

Monday, 4th September, 1933

THE
COUNCIL OF STATE DEBATES

VOLUME II, 1933

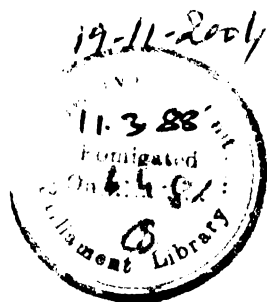
(29th August to 16th December, 1933)

SIXTH SESSION

OF THE

THIRD COUNCIL OF STATE

1933



PUBLISHED BY MANAGER OF PUBLICATIONS, DELHI.

PRINTED BY MANAGER, GOVERNMENT OF INDIA PRESS, SIMLA

1934

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COUNCIL OF STATE.

Monday, 4th September, 1933.

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

MEMBERS SWORN :

The Honourable Maharaja Jagadish Nath Roy of Dinajpur (Bengal : Nominated Non-Official).

The Honourable Major William Kerr Fraser-Tytler, C.M.G., M.C. (Foreign Secretary).

QUESTIONS AND ANSWERS.

SUPERSESSION OF INDIAN OFFICIALS BY EUROPEANS IN THE CENTRAL PROVINCES.

129. THE HONOURABLE MR. VINAYAK VITHAL KALIKAR :

(a) Has the attention of Government been drawn to a Resolution moved by Mr. C. B. Parakh, M.L.C., on the 25th July, 1933, in the Central Provinces Legislative Council regarding the supersession of competent senior Indian officials of the Civil Service by Europeans ?

(b) Were the Government of India consulted by the Central Provinces Government when the latter promoted some junior European officers to higher posts superseding the claims of competent senior Indian officials ?

(c) If the answer to part (b) is in the negative, do Government propose to issue instructions to the Central Provinces Government to consider the claims of competent senior Indian officials of the Civil Service in making promotions to the higher posts in the Central Provinces in future ?

THE HONOURABLE MR. M. G. HALLETT : (a) I have read the debate on the Resolution, which I observe was rejected by a considerable majority.

(b) No.

(c) There are standing orders prescribing the principles to be observed in making promotions to selection appointments. These provide that merit should be the main criterion, seniority only being regarded when other qualifications are practically equal. The Government of India do not, therefore, consider it necessary to issue further instructions to the Government of the Central Provinces.

PRESENT PRICE OF RUPEE AND SOVEREIGN.

130. THE HONOURABLE SARDAR BUTA SINGH : (a) What is the present price of the rupee as represented by its silver contents in relation to gold ?

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(b) What is the price of a gold sovereign as represented by the price of silver contents of the rupee?

THE HONOURABLE MR. J. B. TAYLOR: The silver contents of a rupee were worth .018 of a sovereign at the rate prevailing on the 29th August.

CONVERSION OF PROVINCIAL LOAN ADVANCED FROM THE PROVINCIAL LOAN FUND TO PROVINCIAL GOVERNMENTS.

131. THE HONOURABLE SARDAR BUTA SINGH: What steps do Government propose to take to convert the Provincial Loan advanced from the Provincial Loan Fund to Provincial Governments with the object of reducing interest charges?

THE HONOURABLE MR. J. B. TAYLOR: The Honourable Member will see from the answer given by me to question No. 5 by the Honourable Rai Bahadur Lala Mathura Prasad Mehrotra on the 29th August last that the Government of India have already reduced the rates of interest charged to the provinces on loans taken by them in the years 1921-22 and 1922-23. As the Government of India are able to secure more favourable rates on conversion they will pass on to provinces whatever advantage they can without penalising themselves.

PROTECTION TO THE HOSIERY INDUSTRY AGAINST JAPAN.

132. THE HONOURABLE MR. HOSSAIN IMAM (on behalf of the Honourable Rai Bahadur Lala Jagdish Prasad): (a) Have Government received any representation from millowners or chambers of commerce urging protection for the hosiery industry of India against dumping by Japan?

(b) If so, what action, if any, have Government taken in the matter?

THE HONOURABLE MR. T. A. STEWART: (a) Yes.

(b) The matter is receiving consideration.

CUT CURRENCY NOTES.

133. THE HONOURABLE MR. HOSSAIN IMAM (on behalf of the Honourable Rai Bahadur Lala Jagdish Prasad): (a) Have Government received any communication from the Simla Traders' Association protesting against the new rules relating to cut currency notes and urging the re-enactment of the old rules on the alleged ground that the new rules involve the loss of crores of rupees to traders possessing cut currency notes?

(b) If so, what action, if any, have Government taken in the matter?

THE HONOURABLE MR. J. B. TAYLOR: (a) Yes.

(b) Government do not propose to re-enact the old rules.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA: What time has been given to the public to return these cut currency notes?

THE HONOURABLE MR. J. B. TAYLOR: I am afraid I cannot understand exactly the question. The rules have been in force since 1927.

EXPORT DUTY ON RAW SKINS AND HIDES AND RELIEF TO INDIAN CAST IRON PIPE INDUSTRY.

134. THE HONOURABLE MR. HOSSAIN IMAM (on behalf of the Honourable Rai Bahadur Lala Jagdish Prasad) : (a) Has the attention of Government been drawn to the following resolution, among others, reported to have been passed by the Federation of Indian Chambers of Commerce and Industry at its sittings held at New Delhi in April last :

“ That the export duty on raw skins and hides be raised to 25 per cent. and 20 per cent., respectively ; that a duty of Rs. 50 per ton or 50 per cent. *ad valorem* whichever is higher should be levied on imports of cast iron pipes and further that the tariff value of Rs. 140 a ton may at least be substituted for *ad valorem* valuation now being adopted in Indian customs tariffs so as to secure immediate relief to Indian cast iron pipe industry.”

(b) Has the attention of Government also been drawn to the suggestion reported to have been made in the speech of one of the members of the Federation at the above meeting that the present railway rates being very high should be reduced in order to give relief to Indian agriculture, industry and commerce in view of the high fall in prices ?

(c) Have Government given their consideration to the above suggestions and, if so, with what result ?

THE HONOURABLE MR. T. A. STEWART : (a) Yes.

(b) Yes.

(c) The possibility of raising the export duty on raw skins and hides was carefully considered by the Government of India in connection with the recommendations of the Hides Cess Enquiry Committee and they came to the conclusion, which had the support of the majority of Local Governments and of the Committee, that any addition to the burden on the raw skins and hides industry would be open to serious objection. They still adhere to this view.

The case of the Indian cast iron pipe industry is receiving the consideration of the Government of India along with other representations asking for protection under the Safeguarding of Industries Act, 1933.

The question of freight rates to be charged on goods traffic has also been engaging the attention of Government and of Railway Administrations who are alive to the necessity of helping indigenous industries and stimulating movements of traffic and for this purpose have quoted and will continue to quote reduced rates where this is considered to be desirable. The Government of India are, however, unable to contemplate a general reduction in rates as there is no evidence that traffic would be stimulated thereby to an extent sufficient to prevent a serious loss of railway revenue.

OVER-GENEROUS TERMS ACCORDED TO BRITISH INVESTORS IN GOVERNMENT OF INDIA STERLING LOANS.

135. THE HONOURABLE MR. HOSSAIN IMAM (on behalf of the Honourable Rai Bahadur Lala Jagdish Prasad) : (a) Has the attention of Government been drawn to the criticism by Professor D. L. Dubey, economist, published in the *Leader* newspaper, dated the 26th May, 1933, of the policy of the Government of India in offering “ over-generous terms ” to

the London investor by the flotation of the £12 million 4 per cent. sterling loan at the issue price of 97½, repayable in 1948—53 ?

(b) Is it a fact that the following news was cabled out to India from London by Reuter under date 11th May : “ Applications for the Indian loan were only allotted at 25 per cent. Dealings started on the Stock Exchange round about par, but later five-eighths premium was quoted ”?

(c) Why do Government give 4 per cent. to the British investor who pays no income-tax to the Indian exchequer, and why do they offer only 3½ per cent. to the Indian investor who is subject to Indian income-tax ?

THE HONOURABLE MR. J. B. TAYLOR : (a) and (b). Yes.

(c) As I have explained on previous occasions, we recognise the advantage of borrowing in India as compared with London and endeavour to restrict our borrowings abroad as far as possible. When we have to borrow, however, we must pay the rates at which the London market is prepared to lend. The particular motive for the loan in question was to strengthen the sterling position of Government with a view to accumulating adequate external reserves for the establishment of a Reserve Bank.

INCOME-TAX OFFICERS IN BENGAL.

136. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE : Will Government be pleased to state :

(a) Whether it is a fact that as many as seven Income-tax Officers in Bengal have been removed from service ? If so, why ?

(b) Will Government be pleased to state their names and the years of service they put in ?

(c) Has any one of them been discharged from service owing to inefficiency ? If so, when was the inefficiency of this discharged officer found out and by whom ?

(d) Was any warning given to these officers before discharging them ?

(e) Is it a fact that there is among these discharged officers one who topped the list of successful Bengal Civil Service candidates of his year ? If so, what is his name ?

(f) Will Government be pleased to state how many of the discharged officers are Hindus, Muslims, Christians and Anglo-Indians ?

(g) Was any departmental enquiry regarding allegations of corruption against any one, or all of them, ever made by Government. If so, when and what was the result ?

THE HONOURABLE MR. J. B. TAYLOR : (a) Yes. Seven Income-tax Officers in Bengal have been removed from service on account of retrenchment.

	Years of service.			
(b) (1) R. Ghatak	23 years.
(2) F. C. Chopra	13 years.
(3) P. L. Bhattacharjee	13 years.

	Years of service.
(4) S. K. Datta	13 years.
(5) Nefazuddin Khan	9 years.
(6) Abdul Majid	8 years.
(7) B. B. Basu	7 years.

(c) All these officers were discharged as their work was considered to be so consistently unsatisfactory that to retain them in the cadre while others were discharged from it, would have been unjustifiable.

(d) No.

(e) No.

(f) Hindus—5.

Muhammadans—2.

(g) Departmental proceedings were started or contemplated against three officers but were dropped in view of their retrenchment.

SEARCH MADE BY THE POLICE OF BELONGINGS OF THE BENGAL STATE PRISONERS CONFINED IN DAMOH JAIL.

137. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :

(a) Is it a fact that Professor Jyotish C. Ghose, M.A., Mr. Bhupati Mazumdar and Mr. Purna Ch. Das, detenus in the Damoh Central Jail in the Central Provinces were recently subjected to a search of their persons and belongings by the Central Provinces Police? If so, why?

(b) Had the police any search warrant with them for the purpose? If not, why were they allowed by the jail authorities to search the bodies and belongings of those three gentlemen now detained as State prisoners?

(c) Was any objectionable matter found with them in the course of the search?

(d) Was the search carried out under instructions of the Government of India?

(e) If so, under what section of the Criminal Law?

THE HONOURABLE MR. M. G. HALLETT : (a) to (e). The search in question was conducted under the orders of the Sub-Divisional Magistrate of Damoh, as information was received that one of the State prisoners had prepared a scheme of communistic activities. During the course of the search a notebook was seized which contained a scheme for the organisation of communist societies. A search warrant under Chapter VII of the Criminal Procedure Code is not necessary for the search of a prisoner or of his cell in jail, which is permissible under the Jail Rules.

SHORT NOTICE QUESTIONS AND ANSWERS.

SILVER AGREEMENT AT THE WORLD ECONOMIC CONFERENCE.

138. THE HONOURABLE MR. HOSSAIN IMAM : Will Government kindly give the following information about the silver agreement at the World Economic Conference :

(a) Is the quota fixed for the sale inclusive of internal sales or exclusive of it?

(b) Does the quota include the sales of silver on private accounts too ?

(c) Can the Government of India sell silver inside the country in excess of the quota.

THE HONOURABLE MR. J. B. TAYLOR : (a) Inclusive.

(b) No.

(c) No.

THE HONOURABLE THE PRESIDENT : I have received two short notice questions both in regard to the same subject-matter—one from the Honourable Mr. Satyendra Chandra Ghosh Maulik and the other from the Honourable Rai Bahadur Lala Mathura Prasad Mehrotra. I have already given leave yesterday to Mr. Satyendra Chandra Ghosh Maulik to put his short notice question and as the Honourable Members are not aware of the contents of this notice I will ask the Honourable Member to read it.

ASSASSINATION OF MR. BURGE, DISTRICT MAGISTRATE, MIDNAPUR.

139. THE HONOURABLE MR. SATYENDRA CHANDRA GHOSE MAULIK : Will the Government be pleased to state if it is a fact that Mr. Burge, District Magistrate, Midnapore, was shot dead on Saturday last ?

Will the Government please make a statement giving the House the full details of the circumstances relating to this dastardly crime ?

THE HONOURABLE MR. M. G. HALLETT : Sir, I regret it is a fact that Mr. Burge, District Magistrate, Midnapore, was shot dead on Saturday last. The circumstances of this dastardly outrage, so far as they have been ascertained at present, are as follows. Mr. Burge was assassinated about 5-15 P. M. on Saturday on the police football ground. He was about to play football for the Town Club. Both assassins were on the field with players of the opposing side, the Muhammadan Sporting, who were practising before the match. As several of the players of the Muhammadan Sporting side wore dhoties the assassins were unnoticed. Mr. Burge walked on to the field leaving his personal guards on the touch-line. As Mr. Burge approached the goal, the assassins separated from the players and attacked him. One fired five shots with an automatic pistol into Mr. Burge's back from two or three yards' range, the other fired three shots from the front at about the same range. Mr. Burge fell and expired within one minute. Mr. Norton Jones, Additional Superintendent of Police, who was also about to play and was a short distance away, immediately tackled the second assassin and was fired on. He struggled with the man who was shot by Mr. Burge's personal guard and secured. The name of this man was Mrigendra Datta, and he died at 8-30 on Sunday morning. The other assassin was named Anath Panja. He was tackled by Reserve Inspector Smith and was shot dead on the spot by the personal guards. Both assassins belong to Midnapore, and were political suspects. A cordon was formed round the ground within a few minutes by the police and troops, and four men were apprehended. Mrs. Burge was not present when the assassination took place.

I should like to take this opportunity of expressing on behalf of the Government of India their profound regret at the loss of this fine officer at the hands of assassins and their very deep sympathy with Mrs. Burge.

CONDEMNATORY SPEECHES IN CONNECTION WITH THE ASSASSINATION OF MR. BURGE, DISTRICT MAGISTRATE, MIDNAPORE.

THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE (East Bengal : Non-Muhammadan) : Sir, the news of the dastardly attack on Mr. Burge, District Magistrate of Midnapore, has come to us as a great shock. The cult of terrorism is indefensible from the moral as well as from the religious point of view. No religion sanctions wanton destruction of human lives and the so-called patriotism of these terrorists and these misguided men are condemnable from every point of view. I, on behalf of my party, and coming as I do from Bengal, express my deep sense of horror at this cowardly affair and convey our sincere condolences to the bereaved family.

THE HONOURABLE MR. MAHMOOD SUHRAWARDY (West Bengal : Muhammadan) : Sir, coming as I do from Bengal, especially Midnapore, I strongly condemn this dastardly outrage and express our indignation at this cowardly attack on Mr. Burge whom I knew very intimately. He was one of the most competent and dutiful officers and a very kind-hearted man. I strongly condemn this outrage as no law of the land would allow such outrages to be perpetrated in season and out of season, which have tarnished the fair name of Midnapore and Bengal. It is against society and progress, and also no religion can tolerate such outrages. With deep sorrow we mourn his loss in the House and express our deep and sincere sympathy with Mrs. Burge. Sir, we wish on behalf of our party to convey the feelings of the House to Mrs. Burge.

THE HONOURABLE MR. BIJAY KUMAR BASU (Bengal : Nominated Non-Official) : Sir, I beg to associate myself with the previous speakers on this mournful occasion. I feel, Sir, that the feelings of condemnation and abhorrence against these dastardly crimes surge in the breast of every Member of this House as well as members of the public outside. We know that no canons of morality or religion would approve of a thing of this nature and more so when a man is assassinated when he is doing his duty. I hope, Sir, that the feelings of this House may be conveyed to Mrs. Burge and our sympathies with her in her irreparable loss, and that Government should give such financial assistance to her and her family as may be necessary.

THE HONOURABLE RAI BAHADUR PROMODE CHANDRA DUTT (Assam : Non-Muhammadan) : Sir, I join heartily with the previous speakers in condemning this dastardly outrage. In this place, and outside it, it has been said times without number that this method will not do. What they mean by persisting in this, they alone understand. Happily, my province of Assam is free from this sort of crime. We have no words sufficient to condemn the outrage that has been committed on an innocent officer carrying on his duties honestly. My sympathies—and I know the sympathies of everybody in this House—are with Mrs. Burge in her terrible calamity, and I beg, Sir, that you will convey the condolences of this House to Mrs. Burge.

THE HONOURABLE MR. J. S. HENDERSON (Bengal Chamber of Commerce) : Sir, as the representative of European commercial interests in this House I desire most warmly to associate myself with the remarks which have just been made by Honourable Members in expressing something of the abhorrence and indignation which has been aroused in us all by the cowardly and

[Mr. J. S. Henderson.]

insensate outrage which has been perpetrated at Midnapore, and of the deep sympathy we feel for the bereaved widow and family. Sir, with this latest significant and tragic reminder before us is it any wonder that we,—and especially those of us from Bengal,—should be inclined to view the future with some apprehension?

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN (Leader of the House): Sir, I have no doubt it is the wish of this House that you be pleased to convey to the widow of the deceased the sympathies and message of condolence of this House in her sad bereavement.

THE HONOURABLE THE PRESIDENT: The Chair would like to associate itself with all that has fallen from several Honourable Members and the Leader of the House. It has been a most tragic event. It was a very dastardly crime and yet a most daring act in the annals of the history of crime in this country. I have not the slightest doubt that public opinion in this country will strongly condemn it, as the Honourable Members have said. This tragic event following close upon two similar sad events in the death of two valuable officers of Government, Mr. Douglas and Mr. Peddie two years ago is a great stain, in my opinion, on the prosperous city of Midnapore. I have no doubt the citizens of Midnapore will express their strong condemnation and abhorrence of this act. As desired by you, Honourable Members, I will communicate today by telegram the deep sympathy and condolences of this Council to Mrs. Burge in her great bereavement.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL: Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the following Bills which were passed by the Legislative Assembly at its meeting held on the 1st September, 1933, namely:

A Bill further to amend the Indian Railways Act, 1890, for a certain purpose.

A Bill further to amend the Indian Income-tax Act, 1922, for certain purposes.

A Bill to regulate the possession of wireless telegraphy apparatus.

A Bill further to amend the Land Acquisition Act, 1894, for certain purposes.

RESOLUTION *RE* PROVISION OF PRIVILEGES, POWERS AND IMMUNITIES TO LEGISLATURES IN THE NEW CONSTITUTION.

THE HONOURABLE THE PRESIDENT: The first Resolution on the agenda is by the Honourable Mr. Suhrawardy. Before the Honourable Member proceeds with his Resolution I would like to inform him that though I have admitted the Resolution I am unable to allow him to move the second part of the Resolution as it is contrary to Standing Order 58A. The two matters

THE NEW CONSTITUTION.

embodied in this Resolution are of distinctly divergent character and cannot be combined. Under Standing Order 58A no Resolution shall be admissible which does not comply with the following conditions, that is, that it shall be clearly and precisely expressed and shall raise substantially one definite issue. The second part of the Resolution raises an issue distinct from the first. Further I would like to point out to Honourable Members that the grant of gold passes to Members and their families is not part of the powers or immunities as regarded in the House of Commons. As regards the first part of the Resolution I presume the Honourable Member seeks to obtain for the Council of State the same powers, privileges and immunities which are enjoyed by the House of Commons both under statute and custom and convention. If that be the object of the Honourable Member, I am afraid the manner in which his Resolution has been worded his purpose will not be served. I understand that is your object ?

THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Yes.

THE HONOURABLE THE PRESIDENT : In that case I have reframed the Resolution and I have given a copy to the Honourable Member. Will the Honourable Member now move the modified Resolution ?

THE HONOURABLE MR. MAHMOOD SUHRAWARDY (West Bengal: Muhanmadan) : I beg to move the Resolution which stands in my name and which runs thus :

" This Council recommends to the Governor General in Council to take early steps to move His Majesty's Government to provide the Indian and Provincial Legislatures in the new Constitution with powers to adopt as their own the privileges, powers and immunities of the House of Commons of the United Kingdom, as in the case of the Dominions, Colonies and Legislatures in other parts of the British Empire."

Sir, before I proceed with my Resolution you will permit me to make a brief reference to the position of this House and the privileges of its Members. Sir, the bi-cameral system of the Central Legislature was brought into existence by the Montagu-Chelmsford Reforms. Before that, as you are aware, we had the Imperial Legislative Council and we were brought up consequently on the tradition of a single Chamber Legislature. But, Sir, there have been many attacks upon the privileges of this House and upon the privileges of its Members. When the constitution of the Government of India was revised by the Government of India Act of 1919 the privileges of the Legislature as a whole were not dealt with by the Act except in one particular section, 67 (7) of the Government of India Act, 1919, which secures freedom of speech to Members of the Legislature. Beyond that the matter was not dealt with by the Government of India Act in any way. The question of privileges and immunities of Members of the Legislature was brought before the Reforms Committee known as the Muddiman Committee, with which your distinguished predecessors were connected, and it went into the matter in some detail. I find that that Committee failed to deal with the question of privileges and immunities in a satisfactory manner. On page 75 of the report it was stated :

" It has not been suggested to us from any source that the Legislature in India should be provided with a complete code of powers, privileges and immunities as in the case of most of the Legislatures in other parts of the Empire. The matter has been generally dealt with by enactment of a provision in the Acts of Constitution enabling the Legislature

[Mr. Mahmood Suhrawardy.]

to define their own powers, privileges and immunities, with the restriction that they should not exceed those for the time being enjoyed by the British House of Commons. Eventually no doubt similar provision will be made in the constitution of British India. At the same time we feel that the Legislature and the Members thereof have not been given by the Government of India Act all the protection that they need. Under the Statute there is freedom of speech in all the Legislatures and immunity from the jurisdiction of the courts in respect of his speeches or votes, and with this view the Presidents have been given considerable powers for the maintenance of order, but there the matter ends."

Now, Sir, Honourable Members are familiar with eminent authorities as Sir Erskine May and Sir William Anson on Parliamentary Practice and Procedure. The privileges enjoyed by the House of Commons may be divided into two classes. Those which are claimed by the Speaker and conceded by the Lord Chancellor on behalf of the Crown and those not claimed but enjoyed as of right. At the commencement of every Parliamentary session the practice is for the Speaker to claim some privileges—I suppose the words are: "the ancient and undoubted rights" of the Members of the Legislature and the Lord Chancellor very readily concedes them as being granted by the Crown. Among these privileges which are so asked are first of all privileges classed as formal privileges which deal with the manner and the matter of the debates in Parliament, access to the Sovereign and so forth. They are mere matters of formality. Then there is the privilege which is asked for and which is of very great importance, namely, freedom from arrest, detention or molestation. That is how it is described in the constitutional book. This is asked for by the Speaker and it is granted by the Lord Chancellor.

Sir, it is not necessary for me to trace the history of these privileges because they are contained in so well known a document which is before the public and I daresay before the Government of India. I would only cite a famous passage from the speech of King Henry VIII which is reproduced in almost all constitutional treatises to show how greatly the privilege is valued in England.

"We at no time stand so highly in our Estate Royal as in the time of Parliament, where we as head and you as members are conjoined and knit together into the body politic. So as whatsoever offence or injury is offered to the meanest member of this House is to be judged as done against our person and the whole Court of Parliament: which prerogative of the Court is so great as all acts and processes coming out of any other inferior Court must for the time cease and give place to the highest".

This is how King Henry VIII described it and although there were later attempts to infringe this valuable right, matters have been set right and I think now Members of the British Parliament enjoy immunity from arrest, detention or molestation by executive action. This is not merely a sentimental right. This is a right which is based upon the fundamental principle that the three branches of Government, the executive, judiciary and the legislature, ought to have powers of independence and one branch ought not to be allowed to trample under foot the privileges of another branch. This is the principle upon which the privilege is based.

Now, Sir, the reforms inaugurated by the late Mr. Montagu which began with the Government of India Act, 1919, have been in operation for 14 years and they are about to be replaced by a new Constitution. In fact the

Muddiman Committee made a valuable recommendation affecting the privileges which it thought the Indian Legislature should possess. These privileges were based upon those cherished by the Members of the British Parliament of the House of Commons of the United Kingdom.

Sir, I refer with authority to the facilities or privileges granted to M. Ps. in the British Parliament and Overseas, Canada, Australia, South Africa and New Zealand. With your permission, Sir, I shall begin with Westminster.

"It is only in recent years that the British House of Commons has returned to the practice of the payment of Members. The present salary of £400 a year was authorized in 1911, which now includes £100 allowance for expenses, such £100 not being liable to income-tax. There is, however, at present an economy cut of 10 per cent. on such £400. The salary of a Member becomes payable when he takes the Oath or makes the Affirmation required by law, and begins from the day on which the Clerk of the Crown intimates that all the returns have been received by him, or, when Parliament assembles on an earlier date, from such date, in respect of Members then returned, and in respect of other Members, from the day on which their return reaches the Clerk of the Crown. Members are also entitled to first class railway or steamer tickets between London and their constituencies, free stationery in the House, and receipt of the usual Parliamentary papers."

That is about Westminster. Now about Overseas.

"In the Overseas Parliaments, M. Ps. have received Parliamentary allowances or remuneration, in many cases, ever since the inception of their Parliamentary institutions. In fact owing no doubt to the absence of leisured classes in the Dominions free facilities granted to M. Ps. have tended in recent years to increase rather than diminish, and, especially in those Dominions having State-owned railway systems, do these facilities include free passes over their lines."

Now, I come to Canada. Members of both the Senate and the House of Commons receive an allowance \$4,000 per session.

THE HONOURABLE THE PRESIDENT : The Honourable Member is now going into the second part of the Resolution which I have disallowed for the present. There will be an opportunity for the Honourable Member later on to go into that question. I would request him now to confine himself strictly to the privileges, powers and immunities which he requires for the Indian and Provincial Legislatures.

THE HONOURABLE MR. MAHMOOD SUHRAWARDY : I am going to give, Sir, the details for the Dominions and the Colonies, and that does not cover my second part, viz., gold passes. I am referring to the facilities granted to the Members of other Dominions which you have allowed me to move. It therefore covers the United Kingdom, Canada, Australia, South Africa and New Zealand.

THE HONOURABLE THE PRESIDENT : So far as powers, privileges and immunities are concerned.

THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Sir, the new reforms are to be inaugurated shortly and a new Railway Board and a new Reserve Bank are to come in advance. It behoves us as practical men to place the substance of this Resolution before the British Parliament of His Majesty's Government. I find that distinguished leaders like Mr. Jinnah and Sir Tej Bahadur Sapru who were connected with the Muddiman Committee of 1924, and who participated in the Round Table Conference have not

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made any mention in any discussion on the White Paper to the rights and privileges of the Indian Legislature or the Members of this House. No provision has been made in the White Paper for a code of such privileges. I hope the echo of my voice in this House may reach the ears of His Excellency the Governor General and the Secretary of State. I suggest that a supplementary memorandum dealing with this subject may be submitted to the Joint Parliamentary Committee of His Majesty's Government stressing the desirability of copying the model of the Legislature in other Dominions in this respect so far as the Indian Legislature is concerned.

Sir, I move.

THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE (East Bengal : Non-Muhammadan) : Sir, I rise to support the Resolution wholeheartedly and the time chosen by my friend for raising this 'question is very opportune. The future constitution is on the anvil and in a few months time a Bill laying down the future constitution of the Government of India will be placed before the British Parliament for being enacted into law. In this connection I think we need not go further to find out the view embodied on the subject by persons who were neither irresponsible critics of Government nor congressmen but men who were some time or other at the helm of affairs of the Government of India. Sir, I mean the Committee which is better known as the Muddiman Committee of which the members were men like the late Sir Muhammad Shafi, Sir Henry Moncrieff Smith, our erstwhile President, and Sir Tej Bahadur Sapru, Mr. Jinnah and other illustrious sons of the soil.

Let me quote a few sentences which contain the views of that Committee regarding the provision of a code of powers for the Indian Legislatures. The Committee stated that the Legislatures in other parts of the British Empire has been provided with a complete code of powers, privileges and immunities by the enactment of a provision in their acts of constitution, enabling the respective Legislatures to codify their own powers, privileges and immunities with the restriction that they should not exceed those for the time being enjoyed by the British House of Commons. They further stated that in their opinion it was premature at that time but they definitely stated that similar provision would have to be made at some future date when the constitution of India will be revised.

Sir, the time which they hoped would come, has actually come now, as the constitution of India is in its making. In 1919, when the reforms came, this question was either overlooked or was not gone into properly. Probably the idea at that time was that the present Legislature were not given any status as a real parliament of the country. Now that responsible government with the cabinet system of executive is contemplated to be brought into existence, the future Legislatures of this country will have to be endowed with all the privileges and immunities as is enjoyed by all the other Legislatures of the British Empire. In the 1919 Act the only section which dealt with this aspect was sub-section (7) of section 67 of the Government of India Act ; but that only dealt with the freedom of speech. But, Sir, that is not the only privilege that is enjoyed by the other Legislatures. I am not going to

enumerate the immunities and privileges which the future Legislature should enjoy. That is a thing to be decided by the future House when re-constituted under the new Constitution ; but at the same time I think I should mention some of the main privileges enjoyed by the different Legislatures of the British Empire and abroad which to my mind should be enjoyed by Indian Legislatures. The House of Commons of the United Kingdom enjoy a fixed annual salary and over and above that the Members enjoy free travelling facilities over the United Kingdom railways. In Australia, the Members of the Parliament receive an annual salary and receive free railway passes. In France, the Members of the Legislatures receive 62,000 francs as annual salary and also travelling facilities over the railways in France. It would not be out of place to mention here that the future Legislatures of India should be given an annual salary and free railway travelling facilities.

I would refer the Members and the Government to page 61 of the report of the said Committee. In concluding my remarks I would request the Government to press the Secretary of State immediately to get a section incorporated in the Government of India Bill that may be brought before the Parliament in the near future giving powers to the future Indian Legislatures to codify the necessary powers, privileges and immunities that may be found necessary by them.

THE HONOURABLE RAJA RAGHUNANDAN PRASAD SINGH (Bihar and Orissa: Non-Muhammadan): Sir, I congratulate my friend for bringing this Resolution before the House at a time when the British Parliament is busy in preparing a constitution for India. We hear every now and then that we are just passing through a stage of Dominion Status in action. That being so, Sir, a complete code of powers should have long ago been provided for the Members of the Legislature. An Indian Parliament was drawn up under the Montagu-Chelmsford Reforms on the model of the British Parliament and the Indian constitution was provided with two Legislative Houses like the two Houses of Parliament. It is therefore essential that all Legislatures should be endowed with a full code of powers as is existent in all the other Legislatures of the British Empire. In the Muddiman Committee's Report the Members were all agreed that India must eventually be given a complete code of powers by the enactment of a provision in the Act of constitution that is in the making for India. I admit, Sir, that the Act of constitution can not specify the different kinds of powers, privileges and immunities that should be enjoyed by the Members of the future Legislatures of India. The Act of constitution like all other similar Acts should make provision by which the Legislatures in India will be given the powers of codifying all those powers. Sir, so far as I am aware the White Paper appears to be silent on this aspect of the question. In this connection I may bring to the notice of the House that a few years ago when this question was discussed in this House it was announced on behalf of Government that due consideration will be given to it in its proper time. Sir, I will not be wrong if I say that the time has come when it must be tackled or else it will be too late. I would earnestly appeal to Government to forward to the Secretary of State the whole of today's proceedings together with a strong recommendation from His Excellency's Government for providing a section in the Act of constitution that is going to be enacted by the British Government in the near future.

[Raja Raghunandan Prasad Singh.]

Sir, I do not think I need dilate on the subject any more but I must ~~make~~ it clear that in the absence of such a code of powers, privileges and ~~immunities~~ it will be impossible for the future Legislatures to function in the same effective manner as it does in all the other Dominions of the British Empire and in all the other civilised countries of the world.

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN (Leader of the House): It is a very interesting subject, Sir, that has been discussed by the Honourable Members on this Resolution. I have been listening very carefully to the speeches made dwelling on the privileges, powers and immunities. I have not heard any Member stressing the point of obligations. The privilege of the House is not the same thing as the privilege of a Member of the House. For instance, it may be a privilege of the House to decide how to deal with a delinquent Member or a Member who has proved a nuisance to the House. Would that Member like to be dealt with by the House or by the Judicial Court? That is a very interesting point and a point on which possibly opinions may differ. Similarly, about the jurisdiction over the Press. The House would like, on and off, to call the editors of the various troublesome papers before the bar of the House and deal with them. I am not quite sure whether the journalistic world would like to be dealt with at the bar of the House or at the bar of a magisterial court. There are many interesting points which emerge from the subject. I have only mentioned one or two of them.

The second observation I have to make is that as a matter of fact the House already possesses powers given to it by itself as well as by the Government of India Act. For instance, Honourable Members cannot be unaware of the 1925 Act—I think it is—known as the Legislative Members Exemption Act. Those of us who are not as lucky as others may be owing debts, and in execution of their claims some creditors may like to get us away from the deliberations of this House. The existing law enables us to defy them during the time of the session—not only that, but for even a fortnight before and a fortnight after a session. Here you are—

THE HONOURABLE MR. MAHMOOD SUHRAWARDY: That is civil court jurisdiction.

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN: There are other instances in which Honourable Members of this House are possessed of privileges.

The third observation which I wish to make is to make it clear that the word “powers” between the words “privileges” and “immunities” does not mean legislative powers, because it is obvious that the legislative powers of Provincial Legislatures and even of the Central Legislature cannot be the same as those of the House of Commons in the United Kingdom. We are inferior Legislatures for some time to come. I mention these things to assure the House that the subject is not one of which the Government is unaware. As a matter of fact, as early as 1924, the matter was taken in hand and proceeded with and certain legislation was passed. Further recommendations were made and Government prepared certain memoranda for the Simon Commission.

Then, Sir, the fourth observation which I have to make is that Honourable Members should not fail to recognise that the White Paper does make mention of the subject, though not necessarily in detail. It does make mention of this subject. It does make mention of the fact that the reported speeches of Honourable Members are immune from prosecution. That is a privilege given to the House. To what extent it is possible to include this subject in the Government of India Act is a matter which must be left to the drafting expert—whether it is a fit subject for coming into the Act itself or whether a general provision should be included enabling the Legislatures to have certain powers within which they can frame their own privileges, their own immunities, their own procedure to deal with guilty Members and so on.

I am sure, Sir, Government will be very pleased to send copies of this debate to the Secretary of State for such action as he may deem desirable to take and the Government itself will take note of the Resolution and take such action as may be called for. It is quite impossible to accept the Resolution as it stands. I would have been delighted to do so, but there are difficulties in the way. The matter will be mentioned to the Secretary of State so that it may not be over-looked. I have already stated that I shall do so. There will be no useful purpose served by proceeding further with the discussion.

With these few words, Sir, I would suggest that the best course now is not to proceed with the Resolution but to withdraw it.

THE HONOURABLE MR. MAHMOOD SUHRAWARDY : Sir, in view of the assurance given by my esteemed friend, the Leader of the House, that the debate on this Resolution will be placed before the Secretary of State for necessary action—my object of bringing this Resolution before the House has been achieved. I hope due consideration will be given to it by His Majesty's Government and the Secretary of State. On such assurance from the Honourable the Leader of the House I do not propose to press this Resolution.

The Resolution* was, by leave of the Council, withdrawn.

RESOLUTION RE CONDITION OF AGRICULTURISTS.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : Sir, I rise to move :

"That this Council recommends to the Governor General in Council to take immediate steps to better the condition of the agriculturists and to appoint a committee to find ways and means and to advise Government on this subject."

Sir, when I gave notice of this Resolution, the only idea which I had in my mind was to ask the Government to give an account of their stewardship during the last four years of depression. Since November, 1929, India with the rest of the world is faced with a great fall in prices of commodities. But owing to the fact that no country in the British Empire depends to such a large extent on agriculture as India ours has been the worst plight. The last census figures show that 76 per cent. of the population depend upon agriculture.

* Vide page 133, ante.

[Mr. Hossain Imam.]

and those who are partially dependent upon agriculture come to about two or three per cent., so that nearly 80 per cent. or four-fifths of the population of India is directly dependent on the price of agricultural produce. The second part of my Resolution is the operative part. That is one of the lines which I have suggested to Government to adopt, in order to give effect to my desire, and to increase the prices of agricultural commodities. Our difficulty is this. In any country where there is a national Government, it is the prime duty of the Government to look towards the well-being of its people. Here, Sir, the Finance Member has admitted times out of number the necessity for increasing the price of commodities. When he was at Ottawa he also urged that India's primary need was an increase in agricultural prices. I know, Sir, that there has been a fall in prices throughout the world and India by herself cannot increase prices. But there are ways and means within the orbit of the Finance Member which can do wonders. Japan faced with a situation of this nature depreciated its Yen 40 per cent. below its former valuation in respect not of gold but of sterling. We, Sir, have to face as a *fait accompli* the 1s. 6d. ratio. That factor has great effect on the price of commodities. It has given a premium of 12½ per cent. to goods imported and placed an equivalent burden on our export trade. At this moment, Sir, when the Reserve Bank is about to be inaugurated, and the fixing of the ratio is looming large in practical politics, it is essential that, in addition to other considerations, the first consideration should be the well-being of the agricultural classes. We can not prosper until we have either a depreciated currency or inflation. For more than four years we have been trying, since November, 1929, and we have neither increased our exports of agricultural produce nor has the prices gone up even to the 1930 level. It may be said that Government has attached the rupee to sterling and thereby depreciated our currency in respect of gold. But that action was not taken in the interests of the agricultural classes. I think the Government of India itself did go a step forward in this direction, but they were over-ridden by the Secretary of State. It will be fresh in the memory of the House that when on the 21st September, 1931, the news of England going off the gold standard came to us as a bombshell, an Ordinance was promulgated by the Governor General in Council, by which the rupee was detached from gold but was not attached to sterling. It would have found its own natural level and we would not have had anything to complain of. But neither we nor the Government of India was allowed to have so much latitude. Whitehall over-ruled us, and an announcement was made that the rupee would be attached to sterling. It will be fresh in the minds of the House that there was a hue and cry on the subject and the younger House rose up in arms against it. But it had no effect.

Another way, Sir, of removing our difficulties was to manipulate rates of freight, both internal railway and external steamer rates, to enable us to supply our produce to outside markets. It is unbelievable but nevertheless a fact that within the last 20 years while shipping freights on goods from England to India have gone down 12 per cent., freights from India to England have gone up 20 per cent. That also has acted as a bar to free export of inland goods. In other countries, Sir, shipping companies are subsidised in order to keep down freights. We have a railway

system which, although it is under the control of the State, is still unmindful of the convenience and the requirements of the agricultural classes. A detailed study of railway freights cannot be made in the short space of time allowed to us here, but if it is looked into it will be found that foreign manufactured goods worth in money ten times the price of our raw materials are charged the same or lower rates than agricultural produce. In reply to some questions the Leader of the House announced that in the case of wheat the freight from Lyallpur to Karachi was one rupee and some annas per maund. That is enormous amount for produce which costs something like Rs. 2-12-0 per maund. These are our grievances. When one is in difficulty one does not insist on any definite line of action. One wants to get out of it. Howsoever it may be, we on this side of the House do not insist and do not wish to bind Government to any definite line of action, but we do wish that they should be more mindful of the interests of the agriculturists and do something tangible to remove our difficulties so that India's internal and external trade may prosper.

Sir, with these words, I move the Resolution.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA (United Provinces Central: Non-Muhammadan): Sir, I beg to move :

"That before the word 'committee' the word 'representative' be inserted; and also

"That after the word 'committee' the words 'of officials and non-officials of both the Houses' be inserted."

Sir, the Resolution as amended by me will read like this :

"This Council recommends to the Governor General in Council to take immediate steps to better the condition of agriculturists and to appoint a representative committee of officials and non-officials of both the Houses to find ways and means and to advise Government of this subject."

Sir, my object in moving this amendment is to impress upon the Government that as this question is of great importance the report of the committee should not be shelved. The House will remember that the other day I put a question to the Government about the appointment of a committee to inquire into the wheat position in India. The answer to the question was that two officials were appointed, who made certain recommendations but Government had decided not to publish the report. If we leave the Resolution as it stands the Government may accept it and similarly appoint one or two officials who may submit a report from which the public may not derive any benefit and it might be even shelved again. Being afraid that this question may not be treated in the same way I have moved this little amendment.

Sir, as the mover of the Resolution has pointed out the subject, so far as India is concerned, is of the greatest importance, because more than 80 per cent. of the population of the country live on agriculture, and we who are coming from rural areas, know to what plight the present situation has reduced them. Sir, in India, whatever may be the political question, it is nothing in comparison to the agrarian problem. If agriculturists are satisfied I think much of the difficulties which the agitators have been able to make out will be solved. So, Sir, this question is of the greatest importance to this Government or whatever Government is in power. For the last five years we have had

[Rai Bahadur Lala Mathura Prasad Mehrotra.]

successive bad harvests ; or if there is any good harvest in any place, it is ruined on account of excessive or no rain. At some places we have got excessive rain and at others scanty ; the result is the same and the agriculturists have not so much as to pay their rent and revenue nothing to say of anything for their own use. They have to find out other ways and means for their livelihood. This has produced indeed a very grave and serious situation. The indebtedness of the agriculturists has enormously increased. If not cent. per cent. 95 per cent. of the agriculturists are in the hands of *baniyas* who charge an exorbitant rate of interest and once an agriculturist takes any debt from them, it is impossible for him to be extricated for his whole life. On the other hand, Sir, the rates of agricultural produce have enormously fallen. They have practically come to the level of 1901 to 1905. The produce is comparatively less and prices have fallen. These two factors have had their effect in rendering the condition of the agriculturists very precarious. We are aware, Sir, that at places they are helped by canal water ; but the water rates are so very high that the agriculturists are afraid of taking water from canals because after paying canal dues nothing is left for their own use. What is required, Sir, is the reduction of canal rates and railway freight, as my Honourable friend has pointed out. In my province the attention of the Government has been drawn by the Provincial Legislature repeatedly and they are trying to meet the situation to a certain extent. They have set up a committee for devising a formula for permanent remission of rent and revenue. The committee has not been able yet to give its report, but all our eyes are turned to it and we are waiting to see what is that formula. So, Sir, this matter being of so much importance, it requires an all-India committee to be appointed to give whatever help and guidance it can to the Provincial Governments to come to the rescue of agriculturists in their present critical condition and I hope the Government will see their way to accept the amended Resolution.

THE HONOURABLE KHAN BAHADUR CHAUDRI MUHAMMAD DIN (East Punjab : Muhammadan) : Sir, I rise to support the Resolution moved by my friend the Honourable Mr. Hossain Imam. India lives on agriculture. More than three-fourths of our countrymen depend on agriculture. The agriculturist at present is in a sad plight owing to the serious fall in price of agricultural produce. His Excellency the Governor of the Punjab in a speech in reply to an address of welcome by the Sanatan Dharam Sabha, Lahore, the other day observed as follows :

“ The urban and rural classes of the Punjab irrespective of community depend primarily on the economic condition of agriculture. Any decline in the industry at once reacts on the trade and professional classes, and any improvement in it at once benefits them. While the Government therefore should and will pay due regard to other industries, they will help all classes by any practical assistance they are able to give to the cultivator ”.

Sir, the present condition of the agriculturist in India requires serious consideration of the Government, and I hope Government will accept the suggestion to appoint a committee of representatives of both Houses to find ways and means to advise Government on the subject.

THE HONOURABLE SARDAR BUTA SINGH (Punjab : Sikh) : Sir, I must begin by congratulating the Honourable mover of this Resolution in bringing a vital problem to the notice of the House. The Government of India cannot

but be aware—indeed its own representatives have admitted both in India and in England—the fall that has taken place in the prices of agricultural produce, which in some cases ranges from 50 to 75 per cent. We in the villages find that our incomes have been reduced to almost vanishing point. It can easily be imagined that it is not possible for agricultural classes to meet money demands contracted at the time when the price level was high. My friends on the official benches can easily realise the distress by placing themselves in the place of the agriculturist and imagining the effect if their incomes were reduced in the same proportion.

Many Provincial Governments have been driven to recognise the need of affording relief to agriculturists. There are Bills before the United Provinces and Bengal Councils to relieve agricultural indebtedness : but to me it appears to be a problem of all-India importance, and if Government really wishes to do something for the agriculturists, it must undertake all-India legislation with the object of reducing the rate of interest to 5 per cent. on all loans contracted between 1917 and 1933, and empowering the Courts to fix instalments based on the present income of the debtor, staying execution of decrees and ordering payments as provided above.

The second suggestion that I should like to make is that while all countries are now seeking national self-sufficiency, our wheat and cotton can find no outside market. We must devote special attention to develop home markets and to see that raw produce is turned into manufactured articles. In this connection I should like to emphasise that in spite of world conditions India was able to maintain its own level of prices so far as wheat is concerned. So far as the Punjab is concerned our main outlet was Karachi, and Karachi will be able to meet not only its local demand, but the demands of Calcutta and Bombay from the new area coming under cultivation. We in the Punjab must find some market for our produce.

In the matter of cotton, the Japanese boycott will not altogether be an evil if Government can help the development of the weaving industry in the Punjab. We Punjabis, I think, will be prepared to use the garments which can be manufactured from cotton we produce. We have the raw material, we have plenty of labour and we have a ready market. It will be a complete confession of lack of enterprise if we seek outside markets instead of developing our home industry. There seems to be a wrong impression in the minds of some people that unless Japan buys our cotton, we shall always be the losers. But informed opinion holds that it is a wrong policy to depend on outside markets and our best course is under adequate protection to develop the weaving industry in the same way as the sugar industry has been developed. I must ask the Government to make no agreement at the expense of the home industry. On the other hand make protection effective and develop our own industry.

It is a strange phenomenon that in a backward country like India, Government is prepared to follow a policy of drift, hoping that things will right themselves. While in advanced countries like England the Minister for Agriculture has pioneered the Marketing Bill, steps have been taken to create agricultural credits and organisation of industry is proceeding apace. Here, both Central and Local Governments spend 90 per cent. of their time in the interest of law

[Sardar Buta Singh.]

and order. While as a matter of course they should be spending 90 per cent. of their time in developing the industries, thus providing employment and making people contented and happy.

I have therefore great pleasure in supporting the Resolution.

THE HONOURABLE KHAN BAHADUR SYED ABDUL HAFEEZ (East Bengal : Muhammadan) : Sir, I rise to support the Resolution of the Honourable Member in its entirety. Sir, the Indian *ryot* is moribund for the last decade. The economic blizzard and the world-wide trough of trade depression is today ravaging every nook and corner of the globe. The destructive policy of dumping by Soviet Russia, the uneconomic sterilization of gold by America and France, the Reparation problem of International debts, the unwise policy of prohibitive tariffs of the United States of America, the paradoxical and wayward drift of the world currencies, the deliberate depreciation of the Yen by Japan, have all culminated in the present abysmal fall in prices. Political motives have throughout been the determinant of the economic policies of nearly all the countries of the globe. Since India is without exception, neither isolated nor insulated, she has equally had her share of it. The Indian agriculturist is consequently sweating under the yoke of the smothering burden of economic distress. The Indian agriculturists form about 90 per cent. of the total population. How anomalous does the present political upheaval appear in view of the tragic poverty of our countryside. The inordinate growth of population during the last decade has heightened the pressure on the soil at a time when there is not the corresponding expansion in the fertility of the land, in development of resources or in the means of distributing the product amongst the masses. So that the financial condition of the agriculturist is inarticulate. It behoves us to reconnoitre the ways and means of mobilising our efforts to combat poverty and ignorance and to produce a hope of the dawn of a millennium for the teeming millions. Admitted that the new constitution is expected to bring in its wake an all-embracing regeneration of India, yet I urge, and urge in most vehement terms, that the Government of India should see its way to appointing a committee to enquire into the present position of agricultural indebtedness, the village money-lenders, the *taggavi* loans, agricultural banks, cooperative credit societies, revenue system, railway freight for agricultural produce, import duties on foreign wheat and other crops, and this committee should bring forth its recommendations in crystal clear terms. Then and then alone can we really look up to a regenerated India.

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN (Education, Health and Lands Member) : Sir, Government has the greatest possible sympathy with the object the Honourable mover of this Resolution has in view, and the Government has given expression to its views on the subject from time to time. Government has nothing but admiration for the way in which the poorest sections of the agriculturists have been bearing the troubles due to the hard times which have unfortunately lasted for so long. There are, Sir, troubles which one would like to remove at once and there are some which one cannot remove but to which one does one's best to apply as many palliatives as possible and pray that the time of trial will soon be over.

It was, Sir, in September, 1931, that a Resolution almost identical with the present Resolution was moved in the other place and a most interesting debate ensued in which I also took part. The outstanding points of the problem are that there is produce in plenty. Those Honourable Members who think that the yield of the land has become less as compared with what it was 30 years ago are, I am afraid, not well informed. Produce there is in plenty. The produce is more than is needed for consumption within India. In some cases, there is produce available for export. The trouble is that the prices the produce commands are very, very low. Therefore, all those who own land, whether large or small, suffer. Their incomes have dwindled in some cases almost to vanishing point. And almost in all cases to something varying between 25 and 50 per cent. of what they were before. These are facts there is no getting over. There is no desire to get over them. Unless we face facts fairly and squarely no effort can be made to overcome them. What can be done to get over this trouble ?

There is plenty and yet scarcity. What can be done ? The Honourable mover of the Resolution has suggested that my Honourable colleague, the Finance Member, should resort to some sort of jugglery and raise the prices. Sir, I have read in many papers, general papers, ordinary papers and also what we call expert papers, talking of things like that. You inflate the currency ; you inflate the prices, you do something or other. I am a plain man ; I am not familiar with this jugglery ; but my common sense is very suspicious of the efficacy of such remedies. I think that even if some jugglery of this sort can be performed, it cannot last very long. Moreover, India cannot claim to possess the best financial juggler in the world. The example will be followed by others. If you inflate your currency, presumably others also will play at the same game.

Then it has been said that the prices have gone down and therefore the debt has become enormous, much more than what it was. That is perfectly true. But am I right in thinking that there are many Members on this side as well as on that who would raise their voices strongly if it were seriously proposed by Government that the existing debts are to be reduced by half ? I am sure the Honourable Member from the Frontier Province, who is enjoying a well-earned rest, will be the first to protest if it is said that all debts are hereby wiped out. He will ask, "Is this law ? Is this British justice ?" I will never hear the end of it. Then it has been said that this enormous interest has become intolerable. Perfectly true, but what am I to do ? Reduce it by law to 5 per cent ? If you think of the consequences that will ensue, the credit that will suffer, you will realise that there is nothing doing in that suggestion. As plain man addressing plain men I assure you that honesty is the best policy. Do your best. If there is any mischief up, try to counteract it. Put forth your best effort physically, *i.e.*, produce more, intellectually, to see that other people do not do you out of what you have earned ; otherwise, honesty is the best policy, pursue it and wait for good times to come.

THE HONOURABLE MR. HOSSAIN IMAM : Till the millennium ?

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN : I am hearing the word " millennium " ever since I started my public life. I do not believe we are anywhere nearer to it today, but then that is the experience not

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only of my humble self but of many other people. We must really try to improve our position every day. Human society is like that. It is our duty to do our best to take the people a step further. It may not be a very big step; it may not be a step which leads at once to the fulfilment of our aspirations, but it will be our determined effort to get on. The present depression is not limited to India itself but is world wide. There is no use thinking that it is possible by any show of activity on our part to get over this quickly; it would be like the insane man who breaks his head against a stone wall. What is needed is a determined effort to get on and to improve the position. At the same time you ought not to lose your head. What has been suggested as the remedy for the troubles we are in? We are really in trouble. My Honourable friends opposite have said, "We give you a plan; you have just to adopt it." And what is the cure? Appoint an all-India committee of the two Houses. One Honourable Member has shown generosity by including official Members in that committee. We are most thankful to him. But I assure you that neither official nor non-official Members on the basis of an all-India committee can contribute to the solution of this problem. Were it possible to achieve the end in that way Government would only have been too pleased to have done it.

THE HONOURABLE MR. HOSSAIN IMAM: Have you tried it?

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN: "Have we tried it?"—that is the question. A perfectly sensible question. Was not, Sir, the small amount of Rs. 14 lakhs spent on the Royal Commission on Agriculture? Perhaps I might have forgotten, but in 1925, when the Royal Commission on Agriculture was conceived I was temporarily in office; in 1926 it came into being. Throughout the Viceroyalty of Lord Irwin that Commission travelled all over India and produced a large number of volumes of evidence, discussions and deliberations, and I believe one volume of recommendations. The Government of India has since been occupied in giving effect to such of their recommendations as the financial condition of India would permit. One of the recommendations resulted in the materialisation of an all-India organisation, the Imperial Council of Agricultural Research, of which I have the honour to be President. To meetings held under the auspices of that body Members of the Central Legislature were invited at Delhi to hear the story the Vice-Chairman of that Council had to relate and also to have the benefit of such suggestions as Honourable Members of this House and of the other House might offer. Therefore, it cannot be said that already in India an effort has not been made to grapple with this problem, because the expenditure of Rs. 14 lakhs and the existence of, I believe, 18 volumes of good size is proof positive that that has been done, and done as thoroughly as only the Government of India can be expected to do; and having spent all that money and produced that literature, we proceeded to give effect to it. Here is the Imperial Council of Agricultural Research, the governing body of which consists of a very large number of men, and I must add, Sir, although I am President of that organisation, that that organisation has done some good. And the response for research through its efforts has been really very creditable to the people. Its researches extend over a wide scope of agricultural as well as animal husbandry problems. Honourable Members are no doubt aware that

only recently the Government of India held a Sugar Conference. Why? Because with Indian wheat losing foreign markets, prices of wheat going down, cotton threatened—the Government of India felt that it was necessary to see what can be done in the matter of sugar crops. I think the tale revealed at that conference was in every way thoroughly satisfactory. It is expected that within a year or so India's output of sugar will be as much as India is consuming today. Therefore, Sir, I have I hope succeeded in stating to the House that Government is fully conscious of the trouble from which the agricultural classes are suffering and is doing its best to overcome that trouble. It is keeping in close touch with Provincial Governments whose primary concern agriculture and its kindred departments are. As a matter of fact I do not think there is anything confidential about it. Every year we issue a circular letter to Local Governments requesting them to survey the situation every half-year and keep us informed of it, and also to tell us what steps, if any, they have taken to ameliorate the conditions of poor agriculturists. Perhaps Honourable Members would like to know what is being done in different provinces. I trust every representative of his own province keeps himself informed what the Local Government of that province is doing, but perhaps it will help matters if I were to state for the benefit of the House what is being done in different provinces.

It appears that all provinces are fully alive to the situation and have endeavoured in each case to relieve agricultural distress as far as possible by remissions, by suspensions of land revenue, by distribution of loans to the poor and by opening test works where conditions are so bad as to approach famine conditions. In Madras land revenue has been suspended since February last to the extent of about Rs. 31 lakhs. In Bombay a suspension of 2 to 4 annas in the rupee was sanctioned in the rice-growing areas and remissions in some parts of Sind ranging from $12\frac{1}{2}$ to 25 per cent. were accorded, the total loss of revenue involved in the grant of remissions in Sind was as much as Rs. 9 lakhs. In the United Provinces remissions amounting to more than one-and-a-half crores were sanctioned. In this province, as I have no doubt Honourable Members are aware, several Bills designed to give relief to the agriculturist were introduced, dealing with the relief of agricultural indebtedness, the Reduction of Interest and Usurious Loans Bill. Honourable Members I am sure will feel gratified that the brain waves they have had were shared by their fellow legislators in the provinces as well. I understand these Bills have been referred to Select Committees. In the Punjab remissions of land revenue amounting to Rs. 9 lakhs were granted in five districts where the price of wheat at the end of March, 1933, was found to be below the rate assumed at the last settlement. These remissions were in addition to those made on account of ordinary crop failures. The Punjab Government have also recently appointed a committee to go into the matter of water rates, the dues which the Government realizes for canal water. Other provinces have also not been slow in adopting such measures as were considered necessary for the purpose of granting relief to the agriculturist in various ways.

Now, Sir, in reference to the last crop, the *rabi* crop, I believe I am right in saying that it was rather above than below the average, and the prospects of the next crop are reported to be satisfactory. These are the reports from the United Provinces, the Punjab, Bihar and Orissa, Assam and the North-West Frontier Province. In some parts of India, however, some damage has been

[Khan Bahadur Mian Sir Fazl-i-Hussain.]

caused by floods. Prices of agricultural produce have in many places shown a tendency to rise. Broadly speaking, therefore, there has recently been no marked deterioration in agricultural conditions in this country, though it cannot be said that improvement has been marked. The agricultural aspect is, as I have said, being very closely watched by Government. Conditions from province to province vary very widely, so widely that an all-India committee can serve no useful purpose so soon after the Royal Commission on Agriculture. Such all-India examination as may be necessary is being conducted by the Governing Body of the Agricultural Research Council, and in order to coordinate the efforts of various provinces the Government of India is in receipt of annual, and in some cases bi-annual, reports on agricultural conditions from the provinces. I am glad that the Honourable Member recognises that the Government of India has not been slow to protect agricultural produce where it was called upon to do so. I think it was in 1931 that the Wheat Import Duty Bill was passed—

THE HONOURABLE MR. HOSSAIN IMAM : For the Punjab.

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN : I should have thought that the Honourable Member leading a strong popular party would have thought of India and not of a province. The spirit in which the Wheat Import Duty Bill was passed was the Indian spirit and not the Punjab spirit, and if all provinces wish that every such measure should benefit in each case every part of India the result would be that no protective measure could ever be taken by the Government. Again the assistance given by the Tariff Board to sugar is well known. Where Government feel that an industry needs protection, Government is not slow to come to the help of that industry. So far as linseed is concerned, the tariff reduction of this commodity in the United Kingdom markets for foreign linseed has given an impetus to exports from India. Indian exports in April and June, 1933, were 49,000 tons as compared with 19,000 and 43,000 tons during the corresponding period of 1932 and 1931. The price of linseed was Rs. 6-5-0 per cwt. in 1931, Rs. 5-13-0 in 1932 and it has luckily gone up to Rs. 6-12-6 this year. Perhaps Honourable Members would like me to say something now about rice. Price of rice has gone down in the wake of world prices, over which neither Honourable Members nor the Government of India have any control. The price of rice is regulated by world conditions as India exports large quantities of rice to other countries. As regards cotton, Sir, the position is better this year than it was last year. The price in the first week of August this year was Rs. 206 per candy. This although somewhat lower than the price in June and July, 1933, is higher than the price in the first week of August, 1931 or 1933, which was Rs. 157-8-0 and Rs. 178-8-0 per candy, respectively. Exports have also increased. The export from 1st September, 1932 to 19th August, 1933 from Bombay amounted to 267,026 tons as compared with 152,492 tons during the preceding corresponding period.

A word now, Sir, about jute. There is no doubt that jute is not in the same prosperous position which it occupied a few years ago. This again is due to general trade depression. As Honourable Members are fully aware that is the commodity that is produced by Bengal and the Bengal Government appointed only a little while ago a Jute Inquiry Committee to consider the

various problems connected with the jute industry. So wherever Local Governments have considered it useful to appoint a committee they have appointed it. Wherever they have found it necessary to help they have within their resources given that help; and all I need do is just to say a few words reminding Honourable Members that Local Governments can only help within the means at their disposal and they cannot help beyond their means. Honourable Members are aware that there are certain charges relating to beneficent activities of Government, such as hospitals, schools, agriculture, cooperative societies, wherein a fairly large amount of provincial budget is invested, one Honourable Member asserted that 90 per cent. of the revenue is spent on law and order and 10 per cent. for the rest. Was it 90 per cent.?

THE HONOURABLE MR. VINAYAK VITHAL KALIKAR : 90 per cent. of the time.

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN : I can assure Honourable Members that 90 per cent. of my time is spent on agriculture.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA : I think he meant 90 per cent. of the whole time of the Government.

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN : We have not taken statistics of how the whole time of the Government is distributed, but I can speak about myself. There again it involves more in the nature of what in Oriental language is called poetical flight rather than being near the realm of reality.

That really concludes so far as the information available is concerned. I have said already that I entirely sympathise with the object the Resolution has in view and I trust I have convinced the House as to the futility of appointing a committee, because if there is one thing which succeeds in damping the enthusiasm of workers in a calamity like the present it is the appointment of a committee. Everyone cannot forge his way ahead, because he would say, "Wait, let us see what the committee recommends." Does this House want the worker in the province and at the centre to work on when work is so much needed or to wait till a committee is appointed and that committee reports? I have not the slightest doubt that the good sense of this House will say, "We want work, work steadily, study local conditions and do the best you can under the circumstances and do not go in for shelving tactics by appointing a committee."

THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE (East Bengal : Non-Muhammadan) : Sir, I, being a landholder and being in close

I P. M. touch with the agricultural *ryots* of my estate, am more entitled to say a few words on the subject-matter of the Resolution. India is an agricultural country where 90 per cent. of the population depends on agriculture. As a class the Indian agriculturists live a hand-to-mouth existence. With this present world-wide trade depression the prices of agricultural produce have gone down abnormally and therefore the lot of the agriculturists have become all the more pitiable. The agriculturists of India are the backbone of the

[Mr. Jagadish Chandra Banerjee.]

Indian State and with these people being kept half fed and half clothed the Indian State cannot ever prosper. It is the first and foremost consideration for every Government in the land to try to better the condition of the lot of these people. The Indian agriculturists being mostly illiterate cannot adapt themselves like those of other countries to the changed times and circumstances and cannot therefore take to improved methods of cultivation for raising larger crops and better crops too. Sir, it is high time that Government instead of shedding crocodile tears for the masses should do something by which they can get better education, better living and can be more prosperous.

Sir, the Resolution demands only the appointment of a committee for investigating into the causes of the distress of the agriculturists and to suggest ways and means for bettering their prospects. Sir, if the Government can do something to ameliorate the condition of the agriculturists it will relieve to a great extent the political tension that exists at present between the masses and the Government. It is one thing to trumpet before the world by means of propaganda that the British statesmen are very gravely concerned with the prosperity of the agricultural masses of India and it is another thing to actually feel for their hard lot and to do something really good and beneficial for them. If Government opposes this Resolution on grounds of financial stringency or any other causes, I may warn them that it will be taken advantage of by the political agitators who would prove to the agriculturists that the present Government have got really no sympathy for them and do not desire to do any good to them. The present attitude of Government would be construed by them to prolong their exploitation for the benefit of the foreigners.

THE HONOURABLE THE PRESIDENT: I would point out that when I allow an Honourable Member to speak after the Government Member has spoken it is only for the purpose of answering the Government Member and not to make observations of a general character.

THE HONOURABLE MR. HOSSAIN IMAM: Sir, when the Honourable the Leader of the House asked us to work and not to shelve the matter by referring it to a committee, I was really very glad that in this House such exhortations are made. But does that mean that we should sit idle and let things take their own course? Does it mean that we should follow the policy of Lord Asquith of "Wait and see"? Does it mean that we should be like Micawber and wait for something to turn up and do nothing? Perhaps the full realisation of the difficulties of the agriculturists will come to the Treasury Benches when I inform them that according to the Central Banking Committee's Report, the lowest rate of interest which an agriculturist pays is 25 times the rate which the Treasury Benches are now paying for 3 month Treasury Bills. The lowest rate is 18½ per cent. The highest rate which they pay is exactly 100 times the rate of interest of the Treasury Bills. The agriculturists, Sir, are a silent class. People who are not blessed with long tongues and who do not know how to agitate, who have neither the propaganda nor the leadership to agitate, as the commercial interest has in India, are doomed to failure. As my Honourable friend Mr. Mehrotra pointed out, the burden of debts is still heavy. The Government of India has done

nothing on that score, although I seem to remember that there was a motion for a reduction of the rate of interest and for a moratorium in the Assembly, on which the Government promised to do something.

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN : It did. It circularised the Local Governments and asked them to take such action as they considered necessary.

THE HONOURABLE MR. HOSSAIN IMAM : But what has been done ?

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN : Something has been done in the United Provinces.

THE HONOURABLE MR. HOSSAIN IMAM : Only in one province, without tangible results.

THE HONOURABLE THE PRESIDENT : Yes, but that is for the Local Government.

THE HONOURABLE MR. HOSSAIN IMAM : The Government of India could do some good, and I am going to give a concrete instance of the way in which it can. All the provinces in India, Sir, or as many of them as have irrigation work have pre-reform debts on which they have to pay interest. The Government has got cheap accommodation. But the way in which interest is counted is the average rate for the whole year on all sorts of debts and accordingly the provinces are charged $5\frac{1}{2}$ per cent. at the present moment. If the Government were to reduce the interest on pre-reform debts to the rate at which they are getting their Treasury Bills we would have an enormous amount of relief in *abiana*. But they are waiting to see if something will turn up in the near future to absolve them from the work.

The Government had taken a wise step in appointing the Royal Commission on Agriculture. There is no doubt that the Commission has done a great service to India. But that was before the malady from which we are now suffering had appeared. That was appointed to cure our chronic ailment and not the new disease which in a virulent form has attacked India. It was not appointed to find ways and means to increase the prices not to redeem our debt troubles. These two troubles have cropped up after the committee was appointed and were consequently not included in the terms of reference. However good a thing might be, it cannot be a remedy for all troubles and for all time. Times are changing. New problems are cropping up and there should be a new treatment for them. It is no good thinking that you have got some sort of elixir of life, which Government can sit and utilise for all sorts of ailments and for all time.

Then the Honourable the Leader of the House suggested to us that inflation will not do the trick because others will follow in our footsteps. Well, that is somewhat of a defeatist tendency to say before starting the work that it will not pay. There are others who are making it pay. Japan has brought down its Yen below the 1929 level. Look at the United States of America ; its efforts to combat the demon of depression are really marvellous. One cannot say anything yet : it is too early to say whether they will succeed or they will fail. But one can not but admire them and one can say that they are helping their people to tide over the difficulties. One can not praise the Government of India which simply gives the precept and does not follow it itself.

[Mr. Hossain Imam.]

Let me give an instance nearer home. I forget the name of the State, but I would remind the Leader (and if he likes I will send him the name of the State later) that one Indian State in the Western India Agency has tried to face this problem in a really business-like spirit. They have taken over all the debts of the agricultural classes, repaid them, after adjustment by means of Government loan scrips, to all the money-lenders. Now the money-lenders have to get their interest from the Government at the correct rate of interest; and a period has been fixed in which the whole debt will be paid back. If its own dependencies can do such sensible things, it is time for the Government of India to do something like it. I know the mentality of the Government. They are miserly where the interests of the people are concerned and they can be otherwise when other interests are concerned. I had very little hope of Government accepting this Resolution, but I did hope that they would at least show by their statement that they have done something in the matter. I am very much obliged to the Honourable the Leader of the House for having informed us of all that has been already done, but that only brings into glaring contrast all that has not been done. I therefore do not find my way to withdraw my Resolution.

(The Honourable the President then rose to put the question.)

THE HONOURABLE MR. HOSSAIN IMAM: I accept the amendment, Sir.

THE HONOURABLE THE PRESIDENT: That does not matter. That is for the Council to decide. Original motion moved:

"That this Council recommends to the Governor General in Council to take immediate steps to better the condition of the agriculturists and to appoint a committee to find ways and means and to advise Government on this subject."

to which an amendment has been moved:

"That before the word 'committee' the word 'representative' be inserted;

"That after the word 'committee' the words 'of officials and non-officials of both the Houses' be inserted."

I will first put the amendment to the House. The question is:

"That that amendment be made."

The Council divided:

AYES—16.

Banerjee, The Honourable Mr. Jagadish Chandra.

Buta Singh, The Honourable Sardar.

Dutt, The Honourable Rai Bahadur Prmode Chandra.

Ghosh Maulik, The Honourable Mr. Satyendra Chandra.

Gounder, The Honourable Mr. V. C. Vellin-giri.

Habibullah, The Honourable Nawab Khwaja.

Hafeez, The Honourable Khan Bahadur Syed Abdul.

Hossain Imam, The Honourable Mr.

Kaliker, The Honourable Mr. Vinayak Vithal.

Khaparde, The Honourable Mr. G. S.

Mehrotra, The Honourable Rai Bahadur Lala Mathura Prasad.

Mehr Shah, The Honourable Nawab Sahib-zada Sir Sayad Mohamad.

Muhammad Din, The Honourable Khan Bahadur Chaudri.

Naidu, The Honourable Mr. Y. Ranganaya-kalu.

Pandit, The Honourable Sardar Shri Jagannath Maharaj.

Subrawardy, The Honourable Mr. Mahmood.

Akbar Khan, The Honourable Major Nawab Sir Mahomed.	Henderson, The Honourable Mr. J. S.
Bartley, The Honourable Mr. J.	Jayaratnam, The Honourable Mr. T. C. S.
Basu, The Honourable Mr. Bijay Kumar.	Johnson, The Honourable Mr. J. N. G.
Brayshaw, The Honourable Mr. M. W.	Maqbul Husain, The Honourable Khan Bahadur Sheikh.
Charanjit Singh, The Honourable Raja.	Noon, The Honourable Nawab Malik Mohammad Hayat Khan.
Choksy, The Honourable Khan Bahadur Dr. Sir Nasarvanji.	Raghunandan Prasad Singh, The Honourable Raja.
Commander-in-Chief, His Excellency the.	
Dain, The Honourable Mr. J. R.	Ray, The Honourable Maharaja Jagadish Nath, of Dinajpur.
Fazl-i-Husain, The Honourable Khan Bahadur Mian Sir.	Shillidy, The Honourable Mr. J. A.
Ghosal, The Honourable Mr. Jyotsnanath.	Stewart, The Honourable Mr. T. A.
Hallett, The Honourable Mr. M. G.	Taylor, The Honourable Mr. J. B.

THE HONOURABLE THE PRESIDENT : The question is :

"That the original motion be adopted."

The motion was negatived.

(The Honourable the President then called on the Honourable Mr. Vinayak Vithal Kalikar in whose name stood the next Resolution* on the Agenda.)

THE HONOURABLE MR. M. G. HALLETT : Sir, there are three Resolutions, dealing with very much the same subject, namely, the treatment of prisoners in the Andamans and it will be convenient to Government if they are all discussed on the 11th. That is the day fixed for a similar Resolution which stands third on the list for that day. The Honourable the Home Member will I hope be able to be in this House on that day, and if it could be so arranged, it would be to the convenience of the Government for the discussion to take place then.

THE HONOURABLE MR. VINAYAK VITHAL KALIKAR : I agree, Sir.

THE HONOURABLE THE PRESIDENT : This Resolution* will be traversed to the List of Business on the 11th.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA : On a point of order, Sir. May I know what place this Resolution will get on the agenda ? I have already ballotted a Resolution for that day and I would like to know if this Resolution will be taken before or after my Resolution ?

THE HONOURABLE THE PRESIDENT : By transferring this Resolution to the next sitting it does not mean giving precedence to this Resolution. It will be put down in the List of Business for that day. It will be placed before

*" This Council recommends to the Governor General in Council that an enquiry committee consisting of official and non-official members of both Houses of the Indian Legislature be immediately appointed to enquire into the grievances of the Andamans political prisoners, who recently went on hunger strike, and the cause of death of the three political prisoners, with a direction that the Committee should submit its report by the end of this year for consideration by the Indian Legislature and Government."

[Mr. President.]

your Resolution on that day, because in any case if the Resolution had been moved today Mr. Kalikar would get precedence and you would move your motion by way of an amendment only.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA : But according to paragraph 121 the Honourable Member in whose name a ballotted Resolution stands has either to withdraw the Resolution, in which case he shall confine himself to a mere statement of fact, or move the Resolution. This procedure I do not find in the Standing Orders. Precedence is given for each day according to the ballot, and I would like your ruling as to how this Resolution gets precedence. It would have been a different thing if the Honourable Member had moved this Resolution. I am very glad to hear that the Honourable the Home Member is condescending to come here to reply to the debate and we shall be pleased to have the pleasure of seeing him in the House, but I do not see how that affects the Manual of Business and Procedure unless the Honourable Member is prepared to move his motion as an amendment to my Resolution.

THE HONOURABLE THE PRESIDENT : Your case has to be differentiated from the ordinary case. You have a similar Resolution on that day and you have an amendment today of the same nature and character. I have therefore decided that Mr. Kalikar's motion will have precedence.

RESOLUTION *RE* REDUCTION OF RAILWAY FREIGHTS ON THE TRANSPORT OF PUNJAB WHEAT.

THE HONOURABLE KHAN BAHADUR CHAUDRI MUHAMMAD DIN (East Punjab : Muhammadan) : Sir, the Resolution which stands in my name is as follows :

"This Council recommends to the Governor General in Council to take early steps to reduce the railway freights on the transport of Punjab wheat to the extent necessary for securing its sale on reasonable prices in markets which are situated in other provinces."

Sir, wheat is one of the chief products of Northern India and especially of the Punjab. The diet value of wheat has been proved by a remarkable test carried out recently by Colonel McCarrison at the Food Research Institute, Coonoor. I hope my friends from Bengal and Madras will try to bring the results of these useful tests to the notice of residents in their constituencies. The necessity of supplementing a staple food diet by the growth or importation of wheat and the resultant necessity for cheap transport are questions in which nutrition and agricultural research are inseparably linked. At present we have got large stocks of wheat in the Punjab lying idle and the co-operation of the Railway Department is necessary for its cheap transport to Indian markets. When the Punjab wheat producer finds it difficult to dispose of his surplus stock, he finds himself beset with many difficulties. He cannot easily pay Government revenue, he cannot pay his debts and he finds it impossible to secure the elementary necessities of life for himself and for his family. It is obviously up to the Government therefore to secure markets for the disposal of this commodity. There is a widespread feeling in the country and especially in the Punjab that railway rates for the carriage of wheat at present in force do

not encourage such disposal. Government should therefore come to the rescue of the zemindar in this case and help him by lowering railway freights on food grains. I take this opportunity to emphasise once again that the present distressful condition of the peasantry cannot be mitigated without raising the general level of prices of agricultural products. A similar condition is likely to arise in the near future about cotton also. It is expected that railway earnings will improve if facilities are afforded to dispose of the surplus stocks of food-grains.

Sir, I move.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA (United Provinces Central: Non-Muhammadan): Sir, I beg to move :

"That for the words 'Punjab wheat' the words 'all agricultural products' be substituted."

This is an all-India problem and the situation of all agricultural products is the same as that of Punjab wheat. I have therefore moved this amendment, so that when Government is pleased to give this concession it may apply to all provinces and all agricultural products. That is my only object and to the Resolution as amended I give my whole-hearted support, as it will give relief not only to the Punjab but all the provinces of India.

THE HONOURABLE SARDAR BUTA SINGH (Punjab : Sikh) : I have great pleasure in supporting this Resolution. A land-locked province like the Punjab can only find other markets if it can secure favourable freight rates for its agricultural produce. As things stand, the flow of wheat to Karachi from the Punjab must now come to an end. Karachi will meet not only its own needs, but will supply to a very large extent Calcutta and Bombay by sea, the only markets on which we can depend to consume our surplus wheat. It is therefore imperative that we must have favourable rates from Lyallpur to Calcutta and Bombay to enable us to send our surplus produce to these markets.

(At this stage the Honourable the President vacated the Chair, which was taken by the Honourable Nawab Malik Mohammad Hayat Khan Noon.)

I have every hope that the Government of India recognising the peculiar situation in which the Punjab is placed will be pleased to allow favourable freights on agricultural products, and fix such rates as would enable us to place our produce in the markets of Calcutta and Bombay.

THE HONOURABLE MR. M. W. BRAYSHAY (Chief Commissioner of Railways) : Sir, I must in the first place express my sympathy with the object of this Resolution in that it is to increase the consumption and the movement of wheat and similarly to increase the consumption and the movement of all agricultural produce. The Government of India are equally anxious to increase such movement and if the reduction of railway freights would achieve this end they would only be too glad to make such reductions, provided the increase in the net earnings due to the additional traffic would offset the loss on the existing traffic and the Railways would be able to pay their way. I think I may claim that in this matter of increasing the movement of agricultural produce the interests of the Railways are in harmony with those of the agriculturist in that their traffic receipts would also increase or rather the volume of their traffic would increase. Unfortunately the Railways have no large surpluses that

[Mr. M. W. Brayshay.]

would permit them to contemplate any general reduction of their earnings. On the contrary, they are feeling the effects of the depression just the same as agriculture, trade and commerce generally. They are in fact at present working at a deficit and although the earnings this year show a welcome improvement on last year of over Rs. $\frac{3}{4}$ crore, this is relatively a small sum compared with the budgeted deficit for the year of something like Rs. 7 crores.

(At this stage the Honourable the President resumed the Chair.)

In short, the financial position renders it impossible for the Railways to make a general reduction in freights that would result in a reduction of earnings. Some idea of the amounts that might be involved will be obtained from the fact that in 1931-32 the Railways carried about 12½ million tons of agricultural produce. In this I cover rice in husk, rice not in the husk, grain pulse, wheat, jowar, bajra, other grains, oilseeds, cotton pressed, cotton unpressed and fodder. The earnings on this 12½ million tons amounted to rather less than Rs. 16 crores. An all-round reduction of freights by say 10 per cent. would therefore mean a matter of over Rs. 1½ crores; unless the Railways could get by reducing the rates an increase in the traffic sufficient to offset the loss in the earnings they could not stand the loss that would ensue. During the past two or three years the Railway Board and individual Railways have had under constant examination the possibility of increasing their revenues by reducing rates. They have discussed this frequently with the Agents of Railways individually and they have had two conferences with the Agents of Railways. Their great endeavour has been to find whether they can possibly improve the position, whether they can induce some movement of the produce by a lowering of the rates and the examination they have made has covered not only the wheat of the Punjab but most of the major commodities that are produced in India. It seems certain that any all-round reduction on railway freights could only result in a serious depletion of railway earnings and be extremely embarrassing financially. In many cases, however, reductions have been made locally. Whenever it is seen possible to get an improvement in the movement of traffic there the consideration of the effect of reducing the rate has been taken in hand and in many cases has been given effect to. Evidence of this is in the fact that on the North Western Railway alone there are at present no less than 700 special local rates covering all commodities, not only agricultural. As an example of the efforts that have been made to increase traffic by lowering rates, I may mention the case of wheat which is the subject of the Resolution and of course is also covered by the amendment.

Early in 1931 the rates for wheat from the Punjab to Karachi were reduced in an endeavour to encourage the export of wheat. The result was that a certain amount of existing traffic was diverted to the sea route from the rail. But there was no material effect on the export of wheat and the experiment having resulted in the loss of Rs. 16 lakhs the rates were withdrawn. Later, at the instance of the Punjab Government special rates from the Punjab to collect were introduced under a guarantee from the Punjab Government. The Railway Board were not satisfied that the reduction that was then proposed would result in an adequate increase in the traffic but the Punjab Government pressed for it to be done and offered this guarantee. This experiment also failed to produce the desired results and the rates had to be withdrawn after a trial of

some six months. This year again an effort is being made to induce and increase in the traffic from the Punjab to Calcutta. So far the rates have applied for a few months but the results that we have obtained are most disappointing. The increase in the traffic has been very little. Generally therefore the problem that is before the Railways is whether by reducing the rates they can increase the traffic. This is what is desired I understand by the mover of the Resolution. If we could increase the traffic adequately by reducing the rates as I have already said, nothing would please us better. Unfortunately we cannot see that we can attain this result and the particular case of the wheat from the Punjab has been examined very closely and as I have just now explained we have not only made experiments to see whether we can get the increase in traffic but we are doing so at the present moment.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA : What about wheat from the United Provinces ? You are only considering Punjab wheat.

THE HONOURABLE MR. M. W. BRAYSHAY : I am giving as a particular case wheat from the Punjab as that is the subject of the Resolution. In regard to all other commodities investigations have been made by all Railways, in some cases at the instance of local authorities in each of the various provinces. But on all Railways it is the object to increase the traffic if we possibly can by reducing the rates. It is for that reason the Railway Board have discussed the matter with all the Railways individually and together and all the Railways have themselves investigated these problems. But the Resolution and the amendment in particular are on very broad lines. There cannot be any doubt that if we were to act on that proposal for all-round reduction or, as far as the Punjab wheat is concerned, for a general reduction on the wheat from the Punjab, if we were to act on it, it must involve the Railways in a very serious financial loss and as we are running at a deficit, that loss must sooner or later be passed on to the tax-payer.

As the mover has not mentioned any particular cases, I am not of course in a position to deal with any particular case. I know that one point that has been suggested is that agricultural produce is carried at unduly high rates. But all our rates are fixed so that we will get the maximum traffic we can. So that if we increase them the traffic will fall and so we reach the middle position.

It has been said that the wagons returning empty to the coalfields from the Punjab might be filled with wheat, especially at a lower rate. Here we get back to the same problem. We cannot reduce those rates unless we can get an increase in the traffic. If we can get an adequate increase in the traffic then we would be only too pleased to reduce the rates. But our examination does not show that we will have any chance of effecting that reduction. As I have explained, the Railway Board and the Railways have been examining these problems constantly for the last two or three years and wherever possible they have reduced the rates. But that has generally been on local traffic.

Sir, Government are unable to agree to a general reduction of railway freights on agricultural produce nor to a general reduction on Punjab wheat, to other provinces.

THE HONOURABLE KHAN BAHADUR CHAUDRI MUHAMMAD DIN : Sir I am thankful to the Honourable Mr. Brayshay for giving us an account of all

[Khan Bahadur Chaudri Muhammad Din.]

these experiments they have made. The thing is that long, long ago, letters were carried by the English Post Offices for eight annas or a rupee, and they reduced it, and popularised the system, and the country is gaining under the reduction. When I see some trains going empty between some stations, and when I find that the Railway is running at a loss, I always think that if they reduce the rate a little, they will be able to induce people to travel by the railway, which is safer than the lorry. If you reduce the rate, for, say, two or three months, you cannot appreciate the result. The result shows itself only after an interval. In three or four months people do not even know that there has been any reduction. In such cases they have to wait a little. When the stock is there and the zemindar cannot move it, he does not pay anything to the railway and the railway is a loser. Suppose there is a little increase of traffic; even then the railway gets something out of it. Therefore it is better to have something than nothing and also to help the zemindar, and in due course he will come forward to help you. At present the zemindar has got no money to travel and the result is that the earnings of our railways are suffering. If you help them and make a sacrifice to a certain extent, certainly the day will come when you will get better earnings and also a contented peasantry and many other things. This disappointing attitude of the Railway Department is rather depressing. I would therefore ask the Member in charge to impress upon the Railway Board the necessity of considering the advisability of some reduction.

THE HONOURABLE THE PRESIDENT : You have not informed the Chair whether you propose to withdraw your Resolution ?

THE HONOURABLE KHAN BAHADUR CHAUDRI MUHAMMAD DIN : I would rather withdraw it.

The Resolution* was, by leave of the Council, withdrawn.

THE HONOURABLE THE PRESIDENT : In the circumstances the amendment necessarily falls.

I do not propose to trouble Honourable Members to come back after lunch as there is only one Resolution to dispose of. I will therefore ask the Honourable Rai Bahadur Lala Mathura Prasad Mehrotra to read his Resolution, so that he may not lose his priority and the debate on it will begin on the next non-official day.

RESOLUTION *RE* SALE OF SILVER.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA (United Provinces Central : Non-Muhammadan) : Sir, I beg to move :

"That this Council recommends to the Governor General in Council to place on the table the entire correspondence which has taken place between the Secretary of State and the Government of India regarding the sale of silver from India's silver reserve for the payment of a portion of the Debt instalment to the United States."

THE HONOURABLE THE PRESIDENT : The debate will begin on the next non-official day.

The Council then adjourned till Eleven of the Clock on Tuesday, the 5th September, 1933.

*Vide page 156, ante.