I am not opposing you.

Mr. William Alexander: He is a strong brand of Swarajist. What I should like to see is that instead of this matter being dealt with by my Honourable friend Mr. Pandya and myself it should be taken up by one or two of our eloquent and gifted speakers who have such great facility in expressing their views,—like my Honourable friend Mr. Shanmukham Chetty who should take up this matter in the interests of the people of his country and district. I have not much more to say. I think the industry is undoubtedly labouring under great disabilities and it is nonsense to talk of the 5 per cent. duty being abolished. It only means 2½ per cent, really and we in Madras feel so strongly on this matter that we are going to leave no stone unturned and leave nothing undone to get the duty back to 15 per cent. or higher, as we are quite convinced that the raw hide exporter can pay that and still make money.

Sir Walter Willson (Associated Chambers of Commerce: Nominated Non-Official): As I have on previous occasions spoken at some length on this matter, I do not propose to repeat those efforts to-day and I will try and be very brief. As the House knows very well I support the view taken by my Honourable friend Mr. Rafique and I do so because, of the interests that I represent in this House, the majority are in favour of the abolition of the export duty. Now the point of the majority is this—that the matter is one of province versus province. Madras is perfectly right in urging its

[Sir Walter Willson.]

case across the floor of this House and this House is in the position of having to be the ultimate arbitrator as to what is to be done. Well, it gave its vote last year. I hope it will reverse it this year. The point that I think has not been sufficiently emphasised to the House to-day is this. The export trade in hides is not the export of India's best hides. India's tanners use India's best hides and India requires a market for the export of its raw hides. Now, surely the House does not require me to urge further the basic principle that an export duty falls upon the producer, and who is the producer in this case? The agriculturist in the country. The best argument against the case so very well put forward by my Honourable friend Mr. Alexander is that the export duty as it exists has been a failure. It has not succeeded in the purpose for which it was imposed. It has been reduced it is true but still it is ineffective and therefore there is no reason whatever for keeping it on at the expense of the producer—the agriculturist of this country. If Members are interested in figures, they will find that this time last year I gave a series of important figures on page 2641 of the Legislative Assembly debates. I am sure there is no necessity for me to repeat them. Burma, as you know, is on the other side of the Bay of Bengal and Burma's view is as directly contrary to the view of Madras as it could possibly be. The figures of the losses in hides in Burma ought to make you think. I trust therefore, Sir, that the House will support the very excellent maiden speech made by my Honourable friend Mr. Mohamad Rafique.

Mr. R. K. Shanmukham Chetty (Salem and Coimbatore cum North Arcot: Non-Muhammadan Rura!): Mr. President, I am afraid I must oppose the motion moved by my Honourable friend Mr. Refique. My honourable friend spoke with first-hand knowledge of the subject and I may state at the very outset that I have absolutely no personal interest in the tanning industry.

Sir Walter Wilson: Neither have I, if that is the suggestion.

Mr. B. K. Shanmukham Cletty: I did not make the suggestion that you have. But, Sir, this is an industry in which my province is vitally interested. Last year when Government brought forward in the Finance. Bill the proposal to abolish the export duty on hides we had a fairly full discussion on the subject, and this House decided that the export duty should continue.

Sir Walter Willson: Would it not be more correct to say that this House was unable to decide that it should be removed?

Wilson attempted to justify the position that he took up by saving that theoretically at any rate an export duty on an article like hides is unsound. But, Sir, when we are discussing the position of the tanning industry and the export duty on hides it will not do merely to arrive at conclusions based upon theories. I have no doubt that every one in this House would concede that an export duty on an article which is not the monopoly of a country is certainly unsound in principle. But to arrive at a decision on the justification or otherwise of the export duty on hides; you must take the special circumstances of the case into consideration. In 1919, when an export duty of 15 per cent, was imposed on raw hides that measure was taken definitely with a wiew to giving protection to the

Indian tanning industry. In 1923, when the export duty was reduced to 5 per cent., my province protested against it. In spite of the protest the agitation set up by the Chambers of Commerce represented by my Honourable friend Sir Walter Willson succeeded in reducing the duty. But, even though the duty was reduced from 15 to 5 per cent., Government have not come forward and said that the time has now come when no protection need be given to the Indian tanning industry, and I maintain that, unless Government is prepared to make out a case for the withdrawal of protection to the Indian tanning industry, there will be no justification for abolishing the export duty that is placed upon hides. Last year Government brought forward the proposal to abolish the export duty and I then pointed out that the proper course for Government to follow in a case of this nature would be to refer the question of the protection of the Indian tanning industry to the Tariff Board, and if the Tariff Board advised the Government that the tanning industry does not require any measure of protection, then the Government would be perfectly justified in recommending the abolition of the export duty. Twelve months have now passed since that suggestion was made and I do not know whether the question has been referred for the consideration of the Tariff Board. I therefore maintain that, unless a case has been made out that the Indian tanning industry does not require protection, this House will not be justified in abolishing the export duty on hides. Sir, last year my Honourable friend Sir Purshotamdas Thakurdas pointed out that the tanning industry is the third largest industry in Indian hands. So far as my province is concerned, it is a very vital industry. There are not less than 500 tanneries, every one of them practically in Indian hands, manned by Indian labour and worked with Indian capital. It would be disastrous to such a vital industry, which affects at least one great province, to abolish the export duty on hides without a deep and searching inquiry into the condition of the industry. Sir, in this connection I would bring one further matter to the attention of Government. I am told that the methods of tanning in Madras have been considerably improved, and the cost of tanning has been considerably reduced by the use of wattle bark which is imported from South Africa. There is now an import duty of 15 per cent. on wattle bark imported from South Africa. Sir, I am sure my Honourable friend Sir Walter Willson will concede that an import duty on an article like wattle bark, which forms such an important factor in tanning, is certainly unsound.

Sir Walter Willson: I will agree with him at once, to save his time.

Mr. R. K. Shanmukham Chetty: I was sure my Honourable friend would agree. Last year my Honourable friend Sir Purshotamdas Thakurdas wanted to bring an amendment to the Finance Bill for the abolition of the import duty on wattle bark, but I was told that he did not make the motion on the assurance that Government themselves were carefully looking into the matter and there was every chance of the import duty on wattle bark being abolished in the very near future. Twelve months have gone by since that demand was made and we have not yet heard anything about it. I do hope that to-day the spokesman of Government will tell us what steps Government have taken in this direction. Sir, since this question has been so thoroughly discussed on a previous occasion it is not necessary for me to go into further details on this motion. I would conclude by reiterating what I said at the outset, that, unless the Government.

[Mr. R. K. Shanmukham Chetty.]

by referring this matter to the Tariff Board makes out a case that there is no need to continue protection to the Indian tanning industry, this House would not be justified in abolishing this duty.

Mr. W. S. Lamb (Burma: European): Sir, I rise to give my hearty support to our friend Mr. Mohamad Rafique. I waited with interest to hear the defence of our friends from Madras. I listened with very great interest to what Mr. Alexander had to say and also to Mr. Shanmukham Chetty. I listened with particular interest because I anticipated that at least one of the speakers from Madras would meet the points made by Sir Charles Innes in the debate a year ago. I refer to page 2655 of the proceedings of last March. Sir Charles Innes said:

"But the House may take it from me that in practically every province in India there are tanneries where they work up for local purposes the raw hide. But you have got to remember that India is a very big country. India is a country where the real facts of the matter are that there are vast surpluses, surpluses of hides over and above what can be used in the country. Is there any reason on earth why those surplus hides should not be exported? They cannot be tanned. Are we not to encourage the export of those hides?"

Now, I speak for Burma, to which my Honourable friend Sir Walter Willson has referred. A year ago I gave certain figures and I pointed out that while the exports from Burma had fallen off from 6,000 tons to some 2,000 tons a year, Madras apparently desires to see—well. I am surprised that they have not suggested it—certain railway lines adapted as automatic conveyors so that there should be a steady flow of hides from all parts of India. Such a thing would not do any good to Burma, and as I pointed out, Madras takes yearly some 900 tons only of Burma hides, and the remaining 5,000 tons, they suggest, should pay 15 per cent. or even 40 per cent.! Now, no particular reference has been made to the use of wattle bark beyond the reduction of the duty upon it. In replying to the debate a year ago Sir Charles Innes said:

"There is very much less demand for upper leather for boots. That is one of the main reasons why the Madras industry at the present time is in a depressed condition. What is the other reason? The other reason is deterioration in the quality of the Madras leather. I have got here a representation sent out to us from the Association of Factors, Merchants and Importers of Leather, Hides and Tanning Materials in London saying that unquestionably the quality of these kips is deteriorating"

because of its use of wattle bark. Well, as I have said, neither Mr. Alexander nor Mr. Shanmukham Chetty has dealt with either of those points.

Mr. William Alexander: I would like to explain, if I may, that the question of the dearness of the hides is connected with economic pressure in respect to sales at Home. Keen competition made it necessary for the tanners, as they could not pay the price for the better material, to buy this stuff,—if they want

Mr. President: Order, order. Mr. Lamb.

Mr. W. S. Lamb: Well, Sir, if there is anything which is causing the tanned hides to deteriorate, it seems to me that the whole question is eminently one for the Tariff Board, and I would welcome such a suggestion because I am quite sure that with the Tariff Board going into the matter meticulously, as they have done in other cases, such as Steel Protection,

the position of Burma would be shown much more eloquently than could possibly be done by me, and I have not the slightest doubt that recommendations from the Tariff Board would not omit to take into account the fact that Burma should fairly be cut out of this duty.

Sir Purshotamdas Thakurdas (Indian Merchants' Chamber: Indian Commerce): Sir, I wish to address very few words on this motion to-day before this House. My Honourable friend, Mr. Lamb, and my Honourable friend, Sir Walter Willson, referred to several grounds which they urged last year. May I refer then to the reasons with which we met those grounds last year, and as I am afraid this question is likely to develop as a hardy annual, until the Government of India definitely put this on a scientific basis, I do not think it is necessary to repeat those grounds. But there is one point which Mr. Lamb referred to and which I think I would like to say a few words about. Mr. Lamb said that the quality of kips is deteriorating from year to year. That was mentioned by Sir Charles Innes last year too.

Mr. W. S. Lamb: The statement was that the kips were deteriorating.

Sir Purshotamdas Thakurdas: Unquestionably then it is deteriorating from the point at which it was a few years back. The remedy then is not to remove this duty but to see if it can be used for the purpose of improving the conditions under which the hides and skin trade is carried on; and I venture to suggest to Sir Walter Willson that the pertinent discussion would be on his own amendment, No. 11 on the list, instead of pressing for withdrawal of the duty. I do not know what attitude the Honourable the Commerce Member is likely to take on this, but I certainly think, Sir, that it is a most retrograde step to suggest that we should cancel the meagre protection which we are giving to the hide industry in the shape of the 5 per cent. duty and expose the Madras and the United Provinces industry to all the keen competition which we know is going on from Germany and elsewhere. I am sure this motion cannot appeal to the House.

The Honourable Sir George Rainy (Member for Commerce and Railways): Sir, when I first cast my eye down the list of notices of motions for reduction I was a little alarmed to see the number dealing with the question of the duty on hides, because it seemed to me that the Members of this House were divided between those who thought there should be no duty and those who thought there should be a much higher duty. That being so they might easily combine to carry the motion for reduction and thereby convey their opinion of the behaviour of the Government. I was a little consoled when I heard my Honourable friend, Mr. Vidya Sagar Pandya, say that on this occasion we had deviated into sense. I should like to point out, however, that on this occasion it is the Government who occupy the central position, and the deviation must be ascribed to those who have deviated from that centre in the one direction or in the other. I derive further consolation from another thought when I recall the history of this question last year. On that occasion, as many Members will remember, the House was equally divided on the question whether the duty should be removed or not, and the question was finally decided. Sir. by your casting vote. If this motion were carried, the House would not only be inflicting a severe censure upon itself, but also some censure upon you, Sir, might thereby be conveyed.

Some Honourable Members: No, no.

The Honourable Sir George Rainy: But I was confident that this House would in no circumstances commit itself to such a view, and I felt that I need not alarm myself unduly by any fear that this motion might be carried. I do not know for what reasons my Honourable friend, the Mover, whom I should like to congratulate on his maiden speech, proposes to make such a very large cut as nine lakhs of rupees for this particular purpose.

Maulvi Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Because that is the amount of the duty.

The Honourable Sir George Rainy: That idea did occur to me that, inasmuch as he thought that Government were collecting nine lakhs of rupees from the duty which they ought not to have, by moving a corresponding cut in customs expenditure he would thereby relieve them of the same amount of expenditure and make the removal of the duty possible. But I am afraid I must point out that the position is not so, it costs us only a few thousand rupees to collect the duty and if the duty were removed, it would be quite impossible to cut down our expenditure to anything like the extent of nine lakhs of rupees. Now, Sir, the position is just this. It was evident from the discussion which took place last year that opinion was very much divided, and there was a clear conflict of interest between the one side and the other. In those circumstances, Government again reconsidered the whole matter and came to the conclusion that it was their duty to see whether it was not possible to find a via media of some kind. Accordingly, last August we addressed Local Governments with the suggestion that there should be substituted for the export duty a small export cess which would be used for the improvements in the methods of flaying and preserving raw hides and also in effecting improvements in methods of tanning, the organization of the trade and so on. It seemed to me that in the peculiar circumstances of the case that was a very reasonable line for Government to take. We have had replies from seven out of the nine Provincial Governments and we are still awaiting replies from two—I think the Punish and Bengal. When we get their replies, we shall at once take the question into consideration and see whether there is a sufficient measure of support for the suggestion we made to justify us in going on with the scheme. If there is, the next step will be to appoint a small ad hoc Committee to examine the question and to make recommendations as to the rate of cess and similar matters. Meanwhile, I think it will be reasonable for this House to recognise that the Government of India are trying, when the House itself is equally divided, to find a course on which all can unite, and I hope that, for the present at any rate, our deviation into sense has also carried us into a position of security. In these circumstances, I hope my Honourable friend the Mover will not press his motion for reduction.

Mr. President: The question is:

"That the Demand under the head 'Customs' be reduced by Rs. 9,00,000."

The motion was negatived.

Sir Walter Willson: Would it be convenient, Sir, if I stated, in view of the remarks which have fallen from my Honourable friend, I shall not later on ask your leave to move motion No. 11.

Continuous Increase in Expenditure.

Mr. Mukhtar Singh (Meerut Division: Non-Muhammadan Rural): Sir, I beg to move:

"That the Demand under the head 'Customs' be reduced by Rs. 2,00,000."

My reasons for doing so are that in the detailed estimates on page 2 we find that the budgeted expenditure under this head comes to Rs. 87,23,000. while the revised estimate is Rs. 83,60,000. That means, Sir, that it is provided that an expenditure of about Rs. 4 lakhs should be added. If we compare these figures with the figures of last year, we find that the actual The **budgeted** expenditure is expenditure in 1926-27 was Rs. 79,76,425. about Rs. 8 lakhs more than the actual expenditure in 1926-27. In 1925-26, Sir, the expenditure was Rs. 66,74,573. In 1924-25 the expenditure was only Rs. 64,17,547. In 1923-24 it was still less, Rs. 60,09,397. In 1922-23 it was Rs. 59,56,640. In 1921-22 it was only Rs. 54,52,904. Thus we see, Sir, that from the year 1921-22 the expenditure has gone higher up from Rs. 54 lakhs to Rs. 83 lakhs, and this year it is proposed to increase the expenditure by about Rs. 4 lakhs from the revised estimate and more than a lakh from the budgeted amount of the last year. I submit, Sir, that the income under this head is rapidly increasing. Besides this I submit that the budget estimate of income this year seems to have been overestimated, because we have calculated that the income from sugar will go high and from cotton piecegoods will increase by Rs. 30 lakhs and from motor cars by about Rs. 26 lakhs more. The forecast of last year has shown us that the income cannot be expected to be so high. The expenditure under this head is quite uncertain. We do not know what more measures we have to bring before the Government by which the income under this head might be cut down. But the expenditure that has once been incurred will be a permanent one. If there had been a proposal for employing some temporary hands or incurring some temporary expenditure, things would have been otherwise. But here we find that we are budgeting an expenditure of a permanent nature on the strength that the income will be more than that of the last year. At any rate, it does not. stand to reason that the expenditure should go on increasing every year under this head. With these words, Sir, I submit that it will be safer to cut down the figure at least by 2 lakhs.

The Honourable Sir Basil Blackett (Finance Member): Sir, I could not follow the figures in regard to previous expenditure given by the Honourable Member.

Mr. Mukhtar Singh: I have quoted them from the Central Board of Revenue Customs Administration Report in India, page 1.

The Honourable Sir Basil Blackett: I think these are the figures of the actual expenditure under this grant. I will give the exact figures which do not greatly differ from the figures given by the Honourable Member and, in any case, entirely support his contention that the expenditure has increased considerably. The expenditure figures which I give show the actual expenditure. They are as follows:

								res.
For 1923-24			• ,					70,03,467
,, 1924-25				•				75,67,154
., 1925-26					•		a _t t.	80,16,297
Revised figures								81,46,000
Budget figures for 1927-28 .				•			' •	86,11,000
Estimate for the	e cu	rent y	ear	•		•		87,23,000

[Sir Basil Blackett.]

The explanation of this increase is one which I have examined with some care. Taking the figures for 1923-24, which is the year after the Inchcape Committee had reported, as a base, we have an increase of Rs. 17,20,000 to account for. This is very largely explained by certain special items. The first is that we now pay Rs. 1,39,000 to the Post Office for certain services rendered on account of which no payments were made till the year 1924-25. There is a difference of Rs. 3,43,000 in the charge for overtime allowances. This is accounted for both by the higher rates of overtime fees now given and by the changed volume of trade. But it must be remembered that this is not an increased charge on the tax-payer. The overtime fees are recovered and not finally paid out of general revenues So, although there is an increase of Rs. 3,43,000 in the estimate, that is not an increased charge on the tax-payer for cost of collection. ments of compensation paid to Indian States, chiefly Travancore Cochin, are now shown as expenditure instead of as a reduction of revenue. That accounts for Rs. 5,40,000. Those three items alone account for just 10 lakhs out of the increase of 17 lakhs. There is another big non-recurring item of Rs. 48,000 in the budget of 1928-29 on account of land acquired at Vizagapatam. There is left, therefore, about 7 lakhs of increase to account for-something under 7 lakhs. The most important items which I have been able to lay my hands on are, first, the strengthening of the Land Customs Frontier at Pondicherry and Karikal. This accounts for an increase of one lakh. It is a matter of very considerable importance. The prevention of smuggling has had to be dealt with in that district. 'Then the revision of pay accounts for Rs. 80,000, additional appraising establishment, Rs. 50,000, additional clerical establishment Rs. 1,50,000, additional preventive establishment about Rs. 70,000, uniform allowance Rs. 30,000, publications which were not charged to this vote in 1923-24. Rs. 60.000.

It will be seen that the bulk of the increase is accounted for by what are really changes in methods of classification. Of the increase of seven lakhs the increased volume of work is really the explanation. For example, the number of bills of entry for Bombay amount to Rs. 180,000 in 1922-23, Rs. 275,000 in 1926-27, Karachi Rs. 61,000 and Rs. 81,000 respectively. On top of all that one has to remember that since 1923-24 the Government of India have adopted the system of discriminating protection and that adds very considerably to the complications of the tariff and to the work that has to be done in collecting revenue. I would remind those members who have served on the Public Accounts Committee that we have all the time had considerable criticism to face in regard to the inadequacy of the internal check inside the Customs Department, and there has been pressure for increase of staff which has indeed only been partially granted. The whole justification of increase must, I think, also take into account the fact that during and just after the War, owing to the demand for officers for other purposes, and to the financial stringency, there was a tendency to try and collect custom revenue with a smaller staff than usual. it is to be remembered that in 1923-24 the revenue was 39 crores and 69 The revenue estimated for the current year is 48 crores and 63 lakhs, and we hope for a further increase in the next year. I do not think it can be maintained that this Customs branch is being unduly swelled, and I feel sure that any attempt seriously to curtail existing expenditure would be penny-wise and pound-foolish, because we should lose far more

in revenue not collected than we should gain in the slight reduction of expenditure.

Mr. President: The question is:

"That the Demand under the head 'Customs' be reduced by Rs. 2,00,000." The motion was negatived.

Export Duty on Jute.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, I beg to move:

"That the Demand under the head 'Customs' be reduced by Rs. 1,000."

I claim the indulgence of the House for referring to a question which was debated last year about this time. I feel that, representing as I do those people who are instrumental in earning for the Central Exchequer an annual income of 4 crores, I would be wanting in my duty if I did not raise my voice against the iniquity which the Government propose to continue by not handing over this revenue to the Government of Bengal or abolishing it outright. I have the advantage of speaking after the Honourable Member's reply to the budget debate, and I have in my hand the press report of his latest enunciation of Government policy in this matter. Sir Basil Blackett says "Either this tax is a bad tax or it is a good tax". But he has not got the patience to tell us as to the processes that have enabled him to arrive at the conclusion that this is a good tax. He says, if it is a bad tax it must be abolished at once. Then he says, if it is a good tax, certainly Bengal has no grievance. Now, Sir, when it is for the Honourable Member to decide this question, it is hardly possible for him to give an impartial judgment in the matter. If, for instance, the Honourable Member were to hold that this is a bad tax, it would mean that his Budget would not be balanced at all—this year he would have to take off the duty to the tune of Rs. 420 lakhs from the Budget. But, Sir, the position which he has taken up with regard to this question is rather curious. says that if it was left to the Provincial Government and the provincial Legislature to regulate the duty, apart from any question as to whether they are entitled upon other grounds to this tax, then they might be tempted so to vary the tax as to affect ultimately the interests of the agriculturists themselves. My Honourable friend is very anxious that the people of Bengal should be guarded against the potential rapacity of their own elected representatives in the Bengal Legislative Council, because I take it it amounts to that; and he has called upon the Members of this House, the sturdy Members from the Punjab and other parts of India, to assist him in carrying out this self-appointed duty of giving succour to the agriculturists of Bengal against the Bengal Government and the elected representatives of the people of Bengal. Sir, he thinks that Bengal might be tempted to kill the goose that lays the golden eggs, if it were left to Bengal to decide upon a course of action in this matter; and what he does in effect is to ask the Government of Bengal to tend the goose in order that he might appropriate to himself all the golden eggs laid by it. This extreme solicitude on the part of Sir Basil Blackett for the welfare of the Bengali cultivator reminds me of a well-known Bengali adage which says that if a woman professes to love a child more than its mother, surely that woman is a witch.

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Let us now come back to Sir Basil's position. Is it a good tax or is it a bad tax? Sir Basil may say it is a very simple question: jute is a monopoly of India and therefore it is a good tax; that is to say, it is paid uitimately by the foreign importer and it does not fall on the producer who is the cultivator. Now, Sir Basil may have a monoply of economic and financial wisdom, and may have also the intuitive faculty developed to very great extent in order to enable him to arrive at this conclusion. But I may remind him that the Fiscal Commission and the Taxation Enquiry Committee—two responsible bodies—have adopted a very cautious attitude towards this question. The Fiscal Commission said that it was very difficult to conceive of any commodity which could be called a monopoly of any country in the strictest sense of the term; and though the Taxation Enquiry Committee pointed out that, so far as the present rate was concerned, there was nothing wrong, they wanted the Government to be very careful before they embarked upon any increase in the duty. I remember to have read some eminent economic authorities who have attempted to define a monopoly. One of them has said that the principal characteristic of a monopoly is that there should be singlehanded control over the total supply. Now, I put it to the Honourable Member as to whether he has at all made any attempt to study the various processes involved in the production and the marketing of jute in Bengal, so as to enable him to come to the conclusion that this characteristic is present to-day in that instance; that is to say, whether the cultivator in Bengal has got singlehanded control over the total supply of jute. I do not know whether my Honourable friend even knows the exact number of people engaged in the production of jute in Bengal. I do not know whether he has cared to inquire as to how competition among the millions of producers tends to force down prices of the raw materials. I do not know again whether he has cared to inquire as to the large number of middlemen that intervene between the producer and the exporter, or the mill proprietor in this country. I do not know again whether he has cared to inquire as to what proportion of the price of jute paid by the exporter actually reaches the cultivator, because a consideration of all these points is necessary in order to enable him to come to a definite conclusion as to whether jute is really a monopoly of the man who produces it. Sir, I find that this particular question was debated in the Bengal Legislative Council only so recently as the 14th December 1927, and speaking on a non-official Resolution recommending that this tax should be made over to the Government of Bengal, Honourable Mr. Marr, the present Finance Member of the Government of Bengal, spoke as follows. He said:

"At the very earliest stages of the inquiry by the Meston Committee the question of the export tax on jute arose. The Meston Committee at the outset were prepared to accept without further inquiry the formula that all customs duties should be central on the ground that it was impossible to trace the duties back to source or to make a proper allocation between provinces. We pointed out, however, that this dictum certainly did not apply to the export duty on jute which at that time was about 24 crores. Since then I may mention it has risen to 34 crores."

He was wrong there because it has risen further.

[&]quot;While drawing the attention"

-the Honourable Mr. Marr continued-

"of the Meston Committee to this fact the Government of Bengal based their claim on this ground not on the fact that the export duty on jute should be made over to them but that this factor should be taken into account in arriving at the final financial settlement, on the ground that the export duty on jute encroached on the taxable capacity of the province. We argued that, if the Central Government had not imposed this duty, it might have been open to the Local Government to do so in the shape of an excise duty or in some other way. As all Honourable Members of this House know, however, this factor was not taken into account in the Meston Settlement",

Now, Sir, the Honourable Mr. Marr was repeating the conviction of the Government that the export duty on jute encroached on the taxable capacity of the province. That is the whole point. Not being endowed with an intuitive faculty, as my Honourable friend, I naturally looked in different directions for light in this matter, and I found that recently a very responsible body of men went into these questions along with various other questions. I do not know whether my friend is familiar with these big volumes -there are ten of them-Evidence taken by the Agricultural Commissionten of them are published, and if my Honourable friend cares to have a little more light on this subject, I might recommend him a study of Volume No. IV and Volume No. X of those Reports. (An Honourable Member: "What are the pages please?") I shall give all the reference if my Honourable friend desires it. Now, Sir, I find that responsible officers of the Government of Bengal like the Directors of Agriculture, the Director of Public Health and the Registrar of Co-operative Credit Societies, have all dwelt upon the question as to how far jute was a monopoly and how far the export duty on jute prejudicially affected the position of the cultivator. In dealing with this question one of the responsible officers has made a definite statement that the existing export duties on jute do affect the prosperity of cultivators in certain Bengal districts adversely. Honourable Members will find this statement on page 246 of Vol. IV which contains the evidence taken in the Bengal Presidency. I will just read a short ·extract:

"The duty on jute is fixed at so-and-so irrespective of price and quality. It has been assumed that, because jute is almost a natural monopoly of Bengal, it can safely stand an export duty and it is argued that this duty is necessarily borne by the consumer abroad . . . "

That is the complacent assumption made by the Honourable Member in charge:

But this is a fallacy as is shown by the fact that since the imposition of the duty the world consumption of jute has ceased to expand. This latter observation is suggestive of the increasing use of various substitutes for jute. Apart also from the general effect of the duty upon the world demand for jute the method of levying the duty bears most heavily upon areas producing the cheaper qualities of the fibre. The disastrous effect of this selective action may be traced in the case of the Pabna district where the area under jute has progressively diminished since the duty was imposed."

Now, Sir, I come to the question as to the difference in price as paid by the exporter and the actual cultivator. The difference is calculated by the Director of Agriculture to be 20 per cent. on an average. He says that the difference between the price to the cultivator and the price to the mill in India or the exporter is on an average 20 per cent. The Registrar of Co-operative Credit Societies thinks that the difference stands at a

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higher figure. It is 33 per cent. in his estimate, in the case of lower grade jute. He says:

"The cultivator gets two-thirds of what the exporter of the mill in India pays."

He further points out that a chain of 4 or 5 different middlemen intervene between the producer and the miller or exporter, who intercept this large proportion of the price ultimately paid by the consumer. And yet my Honourable friend says that it is a monopoly. The Indian Jute Association, in giving evidence before the Agricultural Commission, stated as follows:

"Anything that adds to the cost of jute is bad for the trade and for the producers. It encourages substitutes . . . "

My Honourable friend is hugging the delusion that jute is a monopoly, and there is no possibility of there being any substitutes for that fibre. The Indian Jute Association says:

"It encourages substitutes. If the price had been lowered during recent years, I am sure",

says Mr. Sime, Chairman of the Indian Jute Association,

"there would not have been such a large amount of substitution of other things."

Perhaps this will come as a surprise to my Honourable friend. He cannot conceive of any such thing:

"The result of such substitution is that there is less demand for the produce grown in the fields."

On this point there was some valuable evidence given also in England before the Agricultural Commission. Honourable Members will find statements made by Colonel Malcolm representing the London Jute Association as also by Mr. Anderson who is engaged in the jute manufacturing trade in Dundee.

(At this stage Mr. President vacated the Chair which was taken by the Deputy President, Maulvi Muhammad Yakub.)

It you will turn to page 341, Volume X of the Evidence, you will see that Mr. Anderson makes the following statement:

"For a certain period of this past year, hemp was very cheap and they were able to buy hemp yarns, which, of course, are infinitely stronger than jute, and, probably from that point of view might be purchased instead of jute when jute was at a high price. But, another that really concerns jute when prices are high, is the extent of the second hand trade. When jute reaches an abnormal height, then you find that the door is opened again for the second hand trade coming in."

Then our Honourable colleague, Dr. Hyder, who is a member of the Agricultural Commission, put a few questions to Mr. Anderson on this point. He asked:

"You have got competitors on the Continent of Europe?—We have competitors in some of the mills in Austria and Germany.

I expect you know Bischofswiller. Do you know whether anything is happening on the Continent of Europe in this search for substitutes for jute!—No, I have not heard what is being done to-day: but, of course, there have been efforts made from time to time to substitute in the form of paper yarns and so forth.

From French Madagascar, French Indo-China and French West Africa?—You mean the growing of fibre there?

Yes.- I do not know about that."

Then Dr. Hyder made the very significant suggestion, "I think you had better look out that way." Mr. Anderson replied, "Is that so?". He was evidently taken aback. Dr. Hyder, it seems, had very valuable information as to how far efforts in the direction of finding substitutes for jute had been successful in other parts of the world. Then, Sir, I come to the evidence of Colonel Malcolm who, as I said, represented the London Jute Association before the Agricultural Commission; he referred to the rise in prices of jute in the years 1925 and 1926 and said:

"The result was a grave danger, not only to the jute trade in general, but more especially to the ryot in Bengal. Very successful attempts were made to grow substitutes in other parts of the world, and a most excellent substitute was produced in Madagascar. The lower grades of American cotton also replaced jute to a very large extent in the United States of America, and considerable quantities of spinning hemps and flax tow grown throughout Europe and elsewhere were very largely substituted. That I can say of my own knowledge, because my firm deal in pretty nearly every fibre that is produced and we dealt with very large quantities of jute with the Continent of Europe to replace jute grown in Bengal."

I do not know whether I am tiring the patience of the House, but I submit when you are going to bag Rs. 420 lakhs of jute duty every year from Bengal, I am entitled to engage the attention of the House for some little time on this question. Now, Sir, going back to the evidence given in Bengal, we have the evidence of a gentleman who has spent about 40 years there,—Mr. Morgan, the proprietor of Morgan, Walker and Co., the well-known firm of jute brokers. He referred to the unsatisfactory character of the information about market conditions available to the cultivator, and in reply to questions as to how far the information might be made available so as to assist the cultivator to know the exact condition of the world market. he thought that in the event of his getting all the information with regard to marketing, the jute cultivator was not in a position to hold up the jute. Mr. Morgan said that the cultivator was not in a position to hold up jute even if he knew that the market was bearish. In reply to further questions Mr. Morgan said:

"That would depend on his monetary condition at that particular time. But generally he will have to sell a certain portion before the October kist (i.e., the rent payable to the landlord) comes in, there is no doubt about that."

That, Sir, ought to shatter my Honourable friend's delusions about the cultivator being in a position to dictate prices to the exporter and the mill manufacturer in India. Mr. Morgan also referred to the factor of speculation. He compared the conditions obtaining now and the conditions obtaining 30 years ago. He said: "There is a much more speculative element now." Who benefits by all these speculations? Not certainly the cultivator. I do not know whether it is any use on my part trying to convince my Honourable friend that it is not proper and safe to depend upon mere intuition. He had better make an inquiry as to how far his assumptions that the jute tax is a really good tax is correct. If it is a good tax, I submit you must share it with Bengal; because after all it is the cultivator in Bengal who is assisting you in getting this large sum of revenue every year, a growing sum as the figures show, and that is a point which has been made by every responsible witness before the Agricultural Commission. Witnesses in England were simply amazed at the indifference which the Government of India have been exhibiting in this matter. They cannot understand my Honourable friend's theories about federal finance. Government are making so many crores-

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every year. But they do not spend a pice for the betterment of the condition of the agriculturist, for the improvement of the product itself that brings in so much money to the Government of India. The Government of India have every reason to be satisfied with the position as they find it to be, because of the curious constitution which we have got at the present moment. The transferred departments in the provinces have to look to the improvement in the cultivation of jute. They have to look to the improvement in the material condition of the men who cultivate jute. They have to provide for his educational needs. They have to provide for his sanitary needs, and I may mention here that the very process of production of jute, I mean particularly the retting and the reaping of it, tends to bring about insanitary conditions in the rural areas of Bengal. All these problems have to be grappled with by the Government of Bengal, under the curious constitution we have got at the present moment, while my Honourable friend actually bags crores and crores of revenue out of this source. If it is a bad tax, then abolish it. I have absolutely no objection to that, but so long as you do not abolish it, you must certainly share it with the Government of Bengal. In so far as it encroaches upon the taxable capacity of Bengal, you have no right even under the present constitution to appropriate it. Sir, I do very much hope that my Honourable friend, before he leaves these shores, will at least try to do something in the way of instituting at least an authoritative inquiry as to whether it is a good tax or a bad tax. But whatever it is, so long as the tax continues it must at least be shared with Bengal.

The Honourable Sir Basil Blackett: Sir. we have had a long and very interesting examination of the jute export duty by my Honourable friend Mr. Neogy who is nothing if not thorough. He has even gone so far—at least it seemed so to me—as to write the Report of the Agricultural Commission in advance.

Mr. K. C. Neogy: It is public property, only you have not seen it.

The Honourable Sir Basil Blackett: I have seen the evidence but not the Report.

Mr. K. C. Neogy: I mean the evidence, which will form part of the Report.

The Honourable Sir Bash Blackett: I was speaking of the Report, the Honourable Member was speaking of the evidence though he called it the Report. The Honourable Member seemed to be under the delusion that he was answering some arguments of mine and that I was under all sorts of delusions. Now the argument that I put forward in the course of a speech the other day—though I necessarily had to deal with many other things—was a quite short one in regard to the jute export duty. The position I took up, with which I am supposed by Mr. Neogy to differ, was exactly that of the Fiscal Commission and of the Taxation Inquiry Committee, namely, that so far as can be seen at present there are no complaints about the export duty on raw and manufactured jute. The Fiscal Commission said:

"We have had no complaint about the export duty."

Mr. K. C. Neogy: You have had a complaint from me to-day.

The Honourable Sir Basil Blackett: The complaint by the Honourable Member was not a complaint that the duty was imposed but that the duty did not go to his province:

"This duty does not transgress our principles, for it is imposed for revenue purposes only. It is imposed on a monopoly and the rate is moderate. So long as these conditions remain we see no objection to the retention of the duty."

The Taxation Inquiry Committee said:

."The incidence of the duty is between 4 and 5 per cent. ad valorem and no criticism has been made of it. . . . The article upon which it is imposed is a true monopoly."

Now, so long as it is a monopoly it necessarily follows that the duty must be paid practically to the full extent by the foreign importer. But I have again and again put before this House my views about export duties in general. I believe that the American constitution was very wise in laying down the principle that no export duty of any kind should be imposed in the American Union. We have certain export duties here, and so long as they are imposed on pure monopolies or on commodities that are in the position of monopolies there are strong arguments for maintaining them so long as they are required for revenue purposes, and the question of reduction of taxation cannot be taken up very seriously. But the point that I was making was that it is most desirable that so long as they are imposed—take any export duties, I was not referring particularly to jute—they should be imposed by the Central Government and not by the Provincial Governments, and for two reasons. One is that a Provincial Government, if it had the right to impose an export duty, or if it got the proceeds of some export duties, would be tempted to press for the imposition of others with reference more to the local conditions of the province than the interests of India as a whole. The second is suppose conditions arose under which what seemed to be a monopoly—this was a point I made the other day—ceased to be a monopoly and the duty had to be abolished or got rid of in part, then the burden of getting rid of that revenue and finding some other source of taxation should lie with the Central Government rather than with a Provincial Government, which would be in an impossible position if it suddenly found that an export duty bringing in a crore a year—and in the case of jute a great deal more than a crore a year—was going to disappear. It is most undesirable that you should complicate the necessarily difficult question of getting rid of an export duty the moment that the article on which it is imposed ceases to be a monopoly or threatens to cease to be a monopoly by mixing it up with the question of provincial and central finance. Leave it to the Central Government to get rid of the duty at the first moment when it is necessary to do so in the interests of agriculture. The Honourable Member was I think really wholly unfair in the way in which throughout his speech he misrepresented what I said. That is exactly the point that I made the other day. At the end of his speech I was not clear what was the purpose of Mr. Neogy's motion. He proposes a cut of a thousand rupees to draw attention to the export duty on jute. Whether he proposes to abolish it or to reduce it or to get a share of it for Bengal I was not clear. At any rate we have had the good fortune of hearing a very interesting speech from him on the subject as a result of his motion. If his object is to give it to Bengal, I have already given reasons showing why it is most desirable that we should stick to the principle that all export duties should belong to the Central Government. If his object is to obtain more revenue

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for Bengal, I can only remind him that the question of the revision of the Meston Settlement has got to be taken up by the Statutory Commission, and no doubt the question of revision will arise. The Honourable Member is, I believe, one of those who will have nothing to do with the Statutory Commission in any shape or form, otherwise he might perhaps very usefully have pressed his point before that Commission. Perhaps other provinces will be more successful in pressing their point, or perhaps his own province in his absence will be able to do it; but I cannot at this stage obviously, take any step that is going greatly to modify the Meston Settlement. If a modification of the Meston Settlement means, as it apparently does in Mr. Neogy's mind, the withdrawal of more revenue from the Central Governorder to give it to the Provincial Governments, either the Central Government must find a surplus or it must impose some alternative taxation. I do not know whether the Honourable Member is willing to suggest some additional native taxation to the export duty on jute to any extent in order that a part or the whole of the duty might be handed over to Bengal, but I submit that it is clearly not a question of practical politics at this stage to make a large alteration in the basis of the Meston Award and that the matter must be left to the Statutory Commission to deal with. In view of the full discussion that we have had and of the answer which I have attempted to make, I hope, Sir, the Honourable Member will now feel able to withdraw his motion.

Mr. Deputy President: The question is:

"That the Demand under the head 'Customs' be reduced by Rs. 1,000."

The motion was negatived.

The Assembly then adjourned till Twenty-Five Minutes to Three of the Clock.

The Assembly re-assembled after Lunch at Twenty-Five Minutes to Three of the Clock, Mr. President in the Chair.

Using the Income derived from the Protective Duties for the general Expenditure of the Central Government.

Mr. Mukhtar Singh: Sir, I beg to move:

"That the Demand under the head 'Customs' be reduced by Rs. 1,000."

The system of using the tariff for the purpose of the protection of certain industries has been very recently adopted, and the Government have been increasing duties on certain articles in order to give encouragement to the Indian industries. It is very unfortunate for this country, Sir, that even in cases when we complain that our industries are in a very bad plight and we approach the Government for the protection of them, the Government makes out a point to increase the revenue out of the protective duties. Not a pie out of those protective duties is spent on the development of those industries. The whole of that amount is taken to the expenditure side and it is practically spent. The first point that I want to make out

is that the very principle is wrong. When you get revenue in order to protect the industries, the first duty of the Government is to use that amount for the development of those very industries. We know, Sir, that every taxation, in whatever form it may be, is a tax on the consumer. comes from the people and the consumer agrees to undergo that taxation simply in order to see that the industry is fostered. If the Government is allowed to make revenue even out of protective duties, I consider it is a very dangerous policy. It gives an incentive to the Government to receive any amount of applications for protection of industries and then, under the cover of protecting the industries, to increase the revenue. It makes the Government much more avaricious and in no way leads to the desired end. It means, Sir, that the Government do not consider it to be their responsibility to develop the industries of the country. They say that industries are a transferred subject and therefore the development of the industries should not be considered by the Central Government. In this connection, Sir, I may submit that the consumers of the country have been taxed in order to protect the industries and if the Government decide that they should not take up the development of the industries as such because they are "transferred subject," then in that case they could very well give away that amount in the shape of grants to the Provincial Governments or to those Governments which have got those special industries from the protection of which the amount has been realised. But it seems to me very dangerous that the Government do not recognise this important fact that, if a protective duty is levied, the special industry should be developed. We have seen, Sir, while investigating the case of sugar, that the Government increased the amount of import duty. A lot of money was taken, and what has been done for the sugar industry? We know that there was the Sugar Committee's Report, and out of their total recommendations hardly one or two have been carried out. Such instances can certainly be multiplied. There are a number of ways in which the Government could help the industries. The Government has got their experts under the Central Government in order to advise the Provincial Governments on industrial and agricultural subjects. We have seen very recently that in England there has been a proposal for establishing an Empire Marketing Board. In the same way, we could have an Empire Marketing Board in India. There are other ways . . .

The Honourable Sir Basil Blackett: On a point of order, Sir. The Honourable Member is moving a motion for a cut in order that the protective duty proceeds be not applied wholly to ordinary revenue. Protective duties undoubtedly come under this head, but I submit that the general subject of assistance to industries is not in order under this head.

Mr. Mukhtar Singh: I submit, Sir, that protective duties should not be utilised for the general expenditure and I am trying to show that they could be utilised for the development of those very industries from which the duty has been realised. That is the object of my motion to reduce the Demand by so much. I have given only the indication on what lines I wish to speak. So I submit that I am in order in discussing this subject of industries.

We have found that the pulses and grains have no import duties but we know, as a matter of fact, that the grain exported out of this country gets the least price in other markets. Why? Because the Government has not cared to see that the exported articles are sent out of this country

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in the shape and form in which the people of other countries desire them. The articles sent out of this country are not sent in the form in which they are required by foreign countries, and the result is that grain sent out from this country does not fetch the same price in other countries as they ought to do. We find in the recent report on Agriculture in Denmark a sentence reading:

"Denmark's legislation to guarantee the good quality of the wares exported is a very important factor in the development of the export trade."

The Indian Government also should provide for this, but they do not care for the agriculturists.

I may submit for the information of this House that the articles produced by the agriculturists are generally pure and unadulterated, but when they reach the ports they are mixed up with several articles. There being no legislation in regard to their export, Government does not take care how the highest price can be obtained in other foreign countries. We have found that when it suits them the Government provide for all these facilities. We know, for instance, that there has been a Cotton Committee appointed by the Government. When it was found that the cotton trade of Lancashire

The Honourable Sir Basil Blackett: I ask your ruling, Sir, how far this is in order. The subject is somewhat remote from the point we are discussing.

Mr. President: My ruling is that the two questions are so inter-connected that it is almost impossible to separate them. Therefore the Honourable Member is quite in order.

Mr. Mukhtar Singh: Under the Resolution of the Revenue and Agricultural Department, dated September 27th, 1917, the first paragraph reads:

"It has again been brought into special prominence as the result of recent investigations by the Board of Trade which have shown the importance in Imperial interests of increasing the production of this class of cotton within the Empire."

Then later it says:

"In these circumstances, it is obvious that the Lancashire cotton industry, the importance of which to the Empire needs no comment from us, is faced with a serious situation and that it is most desirable that it should cease to be almost entirely dependent on a source of supply, the future of which is so problematical."

We know that the Cotton Committee was appointed since then and there has been a piece of legislation which prohibits the import and export of certain varieties of cotton from one station to another. That shows how far Government could go in protecting the raw cotton industry, though I would submit that it was not also in the interests of the agriculturists to pass that legislation. But this is not the place to discuss that point. I was only submitting that, whenever it affects the interests of England, the Government goes to the extreme and appoints a Committee like that of the Cotton Committee.

There is also a suggestion made in the recent review "The Trade of India" that they are considering to establish a bureau for tobacco. Why?

Because the major portion of tobacco produced in this country goes to England. They have not done so so far, but are considering the problem now from that point of view. I submit that if Government has decided and has conceded that protection should be given to industries in this country, is it not their duty to enquire the ways and means by which the industries of this country can be developed? If it is, then I submit that the amount is there and the whole of the amount that they get out of the revenue should be spent on the development of those industries. In the same report, Sir, we find that the hemp trade has gone down considerably during the year 1926-27, and there is a very important note on page 101:

"Indian hemp is exported largely in the undressed condition as there are few facilities for dressing hemp in up-country centres, such dressing as takes place being done by the shippers at the port. The necessity for better methods of preparing for the market should be realised by both the producer and the middlemen in the trade..." There are a number of suggestions that are annually made by the Intelligence Department. But may I know if any attempt has been made by the Government to inform the agriculturist and the cultivator that the foreign maket demands a certain variety of article and that that sort of article should be manufactured? The Government considers that they are living in a country which is full of Englishmen and that everybody knows English and can speak English fluently and therefore they publish all these reports in English. Even the very suggestions that are incorporated in these reviews are not cared to be translated into Hindi, Urdu or other vernaculars of the provinces, because they never care for the development of the industries. They simply want the protection of those industries whenever it suits them or whenever they consider that the English manufacturer does not suffer. Even for the raw material they would not consider it to be their duty to use their experts for the development of those industries. It was only in the last Session, Sir, that we saw that it was considered quite proper that the duty on starch should be abolished. Starch is a product which can be produced in this country in any amount; but still our Government experts have not been able to advise or show to the people that starch can be manufactured in this country. You see, Sir, that the Government do not consider it to be their duty to develop the industries of this country; rather, they consume the entire amount for the general expenditure. That is the case even with protective duties.

We know, Sir, that there is a Tariff Board. The Tariff Board has decided not to inquire into those cases for which an application has not been made; as if it is the duty of the people and not that of the Government to inquire into the ways and means of developing an industry. We saw very recently in the Tariff Board report on belting; they have refused to inquire into the case of leather belting. Why? The subject was quite similar to that of other belting, but they have not considered the point of leather belting at all simply because there was no application for its protection. I submit, Sir, we are living in a country where there are not big capitalists; we are living in a country where there are only cottage industries, barring the big mills at big centres, ordinarily the people are manufacturing very small articles, and the Government do not think it their duty to inquire into these questions. I know, Sir, that when the Steel Protection Bill was brought up for discussion, I moved

[Mr. Mukhtar Singh.]

an amendment about the protection of steel trunks and other small articles which are made of steel sheets and which are adversely affected by the protective tariff, and I was laughed at as if the Government did not consider it their duty to protect the small manufacturer. Now, if all the amounts that are realised by the levy of protective duties had been returned back in the shape of rebates or import bounties, then of course there would have been nothing to be said against Government. But when the whole amount is taken to the expenditure side I submit, Sir, it is entirely wrong. I say that it is the bounden duty of the Government to utilise all these big amounts for the development of industries and trade, especially those industries the consumers of which are taxed. Sir, by this motion I want to impress upon the Government the necessity of their doing their imperative duty of protecting the industries and trade, and as they have failed in performing this important duty in this matter so far, I wish to make this motion.

Sir Walter Willson (Associated Chambers of Commerce: Nominated Non-Official): Sir, there are one or two remarks which have fallen from my friend which give me an opportunity to tell him one or two things that I should like him to know. First of all he said that the increased revenue out of the protective duties was not utilised for the development of the industries. Now, if he had just stopped there, one would have inferred that he meant that having put on a protective duty, you should give the proceeds of that duty back to the industry concerned. But that of course would have the effect of giving protection twice. A protective duty is put on to increase the cost of the imported competing article. That is the way protection is given in the first instance, and I think my Honourable friend could hardly have been so elementary as to mean that the same money should be given back over again.

One point which I did like about his speech was this. He said this was a dangerous thing, that is to say, giving protection by means of tariffs as "it gives an incentive to the Government to increase the revenue." Now, that, Sir, is perfectly true. You must always remember that an import duty does directly fall upon the consumer; it is indirect taxation; but it absolutely comes out of the pockets of the consumers. But there is another danger which, I think, is even more dangerous than the incentive to the Government, and that is, the incentive to this House to vote these protective duties. I have on many occasions in this House spoken in favour of the grant of protection rather by means of bounties. Then we know exactly what we are voting; we vote every year, and the matter is constantly before us. In the case of steel, I particularly recommended that the protection should be granted by means of bounties, but the reason why we did not do it in the first instance was that we had no revenue out of which to grant those bounties; we had not the revenue. Therefore, we created the revenue by putting up the tariff and subsequently voted bounties for steel and other allied industries.

My friend slipped up a little bit in regard to sugar. He complained that the Government had increased the rate of duty. That was not strictly correct. What happened was that the duty was on an ad valorem basis and the value of sugar was steadily slipping down. If the Government had not come in at that time with a specific duty, the fall in the

price of sugar would have had the effect of bringing in a great deal less of revenue.

The other point I wish to make is this. I suppose there are few people in this House who are more keen on the development of commerce than myself. But where it comes to a case of taking steps to look after the quality of goods, I say that those steps must in the first instance rest with the trade itself. We have a number of cesses in this country. The tea trade has inflicted a cess upon itself and spends the money for the development of the tea industry. Similarly, the lac trade has a cess, and the Cotton Inquiry Committee, to witch my friend referred, really owes its present cess to the initiative of the trade itself. The improvement must come from the trade itself, and I really would like to see a large number of other trades in India forming themselves into bodies and putting on their own cesses for the development

Mr. Mukhter Singh: Did the cess for the cotton industry come from within?

Sir Walter Willson: That came from within the cotton trade itself. As my friend just said, it is a great pity that there is so much adulteration of Indian produce before export which means that in the European markets it very often fetches a lower price than competing articles from the other side of the world.

Mr. B. Das (Orissa Division: Non-Muhammadan): Sir, may I ask your ruling on this point? I have got a motion (No. 9), a similar motion, for raising the question of the funding of protective duties on steel and other industries for development of industries. May I know whether I will be allowed to take that up separately or whether I should take it there?

Mr. President: No, not separately. If the Honourable Member wishes to speak, he can speak now.

Mr. B. Das: I should like to speak, Sir.

Sir, I wish my Honourable friend Mr. Mukhtar Singh had confined his remarks only to the funding of protective duties and the utilising of that money for giving bounties and subsidies to the industries. friend Mr. Mukhtar Singh referred to agricultural produce which I consider rather as natural produce and which need not be classed as industries. I have already expressed my views on several occasions on this matter and I maintain that agricultural produce, when exported, should have export duties. I believe every article of export from this country should be taxed. Sir, I find that by the protective special duties Government have managed to collect during the last five years revenue to the tune of 20 crores of which only 21 crores or a little more has been given in the shape of bounties to the steel industry and also the wagon manufacturing industry. This protective duty has been, I think a blessing in disguise to my friend Sir Basil Blackett in producing surplus budgets. We have given protection to the iron and steel industry, to the paper industry, the cotton yarn industry and one or two other smaller industries last year. I think Government ought to arrive at a decision what • the policy of protection is to be, whether in the disguise of protection [Mr. B. Das.]

they should appropriate the income to their deficit budget and then spend it in any way they like or whether protective duties should be earmarked and set apart for the development of industries in spite of Industries being a transferred subject, and where they are transferred, whether the money should be distributed proportionately to the different provinces for the development of industries. My Honourable friend the Commerce Member has recently introduced another system of protection, namely, equalising the duty on the raw produce and the manufactured article and thereby giving protection to the particular industry that he is anxious to protect. In countries like the United States and Japan which may said to have national Governments, they generally give protection by bounties and by subsidies. In India, unfortunately, no industry at present can expect any subsidy from the Government owing to the system of alien Government we have. It is unnatural that money should be collected specifically for the purpose of protection and should then be spent in any way the Finance Member likes. This is a dangerous, vicious and pernicious principle. I would ask the Honourable the Finance Member before he leaves us to institute a scheme of funding of protective duties. What he has spent up to now he cannot reimburse. But there will be at least Rs. 21 crores collected as protective duty during the year 1928-29. Instead of taking it to the Reserve Fund or to any other fund, this can be set apart and a reserve fund created for the future protection of Indian industries.

Mr. N. M. Joshi (Nominated: Labour Interests): I am glad that the feeling in this House is gradually veering round to the view which I have always held about protective duties. I have never considered the levying of import duties as a very good method of protecting an industry, but if we levy protective duties it is always better that we should not hand over that money to Government for its ordinary use. When the Steel Protection Bill was under discussion last year in this House I suggested that the income from the protective duties should be funded as my Honourable friend, Mr. Das, suggests now. The only difference is that I had suggested that the industry does not consist of merely those people who invest their capital, but it also consists of people who work in that industry, and I therefore made the suggestion that all the monies that Government collect out of the protective duties should be funded and utilised for the protection of the workers. You may know that Government has now to undertake several measures for protecting workers, such as, starting health insurance, unemployment insurance, old age pensions and so on. Government is sure to require money for the protection of industrial workers and I suggest that by funding the amount collected from protective duties for the purpose of starting sickness insurance, unemployment insurance and old age pensions, the interests of the industries will be very well served.

The Honourable Sir Basil Blackett: If I had known of the wide field that was to be covered by this motion, no doubt my Honourable friend. Sir Bhupendra Nath Mifra, would have come here ready to spend some hours in telling the House what has been done in the matter of assistance to industry generally. I cannot help feeling that there is a certain amount of misapprehension. My Honourable friend, Mr. Das, seems to think that

the whole of the revenue that we have collected from the protective duties was due to protection. He seems to forget that the greater part of the sum collected is in place of the previous revenue duty, and only a very small portion of the total named by him is really due to protection. If we take a duty like the sugar duty, how much of that is protective, if any? It was imposed for a revenue purpose, but in fixing it at the present figure we definitely had a protective purpose. The motion seems to suggest really that we should spend considerably increased sums on the development of industry in this country; that is all that is really behind the motion. Even supposing it was decided that we should spend considerably large extra sums on assistance to industry the question of the precise amount we collect each year by way of protective duties would, I submit, be quite irrelevant. The question before the House would be how much, having regard to the available finances and the needs of industry, can India afford to spend by way of bounty or otherwise on assistance to industry? A protective duty or a revenue duty which has partly a protective result must quite clearly go to the ordinary revenues. There is no greater commonplace in questions of finance than that you should, as far as possible, keep one general consolidated fund and not a whole lot of separate funds out of which you pay for this, that and the other special expenditure. The proposal of my Honourable friend, Mr. Mukhtar Singh, is therefore. I think, simply a motion that considerably increased expenditure should be incurred by Government on assistance to industry, and, if that were so, considerably increased revenue would have to be raised. that we are raising a certain amount from the consumer of steel in order to protect the steel industry is not, I submit, a strong reason why we should tax him extra for assisting any other industries. That is really what the argument comes to. The question whether and how far additional assistance should be given to industries is an interesting one and a great deal might be said on both sides. On the very narrow question I have some sympathy with the Honourable Mover of this motion. It is not desirable that the finances of the Central Government should be dependent to any large extent on revenue from a protective duty, especially as protective duties are being imposed not with a view to their remaining for all time but for a definitely short period. If you have two crores a year coming from one particular duty, which is imposed for a period of five years with the idea that at the end of the five years the industry will be able to stand on its own legs and the duty could be abolished obviously you are not in a very safe position, and it is not desirable that the Central Government's revenues should be dependent on that source of income to too great an extent and it is clearly a temptation to keep on the protection after it has ceased to be necessary, simply for the sake of revenue. I do not propose to enter into the pros and cons of additional assistance to industry because I have not come prepared to do so and I do not think that the opportunity really arises. I must oppose the motion and I submit to the Honourable Mover that his purpose has been served by moving his motion and it would not be served by his separating out, in so far as it was possible revenue that we get from protective duties and asking the Government to propose equivalent additional taxation in its place.

Mr. President: The question is:

[&]quot;That the Demand under the head 'Customs' be reduced by Rs. 1,000."

The Assembly divided:

AYES-36.

Aiyangar, Mr. C. Duraiswamy.
Aney, Mr. M. S.
Ayyangar, Mr. K. V. Rangaswami.
Belvi, Mr. D. V.
Bhargava, Pandit Thakur Das.
Birla, Mr. Ghanshyam Das.
Das, Mr. B.
Das, Pandit N'lakantha.
Dutta, Mr. Srish Chandra.
Gulab Singh, Sardar.
Iswar Saran, Munshi.
Iyengar, Mr. S. Srinivasa.
Jayakar, Mr. M. R.
Jogiah, Mr. Varahagiri Venkata.
Joshi, Mr. N. M.
Kartar Singh, Sardar.
Kidwai, Mr. Rafi Ahmad.
Lahiri Chaudhury, Mr. Dhirendra
Kanta.

Lajpat Rai, Lala.

Mehta, Mr. Jamnadas M.
Misra, Mr. Dwarka Prasad.
Mitra, Mr. Satyendra Chandra.
Moonje, Dr. B. S.
Mukhtar Singh, Mr.
Murtuza Saheb Bahadur, Maulvi
Sayyid.
Naidu, Mr. B. P.
Neogy, Mr. K. C.
Phookun, Srijut Tarun Ram.
Rang Behari Lal, Lala.
Shervani, Mr. T. A. K.
Singh, Mr. Narayan Prasad.
Singh, Mr. Ram Narayan.
Sinha, Kumar Ganganand.
Sinha, Mr. Siddheswar.
Tirloki Nath, Lala.
Tok Kyi, U.

NOES-42.

Abdul Aziz, Khan Bahadur Mian.
Abdul Qaiyum, Nawab Sir Sahibzada.
Ahmad, Khan Bahadur Nasir-ud-din.
Alexander, Mr. William.
Allison, Mr. F. W.
Anwar-ul-Azim, Mr.
Ashrafuddin Ahmad, Khan Bahadur
Nawabzada Sayid.
Ayangar, Mr. V. K. Aravamudha.
Bajpai, Mr. G. S.
Blackett. The Honourable Sir Basil.
Bray, Sir Denys.
Chatterjee, The Revd. J. C.
Chatterji, Rai Bahadur B. M.
Cosgrave, Mr. W. A.
Couper, Mr. T.
Courtenay, Mr. R. H.
Crawford, Colonel J. D.
Crerar, The Honourable Mr. J.
Dakhan, Mr. W. M. P. Ghulam Kadir
Khan.
Dalal, Sardar Sir Bomanji.
Graham, Mr. L.

Irwin, Mr. C. J.
Kabul Singh Bahadur, Captain.
Keane, Mr. M.
Lamb, Mr. W. S.
Lindsay, Sir Darcy.
Mitra, The Honourable Sir Bhupendra
Nath.
Moore, Mr. Arthur.
Mukherjee, Mr. S. C.
Parsons, Mr. A. A. L.
Rainy, The Honourable Sir George.
Rajah, Rao Bahadur M. C.
Rao, Mr. V. Pandurang.
Roy, Mr. K. C.
Sams, Mr. H. A.
Shamaldhari Lall, Mr.
Shillidy, Mr. J. A.
Sykes, Mr. E. F.
Taylor, Mr. F. Gawan.
Willson, Sir Walter.
Yamin Khan, Mr. Muhammad.
Young, Mr. G. M.

The motion was negatived.

(At this stage Mr. President vacated the Chair which was taken by Mr. Deputy President.)

Policy: Virangam Customs Cordon.

Mr. B. Das: Sir, I rise to move:

"That the Demand under the head 'Customs' be reduced by Rs. 100."

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Sir, in connection with this motion I am between the devil and the deep sea. I know I have to discuss matters that are forbidden to be talked in this House. I know I have to discuss the Indian States here.

But I have to do my duty to my country. The Central Government, it is said, is losing a certain part of its revenue through the smuggling processes that are carried on in these Indian States. If I interfere with the paramount smuggling rights which these Indian States may have possessed, I have to do it with a sense of injustice and encroachment of the sovereign rights of the Government of India. I have a passage in my hand very kindly given to me by my friend Mr. Duraiswamy Aiyangar where in the Proclamation, by which Queen Victoria gave certain paramount powers to these Indian States, it is said:

"We desire no extension of our present territorial possession, and while we will permit no aggressions on our dominions or our rights to be attempted with impunity, we shall allow no encroachments on those of others. We shall respect the rights, dignity and honour of the Native Princes as our own."

Well, so far as I understand the position of the Government of India, I understand the Government of India is the paramount power over these Indian States and they shall not enjoy some of the powers and rights that are fully enjoyed by the Government of India.

Sir Denys Bray (Foreign Secretary): I rise to a point of order. As far as I am able to follow the Honourable Member, he appears to be discussing matters affecting the relations of Government with Princes and Chiefs under the suzerainty of His Majesty.

Mr. B. Das: Sir, I am going to discuss the customs policy of the Government of India, and if I slightly discuss the customs of the Indian States. I cannot but help it.

Mr. Deputy President: Go on, Mr. Das.

Mr. B. Das: There is a territory known as the Kathiawar States which contains about 200 to 300 small and big Indian States. Until a few years ago there was a customs cordon along its land border which inflicted great hardship on the people. It was due to the broad humanity of Mahatma Gandhi and his agitation on his return from South Africa in 1916-17 that that inhuman hardship to railway passengers and to the people that live on the borderland of those small States was abolished. But recently the Government, without coming to this House, slyly entered into a contract with some of those Indian States and allowed them to develop their ports where ships can bring in goods and the States were allowed to levy customs duty equivalent to that prevalent in British India; and of course it was expected that the States would levy the full customs duty and would enjoy the benefit of this customs duty. But what happened? It is a matter of common knowledge that in the Kathiawar States there are two ports, Bhavnagar and Jamnagar. While in one port sugar was quoted at the same price as it was in British India, at the other port sugar was quoted much cheaper, and the same thing happened to silk and other commodities and it is a matter of common knowledge—of course we will soon hear from the Government side as to how far it is true—that a rebate was being given to the merchants importing the goods by one or two ports situated in the Indian States of the customs duty. I was told by a friend of mine that another port which has been developed by His Highness the Geakwar of Baroda—Okha—suffered terribly because nobody likes to import goods through Okha port as they do not get any rebate from the Baroda Government which is rather a civilised Government. Sir, although the Honourable the Finance Member does not want us to discuss the policy of the Indian States in this House, the Honourable the Finance Member had to

[Mr. B. Das.]

introduce a customs cordon at Viramgam. So far there has not been introduced the same terrible and the same inhuman suffering to the travelling public as it was in 1916-17. But who knows it may not come again? I was travelling in that part of the country last November and I was unnecessary troubled and inconvenienced—though slightly. My luggage was not allowed to be taken in the brake van because I did not come to the station one hour before the time and I did not declare what there was in my trunk and whether it contained pieces of silk or something else.

Sir Walter Willson: You broke the law?

Mr. B. Das: It is a bad law and I want it to go. This is what is happening. Personally I think the Government of India should not part with the power of levying duties and customs duties and they should not give that power at all to the Indian States without consulting this House. I was looking into an interesting book of the Central Board of Revenue, Review of Customs Administration (1925-26). There I found no mention of the Kathiawar States. I found Persia, Afghanistan. Kashmere. The Kashmere State is allowed to get remission of duty when it imports anything for its own purposes. Nepal and Siam are mentioned. But I do not understand how the Kathiawar States try to get sovereign rights to levy customs duty and then allow their people to smuggle goods to British India by giving them half the rebate, which is indeed a most corrupt practice. Last year it was given out in the Press that some of the steamers that came to Bombay carrying sugar and other things were induced to divert their journey to these ports situated in Indian States, so that merchants can get a certain rebate. I think this is a very corrupt practice. This House has the right to know what is the underlying policy of the Government of India and why these Indian States should be allowed to play in this way with the revenue of the Government of India. The other day I read the news that the Maharaja of Nabha has been declared by law to be only Mr. Gurucharan Singh.....

Sir Denys Bray: Sir, I rise to a point of order.

Mr. Deputy President: That is not the point.

Mr. B. Das: I am developing my point. We allow rebate of customs duty to a certain state by treaty rights. Why should not the Government sit on that State and penalise the Rajah or Maharajah in the way that the law permits for violating treaty obligations and incidentally making Government of India lose their revenue? That is all I want to submit before the House and I would like to know what the policy underlying this Viramgam customs cordon is.

Mr. Jamnadas M. Mehta (Bombay City: Non-Muhammadan Urban). Sir, I beg to support the motion of my friend Mr. B. Das, but I differ in some respects about the facts to which he has made reference. So far as facts have been published it has not been brought home to the administration of an Indian State in Kathiawar—whether it is the port of Bhavnagar. Porebunder, Veraval, Dwarka or Jamnagar—it has not been brought home to any State that it is giving any rebate. There have been rumours, there has been some sort of plausible evidence; but short of that we know nothing definitely and clearly to the effect that any Indian State in Kathiawar is giving rebate. It is all based on hearsay, suspicion and gossip, and for that reason alone what are we doing? We are penalising not the States.

but also the subjects of Kathiawar. There are nearly 30 lakhs of people in Kathiawar.

Sir Denys Bray: I rise to a point of order. Surely the Honourable Member is now discussing the affairs of Princes or Chiefs and discussing also, as far as I can make out, the administration of the territory of such Princes or Chiefs.

Mr. Jamnadas M. Mehta: I have not the least intention of discussing it. What I am saying is this that these 30 lakhs of people who have occasions to travel beyond Viramgam are penalised for the sins, real or supposed. of the rulers of the States, and the question is whether it is desirable that we should so penalise them. Let it not be imagined that Viramgam is the only place where this customs cordon exists. Viramgam is the biggest railway station along the cordon and therefore it figures so prominently, but as a matter of fact, the customs line is drawn along a distance of 200 miles, if not more. And people who travel from one side to the other. particularly those who come from Kathiawar side into British territory. have got to be watched and they do get harassed at various points along this whole line. I am free to admit that so far as Viramgam station is concerned, things are not so bad as they used to be before 1917. Passengers who have come to-day to Delhi tell me that, so far as Viramgam station is concerned, there is no serious harassment, but the question is not confined to this station. It refers to a length of 200 miles where people have to cross and recross the border several times a day. People living on one side of that line have houses, property and relations on both sides of the line. In fact, they are in constant and intimate communication with people on the other side of the customs line. Every day, along the various outposts this crossing over does take place continuously and we are principally concerned with the people on both sides of the line and not with Viramgam alone.

Further, Sir, there are three or four important places of pilgrimage to which people of British India go in Kathiawar. There is Shutrunjaya, Dwarka, Porebunder and Patan. We, who live in British territory, have occasions to go to these places of pilgrimage. We have no intention whatsoever of doing any trade or business there, and yet simply because we happen to have gone there, the Viramgam cordon comes in our way. Because we go on a pilgrimage and have got some articles with us, we have to pay customs duty again and again on account of the existence of this cordon. I do not see any justification why pilgrims should be penalised in this manner. Government has recently made it impossible for the Jain public to go on a pilgrimage to the holy Shutrunjaya. I will not discuss this subject as I am afraid my Honourable friend Sir Denys Bray would again rise and object but I do say that the Shutrunjaya decision is an act of gross political injustice to our brethren the Jains; that is by the way. But so far as Porebunder, Patan and Dwarka are concerned, they are places where pilgrims go in thousands every year and they should not be penalised on account of differences between the Indian States and the Government of India

Then, Sir, it is not merely the maritime States of Kathiawar that are penalised. I can understand this barrier against the people of the maritime State like Porebunder or Jamnagar or Morvi, which are three important maritime States in Kathiawar. But I cannot understand how in the name of justice you can ask the people of Rajkot, people of Gondal, and

[Mr. Jamnadas M. Mehta.]

people of a hundred other big and small States in Kathiawar to pay you customs duties simply because these latter States are to the west of the cordon just as Veraval, Morvi, Jamnagar and Porebunder are. And yet thousands of innocent people are being penalised on the ground of the supposed loss of revenue. We were told last year that the loss was over a crore of rupees. This year we find in the Budget that the said loss is not more than a few lakhs. I should like to know the correct figure. In any case I cannot understand why people of non-maritime States of Kathiawar should be visited with punishment for the supposed sins of the maritime States. That is the real trouble. Before 1917 the Viramgam customs cordon was the nightmare of the people of Kathiawar. In fact, no man, woman or child was safe when passing that cordon. At dead of night or early in the morning, in hot weather or in torrential rain, if you had to cross the Viramgam cordon you were undone. All your kit had to be opened, your trunks. bags, refreshments, baskets must be opened, lest you might be carrying smuggled goods.

Sir Walter Willson: I thought you had not got all those things!

Mr. Jamnadas M. Mehta: Is it your complaint that I still exist at all? Do you wish us not to live at all? (Laughter). But I must return to the Viramgam cordon. What little we had was subjected to examination by nearly fifty policemen standing like so many messengers of death. (Laughter). I am asking Sir Denys Bray to believe me, that this is a perfectly true statement. People were terrified for their very lives at the sight of these policemen at Viramgam. I can vouch from my own personal testimony about this. When I was a student I had occasion to go to Bombay for examination purposes, and this spectacle of policemen acting as terriorists still haunts me. Women who had ornaments in their boxes would put them on. All passengers had to get out of their compartments; and the Viramgam station was daily a scene of scattered goods taken out of the boxes and ruthlessly thrown out. These policemen were a perfect terror to the people of Kathiawar, and our fear is that the same conditions may be revived. Cries of harassment have reached us from persons travelling across the border. In 1924, I had the privilege of pointing out the dangers which attended a cordon line like the one at Viramgam, and it may be said to the credit of Sir Basil Blackett that for once in a way he accepted my suggestion and he did then drop a particular piece of legislation. I want a similar thing to be done now. The administration of the cordon should be carefully watched by Government so that the harassment, which was the order of things in 1917, should not be repeated in 1928.

If Government must have a cordon between Kathiawar and British India let it be worked with as little harassment as possible and with the utmost solicitude for those people who do not belong to the maritime States of Kathiawar. For these reasons I support the motion of my friend, Mr. Das.

Sir Purshotamdas Thakurdas: I am glad, Sir, that this motion moved by my friend, Mr. B. Das, gives me an opportunity of saying a few words on a subject to which I referred at least twice during the budget debate last year. My first duty is to congratulate British India, and if I may say so, parts of Indian States of India on the very important step which the

Government of India chose to take about June or July last in imposing the Viramgam Cordon. None, Sir, likes artificial customs cordons, least of all a merchant. But I have not the slightest hesitation in saying that while my friend Mr. Jamnadas Mehta may not have any convincing proofs of smuggling, innumerable instances can be quoted, which cannot be challenged from the commonsense point of view, as to what was happening at some of the ports in Kathiawar. Matches imported at certain ports in Kathiawar—I will not refer to any port by name in order that Sir Denys Bray may be spared the trouble of interruption—matches received at one port in Kathiawar sold cheaper at or near Madras than matches imported at Madras. Sugar imported at a port in Kathiawar sold cheaper in and about Cawnpore and in the neighbourhood of Calcutta than sugar imported What is the good of saying "Where are the instances of I admit that the Government of India unfortunately were either not in a position or did not wish to institute an inquiry. But now that what is known as the Butler Committee is likely to examine this question, it is of the greatest importance, Sir, that this House should definitely stand by the Government of India in the step that they have taken, and if I may venture to say so, we should congratulate the Government of India and the Honourable the Finance Member on the firm hand with which they did what they did after the Abu Conference last August.

Sir, apart from the question of revenue,—not that it is a small question-my strongest object in taking a definite lead in this matter now that the laissez-faire policy threatened to undermine commercial morality in India. Very soon after my return to Bombay from Delhi last year, I was approached by at least a dozen merchants who, I know, have the highest sense of integrity and who carried on their business for very nearly a quarter of a century and more on lines which cannot possibly be reproached-they definitely came and gave me proofs and said, "Our business here in Bombay has been ruined. Would you advise us to go and try somewhere else on terms which we are offered, or what is it that you think we should do?" After having seen those proofs,—obviously I cannot give the House anything more than my word for it—I, Sir, ventured to lead a deputation to the Honourable the Finance Member in June last and I wish to-day unequivocally to say that in taking the step which the Finance Member subsequently took, he has served the best interests of British India and the British Indian tax-paver. My friend Mr. Mehta asked for some figures. I hope that it is possible for Sir Basil Blackett to give the figures. I will only refer my friend to one single sentence in the budget speech; I know that Mr. Jamnadas Mehta studies the Budget very closely and cannot have overlooked it. I am reading from paragraph 4:

"The stopping of the leakage in Kathiawar may be given as an important reason for improvement in our figures (customs revenue)."

That one sentence, Sir, contains a lot for Mr. Jamnadas Mehta. I do not expect the Honourable the Finance Member to dwell upon it at greater length than he has chosen to do in his speech, I say that in this one sentence the necessity of the Viramgam Cordon line has been fully recognised and vindicated. I go further and venture to submit, Sir, that if the Viramgam Cordon is removed hereafter without a reasonable, practical and just understanding between the British Government and the Indian States concerned regarding the stoppage of this leakage, we in this House would have a grievance against the Government of India.

Mr. Jamnadas M. Mehta: What about the harassment of the people?

Sir Purshotamdas Thakurdas: Yes, I will now take up that point. Sir, regarding the question of harassment of passengers at Viramgam, my Honourable friend Mr. Jamnadas Mehta narrated to us some harrowing experiences of his prior to and till the year 1917. I do not think the House would like me to deal with that at present. All that I wish is, may Mr. Jamnadas Mehta and Kathiawar never see a repetition of those harrowing experiences.

Sir, very soon after I came up here this time I received two or three fairly full letters from Mr. Amritlal Seth, Editor of the Sourashtra, a leading paper in Kathiawar, drawing my attention to grievances exactly identical to those which my friend Mr. Jamnadas Mehta has narrated to us to-day. The complaint was not of any hardship at Viramgam. The complaint was-and that is what my Honourable friend referred to,-that there was hardship experienced in the other villages near the Cordon line in the Dholka and Dhanduka talukas. Immediately on receipt of that letter, I, Sir, consulted the Honourable the Finance Member, and at his request I saw Mr. Lloyd of the Central Board of Revenue. Mr. Lloyd immediately wrote to the officers concerned about this matter, and about ten days back I saw a letter from Mr. Amritlal Seth saying that every one of the complaints about which he had written to me had been looked into, and met as far as possible. Sir, I wish to warn my friend Mr. Jamnadas Mehta and others who may hold the same opinions as he does—and I fully sympathise with those views—against one thing. There is, Sir, human nature being what it is, a natural tendency on the part of those interested in getting the Viramgam Cordon removed to have agitation set up in the names of helpless passengers at Viramgam. Let us beware of that. The monetary interest is not of a few lakhs or tens of lakhs; but it may run into crores. The temptation is enormous. Sir, let us beware of any artificial agitation set up in the name of helpless passengers. I have great faith in my friend Mr. Amritlal Seth and his noble band of volunteers who are trained to do social work of the highest order and in an efficient manner. They are always on the alert, because I know that Mr. Amritlal Seth has been accused of being instrumental in agitating for the imposition of the Viramgam Cordon line. Mr. Amritlal Seth has his home in Kathiawar and is therefore very anxious

Mr. Jamnadas M. Mehta: He lives not in the heart but on the border of Kathiawar.

Sir Purshotamdas Thakurdas: His home, I understand, is in Limbdi.

Mr. Jamnadas M. Mehta: But he lives in Panpur.

Sir Purshotamdas Thakurdas: True. Although you live in Bombay, your sympathies are naturally with your home. (Laughter).

Mr. Jamnadas M. Mehta: That is quite true.

Sir Purshotamdas Thakurdas: I do not say that any word of Mr. Jamnadas's speech is actuated by partiality. I am only telling my friend Mr. Jamnadas Mehta that Mr. Amritlal Seth is in the same position as he is. I personally have confidence in Mr. Amritlal Seth's anxiety to see that no passenger is harassed. I therefore feel, Sir, that too much should not be made of any stray complaint which one may hear. I am also satisfied

from the way in which Mr. Lloyd dealt with the last complaint—and it was not a complaint about one or two items but about several items—that the Central Board of Revenue are very anxious to avoid any harassment of the kind that existed in 1917. Nothing more, Sir, can be expected from the Government. It is a game that is being played. I have no doubt that the Government of India did not start the game. It started somewhere else. The Government of India almost sacrificed the revenues of the Indian tax-payer for 18 months, if not 2 years. Some of us complained about it. A game can always be played by both and it is not now for anybody on the other side of the Viramgam Cordon to say that he finds this uncomfortable. I do not know, Sir, because we were not told, what was decided at the Abu Conference; nor do I wish the House to know anything about it beyond what the Indian States concerned would like us to learn. All I say is, may the Government of India continue to look after the genuine interests of the Indian tax-payer and continue to prevent any sort of effort at smuggling until things are set absolutely right. I wish again, Sir, to say that if the approval of this motion should mean a vote of confidence in the Government of India for what they have done, I will vote for it. Otherwise I do hope that this motion will be withdrawn. I am very glad, Sir, that the question has been raised because it was necessary to have the atmosphere cleared especially in view of some of the impressions which my friend Mr. Jamnadas Mehta has done well to mention in this House.

Ser Walter Willson: I was, I believe, one of the first to raise this question in the House, followed afterwards by Mr. Roy and my friend Sir Purshotamdas Thakurdas, and I do not wish to be outdone in grace by Sir Purshotamdas Thakurdas in returning my thanks to Government for the prompt and effective measures they took to remedy this wrong.

The Honourable Sir Basil Blackett: Sir, I am extremely grateful to the mover of this motion, who apparently moved it for the purpose not of censuring but of congratulating the Government for what they have done.....

Sir Purshotamdas Thakurdas: Absolutely.

(At this stage Mr. Deputy President vacated the Chair which was resumed by Mr. President.)

The Honourable Sir Basil Blackett: ... and to Sir Purshotamdas Thakurdas and Sir Walter Willson for the way in which they have relieved me of any necessity for dealing at great length with this subject. As regards the imposition of the Viramgam line all I need say is that it was absolutely essential in the interests of the revenue of British India and in the interests of the commercial morality of Britsh India. I do not want to be taken as endorsing any of the charges or allegations that may have been involved in the Mover's speech, which I did not quite hear, in regard to any people concerned. But it was absolutely essential in the interests of British India that the cordon should be imposed.

On the second point, Sir Purshotamdas Thakurdas has already explained that the Government of India and the Central Board of Revenue. which is their agent in this matter, are extremely anxious that every possible step should be taken to avoid harassment of the passengers and inhabitants either of Kathiawar or of British India in the neighbourhood of Kathiawar who have occasion to cross the line either by road or by rail. We have

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taken the very greatest care to secure that the arrangement for the working of the line shall cause as little embarrassment as possible to any of those who have to cross the line. I have to recognise with gratitude in this matter that the authorities of the States in Kathiawar have cooperated with the Government of India in securing that, so far as possible. the line shall work with mutual absence of harassment and particular care has been taken to see that there shall be no ground for renewal of complaints that were made in the old days before 1917. I think, Sir, that is all that I need say on the subject while assuring the House that the Government are fully alive to do two things, first, the necessity to insist that, so long as the line is to be there, it shall be worked with the least inconvenience to everybody possible, and secondly, that if an opportunity arises of getting rid of the line in a way that is consonant with the mutual interest of British India and of the States, no one will be more glad than the Government of India to get rid of this internal customs barrier within India which we think should be an economic unit as far as possible.

Mr. B. Das: Sir, I beg to withdraw the motion.

The motion* was, by leave of the Assembly, withdrawn-

Rebate of Customs Duty on Scientific Instruments and Chemicals imported for the bons fide use of Educational and Scientific Institutions.

Mr. K. C. Neogy: I beg to move:

"That the Demand under the head 'Customs' be reduced by Rs. 100."

I have got very little time and therefore I will just say that my intention is to suggest to Government the desirability of granting a rebate of customs duty on scientific instruments and chemicals imported for the bona fide use of educational and scientific institutions. I understand that Government have already received representations from prominent educational authorities on the subject. I should like to know what the financial effect of such a relief would be and whether Government would consider the question sympathetically.

Sir Walter Willson: I beg to support Mr. Neogy and draw the attention of Government to the fact that a measure is already before the Assembly for the abolition of the duty on plated medical instruments and I think it might very well be followed in regard to educational instruments.

The Honourable Sir George Rainy: My Honourable friend Mr. Neogy has put his point briefly and I shall follow his example in my reply. He desires that educational institutions should get a rebate of the customs duty paid on certain scientific instruments and things of that sort that they have to import. It is impossible not to feel some sympathy with a request of that kind, because no one wants to make the cost of education higher. I am afraid, however, that the practical difficulties in the way of giving effect to my Honourable friend's suggestion are rather serieus. It is entirely contrary to the principles that we try to follow in the framing and administration of our tariff, to accord one kind of treatment to a particular-article when it was imported for one purpose and a different kind of treat-

[&]quot;"That the Demand under the head 'Customs' be reduced by Rs. 100."

ment when it was imported for another purpose. I do not say that there are no exceptions at all, but we always try to steer clear of them as far as we can. It is a very difficult thing to justify an arrangement by which we allow one set of people to import a given commodity without paying the duty and compel other people to pay the duty. My Honourable friend, Sir Walter Willson, made a suggestion which is in line with an aspect of the case already considered by Government. When it appeared that it would be difficult to make a special exception in favour of educational institutions as such, we examined the question whether we could not specify the kinds of scientific apparatus of various sorts which are most frequently imported by educational institutions and exempt them from duty altogether by whomsoever they might be imported. In principle there would be noobjection to that, but the difficulty that we found was that we should have to embark on the preparation of a catalogue which would run literally into hundreds of pages. We were advised by educational experts that it was not the case of one or two, or half a dozen, or even a score of articles which were used by schools in this country, but that we should have to start on a long and exhaustive enumeration of a great many things, and we had therefore to abandon the idea. I am sorry not to be able to meet the views of my Honourable friend Mr. Neogy but I am afraid it is not possible for Government to carry out the suggestion he has made.

Mr. President: The question is:

"That the Demand under the head 'Customs' be reduced by Rs. 100."

The motion was negatived.

MOTION FOR ADJOURNMENT.

Announcement made by His Excellency the Commander-in-Chief on the Sth March, 1928, in connection with the Report of the Skeen Committee.

Mr. M. A. Jinnah (Bombay City: Muhammadan Urban): Sir, in moving the motion for the adjournment of the business of the Assembly for discussing a definite matter of urgent and public importance, namely, the question of the announcement which was made by His Excellency the Commander-in-Chief on the 8th of this month, I wish, Sir, in the first place to draw the attention of the House to a very short history of this question. It was in 1921—I do not wish to go beyond that—that this House passed a Resolution which was accepted by the then Commander-in-Chief, Lord Rawlinson, which ran as follows:

"As soon as funds become available steps should be taken to establish in India a military college such as Sandhurst and the desirability of establishing in India training and educational institutions for other branches of the Army should be steadily kept in view."

The original Resolution was amended and it was accepted by Lord Rawlinson in its amended form. Sir, I have the greatest respect for Lord Rawlinson. We miss him very much and we shall never forget his memory. I wish he was the Commander-in-Chief to-day. In 1923, an amendment

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was moved by Mr. Burdon on behalf of Government to a Resolution and the Resolution as amended was passed on the 4th July, 1923, as follows:

"This Assembly recommends to the Governor General in Council that he will be pleased to urge upon the Imperial Government the necessity for promptly giving effect to the Resolutions Nos. 7, 8, 10 and 11 of the Assembly passed on the 26th March, 1921, in connection with the Esher Committee's Report with the concurrence of the Government of India."

The House will remember that Resolution No. 7 was passed on the 28th March, 1921. In February 1925 the Resolution of Mr. Raju came up before this House and it ran as follows:

"This Assembly recommends to the Governor General in Council that early steps be taken for starting a well equipped military college in a suitable locality to train Indians for the commissioned ranks of the Indian Army and that the necessary amount be sanctioned to start the preliminary work."

That Resolution was discussed at great length and Sir Alexander Muddiman moved an amendment inter alia which in effect was that a Committee should consider whether it is desirable and practicable to establish an Indian Sandhurst. We on this side of the House objected to that form, and said that we had passed that stage long ago. We had passed our Resolutions in 1921 and 1923 which were accepted by the Government that the Indian Sandhurst should be established and the only thing that remained to be done was to see what steps should be taken to establish the Indian Sandhurst. In that controversy Lord Rawlinson very frankly made the following admission:

"The last two speakers have made it perfectly clear to me and I suppose they think they have also made it clear to the House that on the occasion which I accepted on behalf of Government an amendment and a Resolution, both in 1921 and in 1923, I was not quite so well versed in the methods of this House as I am to-day. I therefore propose to go a little more warily now than I did then. I am not going to be caught napping again. Much as I appreciate the amendment proposed by the Honourable Pandit I am sorry it is quite impossible for me to accept it."

Therefore, the Commander-in-Chief on the last occasion, that is, in February 1925, stuck to the position that the question before the Government was whether it was desirable and practicable to establish an Indian Sand-Sir, that being the controversy, it was suggested. I think by me, that it was not possible to settle on the floor of this House whether it was practicable or whether it was desirable to establish an Indian Sandhurst-For the purpose of determining that question you must have an inquiry and a thorough investigation. I think it came from me in the very commencement of the debate that a Committee should be appointed. I then said, "Appoint your own Committee; have your soldiers, have your civilians and have my European friends and have some politicians. thresh this question out thoroughly and then let us see what is the conclusion that that Committee comes to". Then, later on, Sir Alexander Muddiman in March 1925 recognized and said that the time had come when this question must be taken up and he announced that a Committee would be appointed. The Committee was appointed by the Government of India. In the selection of it I had no voice, nor had anybody on this side. They choose eminent soldiers and a senior civilian, Mr. Burdon, a man of great ability, who had occupied the position of Military Secretary to the Government for a number of years. We had on that Committee that great soldier. Sir Andrew Skeen, for whom I have the highest admiration and respect

for his sense of fairness, for his sense of integrity and his honesty—a more conscientious soldier you will never find in any part of the world. (Applause.) Sir, this Committee laboured for 14 months and it submitted its report to the Government of India, or rather to the Viceroy, and after a long lapse of time we heard the announcement about it yesterday. But before this, in the last Session of the Assembly in September, this House, without a division being challenged by the Government, entirely supported the recommendations of the Sandhurst Committee and recommended that the Governor General in Council should take steps to give effect to them. At that time we were told that the matter was under the consideration of His Majesty's Government or the Secretary of State for India. Now, Sir, what is the announcement? The announcement is this, that instead of ten vacancies, we shall have twenty and five-here I would ask my friend, the Honourable the Military Secretary to Government to correct me if I make any mistake, because I only go by the newspaper reports that were available to me-I understand that instead of ten vacancies, they are to be increased to twenty, and five are to be reserved for the Viceroy's Commissioned Officers

An Honourable Member: And six at Woolwich and six at Cranwell. . .

- Mr. M. A. Jinnah: That means 37 altogether.
- Mr. G. M. Young (Army Secretary): That is not quite correct. Six is the maximum which the War Office are prepared to give at Woolwich and at Cranwell not two, as recommended by the Committee, but a number will depend upon what is necessary to form an Indian Air squadron. We want six in the first year.
- Mr. M. A. Jinnah: Therefore I say that the utmost that you can go to is 37 based on the existing system which has been condemned by the Committee.
 - An Honourable Member: In the first instance.
- Mr. M. A. Jinnah: In the first instance, and on Doomsday it will be something more.
 - An Honourable Member: It will be 38.
- Mr. M. A. Jinnah: So that you can go on happily. Now, Sir, that is the announcement. I want to make a statement on the floor of this House, and with all the responsibility, that this conclusion which the Government of India and His Majesty's Government have come to after this long period was practically arrived at by the War Council and was communicated to the Sub-Committee as soon as they arrived there in April-May 1926. There is nothing new in it. It is a camouflage to tell us that this arises out of the recommendations of the Sandhurst Committee after full consideration of the Sandhurst Committee Report which has been under examination for nearly two years. (An Honourable Member: "Shame!") I make that statement on the floor of this House and I challenge anyone to contradict that statement. That is the first thing I have got to say.

Now let us see what the position is. The position is that the Commander-in-Chief has given his reasons for turning down the recommendations of the Sandhurst Committee. I do not wish, Sir, to exceed my time limit, and all I say is this. that you will find that practically the whole

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of the recommendations of the Sandhurst Committee, which are interdependent and one connected link of a chain, stand together. Our terms of reference, to which I may refer the House for a moment, were as follows:

"By what means it may be possible to improve upon the present supply of Indian candidates for the King's Commission both in regard to number and quality.

Whether it is desirable and practicable to establish a Military College in India totrain Indians for the commissioned ranks of the Indian Army."

Now, Sir, the time table, the establishment of a Sandhurst and the coordination of the educational institutions in this country are linked together, and you cannot drop one out of it and keep the other without seriously and materially affecting the recruitment of the best materials that you want; the means we have suggested are for improvement of the number and quality. They are not accepted. Then the reasons which we gave for the establishment of a Sandhurst are given in paragraph 35 and I will summarise in one or two minutes what we say. It seems clear that like the progressive scheme of Indianization which we have suggested, this stepalso is necessary as a means to improve both in number and quality the supply of Indian candidates for the King's Commission. I say now that it is necessary for the supply of candidates. Secondly, we say that India must have a self-sufficient institution for itself, and next we say that:

"on these grounds alone we think it would be sound policy to lay the foundationsof an Indian military college as soon as possible and so commence without delay
not merely the building of the college structure but the building also of the tradition
and sentiment which in India, as in England, would be indispensable to the achievement
of success. The process is one which takes time and the start should not be postponed."

And further saturation point will soon be reached, according to the best evidence, at the English Sandhurst and so India will have to start her own institution.

Sir, we are told next that the question of the establishment of an Indian Sandhurst we cannot undertake or decide; when it will be decided we do not know. The next and the most objectionable part of the prominent—and this is the most vital point—is the question of not only the continuance but the extension of the system of the eight units; and, Sir, about the 8 units, I have already said the other day what I had to say. It has not even the grace of the original declaration of the scheme made by Lord Rawlinson, in February, 1923, because Lord Rawlinson at least made it clear in his declaration that when the intake increases of the Indian King's commissioned officers the surplus will be posted to other units. But the Commander-in-Chief now makes it quite clear that that will never happen; that they will start homogeneous units for the increased intake, so that never can an Indian officer command a British officer. He has made that clear. This is, Sir, the 8 units scheme.

Now, Sir, I will say one word and sit down, and it is this. We have been making these efforts for years and years and I did not go into the previous history. Starting even from 1921 it is a history that is no credit to the Government, Sir, and yet the Secretary of State for India, speaking recently, said this:

"Now, my Lords, I approach the present. It has been my duty to talk in the last three years to many distinguished Indians of every faith, every persuasion, every best of political thought. I have saked all of those who were inclined to be critical

of our attitude in relation to the future constitutional development of India this question: 'Do you desire that the British Army should be withdrawn from India? Do you desire that the Civil Service should be withdrawn from India? Do you desire that the protection of the British Navy should be withdrawn from the Indian shores?' I have never found one Indian, however hostile to this Government, however critical of our proposals in relation to Indian development, who desired that the Army should be withdrawn, or"

Mr. President: Order, order. I must ask the Honourable Member to conclude.

Mr. M. A. Jinnah: I am not going to say anything more except to finish this quotation:

"or that the Indian Civil Service should be withdrawn or that the protection of the Navy should be withdrawn."

Sir, I will only say this, it is simply not true. (Applause.)

Lala Lajpat Rai (Jullundur Division: Non-Muhammadan): Sir, I just want to make one or two observations about this announcement. My friend the Honourable Pandit Motilal said the other day that the announcement left him cold. I feel just the reverse; the announcement has made me hot. To a certain extent it has gratified me, because the Government of India, or rather that Government which controls our destinies from Whitehall, have laid their cards on the table. Now, we know what they mean by an exclusively British Commission and they have made our task very easy. Just as my friend Mr. Jinnah just now told you that long before the Skeen Committee came to its decision, practically the decision of those questions which were referred to the Skeen Committee had been arrived at by a certain Council of War, I make bold to say that in spite of the appointment of the Statutory Commission, the decision of the future constitution of India has already been arrived at (Hear, hear), and therefore nothing will be gained by the operations of this Royal Statutory Commission.

Then, Sir, my friend Mr. Jinnah said that his faith in the good faith of the British Government has been shattered. Happily I stand in a better position because never in my life had I any faith in the bona fides of the British Government. I do not want to use any strong language, but such a faith is unnatural. Some people may work themselves up on that side or on this side about such a faith. They may be moved by the most honest and the best of intentions, but I make bold to say they are working under a great delusion, and the disillusionment is sure to come sooner or later. No Empire can be built upon such good intentions; no Empire can be maintained upon these good intentions; and therefore any Indian, be he of whatever political complexion, if he places any faith in the British Government and thinks they will give us self-government at any time, is labouring under a great illusion and the sooner he is disillusioned the better. (Applause from non-official Benches.) The British Government will never give us self-government so long as they can help it. Burely they cannot part with their powers in regard to the Army in order to prepare us to defend our homes, because if they do so, they will take away the very argument by which they maintain the continuance of their trusteeship in India. If we can defend our hearths and homes, the principal argument in their hands to deny us the right of self-government and responsible government will be gone. That is the main argument which they advance in season and out of season against our claims for self-government, namely, our inability for the military defence of our country. If

[Lala Laipat Rai.]

they were to let us prepare ourselves for defending our country, that argument will be gone. Therefore, the decision of the War Council about this matter is perfectly natural and I was quite prepared for it. I never expected that anything would be done and I am not at all disappointed by the announcement that has been made, namely, that the recommendations of the Skeen Committee have not been accepted. I wish this might serve as an eye-opener to those Indian politicians, whether inside this House or outside it, who constantly harp upon their faith in the British nation or the British Government. By cherishing that faith they only mislead their country. The course open to us is very clear. We have to struggle and work hard by such means as we possess for our emancipation from the foreign yoke. Some good and honest British people like General Skeen may now and then help us with their good intentions, but when these good intentions come to be translated into action, the result would be the same as it has been announced now. Sooner or later they will be disillusioned. Therefore, the sooner my countrymen give up this faith in the British and all the implication of this faith which lead us to hope for things which can never be realised, the better for them. People ought to chalk out their own programme of work in order to get the freedom for which they are struggling. Sir, I read this morning an article in the Pioneer in which such arguments as Messrs. Jinnah and Motilal advanced the other day are described as excitement arguments or excitement speeches. Nothing of the kind at all. We need not be excited and I do not think we are excited at all over this announcement, because those of us who have studied the history of England carefully and the history of the British connection with India with some discretion know that there could be no other decision but that embodied in the announcement that was made by His Excellency the Commander-in-Chief the other day. They could not come to any other decision. That decision was only pre-conceived and it has come. fore, there is no reason for disappointment; there is absolutely no reason for being excited. The path before us is clear. We have to struggle; we have to make head way; and we have to gain our freedom by our own efforts. I cannot say just at the present moment what these means will be, but I must say that we should not expect any co-operation or any help from the other side in order to get rid of the other side. The position is absolutely unnatural. We want to get rid of the other side and we expect them to co-operate with us to help us in getting rid of them. absurd and I do not believe in it. I do not blame the other side for maintaining their position. They have not come to this country to go away as long as they can help it. They have come here for certain definite objects and as long as they can get those objects fulfilled by means which are at their disposal they will not go away, they will not leave us and they will not give us what we want, namely, responsible self-government. All this talk that they want to take Indians in the Navy, in the Army and in the Air Force is not sincere.

Sometimes we are told that we constantly bring in the question of racial discrimination. What else is there in India except racial discrimination. We are told that the British observe no racial discrimination in the Army or the Civil Service or anywhere else which is, of course, not true. I say we want racial discrimination to be observed. We want India to be placed in its proper position. We want all these services, the Army and the

Civil Service, to be manned by Indians for the benefit of India. We want the present state of things to be abolished. Those who say we do not want racial discrimination are only playing the fool; we want it, but we want it in the reverse order, we want it in favour of ourselves. India for the Indians is our war cry, and that is the thing which we are desiring to have. There is no division on this question on either side. We are perfectly frank in placing our cards on the table, and the Government have honestly placed their cards on the table. I must thank His Excellency the Commander-in-Chief for having plainly told us where we stand. cannot get any advance in our political progress towards self-government without a definite advance which will lead us to an Indian Army. If there is still any Indian in this country who believes that the Statutory Commission can give them any advance, they are simply living in a fool's paradise. The other day my friend, Sir Victor Sassoon stated, and His Excellency the Commander-in-Chief repeated what he said, that an efficient standing army is an insurance for the safety of this country. I say that under these circumstances a standing army officered by British officers is an insurance of our continuous bondage, of our slavery. (Mr. M. A. Jinnah: "And what is more you are paying the premium.") Exactly, that is right. Of course we have to pay the premium, for that is an insurance for the benefit of the British, in order to exploit us. Therefore all this talk is of no use. My friend Mr. Jinnah said the other day (I do not mean to be at all disrespectful to the Commander-in-Chief), the observatives about the Army being a nation-building department are nothing but yarns. British troops are maintained at our cost, they are trained at our cost, yet all this is done for nation-building purposes. The British garrison in India is a nation-building department!! Nation-building indeed!! If this is nation-building, then I say, God save us from this kind of nation-building.

I do not want to detain the House, but I just want to add that some of us have not been much disappointed by the pronouncement made by the Commander-in-Chief. We knew it beforehand, and we are very glad that he has told us distinctly where we stand and what estimate we are to put on the intentions of the Government of Great Britain in appointing this exclusively British Commission. We are grateful to the Government for letting us know their intentions, though it is not a very desirable kind of gratitude, but still as human beings we cannot help indulging in it. The reasons I gave for boycotting the Statutory Commission, when I moved a vote of no confidence in that Commission, have come true word by word. I said that one of my reasons was that I had no belief in the good faith of those who appointed the Commission, and no greater proof of that could have been placed before us than this pronouncement of His Excellency the Commander-in-Chief. This is literal proof, conclusive proof that what I said was nothing but the truth, the literal truth, and the whole truth.

Mr. President: The Honourable Member is not disappointed and therefore does not want to censure the Government of India? (Laughter.)

Lala Lajpat Rai: I do, Sir; I cannot do anything else.

Mr. S. Srinivasa Iyengar (Madras City: Non-Muhammadan Urban): Sir, I associate myself with this motion which has been brought specifically for the purpose of censuring the policy which has been announced by His Excellency the Commander-in-Chief. There is not the slightest doubt that

[Mr. S. Srinivasa Iyengar.]

when the decision of this House was arrived at in Simla, hope was entertained in some quarters—though it may not be by me and by men of my way of thinking-that the Government would come round to their way of thinking and accept substantially the very moderate and unsatisfactory recommendations, as I made it plain on behalf of my party on the last occasion,—of the Skeen Committee. The expected announcement has now been made and it reminds us of the old saying about labouring mountains producing a ridiculous little animal; and we have been treated to a lecture upon Indianisation. I certainly, Sir, yield to none in my admiration for the Indianisation of all and sundry things. But I do believe, the time has come for us to eliminate from our political dictionary this most mischievous and self-calumniating phrase "Indianisation ". We do not want any foreign army here to be called an Indian Army; we want a real Indian Army; we are not concerned with Indianisation or other matters. We want the organisation of the Army, the control of the Army legislation and things like that under our exclusive control; and to that end a very modest beginning was suggested by the Chief of the General Staff, assisted ably by a number of military officers of high rank and also by the Secretary to the Government of India in the Army Department and certain non-official Members of whom my Honourable friend, Mr. Jinnah, took a very leading part. It is obvious that such recommendations as these must have been made so as to be acceptable to Government; it is impossible otherwise to imagine an officer of this responsible position of the Chief of the General Staff, who must have at his fingers' ends all the minutize of the Army system in India, would have agreed to this. Nor would the Army Secretary have agreed to it; and therefore we find in that succinct foreword to the Report of that Committee a statement made:

"Although the Committee's recommendations in themselves are designed primarily with a view to Indian conditions, the problems of recruitment and training of King's commissioned officers for whatever services are essentially an Imperial concern and any proposals reacting upon them will require close scrutiny by His Majesty's Government and their military advisers."

What then is the mockery of having, as it is said, a responsible government in India of a fractional sort and then to be told that the policy is to be dictated by the British Government? It is quite clear that this announcement was made by His Excellency the Commander-in-Chief—I do not say that he was unaware of it because he states it clearly enough in the last part of his speech—as part of the general scheme of the reformed constitution for India which is in the making. His Excellency said:

"The object which we all seek to achieve is to fit Indians to undertake the defence of India. As constitutional advance progresses, the question will continually be asked how far the military side of Indian Swaraj has kept pace."

I do not propse to go very much into this because I want to keep as far as possible the Commander-in-Chief as a non-party head of the Army, not as a political Minister in charge of the Army Department, which unfortunately is not provided for in the present constitution. But taking, as I say, that view, I say the Commander-in-Chief must be taken to have given expression to the political policy of the British Government and the Government of India. Looking at it in that way, it appears to me quite clear that Lala Lajpat Rai was quite justified in saying that no business was meant by that statement. It is even far worse than the crumbs

thrown on the civil side of the administration. Mr. Jinnah has very properly repelled the insinuation which was given expression to by the Secretary of State in his speech in the House of Lords that the representatives of the people in India want to hug the Army in India to their bosom. (Laughter.) It was stated that if any Indianization were effected, we would be doing harm in India. I say that we do want the Army in India to be withdrawn, and I take this opportunity of stating most explicitly and most firmly that we do not want the British Army in this country. We can defend ourselves to-day. The whole army of occupation—for it is nothing but an army of occupation—can and should go and we are prepared for the consequences. I do not agree with His Excellency the Commander-in-Chief when he says that:

"if Government were to attempt to go further at the present time than they have done in the steps taken to further Indianization, which if forced too hurriedly would assuredly bring disaster to this Indian Army of ours, ruin to the cause of India, and broken hearts to the many magnificent old Indian soldiers who have been my comrades, and—as they themselves know well,—my best of friends, throughout my lifetime."

Now, putting aside this personal touch, it is quite obvious that this statement cannot be accepted by any one. I do not wish again on this to break a lance with one who is not himself the political Minister of the Army Department, but it is quite obvious that this policy which has been given expression to cannot be accepted by any school of thought in India. You tell us that we cannot defend ourselves to-day and therefore we are unfit for self-government. Then when we say that we are quite ready to defend ourselves, when we ask you to give us the Army, to give us the colleges that are necessary to train officers, to give us the fullest opportunities, to give us the financial control over military matters, and to give us the other equipment that is necessary, we are told that if the pace is hurried, disaster would be brought to the Indian Army, and that the cause of India would be ruined. Here again in the same fashion as in the political field you have got the trusteeship. Why then talk of the Indianisation of the Army in India being a part of the new responsible government that is going to be given to us?

Sir, I was very glad to hear the pronouncement made by His Excellency the Commander-in-Chief, for if there was any doubt in my mind as to the operations of the Statutory Commission in the South or in the far North, I am perfectly certain that those operations will be neutralised and a new fillip to the national movement, to the Swaraj movement, will be given by the admirable statement which, in consonance with the best traditions of English statesmanship, was made the other day by His Excellency the Commander-in-Chief. That is just the thing which we have been needing. I think it was only in that spirit that Lala Lajpat Rai said that he welcomed the statement, and it is only in that spirit that we pass our constitutional vote of censure upon Government by making this motion. I only wish that we would realise the pregnant observations which my friend Lala Lajpat Rai made and give up all idea of an equal status and equal powers being given to the Statutory Commission, and even if equal status and equal powers are given, we shall have nothing to do with it, for you will receive a worse treatment than the treatment which has been accorded to the unanimous recommendations of a Committee of Government's own creation. Mr. President, I do not wish to see that this policy and this tradition of not adhering to their solemn pledges should be observed in this House. Time and again there are solemn decisions taken

[Mr. S Srinivasa Iyengar.]

from Government on the recommendations of Committees of their own creation, but nevertheless those decisions are flouted. It is therefore quite obvious that the Government are not showing that respect which is due to this Legislature. In fact, they are showing the greatest disrespect to this Assembly which passes a decision to which Government themselves are parties by not adhering to it, and I cannot sufficiently condemn such action on the part of Government. We have been treated to similar exhibitions in connection with the Reserve Bank Bill and other measures. Time and again this sort of unreasonable and unjustifiable attitude has been taken up by Government only to tell us again and again that they will not proceed further than they have chosen to do. The question therefore narrows itself to this. Is India going to be governed according to the decrees of the British Government and of the Government of India or according to the decisions taken in this Assembly? That is the question to which I want an "Aye" or "No". It is perfectly clear that everybody must agree that it would be a hypocritical profession on the part of anybody to claim that they have given any responsible government so far or propose to give responsible government hereafter or that there is the beginning of a real indigenous Indian Army in the announcement that has been made. I consider it is easy enough for those who advocate any cause to enthuse over the subject which they have taken unto themselves and to say that they believe in it. But I do not like that sincerity should be claimed by those who preach these things unless in the deeds which they themselves are parties to the sincerity becomes manifest. Claim is made for earnestness, sincerity, good faith, love of India, good will, etc. All these are excellent phrases, well enough in their own places. But we want deeds and I do not expect any deeds from this Government. Therefore the only thing that this Assembly can do is time and again, every time, on every motion, every instant of its being, to go on censuring this Government till they take themselves elsewhere. (Laughter.) I do not know that the sense of humour which prevails on the opposite side will ever enable the Government to realise that while we are equally endowed with humour, we are really serious. I do not think the Government Benches want to take us seriously. They take themselves far too seriously. I am perfectly certain that an Indian Government will do very much better than my friends on the opposite side and an Indian Army will be very very much better than the army of which they are so proud, an army, apparently, Indianisation in which will bring tears to the eyes of those magnificent Indian soldiers! I do not know whether these soldiers are Indians or not. It is just like those Indian officials who do not want responsible government for India and who are giving dinner parties and tea parties and other things to the Simon Commission for various party or personal purposes in order to diminish the effect of the boycott. Whatever the case may be, it is quite obvious to us to-day that the British Government says, "Thus far only shall Indianisation go". What we want is to make it perfectly clear that we on our side of the House do not want an army of this description. I do not think that Colonel Moonje or General Moonje, as His Excellency the Commander-in-Chief referred to him, was right in saying that the defence of India is a formidable problem or there is any serious difficulty about it. I do not share Dr. Moonje's misgivings as to the great dangers and I do think the dangers which he adverted to are really more exaggerated than otherwise. But His Excellency the Commander-in-Chief was certainly not justified in taking the

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arguments which Dr. Moonje put forward for quite a different purpose for his own purposes and in saying that they furnish excellent argument for the purpose of perpetuating the British army in India. With these words, Sir, I once more cordially endorse the motion to censure this Government in the most unambiguous fashion for their conduct in making this declaration of policy which is no less unambiguous than the censure which we are moving to-day.

- Mr. President: Before we proceed further, I desire to make one observation. I regard it as highly discourteous on the part of His Excellency the Commander-in-Chief that he should come here and make a long speech, and then, when a motion for adjournment is discussed on that speech, that he should not be in the House.
- Mr. G. M. Young: Sir, with reference to what has just fallen from you, His Excellency the Commander-in-Chief desired me to inform the House, if the point should be raised, that he did not receive notice of this motion—as indeed none of us received it—before 10 o'clock this morning, and he had already made arrangements to be out of Delhi to-day.
- Mr. President: The Honourable Member should have informed the Chair.
- Mr. G. M. Young: I was instructed by His Excellency to do so if any Member commented on his absence. I did not anticipate that that would be the case.

Sir, a year ago I gave a promise in this House to the following effect. I said full opportunity would be given for discussion of this matter when the Government of India after consultation with His Majesty's Government were in a position to inform the Assembly. I further said in reply to a supplementary question that this House would certainly be consulted before final decisions were reached. In accordance with those promises His Excellency the Commander-in-Chief, in the traditional and conventional place for making important announcements of military policy, that is, in the general discussion of the Budget, gave an outline of the proposals of His Majesty's Government and of the Government of India on the Skeen Committee's Report. We have therefore now reached the position indicated in my statement a year ago. Having informed the Assembly we hoped that Honourable Members would wait a little until they had studied the announcement, and they perhaps take the opportunity which the Government's pledge offered and assured them. Instead they have preferred to discuss this matter in circumstances in which their conclusion, whatever it is, must necessarily be hasty and ill-considered. The reason for this was given by my Honourable friend, Pandit Madan Mohan Malaviya, this morning. He said that it is most urgent that we should discuss this subject because the announcement came as a great shock to If Honourable Members are still under the influence of the shock, will not their judgment be still more hasty and ill-considered than the exigencies of this debate would make it in any case?

The gravamen of the charge against Government is that they "turned down" the Indian Sandhurst Committee's Report. Almost everybody has used exactly that expression. I wish to examine in the short time at my disposal the extent to which it can truly be said that the Government have turned down the Indian Sandhurst Committee's Report. I would

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begin by saying that every one of the initial recommendations of the Committee, every immediate recommendation that is not contingent upon what may happen in the future and not based on guesswork, has been accepted by the Government, and will be put in operation this year, which is exactly what the Committee asked.

Before I go into these details I should like to deal with another point. Much has been made (and rightly made) of the fact that the proposals of this Committee were unanimous. It has, however, been suggested that it is a dreadful thing not to accept altogether the proposals of any body of men, if those proposals are unanimous. It was no small feat on the part of the drafters of the report to present the case in such a way that so many persons of different experience and outlook felt that they could conscientiously sign it. I have not the slightest desire to belittle that fact, but there is also a degree of unanimity on our side. When the Committee's proposals were received by us the first thing that happened was they were referred to the principal staff officers, that is, all the high military officers, who considered them for about two months. I had the privilege of attending their deliberations myself and I can say how diligent they were. They submitted their memorandum to the Government of India, who again in their turn considered all the proposals most carefully. They eventually forwarded their recommendations to the Secretary of State. Their recommendations, together with the report of the debates that took place in this House last September, were considered at length by the Secretary of State in Council, and were approved. The Secretary of State forwarded them to His Majesty's Government, that is to say, the Cabinet, who referred them to the Committee of Imperial Defence, which is a sub-committee of the Cabinet assisted by the highest military advisers of the Empire. They considered the proposals and submitted their recommendations to the Cabinet. In the end His Majesty's Government sent out to us their conclusions. On one or two points those conclusions differed from what was recommended by the Government of India. The Government of India returned to the charge, and succeeded in obtaining the modifications they wanted. The result is that our proposals, however inferior some Honourable Members opposite may think them, are the offspring of an unanimity which is at any rate comparable in force to the unanimity of Sir Andrew Skeen's Committee.

Now, Sir, to turn to the actual recommendations of the Committee. It was suggested that, without any further tests or proof, the number of vacancies open to Indians in Sandhurst should be doubled, that is to say, raised to 20 a year. That has been done. The Committee recommended that Woolwich and Cranwell should be thrown open to Indians, provided they qualified by the same tests as British boys, and that Indians should be eligible to enter all arms of the service. That recommendation has been accepted as it stands. There is a slight difference in the number of vacancies recommended by the Committee for Woolwich and Cranwell and the numbers now thrown open. The Committee recommended 8 at Woolwich and 2 at Cranwell. Why 8 at Woolwich and 2 Cranwell they did not say. His Majesty's Government and we have agreed to a maximum of 6 at Woolwich. That bears a definite relation to doing what the Committee themselves never proposed to do—to establishing Indian

Artillery and Engineer and other units. As regards Cranwell, the Committee's recommendation was for 2 vacancies. Here again His Majesty's Government have thrown open that number of vacancies which is requisite for the formation of an Indian air squadron, and for that purpose we should like to have six officers in the first year. Six officers are necessary to constitute a Flight, a sub-unit. If we do not get six, we shall start it all the same in the hope of getting them later on. For many years this House has been urging us to establish artillery and air force and other units. Well, Sir, we are now doing that, although the Committee did not make any recommendation to that effect. The Committee also recommended the opening of the King's Commissions to Vicerov's commissioned officers. Now, I think I may say that the Committee treated the Viceroy's commissioned officer in a rather stepmotherty way. They allotted to him two-thirds of a page out of a 50-page report. When we consider that the only Indian officer that existed till recently was the Viceroy's commissioned officer, when we consider the great reputation and the great number of Viceroy's commissioned officers, I think one might have expected the Committee to have looked also towards the Viceroy's commissioned officers in propounding their scheme. They did not do so, tut Government must do so. Government do not of course propose to give openings to Viceroy's commissioned officers at the expense of candidates for direct commission. All I can say is that Government will not lose sight of the Viceroy's commissioned officer, and that they will do everything to build upon that fine material which now exists. About the others we do not know whether they exist. But whatever happens the Vicerov's commissioned officer will not go to the wall.

The Committee attributed the present paucity of suitable Indian candidates to a large number of faulty methods of selection. I have no time to go into the details, but I can tell you, Sir, that all their recommendations for improving the methods were approved and accepted in principle, and adopted almost as they stand. If in the light of experiencethe Committee, for instance, recommended advisory committees which we did not think would serve any useful purpose—but if we find that that or any other recommendation is likely to prove useful, we shall of course adopt it as well. We are doing all we can to improve the methods of selection. Further, His Majesty's Government have charged us to leave nothing undone which may widen the field of recruitment. That charge we would have proposed to carry out, even if it had not been specifically laid upon us. The Committee also recommended that the existing methods of publicity should be continued, supplemented by invoking the help of the university authorities and prominent educational authorities. That recommendation of course has been accepted. The Committee also made suggestions for the improvement of the system of education. also will be accepted. My friend Mr. Jinnah quite rightly pointed out that all these recommendations hang together with the throwing open of more vacancies and with the establishment of an Indian Military College. But they are not actually simultaneous. You must begin with your educational measures first, and then in course of growth you will get your boys growing up under your improved methods of education, who will one day be ready to enter the Indian Military College.

Mr. M. A. Jinnah: What part of the recommendations do you accept?

Mr. G. M. Young: I have just explained. The Committee stated, and we admit, that expense is a great bar to Indian boys going to Sandhurst. Well, Sir, we have now framed a scheme under which grants not scholarships to selected boys, but grants to all our boys according to their means, will be given to enable them to go to Sandhurst. Those grants will be based upon the difference between the estimated cost of education in an Indian Military College and the actual cost at Sandhurst, Woolwich and Cranwell. The Committee found that the arrangements for guardianship for boys at Sandhurst were unsatisfactory. We agreed and we have adopted their recommendations for improving that system.

Here then, Sir, is the whole body of these recommendations in regard to the recruitment and selection of Indians for the commissioned ranks of the Indian Army. They cover not only the whole field of the Committee's own recommendations about recruitment but include also the opening of careers in other arms of the service. As I have said, they are not contingent on anything that is going to happen in the future as all the other recommendations of the Committee are, but they are the Committee's own answer to the question of what shall be done at once. And we have accepted them in full.

Now, Sir, I turn to the future: and I come first to the great bone of contention, the maintenance of the principle of the 8 unit system. We are maintaining this system, which is a system of Indianization-I am sorry to have to use that word—of Indianization by units, because unless you Indianize by units or blocks, you will not do what we are setting out to do, namely, to lay the foundation of a national army. If you Indianize man by man you will never get that national army. Suppose the recommendations of the Committee had been adopted exactly as they stood; suppose the time-table had worked, and by 1952 you had got in the Indian Army half your officer cadre consisting of Indians throughout every unit and in all the departments of the Army. The Committee refrained from saying what should happen after 1952. They contented themselves with the statement that a proportion of British officers should be maintained. Well, Sir, suppose we conceded that, and suppose that British recruitment closed down in 1952 where would we be then? Suppose only Indians were recruited thereafter; it would still be another 25 years before the latest joined British cadets would get away from their Therefore, 40 years from now you would get your first fully Indianized units. But under the 8 unit system you will have at least 8 units all-Indian units in 17 years. Which do you consider is the most rapid form of progress?

Now, Sir, in dealing with this question of British recruitment, there is a fact which I have no desire to gloze over. It has been stated that the reason why we are Indianizing by units is that we fear that if we do not do so British recruitment would cease, because British boys would cease to come out to the Indian Army. That, Sir, is prefectly true. We do not fear it. We know it. It has further been suggested that this is a matter of racial arrogance. It is nothing of the kind. There are Englishmen serving in India in every branch of the Civil Administration under Indians. You can have them also in the Army departments. But in units it is another matter. Military opinion is unanimous with perhaps a minority of one (An Honourable Member: "What about Sir Andrew

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Skeen?") I said there may be a minority of one. But I can state, not for myself, but on the authority of the highest military opinion in India and in Great Britain, that, in fighting units, an officer establishment of persons of widely different nationality is not a practical proposition. It cannot be efficient. And that is the kind of unit that the Skeen Committee wished to commit us to for the next forty years. Now, Sir, about these boys who, we are afraid, we shall not get if they are asked to serve in the Army alongside of Indians in their units. One must remember, Sir, that they are boys on the threshold of life; and they have a definite choice before them. They can either go to the British Army, where they will serve with officers and men, not only of their own nationality but generally of their own county, or they would have to come out, under the Skeen Committee's proposals, and serve in units where the men are Indian and the officers are half Indian and half European. Is it not natural that they should prefer as I am perfectly certain they would, to go into the British Army? Meanwhile, you have got no Indians to replace them in the Indian Army. Suppose a Maratha boy had the choice offered to him, on leaving a military college, of serving in a regiment where all the officers and all the men were Marathas; and the other choice was to serve in a unit where the men were, say, Punjabi Mussalmans, and the officers were Indian drawn from all over the country. Will there be any arrogance in his preference if he chooses to serve in his own unit? I think, Sir, one would say that he was worthy of his ancestry and of his traditions, if he made that selection.

Now, Sir, there is only one other question, and that is the automatic increase recommended by the Committee after the initial increase every vear. I shall attempt to explain the difference between what the Committee contemplated and what we contemplate in this connection. Committee laid down what they called their suggested scheme. It was a progressive time table and they said that if that scheme was adoptedif adopted, that is what they said—they realized that it would have to be modified in the light of actual experience. Well, Sir, we agree entirely—we do not adopt their scheme, because we are waiting for the light of experience to shine upon the initial stage. We say "We will take everything that you recommend as a start, and we will wait and see as regards increasing the vacancies". I do not know if Honourable Members have ever considered how it is that the existing number of ten vacancies has remained stationary all these years. .It is not that the British Government or the Government of India wished to impose an arbitrary limit: it is the simple fact that we have never had-well, in one year we hadten officers. But that is the only year we did, and the average was about six. No Indian has ever yet had to compete for a vacancy. If he was qualified he got in. Now the Committee said

Mr. President: Order, order. The Honourable Member must now conclude his observations.

Mr. G. M. Young: I shall in three minutes, Sir. The Committee say that this is due to faulty methods of selection. All I can say is that we have adopted their improved methods of selection. This brings me to a question which is implicit; and that is the question of an Indian Sandhurst, which I will deal with in a very few words indeed. The Committee laid down 1938 as the year for the inauguration of the Indian Sandhurst, because, according to their time table, by that time you would

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get, and be assured of, a steady flow of Indian candidates of suitable quality, who would be, on the one hand, more than Sandhurst could accommodate, and, on the other hand, sufficient to establish an Indian Military College, all this being of course subject, as they have said themselves several times over, to efficiency at every stage. Sir, we absolutely agree with them. All we say is that we do not know that that is going to happen in 1933. But, Sir, whenever it does happen, this Report, which Honourable Members insist on saying that His Majesty's Government and the Government of India have turned down, will be then, as now, the basis of our own immediate and constructive proposals. (Applause.)

Colonel J. D. Crawford (Bengal: European): Sir, in rising to take part in this debate I should first like to enter a protest against what Mr. Macworth Young has described as the conventional method of bringing forward statements of important military policy in a general discussion on the Budget. It has also, I feel, in this instance, given rise to the motion for adjournment moved by my friend, Mr. Jinnah, which has led to this very important subject, a subject the importance of which we are all agreed about, being debated in the course of two hours and that with a definite time limit for each speaker. The result must be that many who desire to take part in the debate and to criticise the definite proposals of Government, which are for the first time in front of us, will be excluded from doing so. I very much regret that my friend Mr. Jinnah did not recognise that point and did not come to some agreement with the Government for the debate on the Army Budget with a particular motion on this subject to be taken up on Monday or some definite date next week. Certainly he could have got that and it would have been more in accordance with courtesy to other Members in this House who desire to talk on this important subject.

Mr. M. A. Jinnah: It is open to the Honourable Member to ask for a

day from the Government; I have no objection.

Colonel J. D. Crawford: I all the more regret the shortness of time, because much of it has been wasted by my friends Mr. Lajpat Rai and Mr. Srinivasa Iyengar who have failed to discuss or criticise in the very least the proposals which are now before the House. (Applause). They occupied the time of the House on long harangues about the Simon Commission and their lack of confidence in Government, whereas they might have tried to point out where the proposals of Government had failed to meet the wishes of that side of the House. Now, Sir, I know that when I last spoke on the subject of the Skeen Committee when I said that I thought that the recommendations did not meet the requirements of a national army, so far as I knew, many Members of the House imagined that I was opposed to any such measure. Let me say at once that I am not; and I think if I quote for one moment the opinion of the European community in India Honourable Members will have some idea as to what our views actually are on the subject. At a Conference held in Calcutta we passed the following resolution:

"This Conference, while recognising the legitimate aspirations of Indians for military service, considers that any scheme adopted to that end must be governed by the maintenance of the highest standard of efficiency, the maintenance of a requisite British element, and the necessity for careful but reasonable economy. This Conference sincerely trusts that the above-mentioned conditions will be deemed essential and a since qua non of any scheme introduced as a result of the recommendations of the Indian Sandhurst Committee."

Those were the points upon which the Indian Sandhurst Committee themselves laid considerable emphasis; the European community did the same, for they have realised that in the question of an army you cannot make experiments. You can make experiments on the administrative side and you are in a position to correct mistakes. So far as mistakes in the army are concerned, the mistake will only be discovered in time of war and then it will be too late to rectify it. That necessitates our proceeding with a measure of caution in this matter. Now, the measures taken by the Government appear to me to be very considerably in advance of anything that I had expected. It is not a question of the number of officers who may be immediately trained, but it is the recognition by Government of a principle which I pressed on them during the last debate, that the Indian Army should have its artillery units, its engineering side and air force and that Indians should be admitted into those units. That principle, by the announcement made, has been accepted by the Government and I hold that it is a very measurable advance on any position regarding the Army in India that we have had up to date. (Applause.) But I have one general criticism against the proposals both of the Skeen Committee and of the Government as now placed before us and that is that the Viceroy's commissioned officer is not given that attention which, I am convinced, is his Both the Skeen Committee and the Government proposals seem to forget that half your Indian Army to-day is officered by Indians, and if you really intend to have a national Indian army, it is those men whose standard of education you should improve till they are in a position to take on the full duty of a commissioned officer and are able to rise to the top ranks of the Army.

Let me take the question of education and here I find myself again in disagreement with Government and more in agreement with Mr. Jinnah because I believe that it is a military necessity to-day that you should start a college for the training of what are called the Viceroy's commissioned officers, corresponding to your second Lieutenants and Lieutenauts of British regiments. These men have all the character that is required and all the soldierly qualities that are required to make officers, but they have hitherto lacked in education. I believe that you can to-day select voungsters from the ranks who can be improved by a definite education at a military training college. Now, I do not say that the Indian military training college would to-day be the equivalent of Sandhurst, and therefore we should welcome any vacancies that we can obtain in military establishments at home. But that is only dealing with a small fraction of your officers' establishment of the Indian Army. You are leaving the vast establishment of 18 officers per battalion entirely untouched and that is where I say this scheme has failed. As a matter of fact, I understand that Government has already started a Kitchener College at Jullundur which is intended to train Indian non-commissioned officers for the Viceroy's commission. In that college, to my mind, is the beginning of what will eventually be our Indian Sandhurst. It may not at once turn out the fullest qualified men that we would later on require, but if it was developed and more made of it, I believe we should have at least the nucleus at the bettom of a large body of Indian officers who will eventually rise to the higher ranks as they pass the necessary tests. I have, Sir, laid great stress on the educational training in the Army both of the sons of the present Viceroy's commissioned officers and of the youngsters from the ranks who are to be the Viceroy's commissioned officers or, as I would

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like to see them, the Dominion commissioned officers of to-morrow. I am quite willing to welcome any other sections of society who choose to enter the Army; I am only too willing to see them coming in. But I do not hold the optimistic view which this House holds and which is also held by the Skeen Committee that you can get the requisite number of suitable candidates from other sources. We have to rely in the main for our supply of officers upon our officers' records and we generally recruit those families who have through many generations had military connections. It is the same in England and it is the same everywhere. The son generally follows in the footsteps of his father, that is a very well known fact.

There is one other question which I would like to speak on. That is the question of the 8 unit scheme. I believe the Government is correct in confining itself at the moment to the 8 units. If we are to be quite certain that these units will serve the purpose of a national army and can undertake the responsibilities which will fall on them, then they must be able to stand alone and without the assistance of any British officers. The future will show whether or not they are able to do that, but I see no reason why with adequate training they will not equip themselves as well as the Indian Army of to-day.

Mr. M. A. Jinnah: Better.

Colonel J. D. Crawford: I hope better, Sir, and I am sure we will all be very satisfied if they do so. But there is no doubt that the 8 unit scheme is going to be unpopular with the British officers, the Indian officer and the Indian rank and file. We have to recognise that and I feel that Government should take what steps they can to remove any idea that these 8 Indian units are inferior in any way to the other units of the Indian Army. I think it will be quite possible to devise means to give them increased status and improved position that would remove any feeling there might be of any inferiority.

We have, therefore, to-day in front of us a proposal which I feel certainly does not call for censure by this House. We have got Government admitting the principle, a new principle, in the question of its military affairs, and that is the entrance not only of Indians in increased numbers to the commissioned ranks but the entrance of Indians into the artillery, the engineering and the air forces and the addition, I understand from Mr. Young, at an early date of those forces to our Indian army.

That I hold is a very memorable advance on the position as we have known it in the past.

Mr. K. C. Roy (Bengal: Nominated Non-Official): Sir, I have heard my friend, Mr. Mackworth Young, with very great interest. He wanted us to believe that a substantial effect had been given to the recommendations of the Skeen-Committee. It was towards the end of March last year that we got for the first time a copy of the Skeen Committee's Report from him. When I read the book, three principal recommendations struck me as being the best recommendations of that famous Committee. The first was the abolition of the 8-unit scheme, the second the establishment of an Indian Sandhurst, and the third was a progressive scale of Indianisation

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for the Indian Army. Might I ask him if any of those recommendations have been accepted by His Majesty's Government? (An Honourable Member: "Of course not.")

Then His Excellency the Commander-in-Chief, whose absence I regret, though I am sure he is engaged in other official business elsewhere, made a very notable statement. He said:

"Since then the Government of India have been in communication with His Majesty's Government, whose connection with and responsibility for this problem are so vital that I am glad to say we have been able to reach a unanimous conclusion regarding the question of the Indianisation of the Indian Army as a whole."

Might I ask, who are the "we"? Is it the Executive Council of the Governor General, which consists of three Indians, or the Council of the Secretary of State, with its three Indians, or His Majesty's Government, the War Office or the Committee of Imperial Defence? I suggest that the issue is so important and so vital to Indian national well-being that the despatches on the subject ought to be placed on the table of this House for perusal by the public. I feel very strongly on this point, as I refuse to believe, I refuse to be convinced that the Indian members whom we have in this country, as well as Whitehall should have been a party to this scheme. The Members on the Government Benches will say that I am trying to destroy the corporate existence in the Executive Council. I am doing nothing of the kind. When the number of Indians was added to the Council it was specifically laid down in the Montagu-Chelmsford Report that they were to bring to light in the inner recess of Government the trend of Indian public opinion. I want to see whether they have discharged that great obligation which lies on them. (An Honourable Member: "You must know as the head of a newspaper agency".)

While I yield to none in my appreciation of His Excellency, a recent statement made by His Excellency was that there is a distinct improvement on the present position. A mere improvement in detail, but a real setback in policy. I was surprised to see that it had escaped the observations of such an astute lawyer as my friend Mr. Jinnah. This is what His Excellency said:

"Government contemplates that as India progresses towards full responsible government within the Empire, there may be a process of development in the Army of the same character as the Dominion armies organised on a national basis and officered by officers holding their own national distinctive form of commission."

What does this mean? It means that when my Honourable friend, Colonel Crawford, spoke last September, he has turned out to be a good prophet. The future army that we are going to get in India is not going to be the King's commissioned army that we have to-day; it is going to be an inferior army called the Dominion Army, officered by men with Dominion commissions; and the Dominion commission is bound to rank inferior to His Majesty's own commission. This is what we are going to get and this is what we have bargained for. Of course the Dominion commission is an honour for a citizen of a Dominion who is white, because he has got the right of entry into the British Army—to all branches of the British Army. Only recently we had a Canadian General Sir George Corrie who was the Deputy Chief of the General Staff. But entrance for Indians into the British Army may be regarded as absolutely out of the question. So what we are going to get in the process of development of the Indian Army on dominion lines means, officered by men with Dominion commissions who will undoubtedly rank inferior to men who hold His Majesty's Commission.

Mr. K. C. Roy.]

I attach the highest value to the latter, as a chain in our Imperial relationship. Are these the things we expected as a result of the Sandhurst Committee? At least I did not. I am not one of those who have abandoned faith in Government, but I can only say that my faith has been shaken, but not yet broken.

Raja Ghazanfar Ali Khan (North Punjab: Muhammadan): Sir, I will not take up more than ten minutes because I am very anxious that this question should be decided before six o'clock. After hearing the Honourable Mr. Mackworth Young, one is led to believe that the recommendations of the Sandhurst Committee have been accepted to a great extent by the Government of India. But if you will please see the terms of reference of the Committee, you will find that these can be divided into two main heads: (1) how to get a larger number of suitable candidates for Sandhurst, and (2) whether it is desirable to have a Sandhurst in India or not. So far as the first is concerned, I do not find there is anything contained in the announcement of His Excellency the Commander-in-Chief which tells us how to get a larger number of candidates for Sandhurst. The Committee had recommended different methods by which a larger number of Indian young men would be forthcoming for going up to Sandhurst; and their suggestions were so closely connected with their scheme of annually increasing numbers to be admitted to Sandhurst that you cannot separate the two. What they say is that the Registrars of the Universities, the headmasters of schools and the principals of various colleges ought to co-operate with us in bringing up and turning out suitable young men for Sandhurst. But why these people do not take an interest is that they know that the number is very limited; they know that throughout India only ten boys were to be admitted annually. Therefore they naturally thought that the chances being very limited it was not worth their while taking trouble in preparing boys for Sandhurst. If you look at the Report, Sir John Maynard, whom I consider to be the greatest authority and who has put in forty years' service in the Punjab, says that he knows of several young men who are much more suitable for being admitted to Sandhurst than these ten boys selected annually for Sandhurst. The only thing is that the method of recruitment was so much complicated that those young men had no chance of getting an opportunity even to come and appear in the entrance examinations. Now, again, Sir, if you see the announcement it contains only one thing which is of some importance and that is that the number is increased from ten to twenty. Now, Sir, I feel it was not necessary at all to appoint a Committee-working for almost two years-making a tour on the Continent and England and America-to report to the Commander-in-Chief and say, "Kindly increase the number from ten to twenty". That His Excellency could announce even without the appointment of a Committee. The findings of the Committee had nothing to de so far as the question of increase in the number is concerned.. If an officer like Mr. Burdon, who has had personal experience of over six years in selecting candidates for Sandhurst, had the least doubt in his mind that suitable candidates would not be forthcoming in sufficient numbers, he would never have appended his signature to this Report. Now, either we should agree that there is a possibility of more than 20 young men ennually coming forward or there is no such possibility. The members of the Committee themselves say that there should be progressive increase, subject to

one strict condition, i.e., that really suitable and efficient young men are forthcoming. Supposing the Government had accepted the recommendation of the Sandhurst Committee, and assuming that suitable young men were not forthcoming, the Government would not have bound themselves to accept the recommendation to take the same number, whether suitable young men did come forward or not, because the Committee clearly say that the number will be increased annually provided suitable young men come forward. So what justification is there for Government to turn down that proposal and say that they will take only 20 annually? Not being a politician, Sir, I would not like to talk about high politics in connection with this motion, but this announcement reminds me of the Preamble to the Act of 1919 which says that after the expiry of ten years a Committee will be appointed to inquire into the fitness or otherwise of India to get more reforms. Similarly, in this matter too, the Government want to keep something with them. The recommendations of the Sandhurst Committee left no room for them. They recommended that from 1929 on-wards every year there should be an increase in the number of candidates, that is to say, in 1929 they will take so many, in 1930 they will take so many more, in 1931 they will take so many, and so on. But the Government say "No, we will have only 20 for the present and after five or ten years we may, if possible, appoint another Committee to inquire what should be done further in the matter".

Sir, I am grateful to my friend Colonel Crawford who has very kindly taken upon himself the duty of pleading the cause of the Viceroy's commissioned officers. I have the honour to represent a constituency, which is the largest military constituency in India, and in my daily life I come across hundreds of retired military officers. Now, Sir, some of them have got King's commissions and as Colonel Crawford has suggested, probably some more men may be granted King's commissions. Now, what do these commissions mean? Just six months before their retirement they are made Lieutenants, and I do not know of a single case in which after an officer had received a King's commission, he served in the Army for more than six months or a year. If we were to ask a question as to how many Indians are there holding the King's commission, my friend the Army Secretary would get up and say that there are 300 officers-but all of them are on the verge of retirement. (Laughter.) I am grateful to His Excellency the Commander-in-Chief for giving five vacancies annually to these officers in the King's commission. I hope that suitable young candidates. who have a career before them, will be selected, and not those officers who are on the verge of retirement.

Now, Sir, one word about the 8 unit scheme. After listening to the speech of the Honourable the Army Secretary, I do not think I need say much. He admits that there is an obvious difference. We on this side are anxious to make the service in the military as attractive to Indian young men as we can. On the other hand, he is anxious to make this service as attractive to British young men as he can. He suspects that, if he does not have the 8 unit scheme, British young men will not come out in the service in the same numbers. On the other hand what we feel is that if there is the 8 unit scheme, suitable Indian young men will not be forthcoming (An Honourable Member: "Quite right"), in the same numbers. So there is a fundamental difference. The best thing is to find out a reasonable solution of this difficulty and to decide as to who is reasonable.

[Raja Ghazanfar Ali Khan.]

and who is unreasonable. I think, we Indians, can learn much if there are British officers in the regiments by working as subordinates under them; and the British officers can teach us a lot when we work under them as subordinates. It is not only the officer who teaches a subordinate, but a subordinate also can always teach the officer how to become a good subordinate. There are various reasons, not merely sentimental, why we are strongly opposed to this 8 unit scheme. Another characteristic of this 8 unit scheme is that there will be no Subadars and no Subadar Majors so far as these 8 units are concerned. I know that all those Indian soldiers who join the Army have not got the chance of becoming a Subadar or Jamadar or Subadar Major, but everybody who joins the Army joins in the hope of becoming a Subadar or Jamadar or Subadar Major some day. If there are no Subadars or Jamadars or Subadar Majors in those regiments, then very few Indian soldiers will be coming forward to join those regiments. Then Colonel Crawford would get up and draw the inference and say, "Look here, there are 8 units officered by Indians. But Indians themselves are not coming forward to join these regiments and serve under Indian officers" then there would be no argument on this side, which would convince him to the contrary.

Now, Sir, there is only one more point and that is about establishing a Sandhurst in India I think every Honourable Member remembers that in 1918, during the Great War, when the Government thought it necessary to enlist some Indian young men in the Army as Lieutenants and give them King's commission, they immediately, probably within 15 or 20 days, established a college at Indore. Some young boys were selected. They got their training—I do not think for more than 9 months or a year—at Indore and they went out and joined the different regiments as Lieutenants. Some of them were my personal friends. I had an copportunity of meeting them after they had served in the Army for about 9 or 10 years. I have not come across a single Indian officer who was not satisfied with his lot and not a single European officer who thought that these Indore students were in any wav inferior to those students who had passed from Sandhurst. I do not know—I have not got the facts before me but probably my leader Mr. Jinnah is in a better rosition to know-whether there was any officer who came forward and gave evidence that these Indian boys from Indore proved failures. I do not think there was any proof of that. You can imagine that if Indians during the time of the War got only 9 months' training, and had not the same qualifications as are now required of these candidates who will ioin the Sandhurst, and if they turned out and became good officers, I have not the least doubt that if there is an Indian Sandhurst and the boys get proper training they will make very efficient officers.

As there is little time left, I strongly support this motion and I am confident that even the Muslim group must be feeling greatly insulted by this announcement, because this announcement frustrates the verdict of one of their leaders. Sir Abdul Qaivum, who had put his signature to the scheme, and now, if they vote against this motion, they would be going against their leader.

(Several Honourable Members moved that the question be now put.)

Captain Kabul Singh Bahadur (Punjab: Nominated Non-Official): Sir, the Government have given their best attention to the question and have

come to the conclusions so ably defined by His Excellency the Commander-in-Chief. It is no use adjourning the House and passing a vote of censure on the Government. We have to look at it from all points of view and not only from one national point of view. A military college if started in India will not produce Commanding Officers in 5 years. Why not take the allotment given for entry into the Royal Military College, Sandhurst, and work your way upwards from it? You have got entrance for the Army, artillery and air force, and so there are no bars now. Our youths have every avenue open to them. Let them show themselves worthy of the step and pave the way for further progress in national military education. Would it not be a good thing if our own countrymen who have come out of Sandhurst and have worked their way up to Majors and Colonels become instructors in the future military college and thus make it a real national school of this country?

(Several Honourable Members moved that the question be put.)

Mr. President: The question is that the question be now put.

The motion was adopted.

Mr. President: The question is:

"That the Assembly do now adjourn."

The Assembly divided:

Abdoola Haroon, Haji.

AYE8-70.

Abdul Matin Chaudhury, Maulvi. Abdullah Haji Kasim, Khan Bahadur Haji. Acharya, Mr. M. K.
Aiyangar, Mr. C. Duraiswamy.
Aney, Mr. M. S.
Ayyangar, Mr. K. V. Rangaswami.
Avyangar, Mr. M. S. Sesha.
Belvi, Mr. D. V.
Bhargava. Pandit Thakur Das.
Bhuto Mr. W. W. Dishibakhah Bhuto, Mr. W. W. Illahibakhsh. Chetty, Mr. R. K. Shanmukham. Chunder, Mr. N'rmal Chunder. Dakhan, Mr. W. M. P. Ghulam Kadir Khan. Das, Mr. B.
Das, Pandit Nilakantha.
Dutt, Mr. Amar Nath.
Dutta, Mr. Srish Chandra. Ghazanfar Ali Khan, Raja. Gour, Sir Hari Singh. Gulab Singh, Sardar. Haji, Mr. Sarabhai Nemchand. Haii, Mr. Sarabhai Nemenanu. Ismail Khan, Mr. Iswar Saran, Munshi Ivengar, Mr. S. Srinivasa. Javakar, Mr. M. R. Jinnah, Mr. M. A. Jinnah, Mr. Varahagiri Venkata. Joshi, Mr. N. M Kartar Singh, Sardar, Kelkar, Mr. N. C. Kidwai, Mr. Rafi Ahmad Kunzru, Pandit Hirday Nath. Lahiri Chaudhury, Mr. Dhirendra Kanta. Lajpat Rai, Lala.

Malaviya, Pandit Madan Mohan. Mehta, Mr. Jamnadas M. Misra, Mr. Dwarka Prasad. Mitra, Mr. Satyendra Chandra. Mohammad Ismail Khan, I Hati Chaudhury. Moonje, Dr. B. S. Mukhtar Singh, Mr. Saheb Bahadur, Maulvi Murtuza Sayyid. Sayyıd.
Naidu, Mr. B. P.
Nehru, Pandit Motilal.
Neogy, Mr. K. C.
Pandva, Mr. Vidva Sagar.
Phookun, Srijut Tarun Ram.
Purshotamdas Thakurdas, Sir.
Rafique, Mr. Muhammad.
Rahimtulla, Mr. Fazal Ibrahim.
Rang Behari Lal Yala Rang Behari Lal, Lala. Ranga Iyer, Mr. C. S.
Rao, Mr. G. Sarvotham.
Rov, Mr. K. C.
Sarda, Rai Sahib Harbilas. Hussain Khan, Khan Sarfaraz Bahadur. Shafee, Maulvi Mohammad.
Shervani, Mr. T. A. K.
Siddiqi, Mr. Abdul Qadir.
Singh, Kumar Rananjava.
Singh, Mr. Gava Prasad.
Singh, Mr. Narayan Prasad.
Singh, Mr. Dam Nanayan Singh, Mr. Ram Naravan. Sinha, Rumar Ganganand, Sinha, Mr. R. P. Sinha, Mr. Siddheswar. Tirloki Nath, Lala. Tok Kyi, U. Yakub, Maulvi Muhammad.

NOES-41.

Abdul Aziz, Khan Bahadur Mian.
Ahmad, Khan Bahadur Nasir-ud-din.
Alexander, Mr. William.
Allison, Mr. F. W.
Anwar-ul-Azim, Mr.
Ashrafuddin Ahmad, Khan Bahadur
Nawabzada Sayid.
Ayangar, Mr. V. K. Aravamudha.
Bajpai, Mr. G. S.
Blackett, The Honourable Sir Basil.
Bray, Sir Denys.
Chatterjie, The Revd. J. C.
Chatterji, Rai Bahadur B. M.
Coatman, Mr. J.
Cocke, Mr. H. G.
Cosgrave, Mr. W. A.
Couper, Mr. T.
Courtenay, Mr. R. H.
Crawford. Colonel J. D.
Crerar, The Honourable Mr. J.
Dalal, Sardar Sir Bomanji.
Gidney, Lieut. Colonel H. A. J.

Graham, Mr. L.
Irwin, Mr. C. J.
Kabul Singh Bahadur, Captain.
Keane, Mr. M.
Lindsay, S'r Darcy.
Mitra, The Honourable Sir Bhupendra
Nath.
Moore, Mr. Arthur.
Mukherjee, Mr. S. C.
Parsons, Mr. A. A. L.
Rainy, The Honourable Sir George.
Rajah, Rao Bahadur M. C.
Rao, Mr. V. Pandurang.
Sams, Mr. H. A.
Shamaldhari Lall, Mr.
Shillidy, Mr. J. A.
Svkes, Mr. E. F.
Taylor, Mr. E. Gawan.
Willson, Sir Walter.
Vemin Khan, Mr. Muhammad.
Young, Mr. G. M.

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Monday, the 12th March, 1928.