

Friday, 24th March, 1933

THE
COUNCIL OF STATE DEBATES

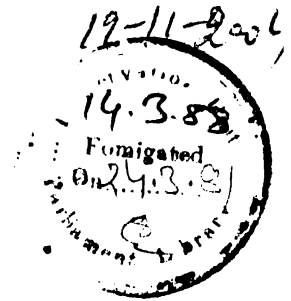
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(16th February to 15th April, 1933)

FIFTH SESSION

OF THE

THIRD COUNCIL OF STATE, 1933



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COUNCIL OF STATE.

Friday, 24th March, 1933.

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

COTTON TEXTILE INDUSTRY PROTECTION (AMENDMENT) BILL.

THE HONOURABLE MR. T. A. STEWART (Commerce Secretary): Sir, I move :

" That the Bill to amend the Cotton Textile Industry (Protection) Act, 1930, as passed by the Legislative Assembly, be taken into consideration."

From the Statement of Objects and Reasons it will be seen that the effect of the amendment is to extend from the 31st March to the 31st October of the present year the protection which was granted in 1930. Honourable Members of this Council are well aware of the history of protection in relation to the textile industry and they will remember that, when in 1930 the industry was granted temporary shelter for a period of three years, an assurance was given that before the expiry of that period the claims of the industry to substantive protection would be the subject of a formal inquiry by the Tariff Board. A Tariff Board was duly appointed. It has made its inquiry and has presented its report. Unfortunately at the time when the report was received Government were pre-occupied with the consideration of those important matters which were dealt with in the November session of the Legislature, and between the end of that session and the commencement of this it has been found impossible to give to the report the careful and close consideration that is demanded not only by the complexity of the problems involved but by the importance of the interests concerned. In these circumstances Government felt that they had no option but to propose a postponement of action on the report until the next Simla session and in the meanwhile to continue the protection which now exists. I wish to emphasise that by proposing a continuation of the *status quo* for a further seven months the Government of India commits itself to no opinion as to the merits or demerits of the claim of the industry to protection. Between this and the Simla session the report of the Tariff Board will be carefully considered and the proposals of the Government of India thereon will then be put before the Legislature. At the present moment no question of principle or policy is involved.

With these words, Sir, I move.

THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE (East Bengal; Non-Muhammadan): Sir, I rise to support the Bill to provide protection to the Indian cotton textile industry for a further period, as passed by the other House. The Statement of Objects and Reasons is quite clear and the Honourable the mover has further explained in an elaborate and convincing

[Mr. Jagadish Chandra Banerjee.]

manner that it should have the unanimous support of the House. In consideration of the fact that the Indian textile industry is rather in a moribund condition, especially owing to the unfair competition of Japan and the dumping of her piece-goods into India which is hampering the progress of our Indian textile industry, the measure, I hope, will be conducive to the best interest of the country. I am not one of those who think that this measure will benefit Bombay only as Bombay's textile industry will receive a further impetus. I think it will save the Indian textile industry from the onslaughts of Japan which is doing immense mischief to our Indian textile industry. I hear that there is a rumour that with the help of this protective measure, Bombay will thrive at the cost of Bengal as Bombay finds a ready market in Bengal for her piece-goods. Such a parochial idea does not find place with me. I think of my country in terms of all-India and when I find that the protection will afford a little relief to the textile industry of my own country I most heartily welcome the measure and ask the House to pass the Bill.

Sir, I need not go into the details of the condition of the textile industry in Bombay, Ahmedabad and Nagpur that is not unknown to this Honourable House and the why and wherefore of the necessity and justification for the measure proposed by Government. But I would like to know whether this protection will be able to check the dumping of the Japanese piece-goods into India at a price equal to, if not lower than, Indian cotton and whether it will encourage the "Buy Indian" movement. Protection will be of no avail if it will not give stimulus to our textile industry. It is a matter of great regret that the report of the Tariff Board on the inquiry about the condition of the Indian cotton textile industry has not yet been fully considered by Government and a final decision arrived at. In these circumstances, this protective measure I think, Sir, is only a stop gap arrangement. However, it is hoped a final decision regarding the report of the Tariff Board on this industry will be reached by Government in the meantime to see whether protection to the cotton textile industry of India could be continued for a further period.

With these few words, Sir, I support the Bill.

THE HONOURABLE MR. E. MILLER (Bombay Chamber of Commerce) : Sir, the Government in introducing this Bill in the Legislatures have said that they wish to avoid all reference to any question of principle or policy as in their opinion it does not arise at this stage. They suggest that it will arise when the whole question of the future protection to this industry comes before the Legislatures, possibly during the next Simla session. The reason for this attitude is that Government have found it impossible in the limited time at their disposal to complete their examination of the Tariff Board's Report.

Now, Sir, while I know how very overworked many of our Government officials are and particularly before and during the March session, I cannot help but feel in view of the seriousness of the matter that some very real attempt should have been made to tackle the situation more effectively than merely asking us to authorise the continuance of the existing legislation for another six months. What has been the effect of this legislation? Practically nothing that has been of any material advantage to the Indian cotton textile industry. The imports from Japan have continued without abatement in spite of the protective measures taken and although they may have resulted in reduced profits to the importer and the middleman, it has not been really felt by the consumer because the retail prices of the Japanese imports have

remained practically unchanged so that these foreign and inferior goods continue to be dumped on the market to the detriment of the indigenous production.

All we are now asked to do is to authorise Government to continue the present so-called protective measures until next October—another six months—when it is *hoped* (only hoped) that some decision will be arrived at in regard to the future of cotton textile protective duties. Is this enough? I do not think so and I would urge this House to press Government to take some more drastic and effective action before this session is over so as to ensure proper and immediate protection to this important indigenous industry. Otherwise it is possible that by October it will not require any protection for it may have ceased to exist and be beyond recall. Actually at the moment the question of a reduction in the wages of operatives is under consideration in several industrial centres.

We must of course support this present Bill today but like *Oliver Twist* we must ask for more and at once. The situation is more than critical, it is positively dangerous and immediate action beyond the scope of this Bill is essential. Sir, in supporting the passing of the Bill I do press for some more adequate and effective emergency measure before the close of this session.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I rise to support the Bill and I endorse every word the Honourable Mr. Miller has said. The condition of the textile industry at present is miserable and in case no immediate relief is given to it, it might collapse. Government does itself realise that it is one of the most important national industries, and although the report of the Tariff Board has been before the Government for the last few months it is a matter of regret that no action has so far been taken. It is a question of life and death for the industry and to postpone the consideration of the report of the Tariff Board for any longer period now is a sin. I therefore beg the Government to give their earliest attention to that report and to protect the textile industry from disaster.

Sir, when the Japanese yen fell from the equivalent of Rs. 200 to 100 yen in December, 1931, and then to Rs. 100 last August, the Government introduced emergency tariff to give extra protection import duty of 18½ per cent., equivalent altogether to 50 per cent., but the Japanese prices were reduced to totally nullify this extra protection at once proving very conclusively that it was inadequate. Since those days the yen has further fallen to Rs. 80, so that today even a protective duty of 250 per cent. would hardly compensate. When a foreign country has a gain of 250 per cent. owing to depreciated currency, it must be obvious how necessary it is for Government to protect the total extinction of local textile industries due to such unfair means.

Sir, I shall give a few details as regards cotton goods which will prove how things exist now. Japan, Sir, buys cotton in India and then sends back that cotton manufactured to India as finished cloth. In December, 1931, the price for 100 yen was Rs. 200 ; in January, 1932, it fell down to Rs. 140 ; in February, 1932, to Rs. 130 ; in March, 1932, to Rs. 120, and now it stands at Rs. 80. If we compare it to the finished cloth which Japan returns to India, in June, 1932, Rs. 110 were equivalent to 100 yen ; in July, 1932, the exchange fell down to Rs. 105 ; in August, 1932, to Rs. 100 ; in September, 1932, to Rs. 90 and in October, 1932, to Rs. 85, and now it stands in the vicinity of Rs. 80. This applies to raw cotton which comprises one-third of the cost of the finished article, but as regards the other costs of manufacture the difference is

[Rai Bahadur Lala Ram Saran Das.]

far more marked. In case we compare the actual result of these figures in yards, and in case we assume that the Indian mills are equally efficient as the Japanese mills, the manufacturing cost in December, 1931, was as follows : Yen 100 equal to Rs. 200, equal to 2,000 yards of cloth. But today in Japan yen 100 is equal to Rs. 80 and it means that 2,000 yards of cloth cost Rs. 80 as compared with Rs. 200 in 1931 ; but in India in terms of the yen, 250 yen are equal to Rs. 200, equal to 2,000 yards of cloth. So in terms of rupees, yen 100 produced 2,000 yards of cloth in 1931, but yen 100 produces 5,000 yards of cloth today.

So, Sir, a protective duty of 250 per cent. would only just cover the effect of the depreciated yen. Sir, I need not go into further details. I have given you instances and statements proving the present condition of the textile industry ; and, Sir, I wish, as the Honourable Mr. Miller has wished, that the Government had proposed a better measure than the present one ; but as something is better than nothing, I support this measure.

THE HONOURABLE KHAN BAHADUR DR. SIR NASARVANJI CHOKSY (Bombay : Nominated Non-Official) : Sir, without taking a parochial view of the circumstances which have militated against the cotton industry, it is an admitted fact that the city of Bombay has to face special conditions. It has to contend against labour and agitators, it has to contend against riots and strikes and it has to contend against the Congress mandate. All these have combined together and brought the industry into a very parlous condition indeed. The result is that the mill-owners of Bombay at present do not know where this will end ; whether they will have to shut up their mills for a short time, or go into liquidation. Dumping of course has been the principal cause, but there exist other causes which have persisted for long and still persist that have to be encountered as well. Government would no doubt do their best to help the industry by tariff measures and give partial relief, but whether such relief will be all in all or conducive to the best interests of the industry is questionable. As the Honourable Mr. Miller just said, six or seven months is a very long period ; within that period there may arise circumstances or developments that would make anything that Government resolve absolutely nugatory. What we want now is not palliative measures—so much more tariff or less tariff—but something more radical, something that will once for all put a stop to the circumstances that have brought about the present *impasse*. It is true that criticisms have been levelled against the mill industry and its management in Bombay, on account of the *old system of agency*. No human organisation is perfect. It is equally true that the system has many imperfections, though not universally. It is for the Tariff Board to point out how those imperfections could be removed and how the Indian Company's Act amended in order to make the industry more prosperous. The Ahmedabad mills are, I believe, in a similar condition at present, but a statement published in the press some time back showed that the Ahmedabad mill-owners gave dividends which would make even the mouths of the American Trust Corporations water. They fail to take into consideration that factor and have not the same cause to complain as Bombay. Their shareholders have thus received more than their original capital, perhaps many of them several times over. But that is not the position in Bombay. In spite of all that Bombay mills could do, their condition is certainly to be deplored. We may hope that there will be no graver contingency between now and October to prevent Government from taking emergent measures to

protect a most important Indian industry. Should the present conditions continue as they are, we do hope that Government will pursue a policy that would bring about a radical improvement and restore to the Bombay mill industry its former flourishing condition.

THE HONOURABLE MR. T. A. STEWART : Sir, in view of the unanimous support that has been accorded to my motion I have no further remarks to offer.

THE HONOURABLE THE PRESIDENT : The question is :

“ That the Bill to amend the Cotton Textile Industry (Protection) Act, 1930, as passed by the Legislative Assembly, be taken into consideration. ”

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. T. A. STEWART : Sir, I move :

“ That the Bill, as passed by the Legislative Assembly, be passed. ”

The motion was adopted.

WHEAT IMPORT DUTY (EXTENDING) BILL.

THE HONOURABLE MR. T. A. STEWART (Commerce Secretary) : Sir, I move :

“ That the Bill to extend the operation of the Wheat (Import Duty) Act, 1931, as passed by the Legislative Assembly, be taken into consideration. ”

When in 1931 the Wheat (Import Duty) Act was passed it was hoped that the necessity which called for the protection of the cultivator would be a temporary one. That hope, like many other hopes in this time of depression, has been disappointed and Government have been constrained this year, as last, to propose the continuation of the duty for a further year. In coming to this conclusion Government were influenced by two dominant factors in the world wheat situation. Though India herself is unlikely to produce a surplus in the present year it is reported that other wheat-producing areas in the world have a surplus which is the highest on record. Combined with that, we have the fact that Indian price levels continue to be well above the world parity. How far above parity they are may be judged from the following quotations. Some few weeks ago Indian wheat was quoted at Rs. 3-4-6 a maund f. o. r. Lyallpur. At the same time Australian wheat was on offer in London at a price per quarter corresponding to Rs. 2-10-8 per maund. It will easily be conceived that with so wide a differential as this, wheat from foreign sources would pour into India were it not for the existence of the duty. That wheat would come in not only to meet any marginal demand that might result from a shortage in Indian supplies but that wheat would come in and would be in active competition with Indian wheat in very many Indian markets. The inevitable result would be a fall in prices which for the cultivator would be disastrous. The Government of India

[Mr. T. A. Stewart.]

could not contemplate such a situation and they therefore propose the renewal of protection. In proposing that the rate of duty should be continued on the same level, that is to say Rs. 2 per cwt., Government claim that they have considered the opposing interests of the producer and the consumer—interests which are not always too easy to reconcile. The duty of Rs. 2 per cwt. has in the past two years raised the price of wheat to, and maintained it at, a level that is comparable with the general price level of commodities in India. It is, indeed, at a somewhat higher level than other cereals. On the other hand, so far as the consumer is concerned, the price of wheat has not been raised above a level which compares favourably with the levels that existed for the period 1923—1930. In these circumstances they feel that they can commend to this House the measure which they now propose as being essentially fair to all interests concerned.

Sir, I move.

THE HONOURABLE MAJOR NAWAB SIR MAHOMED AKBAR KHAN (North-West Frontier Province : Nominated Non-Official :) Sir, I was of opinion that the present import duty would not only be extended for one year but that it would remain permanently on the Statute-book until such period when the market rate of the price of wheat per maund is from Rs. 4 to Rs. 5. Sir, if the price of wheat is less than Rs. 4 a maund, I am sure that it will be impossible for the landlords to realise the Government land revenue *plus* the *abiana*, that is the water-rate, from their tenants to enable them to pay Government their due share. Sir, land-owning in India has always been looked up to and it has always been a sign of respectability, but in the present circumstances, if this import duty does not remain, I think that land-owning will not only be a source of trouble, but it will be a millstone round the neck of the land-owner. The trouble is felt especially by the land-owner with extensive acreage at the time of realisation of Government land revenue. The result is that generally the tenant cannot, on account of the low price of wheat and other produce, make up the Government land revenue and *abiana*. The result is that the land-owner has to put in something from his own pocket to pay the Government dues. Well, Sir, if the import duty is not renewed, it means that the collection from one season to another will be added up to the load of the land-owner with the result that this millstone will become so heavy that some day it is bound to break the neck of the land-owner, and with the breaking of the land-owner's neck, it will not only put the Central Government in trouble but it will put the whole of the Provincial Governments out of gear. They will be in deficit and it will be impossible for the Government of India to help all the Provincial Governments. But, Sir, some of my Honourable friends have spoken elsewhere that whenever these 80 per cent. of the population are in trouble, they should then come over with their beggar's bowl and ask these gentlemen to renew the import duty. Let me tell these deities of Moloch and Puck that when 80 per cent. of the population of India are on the verge of starvation, by the time these people think of renewing the import duty the trouble will be such that it will be impossible for these gentlemen to remedy it in time. There is a proverb saying, "Uttam khaiti, mudhum beupar, nakhid chakari, bhikh bichar," which means that "the most honourable profession is that of the agriculturist; next in importance to it comes the trade; and next to trade is that of service; and the lowest and the worst of all professions is that of begging". If 80 per cent. of the population take to this honourable profession, they will put not only the whole machinery of the Government out of gear but they will bring disaster on the whole of

India. Hindu mythology does not in any way exaggerate when it says that the welfare of India rests on the head of the bullock, which means that if there is a shortage of bullocks in any country, there will be less ploughing and less ploughing means less agricultural cultivation.

THE HONOURABLE MR. H. M. MEHTA (Bombay : Non-Muhammadan) :
What about tractors ?

THE HONOURABLE MAJOR NAWAB SIR MAHOMED AKBAR KHAN :
My Honourable friend asks me, "What about tractors ?" A tractor is so expensive that it will not pay the agriculturist to work with a tractor. In the first place, you must bear in mind that the cost of petroleum is heavy and, in the second place, the tractor is a machine for which the agriculturist will have to employ some man knowing the machinery of the tractor. The poor agriculturist is not in the happy position of my Honourable friend who is rolling in wealth. The agriculturist cannot afford to pay such heavy expenses and indulge in tractors and other machinery, because, in the first place, they have got no money and, secondly, they do not know how to handle the tractor, and if the tractor is once broken, there is nobody to repair it.

THE HONOURABLE MR. BIJAY KUMAR BASU (Bengal : Nominated Non-Official) : Hindu mythology came in before the tractor.

THE HONOURABLE MAJOR NAWAB SIR MAHOMED AKBAR KHAN :
Up to this date Hindu mythology has not lost its effect. Less cultivation means famine or unemployment, and unemployment drives people to restlessness and dissatisfaction. If the Indian tenantry and landlords find that the cultivation of land is not only disadvantageous but profitless, what other industry or vocation can there be to employ the teeming millions of India ? The first duty of a civilised Government is to see that the majority of the subjects are satisfied with regard to their worldly requirements of clothing and food, and any Government which is not mindful about the needs and livelihood of 80 per cent. of their subjects cannot be called a very considerate Government. I for one will say that all discussion about reforms is a less important subject than this import duty on the existence or non-existence of which 80 per cent. of the population depend, and this is more important than all other items which after all can be to the advantage of the remaining 20 per cent. of the population only. Every such item can affect no more than 10 or 15 per cent. of the population. The representatives of the dumb, mute and voiceless 80 per cent. seldom get a hearing. Some Members of the Central Legislature are reported to have said in discussing this measure that when those 80 per cent. of their own countrymen are hard up and starving they can come again with their beggar's bowl for a further dole. Sir, may I tell those heartless individuals that their constituencies are very small as compared with 80 per cent. of the population of India, and that they can themselves only flourish when that 80 per cent. has at least sufficient to clothe and feed themselves with. Otherwise these Honourable gentlemen with their luxurious modes of living will not be able to earn their own livelihood, leaving aside what will happen if ever a day of reckoning comes. (*An Honourable Member* : Do all the 80 per cent. grow wheat ?) They all grow some sort of produce. The majority of them do grow wheat. That is the staple crop.

With these words, Sir, I strongly support the continuation of the import duty on wheat, and I hope that there will not be a single dissentient voice at

[Major Nawab Sir Mahomed Akbar Khan.]

least in this Honourable House where every community is represented and where no Member has ever passed such foolish and unworthy remarks as I have just referred to.

*THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Sir, I must plead guilty to having taken up that profession to which our Honourable friend the last speaker referred as being the worst, I mean the begging profession. Sir, while we are at one with the Government in its desire to assist the wheat-growing population in their present plight, we would like to draw the attention of Government to the plight, which is far worse, of the rice-growers and the jute-growers of Bengal, Burma and Bihar and Orissa, and perhaps the Honourable Member is aware that the area under rice is far in excess of the area under wheat. We do not, Sir, oppose this motion but we wish that the Government would see its way to give some relief to rice and jute-growers as well. Wheat is mostly grown in the Punjab. (*An Honourable Member* : And where is jute grown ? In Bengal only.) The Government of India is at present in the centre of the wheat-growing area and for that reason the wheat-growers come more particularly under the care of the Government, while the trouble of outlying places does not perhaps find prominence in the Secretariat of the Government of India. Sir, I have no intention of opposing this Bill, but I do oppose the suggestion that this protection should be extended for a long period, until in fact the price of Rs. 4 a maund is reached. We should have no objection, Sir, if every commodity could be sold at the pre-war level, the 1913 level of prices, if that could be done by Government manipulation. That would be very welcome indeed. But this invidious distinction in favour of wheat, while rice and jute-growers are so distressed, cannot find support from the rest of India.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA (United Provinces Central : Non-Muhammadan) : Sir, I rise to support the Bill that has been presented to the House and to congratulate the Government upon extending the protection afforded by the Act for a year more. Sir, I am one of those who think that the economic position of India will not change within one year, and the Government will have to come up again in March, 1934, for another extension of this Act. Therefore, I think it would have been much better if the Act had been extended for three years more. I would not say that it should become a permanent measure, but if it could have been extended for three years I think the economic position would have improved sufficiently by the time to permit of the protection being dispensed with. Further, the protection given by this Bill is not enough. It ought to have been coupled with reduction in railway freights and canal dues. At present railway freights are so high that the wheat-producing districts cannot send their produce to districts where wheat is not produced so cheaply. Therefore, I think the position of Bengal, as has been represented by my friend Mr. Hossain Imam, is to a certain extent right. If the freight on wheat was reduced they could buy wheat at a cheaper rate and they and the producers would both benefit. Sir, it has been suggested that improved implements can be easily used to bring about an improvement both in quality and quantity. As far as my knowledge goes, I think our cultivators are not in a position to make much use of costly implements and at the same time pay for manuring, etc. If the Council of Agricultural Research could find out

*Speech not corrected by the Honourable Member.

some cheaper and easier methods of improving quality and quantity, I think that would be of much use for the poor cultivators. Honourable Members are aware that this year the area under wheat has already been reduced by 4 per cent. as compared with that of last year, and the reason is that it does not pay the tenants to grow wheat on account of the water rates. As an agriculturist myself I used to go in the interior of villages every year, and I can speak with confidence that the condition of the tenants is very pitiable. The produce is not sufficient to pay rents to the zemindars. After paying the rent you cannot imagine what they get for their own use as it is practically nothing in spite of the remissions of about four annas in the rupee. They are living from hand to mouth, and mostly they are living on the sale of grass and work of that kind.

Sir, as agriculture is the main source of income in India, it is necessary for the Government to give every protection and facility just for the sake of safeguarding their own revenues. If the condition of agriculturists is not kept flourishing, I am afraid the Government, whose income is mostly derived from that source, will go down to an extent that it will be difficult for them to make both ends meet. So, Sir, as the prosperity of the country lies in agriculture, I would most humbly request the Government to pay proper attention to the reduction of railway freights as well as canal dues together with the Bill which they are extending for one more year.

With these words, Sir, I support the motion.

THE HONOURABLE MR. H. M. MEHTA (Bombay : Non-Muhammadan) : Sir, I beg to support the Bill which my Honourable friend Mr. Stewart has moved, but at the same time I must say that agricultural operations in this country are too antiquated and are falling behind the other civilised countries of the world. My Honourable friend, Sir Mahomed Akbar Khan, pointed out that from time immemorial we have bullock ploughs and antiquated methods and we should continue them, because they are the cheapest. I have grave doubts about that. Bullock ploughs, as my Honourable friend must be knowing, only sink into the land to a depth of six or nine inches. They cannot drive their ploughs further into the soil so as to turn it well, so as to get better production of crops. Motor tractors are now employed in almost all the civilised parts of the world, which turn land in a far more efficient way—the crops produced in those lands are sometimes seven to eight times more than the crops produced here on the same acreage of land. Another thing is that the big zemindars in this country are not interested in the land themselves ; neither do they teach their sons and the other members of the family how to till the soil. They are mostly dependent on their tenants' efforts and remain as lenders of money and the poor tenants have to work on the lands. I agree with my Honourable friend, Sir Mahomed Akbar Khan, that those tenants are not sufficiently well off to buy expensive machinery like tractors and other things.

THE HONOURABLE MAJOR NAWAB SIR MAHOMED AKBAR KHAN : Will they be economical, Sir ?

THE HONOURABLE THE PRESIDENT : Order, order.

THE HONOURABLE MR. H. M. MEHTA : I am coming to the point. If these tractors are adopted by all the civilised parts of the world, there must be something in them. They did away with their animals ; they used to drive their ploughs with horses and other animals. Why did they do away with

[Mr. H. M. Mehta.]

them? Because they found that mechanised machinery was far better adapted for producing in a given area of land a greater yield and the crops would thus come cheaper. My Honourable friend, Sir Mahomed Akbar Khan, also forgets that bullocks have to be fed just like tractors have to be supplied with spirit; and the life of the bullocks is also a limited number of years; so is the life of a tractor. Civilised countries like America and Australia have gone to an extent that would be an eye-opener to some of my Honourable friends—America produces on land four times the quantity that the Indian cultivator produces on that same area.

THE HONOURABLE MR. BIJAY KUMAR BASU : Is it only due to the tractor?

THE HONOURABLE MR. H. M. MEHTA : No, it is due to all scientific methods that they employ.

THE HONOURABLE MR. BIJAY KUMAR BASU : Has it anything to do with manuring?

THE HONOURABLE MR. H. M. MEHTA : My Honourable friend will be surprised to hear that when they were using more than 50 or 60 per cent. of manure they were producing little cotton; and in the last three years, using manure next to nothing, they are getting more production of cotton. As a matter of fact, they have advanced so far that even the gathering of ears of wheat and cotton bolls is done by machinery which does away with the human hand. Machine rolls by the passages left in between and gathers all the bolls of cotton as well as ears of wheat, so much so that in their statistics, America tells us that it saves them in case of cotton \$ 8 per bale. If all these new methods are employed by other countries and if India is to lag behind on account of old prejudices, it would mean a poor time for India.

THE HONOURABLE MAJOR NAWAB SIR MAHOMED AKBAR KHAN : Poverty.

THE HONOURABLE MR. H. M. MEHTA : My Honourable friend says that it is due to poverty, which I do not believe—the time will come when all the agriculturists from year to year will have to go to Government asking for help saying, “Put such an amount of duty on this, that and other things; otherwise we cannot live”. It will be reflected again on the people, because if they cannot produce more they cannot get it cheap; if they cannot get it cheap, then even if they make a little bit more on the sales of their produce, they lose it in other ways.

With these remarks, I support the Bill.

THE HONOURABLE RAJA CHARANJIT SINGH (Punjab : Nominated Non-Official) : Sir, I am very glad the Government have brought forward this Bill. As the Honourable Sir Joseph Bhole says in the Statement of Objects and Reasons, the position of wheat has not changed since this Bill was passed last year. It is a well known fact that the position of agriculturists is very precarious at the present moment. Therefore shelter against foreign competition is most essential. I hope that Honourable Members of this House will look at this matter from an all-India point of view and pass this Bill unanimously and thus help the Indian agriculturist and Indian produce.

THE HONOURABLE SIR EDWARD BENTHALL (Bengal Chamber of Commerce): Sir, I was afraid at one time that the Honourable mover was going to get two Bills passed today without any opposition at all. I was therefore glad to see the Honourable Mr. Hossain Imam saying a few words of protest, but I am sorry that they were not as whole-hearted as his protests usually are. I am aware of course that there is no possibility in this House of arresting this Bill, but I believe we are here to represent what we believe to be the views of our constituents and I hope that the Members for Bengal will speak against this Bill, or at any rate point out in what respect Bengal does not get treatment of this nature.

The Honourable mover pointed out that prices of wheat were now somewhere about the levels of 1923—1930. All I can say to that is that I wish that the levels of the products of our part of India were at that level. I do not think that that period is quite a fair criterion and it is an undoubted fact that the price of wheat has recently risen by 100 per cent. and therefore the consumer pays 100 per cent. more than he did. At the same time, I would like to contrast it with the treatment that is given to the products of the eastern part of India, namely—rice, jute, hides and skins, which are subject to an export tax instead of being in receipt of protection of this sort.

I would like to make one other point and that is this, that this tax is primarily perhaps directed against Australian wheat. We in Bengal are very much dependent in the jute trade upon the consumption of jute goods by Australia. If Australia is forced into reducing her costs to any large extent in order to sell her goods she will be forced into bulk-handling and that will do away with the consumption of corn-sacks and I would like to inform this House that it was the unexpected demand for corn-sacks last year which saved the jute industry from a serious position indeed.

Similarly, we are asking for benefits for our tea in Australia but Australia will not be encouraged to give that help if we tax her wheat. In speaking in this way I do not mean to go against the interests of the Punjab. I am glad indeed that they are getting this assistance, but I would just contrast it with the conditions of the province which I come from.

I note in the Bill that Government have the executive power to reduce or remove this charge if the duties are proved to be excessive or unnecessary. It has passed through my mind to inquire at what stage Government are likely to consider these duties excessive or unnecessary. The Honourable Sir Akbar Khan indicated that he thought a price of Rs. 4 or Rs. 5 would be a reasonable price for wheat and I would like to put that question to Government. I am afraid that I may not get a very direct answer but at any rate I hope that the Honourable mover will be forced into making a longer speech than he did in moving his last Bill.

THE HONOURABLE MR. G. S. KHAPARDE (Berar Representative): Sir, I have got only a very few observations to make. The wooden ploughs that are used now are said to be antiquated and the machinery plough is said to be better. To that my reply is that I oppose this proposition on this ground,—not that I oppose the Resolution or the section—but in my part of the country people went in for these ploughs and these iron ploughs worked very well in the beginning but they were found to cut too deep and unfortunately they exhaust the soil. This is proved by actual experience—it is not a joke. I am a little bit of an agriculturist myself. These iron ploughs work very well, they dig the ground all right and pulverise the land,

[Mr. G. S. Khaparde.]

but in two or three years' time you find that the whole substance is gone out of the land and you cannot do without remanuring it, and that takes a great deal more than the machinery itself saves. That is the reason why machine ploughs are not popular in India. To call a thing antiquated is not the same thing as depreciating or abusing it. An antiquated thing may last a long time, perhaps for ever. Therefore that a thing is antiquated is no ground for giving it the sack.

Another argument that has been put forward here is that machinery is used all over the civilised world for as many purposes as possible. I quite agree. But in the civilised world, if you will read the latest reports, you will find that they are beginning to discover that too much efficiency is not necessarily beneficial. Machinery is so efficient and does the work so well that ultimately you find that you have lost by the change. Take a recent example. England went in for Free Trade from the days of Bright and others and she did very well so long as no other country was competing with her. But now that every country wishes to produce everything that it needs, England is beginning to suffer in her export trade. There is no agricultural produce and people are suffering now in England discovering that too much of protection is as bad as too much Free Trade. Too much of anything is bad. And therefore this craze for machinery, I say, will ultimately lead you to come back to the old wooden ploughs as we make them. They preserve the land. These are the two observations I wish to make in order to avoid too much machinery and I will not advise my tenants anyhow to bring in these iron or steel ploughs.

THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE (East Bengal : Non-Muhammadan) : Sir, I have much pleasure in supporting the Bill to extend the operation of the Wheat Import Duty Act, 1931, in the manner and shape in which it has come to us from the Assembly. Any action or measure on the part of Government that will do good to my country economically, will have my earnest and ardent support. When I find that this Wheat Import Duty Bill will when passed into an Act be helpful to the wheat-growers of my country as well as the consumers too, I have no hesitation in supporting the passage of the Bill. Sir, it should be borne in mind that in India the consumer is also the producer whose interest lies in a good level of prices. The Honourable the mover of this Bill has given an account of the wheat position in India and also told the House the measures Government have already taken and are going to take. It is indeed a wonder that in spite of the Wheat Import Duty Act, 1931, foreign wheat has found such a big market in India. It is natural that we should like to be enlightened on the fact if Russian or Australian wheat and wheat flour are imported to India. However, I support the measure as it will be to the economic interest of my country and hope the House will pass the Bill without any objection.

THE HONOURABLE MR. SATYENDRA CHANDRA GHOSH MAULIK (West Bengal : Non-Muhammadan) : Mr. President, Sir, in the interests of the Bengal consumers it is my duty to oppose the Bill under discussion. The points of view of the Bengal consumers have been ably canvassed on the floor of the Assembly so much so that the Honourable the Commerce Member had to admit that the burden of the consumers was increased. But he did not consider the burden unreasonable. What is unreasonable from the Government point of view is quite a different thing from the consumers' point of view. The agriculturists of Bengal have suffered and are suffering because nothing has been done, no little finger has been raised to bring in relief to the jute

grower or the paddy grower and the reason is not far to seek. As was expressed by one of my friends very curtly and very truthfully, it is because there is no godfather of the Bengal agriculturist in the Central Government. The opposition failed in the Assembly not because their case was bad but because the vested interests of provinces other than Bengal was too much for the opposition. I do not expect a better fate in this House when I find two representatives of Bengal—I see that one is absent at present—under the protecting wings of a leader from the Punjab who would, I am sure, at the behest of their Punjabi Leader.—

THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :
Certainly not.

THE HONOURABLE MR. SATYENDRA CHANDRA GHOSH MAULIK—
who, by the way, is much more interested in the wheat grower of the Punjab than the poor wheat consumers of the lower provinces of Bengal would not think twice of jettisoning their constituencies, go against their own interest and sell their birthright for a mess of pottage. I am very glad that I have got support from one of my friends from Bengal, but I sadly deplore the attitude of some of the representatives of Bengal, and I deplore more the fate that would ensue as a result of the passing of this Bill to the electors whom they represent. I know, Sir, this is a losing battle, but I assure you that there are some defeats which are more glorious than victories, and among which number I shall count this as one.

THE HONOURABLE MR. T. A. STEWART : Sir, it is somewhat of a disappointment to me to find that the Honourable Sir Edward Benthall and the Honourable Mr. Satyendra Chandra Ghosh Maulik have disturbed the almost universal unanimity of opinion that had been expressed previously in the course of this debate. I do not wish to rush recklessly into the lists where Bengal and the Punjab are contesting. I will content myself with answering what I consider were pertinent queries that have been raised by the last two speakers. I am afraid that the Honourable Sir Edward Benthall misunderstood my remark regarding the level of prices in Calcutta. I intended to give this Honourable House to understand that the present level of prices compared not unfavourably, from the consumer's point of view, with those that ranged in the period from 1923 to 1930. If I may read them out, these are the figures at the end of December for the years in question :

								Rs.	A.	P.	
1923	.	.	.	.	.	.	.	5	2	0	
1924	.	.	.	.	.	.	.	6	0	0	
1925	.	.	.	.	.	.	.	6	14	0	
1926	.	.	.	.	.	.	.	5	10	0	
1927	.	.	.	.	.	.	.	5	7	6	
1928	.	.	.	.	.	.	.	6	4	0	(that is the figure for September).
1929	.	.	.	.	.	.	.	5	12	0	
1930	.	.	.	.	.	.	.	3	14	6	

I again repeat that prices, so far as the consumer is concerned, compare favourably with those in previous years.

Another point that was raised was in connection with section 5 of the Act. The conundrum has been put to me, "When will you say that the protection

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granted has become excessive or unnecessary?" In answer to that I can only refer the Honourable Member to the terms of the Act itself which are to the effect that when the Governor General in Council is satisfied, after such enquiry as he may think fit, he may reduce or remove the duty. In these circumstances, I think it is hardly fair to ask me, at this moment, to give a categorical reply.

The Honourable Mr. Ghosh Maulik has mentioned the admission of the Honourable the Commerce Member in another place that the burden on the consumer in Bengal was more at present than it had been in the past. I think that none of us would have any hesitation in making that admission not only for the consumer in Bengal, but the consumer anywhere in the world. At the present time of depression all over the world, whether we are cultivators, whether we are traders or whether we are in the despised *naukri*, we are all carrying an extra burden.

In the course of the debate reference was made to the manipulation of railway freights in the interests both of the producer and of the consumer. This is a subject on which I am much less qualified to speak than my Honourable friend beside me, but I would draw the attention of Honourable Members to the fact that last year an experiment was made with the object of helping both the producer and the consumer. The net result was, I think, a loss of Rs. 16 lakhs. I do not think there are any other points that call for remarks.

THE HONOURABLE THE PRESIDENT : The question is :

"That the Bill to extend the operation of the Wheat (Import Duty) Act, 1931, as passed by the Legislative Assembly, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. T. A. STEWART : Sir, I move :

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

The motion was adopted.

ELECTIONS TO THE STANDING COMMITTEE FOR ROADS AND THE CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

THE HONOURABLE THE PRESIDENT : I have to inform the Council that the result of the two elections held on the 22nd March is as follows :

(1) The following Members have been elected to the Standing Committee for Roads :

The Honourable Mr. E. Miller.

The Honourable Mr. V. V. Kalikar.

The Honourable Mr. H. M. Mehta.

and

(2) The following Members have been elected to the Central Advisory Council for Railways :

The Honourable Mr. H. M. Mehta.

The Honourable Mr. Hossain Imam.

The Honourable Mr. Satyendra Chandra Ghosh Maulik.

The Honourable Diwan Bahadur G. Narayanaswami Chetti.

The Honourable Raja Charanjit Singh.

The Honourable Rai Bahadur Lala Jagdish Prasad.

STATEMENT OF BUSINESS.

THE HONOURABLE THE PRESIDENT : Has the Honourable the Leader of the House any statement to make ?

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN (Leader of the House) : I regret, Sir, that we have been disappointed in our expectation that further Bills would reach us from the Legislative Assembly today. It is probable that one Bill will be passed tomorrow and it is hoped that the Finance Bill will be passed in the Assembly on Monday next. It is important that the Finance Bill should become law as soon as possible and it is therefore desirable that the Council should meet on Tuesday with a view to the Bill being laid on the table. There being no other business for Tuesday, I venture to suggest that it would probably be convenient to all parts of the House if the discussion on the White Paper on Monday terminated at the luncheon interval and was resumed again on Tuesday.

THE HONOURABLE THE PRESIDENT : I think the suggestion of the Honourable the Leader of the House is an excellent one, and in view of the fact that there will be a big debate on the White Paper, that many Honourable Members will take part in it and that they will perhaps get tired, it would be advisable to adjourn the House at lunch time on Monday. I would, however, take the sense of the Council.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : We agree to this course, Sir.

THE HONOURABLE SAIYED MOHAMED PADSHAH SAHIB BAHADUR (Madras : Muhammadan) : I agree also on behalf of my Party.

THE HONOURABLE THE PRESIDENT : As the Council agrees, that course will be adopted.

The Council then adjourned till Eleven of the Clock on Monday, the 27th March, 1933.