THE

COUNCIL OF STATE DEBATES

(Official Report)

VOLUME VII

FIRST SESSION

OF THE

SECOND COUNCIL OF STATE, 1926

DELHI
GOVERNMENT OF INDIA PRESS
1926

CONTENTS.

COUNCIL OF STATE.

Tuesday, 16th March, 1926.

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

STATEMENT LAID ON THE TABLE.

THE HONOURABLE MR. D. T. CHADWICK (Commerce Secretary): Sir, I lay on the table a list of further commercial treaties, both bilateral and multilateral which affect India. The treaties mentioned in Part II of the list are also laid on the table.

PART I.

The treaties mentioned in this Part, excepting No. 9, provide for the grant of most-favoured-nation treatment to the products and manufactures of India on terms of reciprocity. As regards No. 9—the Treaty with Spain—the benefits of the second-column rates of duty in the Spanish Tariff are granted to India in return for most-favoured-nation treatment to Spanish goods.

Country.	Nature of Agreement.	Description.	Date.
1. Albania	Notes	Commerce and Navigation	June 10, 1925.
2. Austria	Treaty and Declaration	Ditto	May 22, 1924.
3. Czechoslovakia	Treaty	Ditto	July 14, 1923.
4. Finland	„	Ditto	December 14, 1923.
5. Germany	Treaty and Protocol	Ditto	December 2, 1924.
6. Latvia	Treaty	Ditto	June 22, 1923.
7. Lithuania	Notes	Ditto	May 6, 1922.
8. Roumania	„	Ditto	May 11 (24), 1923.
9. Spain	Treaty	Ditto	October 31, 1922.

PART II.

The Government of India have acceded to the Treaties mentioned in this Part.

Country.	Nature of Agreement.	Description.	Date.
1. Austria .	Notes . .	Commercial Travellers' samples.	March 28, 1923, and February 11/ April 27, 1925.
2. Czechoslovakia .	Agreement and Notes .	Ditto .	January 31, 1923 and December 19, 1923/ January 2, 1924.
3. Turkey .	Convention* . .	Commerce . . .	July 24, 1923.
4. General .	International Convention and Statute and Additional Protocol	Navigable waterways .	April, 1921.
5. „ .	International Convention and Statute	Freedom of Transit .	April, 1921.
6. „ .	International Convention and Protocol.	Simplification of Customs Formalities.	November 1923.

*India acceded to this Convention on 25th February, 1925, under paragraph 2 of Article 16.

NOTES EXCHANGED BETWEEN THE BRITISH AND AUSTRIAN GOVERNMENTS RESPECTING THE CUSTOMS CLEARANCE OF COMMERCIAL TRAVELLERS' SAMPLES.

Vienna, March 28, 1923.

No. 1.

British Chargé d'Affaires to the Austrian Minister for Foreign Affairs.

It being the desire of our respective Governments to make arrangements for facilitating the clearance through their respective Customs Departments of samples of dutiable goods brought into the territories of one of the Contracting Parties by commercial travellers of the other, to be used as models or patterns for the purpose of obtaining orders and not for sale, I have the honour to inform you that my Government agrees to adopt, on condition of reciprocity, the following arrangements :—

Articles liable to duty serving as patterns and samples which are introduced into Great Britain by commercial travellers of Austria shall henceforth be admitted, free of duty, subject to the following formalities requisite to ensure their being re-exported or placed in bond :—

1. The officers of Customs at any port or place at which the patterns or samples may be imported shall ascertain the amount of duty chargeable thereon.

That amount must either be deposited by the commercial traveller in money, or ample security must be given for it.

2. For the purpose of identification, the marks, stamps, or seals placed upon the samples by the Customs authorities of one of the Contracting Parties shall be recognised as sufficient by those of the other. Should the samples, however, arrive without bearing any of the above-mentioned marks, or should the marks not appear to be sufficient to the Administration interested, a supplementary mark may be affixed to such samples if considered desirable in such a way as not to injure them, and without charge.

3. A permit or certificate shall be given to the importer, which shall contain—

(*a*) A list of the patterns or samples imported, specifying the nature of the goods and such marks as may be proper for the purpose of identification.

(*b*) A statement showing the duty chargeable on the patterns or samples, and also whether the amount was deposited in money or whether security was given for it.

(*c*) A statement as to the manner in which the patterns or samples were marked.

(*d*) A statement of the period (not in any case to exceed twelve months) at the expiration of which the amount of duty deposited will be carried to public account, or the amount payable will be recovered under the security given, as the case may be, unless it is proved that the patterns or samples have been previously re-exported, or placed in bond.

4. The patterns or samples may also be re-exported through any custom-house other than the one through which they were imported.

5. If before the expiration of the appointed time (3 (*d*)) the patterns or samples should be presented at the custom-house of any port or place for the purpose of re-exportation, or being placed in bond, the officers at such port or place must satisfy themselves by examination that the articles which are brought to them are the same as those for which a permit of entry was granted. If the officers are satisfied that this is the case, they will certify the re-exportation or deposit in bond, and will refund the duty which had been deposited or will take the necessary steps for discharging the security.

(Signed) E. KEELING.

His Britannic Majesty's Legation,
Vienna, March 28th, 1923.

No. 2.

(Translation.)

Austrian Minister for Foreign Affairs to the British Chargé d'Affaires.

It being the desire of His Majesty's Government and the Austrian Federal Government to make arrangements for facilitating the clearance through their respective Customs Departments of samples of dutiable goods brought into the territories of one of the Contracting Parties by commercial travellers of the other, to be used as models or patterns for the purpose of obtaining orders and not for sale, the undersigned Federal Minister for Foreign Affairs has the honour to inform His Britannic Majesty's Chargé d'Affaires that the Austrian Federal Government is prepared to adopt, on condition of reciprocity, the following arrangements :—

Articles liable to duty serving as patterns and samples which are introduced into Austria by commercial travellers of Great Britain shall henceforth be admitted, free of duty, subject to the following formalities requisite to ensure their being re-exported or placed in bond :—

1. The officers of Customs at any port or place at which the patterns or samples may be imported shall ascertain the amount of duty chargeable thereon.

That amount must either be deposited by the commercial traveller in money, or ample security must be given for it.

2. For the purpose of identification, the marks, stamps, or seals placed upon the samples by the Customs Authorities of one of the Contracting Parties shall be recognised as sufficient by those of the other. Should the sample, however, arrive without bearing any of the above-mentioned marks, or should the marks not appear to be sufficient to the Administration interested, a supplementary mark may be affixed to such samples if considered desirable in such a way as not to injure them and without charge.

3. A permit or certificate shall be given to the importer, which shall contain—

(*a*) A list of the patterns or samples imported, specifying the nature of the goods and such marks as may be proper for the purpose of identification.

(*b*) A statement showing the duty chargeable on the patterns or samples, and also whether the amount was deposited in money or whether security was given for it.

(*c*) A statement as to the manner in which the patterns or samples were marked.

(*d*) A statement of the period (not in any case to exceed twelve months) at the expiration of which the amount of duty deposited will be carried to public account, or the amount payable will be recovered under the security given, as the case may be, unless it is proved that the patterns or samples have been previously re-exported, or placed in bond.

4. The patterns or samples may also be re-exported through any custom-house other than the one through which they were imported.

5. If before the expiration of the appointed time (3 (*d*)) the patterns or samples should be presented to the custom-house of any port or place for the purpose of re-exportation, or being placed in bond, the officers at such port or place must satisfy themselves by examination that the articles which are brought to them are the same as those for which a permit of entry was granted. If the officers are satisfied that this is the case, they will certify the re-exportation or deposit in bond, and will refund the duty which had been deposited or will take the necessary steps for discharging the security.

In witness whereof the undersigned has drawn up this note and has exchanged it for the corresponding note of His Britannic Majesty's Chargé d'Affaires.

(Signed) GRÜNBERGER.

Austrian Federal Ministry for
Foreign Affairs,
Vienna, March 28th, 1923.

(This agreement has been extended to India by exchange of note dated 11th February and 27th April, 1925.)

AGREEMENT BETWEEN GREAT BRITAIN AND THE CZECHOSLOVAK REPUBLIC RESPECTING COMMERCIAL TRAVELLERS' SAMPLES.

Signed at London, January 31st, 1923.

[*Ratifications exchanged at Prague, September 7th, 1923.*]

The Government of His Britannic Majesty and the Government of the Czechoslovak Republic, being desirous of facilitating the clearance through their respective Customs Departments of samples of dutiable goods brought into Great Britain or the Czechoslovak Republic by commercial travellers of the Czechoslovak Republic or Great Britain respectively to be used as models or patterns for the purpose of obtaining orders and not for sale, mutually agree as follows :—

Articles liable to duty serving as patterns and samples which are introduced into Great Britain by commercial travellers of the Czechoslovak Republic or into the Czechoslovak Republic by commercial travellers of Great Britain shall henceforth be admitted free of duty, subject to the following formalities requisite to ensure their being re-exported or placed in bond :—

1. The officers of Customs at any port or place at which the patterns or samples may be imported shall ascertain the amount of duty chargeable thereon.

That amount must either be deposited by the commercial traveller in money, or ample security must be given.

2. For the purpose of identification, the marks, stamps, or seals placed upon such samples by the Customs Authorities of one of the Contracting Parties shall be recognised as sufficient by those of the other Party. Should the samples, however, arrive without bearing the above-mentioned marks of identity, or should the marks not appear sufficient to the administration interested, a supplementary mark may be affixed to such samples if considered desirable in such a way as not to injure them and without charge.

3. A permit or certificate shall be given to the importer, which shall contain—

(*a*) A list of the patterns or samples imported, specifying the nature of the goods and such marks as may be proper for the purpose of identification.

(*b*) A statement of the duty chargeable on the patterns or samples, as also whether the amount was deposited in money or whether security was given for it.

(*c*) A statement relative to the manner in which the patterns or samples were marked.

(*d*) The appointment of a period, which at the utmost must not exceed twelve months, at the expiration of which, unless it is proved that the patterns or samples have been previously re-exported or placed in bond, the amount of duty deposited will be carried to the public account, or the amount recovered under the security given.

4. Patterns or samples may also be re-exported through any other custom-house than the one through which they were imported.

5. If before the expiration of the appointed time provided for in paragraph 3 (*d*) the patterns or samples should be presented at the custom-house of any port or place for the purpose of re-exportation or being placed in bond, the officers at such port or place must satisfy themselves by examination whether the articles which are brought to them are the same as those for which the permit of entry was granted. If there are no objections in this respect the officers will certify the re-exportation or deposit in bond, and will refund the duty which had been deposited, or will take necessary steps for discharging the security.

The aforesaid agreement will enter into force on the exchange of ratification documents, which will take place as early as possible at Prague.

This agreement shall remain in operation for three months from the date on which either Contracting Party shall have given notice of its intention of denouncing it.

Done in duplicate at London, in the English and Czechoslovak languages, the 31st January, 1923.

(L.S.) CURZON OF KEDLESTON.

(L.S.) VOJTECH MASTNÝ.

(Extended to India by exchange of note dated December 19th, 1923 and January 2nd, 1924.)

TURKEY.

Commercial Convention between the British Empire, France, Italy, Japan, Greece, Roumania and the Serb-Croat-Slovene State and Turkey. Signed at Lausanne, July 24th, 1923.

COMMERCIAL CONVENTION.

(Translation.)

The British Empire, France, Italy, Japan, Greece, Roumania and the Serb-Croat-Slovene State of the one part, and Turkey of the other part animated with a desire to establish their economic relations on a basis of international law and under conditions most likely to encourage commerce and to facilitate trade, have resolved to conclude a convention for this purpose and have appointed the following as their plenipotentiaries :—

Who, having produced their full powers, found in good and due form, have agreed as follows :—

SECTION I.

Article 1.

From the coming into force of the present convention, the tariffs applicable on the importation into Turkey of the produce or manufactures originating and emanating from the territories of the other contracting countries shall be those of the Turkish specific tariff which came into operation on the 1st September, 1916.

Article 2.

The duties prescribed by the Turkish tariff of the 1st September, 1916, in Turkish paper money will be subjected to coefficients of increase periodically adjusted according to the rate of exchange under the conditions hereinafter provided.

These coefficients shall be those which were in force on the 1st March, 1923. Nevertheless, the articles set out in the annexed Schedule I shall be subjected to the coefficient 9.

The coefficients referred to above shall be adjusted in accordance with the rate of exchange as provided by the following rules :—

These coefficients having been determined at a time when the pound sterling represented 745 paper piastres, if the Turkish pound shows an average increase of more than 30 per cent. over this rate during the month preceding the coming into force of this convention, the coefficients 12 and 9 will be reduced proportionately to the average rate of exchange for that month; the coefficient will remain in force, as thus adjusted, for the following three months; at the expiration of that period of three months the coefficient will, should the case arise, be readjusted in accordance with the average rate of exchange of the last month of the period.

In the same way, if the Turkish pound shows an average decrease of more than 33 per cent. compared with the initial rate of 745 piastres for a pound sterling during the month preceding the coming into force of this convention, the coefficients 12 and 9 may be increased proportionately to the average rate of exchange for that month; the coefficient will remain in force as thus adjusted, for the following three months; at the expiration of that period of three months, the coefficient will, should the case arise, be readjusted in accordance with the average rate of exchange of the last month of the period.

The coefficient 5 may be increased in the event of a decrease in value of the Turkish pound in the same conditions as the coefficients 12 and 9, but in the event of an increase in value of the Turkish pound, that coefficient need only be reduced from the time when the pound sterling is worth less than £T. 5 paper.

In the event of monetary reform, the various coefficients fixed above will be modified to the extent of the difference between the new and the old currency in such a way as not to alter the incidents of customs duties.

Article 3.

Turkey undertakes to abolish from the coming into force of the present convention, and not to re-establish during its continuance, all prohibitions of import and export, except those which may be necessary—

1. To maintain the resources indispensable for the food of the people and to safeguard the economic activity of the nation;
2. To ensure the security of the State;
3. To protect persons, animals and plants against contagious diseases epizooties and epiphyties;
4. To prevent the use of opium and other poisons;
5. To prohibit the import of alcoholic products the use of which is forbidden in Turkey;
6. To prevent the export of gold money or gold metal;
7. To establish or support State monopolies.

Subject to equitable reciprocity being accorded to her by each of the other contracting Powers in accordance with its legislation, Turkey undertakes to apply the prohibitions without discrimination of any kind, and, in the event of her granting exemptions or licences in respect of prohibited produce, not to favour in any way the trade of any one contracting Power to the prejudice of the trade of any other contracting Power, or to favour in any way the trade of any non-contracting Power to the prejudice of the trade of any contracting Power.

Article 4.

Subject to reciprocity, no consumption or excise duty shall be applicable in Turkey to goods originating or emanating from the other contracting countries except to the extent to which it is exacted in respect of identical or similar articles produced in Turkey.

Turkey may, however, continue to exact under the same conditions of equality between her nationals and the nationals of the other contracting countries, the consumption duties set out in the schedules contained in Annex II in respect of the products specified in that schedule.

Subject to reciprocity, octroi duties and any other taxes exacted by local authorities will, if they are imposed on articles produced in Turkey, be applied without discrimination between Turkish products and products originating or emanating from the other contracting countries, and, if they are imposed on articles not produced in Turkey, will similarly be applied, without discrimination of any kind, to all identical or similar foreign products, whatever may be their origin.

Article 5.

Subject to an equitable reciprocity being accorded to Turkey by each of the other contracting Powers in accordance with its legislation, every export duty which Turkey may have imposed or may impose on any goods, natural or manufactured, shall be applied equally, whatever the country of destination. No discrimination to the prejudice of the commerce of any one of the other contracting Powers shall be established by any means.

Article 6.

Turkey will accord to the other contracting parties the benefit of any more favourable treatment in respect of the matters referred to in articles 1 to 5 which she may grant to any other country, except such special advantages as regards tariffs or generally in regard to all other commercial matters which she may grant to any one of the territories detached from Turkey by virtue of the Treaty of Peace of even date, or, as regards frontier trade, to a limitrophe State.

Article 7.

In order to determine the country of origin of imported goods, each of the high contracting parties may require the production by the importer of an official certificate stating that the article imported is the national produce or manufacture of the said country, or that it should be so considered having regard to the transformation which it has undergone in that country.

Certificates of origin in accordance with the form annexed to this section numbered III will be granted by the Ministry of Commerce or of Agriculture, or by the Chamber of Commerce to which the consignor belongs, or by any other authority or association which may be agreed upon by the country of destination. They will be authenticated by a diplomatic or consular representative of the country of destination.

Parcel-post packages will be exempt from the requirement of a certificate when the country of destination recognises that no transaction of a commercial character is involved.

.....

Article 8.

The benefit of the provisions of this section cannot be claimed by any of the contracting Powers which does not grant to Turkey during the whole period of the convention a treatment as favourable as that which it grants to any other foreign country.

ANNEX I.

List of Articles subject to the Coefficient 9.

No. in Tariff.	
65	Potatoes.
69	Oranges.
121	Confectionery (sweetmeats).
130	Mineral waters.
178	Dressed leather.
180	Pigskin.
185, 187, 189	Footwear.
192	Gloves.
200, 201	Peltry, raw or prepared.
217, 218	Furniture.
273, 274, 275	Cotton, embroidery, lace and ribbons.
302	Silk waste.
305	Gauze, etc.
306	Silk tulle, etc.
308	Silk tissue.
311, 312	Silk hosiery.
314	Silk passementerie.
324	Woollen shawls and belts.
339	Clothing.
348	Sunshades, umbrellas, parasols, etc.

ANNEX II.

Consumption Taxes.

	Piastres.
Tea	40 per kilog.
Coffee	20 „ „
Petroleum	6 „ „
Rice	10 „ „
Margarine, oleomargarine and edible fats	80 „ „
Candles, stearic	30 „ „
Ordinary soap	5 „ „
Sacks, old and new	5 „ „
Spices	30 „ „
Matches	½ per box of 60 matches.
Wax matches	1 „ „ „
Cigarette paper	1 por 50 sheets.
Tinder boxes	25 per tinder box.
Sugar	15 per kilog.
Biscuits, Chocolate, Condensed milk, Sweet stuffs and glucose, Non-alcoholic beverages (gazeuses and limonades), Other products containing sugar	Subject to a consumption tax according to percentage of sugar they contain.
Tombac	40 per kilog.

ANNEX III.

Form of Certificate of Origin.

We (authority which grants the certificate)* certify that—

M.....(Producer or Manufacturer),†

(Agent of M....., residing at.....),†

(Authorised Dealer),†

residing at....., has declared before us, on his responsibility, that the goods specified below are of (Turkish or.....) origin or manufacture in accordance with reliable documents which have been produced to us by the consignor.‡ These goods are sent to.....to the order of M....., merchant or trader at.....by (land or ship.....).

Number and Nature of Packages.	Marks Number.	Gross and Net Weight (in Kilogrammes) or Measure of Capacity and Value.	Nature of the Goods.

Certified on my responsibility the.....

(Signature of the declarant).....

Confirmed by us (authority which grants the certificate), who attest also that the sale of the goods specified above has been actually concluded in this country.

(Date and signature of the authority which grants the certificate) endorsed at the Consulate of.....for verification of this signature.

(Date, signature and seal of the Consulate).....

*The certificates will be granted either by the Ministries of Commerce or Agriculture or by the Chamber of Commerce to which the consignor belongs, or by any other authority or association which may be agreed upon by the country of destination.

†Strike out the words which are inapplicable.

‡When the certificate is obtained by the producer or manufacturer, or his agent, the words " in accordance with reliable documents which have been produced to us by the consignor " should be struck out.

Section II.

Article 9.

Turkey undertakes, on condition that reciprocity is accorded in this matter, to grant to the ships of the other contracting Powers a treatment equal to that which she grants to national ships, or any more favourable treatment that she grants or may grant to the ships of any other Power.

Each of the high contracting parties retains the right of reserving to the national flag fishing, maritime cabotage, that is to say, transport by sea of goods and passengers embarked in one port of its territory for another port in the same territory, and port services, that is to say, towage, pilotage and all interior services of whatever nature they may be.

Article 10.

(Paragraphs 3 and 4 reserved.)

Subject to the exceptions referred to in the preceding article with respect to fishing, maritime cabotage and port services, a treatment equal to that granted to national ships will be granted reciprocally by Turkey on the one hand and by each of the other contracting parties on the other hand as regards the right to import or export goods of every description or to transport passengers going to or coming from the country and the enjoyment of all facilities with regard to stationing, loading and unloading of vessels at ports, docks, quays and roads.

There shall also be an absolute equality, subject to the same condition of reciprocity as regards dues, charges and payments of all kinds levied on ships, such as sanitary dues, port, quay, harbour, pilotage, quarantine, lighthouse and other similar dues levied in the name of or for the profit of the Government, public functionaries, private individuals, corporations or establishments of any kind.

Turkey also undertakes, on condition of reciprocity, not to subject imported or exported goods to any differential due, surtax, or increase of any nature or kind based on the flag of the ship by which the goods are imported or exported, on the ports of arrival or departure, on the voyage of the ship or the ports at which it has called, the dues and taxes leviable on goods imported or exported being determined only on their origin or their destination, and being applied equally as regards all the contracting Powers in accordance with the provisions of Section I.

Article 11.

All classes of certificates or documents relating to vessels, their cargoes and passengers which were recognised as valid by Turkey before the war or which may hereafter be recognised as valid by the principal maritime States shall be recognised by Turkey as regards the vessels belonging to the other contracting Powers as valid and as equivalent to the corresponding certificates issued to Turkish vessels.

These provisions will only have effect if the certificates and documents delivered by Turkey to Turkish vessels, in conditions equivalent to those adopted in the principal maritime countries, are regarded by the other contracting Powers as equivalent to the certificates and documents delivered by them.

Section III.

Article 12.

Turkey undertakes, on condition of reciprocity, to adopt all the necessary legislative and administrative measures, and to allow access to the courts in order to protect goods the produce or manufacture of any one of the other contracting Powers from all forms of unfair competition in commercial transactions.

Turkey undertakes also on condition of reciprocity, to prohibit and repress by appropriate remedies the importation, exportation, manufacture, distribution, sale or offering for sale in her territory of all goods bearing upon themselves or their get-up or wrappings any marks, names, devices, or descriptions whatsoever which are calculated to convey, directly or indirectly, false indications of the origin, type, nature or special characteristics of such goods.

Article 13.

Turkey undertakes, on condition that reciprocity is accorded in these matters, to respect any law or any administrative or judicial decision given in conformity with such law in force in any other contracting State and duly communicated to her by the proper authorities, defining or regulating the right to any regional appellation in respect of products which derive their special qualities from the soil or the climate, or the conditions under which the use of any such appellation may be permitted and the importation, exportation, manufacture, distribution, sale or offering for sale of products or articles bearing regional appellations inconsistent with such laws or orders shall be prohibited by Turkey and repressed by the measures prescribed by article 12.

Article 14.

Turkey undertakes, within a period of twelve months from the coming into force of the present convention—

(1) To adhere in the prescribed form to the International Convention of Paris of the 20th March, 1883, for the protection of industrial property revised at Washington on the 2nd June, 1911.

(2) To adhere also to the International Convention of Berne of the 9th September, 1886, for the protection of literary and artistic works, revised at Berlin on the 13th November, 1908 and the additional protocol of Berne of the 20th March, 1914, relating to the protection of literary and artistic works

The other signatory Powers to this convention will raise no objection, while it remains in force, to the reserved which Turkey proposes to make with regard to the provisions of the aforesaid conventions and protocol respecting the right of translation into the Turkish language, if the other Powers co-signatories of those conventions and protocol have not themselves raised any objection to the said reserve during the year following the coming into force of this convention.

In the event of the signatory Powers to this convention not maintaining their adhesion to the Turkish reserve respecting the right of translation, Turkey will not be bound to maintain her adhesion to the conventions and protocol mentioned above.

(3) Within the same period to recognise and protect by effective legislation, in accordance with the principles of the said conventions, the industrial, literary and artistic property of the nationals of the other contracting Powers.

Article 15.

Special conventions between the countries interested shall determine all questions relative to the records, registers and designs in connection with the services relating to industrial, literary and artistic property and their eventual transmission of communication by the Turkish offices to the offices of the States in favour of which territory is detached from Turkey.

GENERAL PROVISIONS.

Article 16.

The contracting Powers reserve the right of declaring, at the time of the coming into force of the present convention, that its provisions do not apply to all or any of their dominions enjoying responsible government, of their colonies, protectorates, possessions or territories beyond the sea subject to their sovereignty or authority, and in this case Turkey will be released from her obligations under the present convention to the said dominions, colonies, protectorates, possessions and territories.

The said Powers may, however, adhere subsequently in the name of every dominion enjoying responsible government, colony, protectorate, possession or territory for which they have in accordance with the terms of the present convention made a declaration of exclusion.

Article 17.

(Reserved.)

Non-signatory Powers shall have the right to adhere to this convention.

This adhesion shall be notified through the diplomatic channel to the Government of the French Republic and by that Government to all the States which are signatories or have adhered. It shall take effect from the date of the notification to French Government.

Article 18.

(Reserved.)

This convention will remain in force for a period of five years.

As regards Section 1 Turkey on the one hand and Greece, Roumania and the Serb-Croat-Slovene State on the other hand recognising the necessity of settling a new basis for their commerce within the shortest possible time, agree to recognise the right to denounce this convention at any time after the termination of the first period of thirty months; the convention will cease to have effect six months after the denunciation.

Turkey, on the one hand, and each of the other contracting Powers, on the other hand, undertake at any time during the periods hereinbefore fixed for the duration of the convention, on request being made, to begin negotiations for new commercial treaties and to proceed actively with those negotiations, so that they may be concluded before the expiration of the said periods.

If the said negotiations have not been concluded before expiration of the aforesaid periods each of the high contracting parties will resume its freedom of action.

Article 19.

The present convention shall be ratified.

The ratifications shall be deposited at Paris as soon as possible.

It shall enter into force in the same way as the Treaty of Peace of even date.

In faith whereof the above-mentioned plenipotentiaries have signed the present convention.

Done at Lausanne, the 24th July, 1923, in a single copy, which will be deposited in the archives of the Government of the French Republic, which will transmit a certified copy thereof to each of the signatory Powers.

(Signatures and Seals.)

Mission Britannique,
Constantinople.
le 25 février, 1925.

Monsieur le Délégué

Me référant à votre note sous No. 5895/24 en date du 3 septembre 1924 et à la correspondence antérieure au sujet de l'adhésion du Gouvernement des Indes à la Convention Commerciale signée à Lausanne, j'ai l'honneur de faire savoir à Votre Excellence que suivant les provisions du 2ème alinéa de l'article 16 de cette Convention, le Gouvernement de Sa Majesté Britannique adhère maintenant, sans réserve à la Convention au nom du Gouvernement des Indes.

2. En même temps mon Gouvernement me charge d'observer que les provisions de l'article 8 serout entièrement remplies à l'égard de la frontière terrestre des Indes pourvu que toutes marchandises originaires ou à destination de la Turquie et traversant n'importe quelle frontière terrestre des Indes reçoivent un traitement non moins favorable que toutes autres marchandises traversant cette frontière terrestre et originaires ou à destination de tout autre pays.

Veuillez agréer, Monsieur le Délégué l'assurance de ma haute considération.

(Signé) R. C. LINDSAY.

Son Excellence,
Nusret Bey,
Délégué du Gouvernement de la
République Turque,
Constantinople.

CONVENTION AND STATUTE ON THE REGIME OF NAVIGABLE WATERWAYS OF INTERNATIONAL CONCERN.

Barcelona, the 20th April 1921.

Albania, Austria, Belgium, Bolivia, Brazil, Bulgaria, Chile, China, Colombia, Costa Rica, Cuba, Denmark, the British Empire (with New Zealand and India), Spain, Esthonia, Finland, France, Greece, Guatemala, Haiti, Honduras, Italy, Japan, Latvia, Lithuania, Luxemburg, Norway, Panama, Paraguay, the Netherlands, Persia, Poland, Portugal, Roumania, the Serb-Croat-Slovene State, Sweden, Switzerland, Czecho-Slovakia, Uraguay, and Venezuela :

Desirous of carrying further the development as regards the international regime of navigation on internal waterways, which began more than a century ago, and which has been solemnly affirmed in numerous treaties.

Considering that General Conventions to which other Powers may accede at a later date constitute the best method of realising the purpose of Article 23 (*e*) of the Covenant of the League of Nations,

Recognising in particular that a fresh confirmation of the principle of Freedom of Navigation in a Statute elaborated by forty-one States belonging to the different portions of the world constitutes a new and significant stage towards the establishment of co-operation among States without in any way prejudicing their rights of sovereignty or authority,

Having accepted the invitation of the League of Nations to take part in a Conference at Barcelona which met on the 10th March 1921, and having taken note of the Final Act of such Conference,

Anxious to bring into force forthwith the provisions of the Statute relating to the Regime of Navigable Waterways of International Concern which has there been adopted,

Wishing to conclude a Convention for this purpose, the High Contracting Parties have appointed as their Plenipotentiaries :

* * * * * *

Who, after communicating their full powers, found in good and due form, have agreed as follows :—

ARTICLE 1.

The High Contracting Parties declare that they accept the Statute on the Regime of Navigable Waterways of International Concern annexed hereto, adopted by the Barcelona Conference on the 19th April 1921.

This Statute will be deemed to constitute an integral part of the present Convention. Consequently, they hereby declare that they accept the obligations and undertakings of the said Statute in conformity with the terms and in accordance with the conditions set out therein.

ARTICLE 2.

The present Convention does not in any way affect the rights and obligations arising out of the provisions of the Treaty of Peace signed at Versailles on the 28th June 1919, or out of the provisions of the other corresponding Treaties, in so far as they concern the Powers which have signed, or which benefit by, such Treaties.

ARTICLE 3.

The present Convention, of which the French and English texts are both authentic, shall bear this day's date and shall be open for signature until the 1st December 1921.

ARTICLE 4.

The present Convention is subject to ratification. The instruments of ratification shall be transmitted to the Secretary-General of the League of Nations, who will notify the receipt of them to the other Members of the League and to States admitted to sign the Convention. The instruments of ratification shall be deposited in the archives of the Secretariat.

In order to comply with the provisions of Article 18 of the Covenant of the League of Nations, the Secretary-General will register the present Convention upon the deposit of the first ratification.

ARTICLE 5.

Members of the League of Nations which have not signed the present Convention before the 1st December, 1921, may accede to it.

The same applies to States not Members of the League to which the Council of the League may decide officially to communicate the present Convention.

Accession will be notified to the Secretary-General of the League, who will inform all powers concerned of the accession and of the date on which it was notified.

ARTICLE 6.

The present Convention will not come into force until it has been ratified by five Powers. The date of its coming into force shall be the ninetieth day after the receipt by the Secretary-General of the League of Nations of the fifth ratification. Thereafter the present Convention will take effect in the case of each Party ninety days after the receipt of its ratification or of the notification of its accession.

Upon the coming into force of the present Convention, the Secretary-General will address a certified copy of it to the Powers not Members of the League which are bound under the Treaties of Peace to accede to it.

ARTICLE 7.

A special record shall be kept by the Secretary-General of the League of Nations, showing which of the Parties have signed, ratified, acceded to or denounced the present Convention. This record shall be open to the Members of the League at all times; it shall be published as often as possible in accordance with the directions of the Council.

ARTICLE 8.

Subject to the provisions of Article 2 of the present Convention, the latter may be denounced by any Party thereto after the expiration of five years from the date when it came into force in respect of that Party. Denunciation shall be effected by notification in writing addressed to the Secretary-General of the League of Nations. Copies of such notification shall be transmitted forthwith by him to all the other Parties, informing them of the date on which it was received. The denunciation shall take effect one year after the date on which it was notified to the Secretary-General, and shall operate only in respect of the notifying Power. It shall not, in the absence of an agreement to the contrary, prejudice engagements entered into before the denunciation relating to a programme of works.

ARTICLE 9.

A request for the revision of the present Convention may be made at any time by one-third of the High Contracting Parties.

In faith whereof the above-named Plenipotentiaries have signed the present Convention.

Done at Barcelona the twentieth day of April one thousand nine hundred and twenty-one, in a single copy which shall remain deposited in the archives of the League of Nations.

* * * * * *

STATUTE ON THE REGIME OF NAVIGABLE WATERWAYS OF INTERNATIONAL CONCERN.

ARTICLE 1.

In the application of the Statute, the following are declared to be navigable waterways of international concern :

1. All parts which are naturally navigable to and from the sea of a waterway which in its course, naturally navigable to and from the sea, separates or traverses

different States, and also any part of any other waterway naturally navigable to and from the sea, which connects with the sea a waterway naturally navigable which separates or traverses different States.

It is understood that :

(*a*) Transhipment from one vessel to another is not excluded by the words "navigable to and from the sea";

(*b*) Any natural waterway or part of a natural waterway is termed "naturally navigable" if now used for ordinary commercial navigation, or capable by reason of its natural conditions of being so used; by "ordinary commercial navigation" is to be understood navigation which, in view of the economic condition of the riparian countries, is commercial and normally practicable;

(*c*) Tributaries are to be considered as separate waterways;

(*d*) Lateral canals constructed in order to remedy the defects of a waterway included in the above definition are assimilated thereto;

(*e*) The different States separated or traversed by a navigable waterway of international concern, including its tributaries of international concern, are deemed to be "riparian States".

2. Waterways, or parts of waterways whether natural or artificial, expressly declared to be placed under the regime of the General Convention regarding navigable waterways of international concern either in unilateral Acts of the States under whose sovereignty or authority these waterways or parts of waterways are situated, or in agreements made with the consent, in particular, of such States.

ARTICLE 2.

For the purpose of Articles 5, 10, 12 and 14 of this Statute, the following shall form a special category of navigable waterways of international concern :

(*a*) Navigable waterways for which there are international Commissions upon which non-riparian States are represented;

(*b*) Navigable waterways which may hereafter be placed in this category, either in pursuance of unilateral Acts of the States under whose sovereignty or authority they are situated, or in pursuance of agreements made with the consent, in particular, of such States.

ARTICLE 3.

Subject to the provisions contained in Articles 5 and 17, each of the Contracting States shall accord free exercise of navigation to the vessels flying the flag of any one of the other Contracting States on those parts of navigable waterways specified above which may be situated under its sovereignty or authority.

ARTICLE 4.

In the exercise of navigation referred to above, the nationals, property and flags of all Contracting States shall be treated in all respects on a footing of perfect equality. No distinction shall be made between the nationals, the property and the flags of the different riparian States, including the riparian State exercising sovereignty or authority over the portion of the navigable waterway in question : similarly, no distinction shall be made between the nationals, the property and the flags or riparian and non-riparian States. It is understood, in consequence, that no exclusive right of navigation shall be accorded on such navigable waterways to companies or to private persons.

No distinction shall be made in the said exercise, by reason of the point of departure or of destination, or of the direction of the traffic.

ARTICLE 5.

As an exception to the two preceding Articles, and in the absence of any Convention or obligation to the contrary :

1. A riparian State has the right of reserving for its own flag the transport of passengers and goods loaded at one port situated under its sovereignty or authority and unloaded at another port also situated under its sovereignty or authority. A State which does not reserve the above-mentioned transport to its own flag may, nevertheless, refuse the benefit of equality of treatment with regard to such transport to a co-riparian which does reserve it.

On the navigable waterways referred to in Article 2, the Act of Navigation shall only allow to riparian States the right of reserving the local transport of passengers or of goods which are of national origin or are nationalised. In every case, however, in which greater freedom of navigation may have been already established, in a previous Act of Navigation, this freedom shall not be reduced.

2. When a natural system of navigable waterways of international concern which does not include waterways of the kind referred to in Article 2 separates or traverses two States only, the latter have the right to reserve to their flags by mutual agreement the transport of passengers and goods loaded at one port of this system and unloaded at another port of the same system, unless this transport takes place between two ports which are not situated under the sovereignty or authority of the same State in the course of a voyage, effected without transhipment on the territory of either of the said States, involving a sea-passage or passage over a navigable waterway of international concern which does not belong to the said system.

ARTICLE 6.

Each of the Contracting States maintains its existing right, on the navigable waterways or parts of navigable waterways referred to in Article 1 and situated under its sovereignty or authority, to enact the stipulations and to take the measures necessary for policing the territory and for applying the laws and regulations relating to customs, public health, precautions against the diseases of animals and plants, emigration or immigration, and to the import or export of prohibited goods, it being understood that such stipulations and measures must be reasonable, must be applied on a footing of absolute equality between the nationals, property and flags of any one of the Contracting States, including the State which is their author, and must not without good reason impede the freedom of navigation.

ARTICLE 7.

No dues of any kind may be levied anywhere on the course or at the mouth of a navigable waterway of international concern, other than dues in the nature of payment for services rendered and intended solely to cover in an equitable manner the expenses of maintaining and improving the navigability of the waterway and its approaches, or to meet expenditure incurred in the interest of navigation. These dues shall be fixed in accordance with such expenses, and the tariff of dues shall be posted in the ports. These dues shall be levied in such a manner as to render unnecessary a detailed examination of the cargo, except in cases of suspected fraud or infringement of regulations, and so as to facilitate international traffic as much as possible, both as regards their rates and the method of their application.

ARTICLE 8.

The transit of vessels and of passengers and goods on navigable waterways of international concern shall, so far as customs formalities are concerned, be governed by the conditions laid down in the Statute of Barcelona on Freedom of Transit. Whenever transit takes place without transhipment the following additional provisions shall be applicable:

(*a*) When both banks of a waterway of international concern are within one and the same State, the customs formalities imposed on goods in transit after they have been declared and subjected to a summary inspection shall be limited to placing them under seal or padlock or in the custody of customs officers.

(*b*) When a navigable waterway of international concern forms the frontier between two States, vessels, passengers and goods in transit shall while "en route" be exempt from any customs formality, except in cases in which there are valid reasons of a practical character for carrying out customs formalities at a place on the part of the river which forms the frontier, and this can be done without interfering with navigation facilities.

The transit of vessels and passengers, as well as the transit of goods without transhipment, on navigable waterways of international concern, must not give rise to the levying of any duties whatsoever, whether prohibited by the Statute of Barcelona on Freedom of Transit or authorised by Article 3 of that Statute. It is nevertheless understood that vessels in transit may be made responsible for the board and lodging of any customs officers who are strictly required for supervision.

ARTICLE 9.

Subject to the provisions of Articles 5 and 17, the nationals, property and flags of all the Contracting States shall, in all ports situated on a navigable waterway of international concern, enjoy, in all that concerns the use of the port, including port dues and charges, a treatment equal to that accorded to the nationals, property and flag of the riparian State under whose sovereignty or authority the port is situated. It is understood that the property to which the present paragraph relates is property originating in, coming from or destined for, one or other of the Contracting States.

The equipment of ports situated on a navigable waterway of international concern, and the facilities afforded in these ports to navigation, must not be withheld from public use to an extent beyond what is reasonable and fully compatible with the free exercise of navigation.

In the application of customs or other analogous duties, local octroi or consumption duties, or incidental charges, levied on the occasion of the importation or exportation of goods through the aforesaid ports, no difference shall be made by reason of the flag of the vessel on which the transport has been or is to be accomplished, whether this flag be the national flag or that of any of the Contracting States.

The State under whose sovereignty or authority a port is situated may withdraw the benefits of the preceding paragraph from any vessel if it is proved that the owner of the vessel discriminates systematically against the nationals of that State, including companies controlled by such nationals.

In the absence of special circumstances justifying an exception on the ground of economic necessities, the customs duties must not be higher than those levied on the other customs frontiers of the State interested, on goods of the same kind, source and destination. All facilities accorded by the Contracting States to the importation or exportation of goods by other land or water routes, or in other ports, shall be equally accorded to importation or exportation under the same conditions over the navigable waterway and through the ports referred to above.

ARTICLE 10.

1. Each riparian State is bound, on the one hand, to refrain from all measures likely to prejudice the navigability of the waterway, or to reduce the facilities for navigation, and on the other hand, to take as rapidly as possible all necessary steps for removing any obstacles and dangers which may occur to navigation.

2. If such navigation necessitates regular upkeep of the waterway, each of the riparian States is bound as towards the other to take such steps and to execute such works on its territory as are necessary for the purpose as quickly as possible, taking account at all times of the conditions of navigation, as well as of the economic state of the regions served by the navigable waterway.

In the absence of an agreement to the contrary, any riparian State will have the right, on valid reason being shown, to demand from the other riparians a reasonable contribution towards the cost of upkeep.

3. In the absence of legitimate grounds for opposition by one of the riparian States, including the State territorially interested, based either on the actual conditions of navigability in its territory, or on other interests such as, *inter alia*, the maintenance of the normal-water conditions, requirements for irrigation, the use of water-power, or the necessity for constructing other and more advantageous ways of communication, a riparian State may not refuse to carry out works necessary for the improvement of the navigability which are asked for by another riparian State, if the latter State offers to pay the cost of the works and a fair share of the additional

cost of upkeep. It is understood, however, that such works cannot be undertaken so long as the State on the territory of which they are to be carried out objects on the ground of vital interests.

4. In the absence of any agreement to the contrary, a State which is obliged to carry out works of upkeep is entitled to free itself from the obligation, if, with the consent of all the co-riparian States, one or more of them agree to carry out the works instead of it; as regards works for improvement, a State which is obliged to carry them out shall be freed from the obligation, if it authorises the State which made the request to carry them out instead of it. The carrying out of works by States other than the State territorially interested, or the sharing by such States in the cost of works, shall be so arranged as not to prejudice the rights of the State territorially interested as regards the supervision and administrative control over the works, or its sovereignty and authority over the navigable waterway.

5. On the waterways referred to in Article 2, the provisions of the present Article are to be applied subject to the terms of the Treaties, Conventions, or Navigation Acts which determine the powers and responsibilities of the International Commission in respect of works.

Subject to any special provisions in the said Treaties, Conventions or Navigation Acts, which exist or may be concluded :

(*a*) Decisions in regard to works will be made by the Commission.

(*b*) The settlement, under the conditions laid down in Article 22 below, of any dispute which may arise as a result of these decisions, may always be demanded on the grounds that these decisions are *ultra vires*, or that they infringe international conventions governing navigable waterways. A request for a settlement under the aforesaid conditions based on any other grounds can only be put forward by the State which is territorially interested.

The decisions of this Commission shall be in conformity with the provisions of the present Article.

6. Notwithstanding the provisions of paragraph 1 of this Article, a riparian State may, in the absence of any agreement to the contrary, close a waterway wholly or in part to navigation, with the consent of all the riparian States or of all the States represented on the International Commission in the case of navigable waterways referred to in Article 2.

As an exceptional case one of the riparian States of a navigable waterway of international concern not referred to in Article 2 may close the waterway to navigation, if the navigation on it is of very small importance, and if the State in question can justify its action on the ground of an economic interest clearly greater than that of navigation. In this case the closing to navigation may only take place after a year's notice and subject to an appeal on the part of any other riparian State under the conditions laid down in Article 22. If necessary, the judgment shall prescribe the conditions under which the closing to navigation may be carried into effect.

7. Should access to the sea be afforded by a navigable waterway of international interest through several branches, all of which are situated in the territory of one and the same State, the provisions of paragraphs 1, 2 and 3 of this Article shall apply only to the principal branches deemed necessary for providing free access to the sea.

ARTICLE 11.

If on a waterway of international concern one or more of the riparian States are not parties to this Statute, the financial obligations undertaken by each of the Contracting States in pursuance of Article 10 shall not exceed those to which they would have been subject if all the riparian States had been Parties.

ARTICLE 12.

In the absence of contrary stipulations contained in a special agreement or treaty, for example, existing Conventions concerning customs and police measures and sanitary precautions, the administration of navigable waterways of international concern is exercised by each of the riparian States under whose sovereignty or authority the navigable waterway is situated. Each of such riparian States has, *inter alia*, the power and duty of publishing regulations for the navigation of such waterway and of

seeing to their execution. These regulations must be framed and applied in such a way as to facilitate the free exercise of navigation under the conditions laid down in this Statute.

The rules of procedure dealing with such matters as ascertaining, prosecuting and punishing navigation offences must be such as to promote as speedy a settlement as possible.

Nevertheless the Contracting States recognise that it is highly desirable that the riparian States should come to an understanding with regard to the administration of the navigable waterway and, in particular, with regard to the adoption of navigation regulations of as uniform a character throughout the whole course of such navigable waterway as the diversity of local circumstances permits.

Public services of towage or other means of haulage may be established in the form of monopolies for the purpose of facilitating the exercise of navigation, subject to the unanimous agreement of the riparian States or the States represented on the International Commission in the case of navigable waterways referred to in Article 2.

ARTICLE 13.

Treaties, conventions or agreements in force relating to navigable waterways, concluded by the Contracting States before the coming into force of this Statute, are not, as a consequence of its coming into force, abrogated so far as concerns the States signatories to those treaties.

Nevertheless the Contracting States undertake not to apply among themselves any provisions of such treaties, conventions or agreements which may conflict with the rules of the present Statute.

ARTICLE 14.

If any of the special agreements or treaties referred to in Article 12 has entrusted or shall hereafter entrust certain functions to an international Commission which includes representatives of States other than the riparian States, it shall be the duty of such Commission, subject to the provisions of Article 10, to have exclusive regard to the interests of navigation, and it shall be deemed to be one of the organisations referred to in Article 24 of the Covenant of the League of Nations. Consequently, it will exchange all useful information directly with the League and its organisations, and will submit an annual report to the League.

The powers and duties of the Commissions referred to in the preceding paragraph shall be laid down in the Act of Navigation of each navigable waterway and shall at least include the following :

(*a*) the Commission shall be entitled to draw up such navigation regulations as it thinks necessary itself to draw up, and all other navigation regulations shall be communicated to it;

(*b*) it shall indicate to the riparian States the action advisable for the upkeep of works and the maintenance of navigability;

(*c*) it shall be furnished by each of the riparian States with official information as to all schemes for the improvement of the waterway;

(*d*) it shall be entitled, in cases in which the Act of Navigation does not include a special regulation with regard to the levying of dues, to approve of the levying of such dues and charges in accordance with the provisions of Article 7 of this Statute.

ARTICLE 15.

This Statute does not prescribe the rights and duties of belligerents and neutrals in time of war. The Statute shall, however, continue in force in time of war so far as such rights and duties permit.

ARTICLE 16.

This Statute does not impose upon a Contracting State any obligation conflicting with its rights and duties as a Member of the League of Nations.

ARTICLE 17.

In the absence of any agreement to the contrary to which the State territorially interested is or may be a party, this Statute has no reference to the navigation of vessels of war or of vessels performing police or administrative functions, or, in general, exercising any kind of public authority.

ARTICLE 18.

Each of the Contracting States undertakes not to grant either by agreement or in any other way, to a non-Contracting State, treatment with regard to navigation over a navigable waterway of international concern which, as between Contracting States, would be contrary to the provisions of this Statute.

ARTICLE 19.

The measures of a general or particular character which a Contracting State is obliged to take in case of an emergency affecting the safety of the State or the vital interests of the country may, in exceptional cases and for a period as short as possible, involve a deviation from the provisions of the above Articles; it being understood that the principle of the freedom of navigation and especially communication between the riparian States and the sea, must be maintained to the utmost possible extent.

ARTICLE 20.

This Statute does not entail in any way the withdrawal of existing greater facilities granted to the free exercise of navigation on any navigable waterway of international concern, under conditions consistent with the principle of equality laid down in this Statute, as regards the nationals, the goods and the flags of all the Contracting States; nor does it entail the prohibition of such grant of greater facilities in the future.

ARTICLE 21.

In conformity with Article 23 (*e*) of the Covenant of the League of Nations, any Contracting State which can establish a good case against the application of any provision of this Statute in some or all of its territory on the ground of the grave economic situation arising out of the acts of devastation perpetrated on its soil during the war 1914—1918, shall be deemed to be relieved temporarily of the obligations arising from the application of such provision, it being understood that the principle of freedom of navigation must be observed as far as possible.

ARTICLE 22.

Without prejudice to the provisions of paragraph 5 of Article 10, any dispute between States as to the interpretation or application of this Statute which is not settled directly between them shall be brought before the Permanent Court of International Justice, unless under a special agreement or a general arbitration provision steps are taken for the settlement of the dispute by arbitration or some other means.

Proceedings are opened in the manner laid down in Article 40 of the Statute of the Permanent Court of International Justice.

In order to settle such disputes, however, in a friendly way as far as possible, the Contracting States undertake before resorting to any judicial proceedings and without prejudice to the powers and right of action of the Council and of the Assembly to submit such disputes for an opinion to any body established by the League of Nations as the advisory and technical organisation of the Members of the League in matters of communications and transit. In urgent cases a preliminary opinion may recommend temporary measures intended in particular to restore the facilities for free navigation which existed before the act or occurrence which gave rise to the dispute.

ARTICLE 23.

A navigable waterway shall not be considered as of international concern on the sole ground that it traverses or delimits zones or enclaves, the extent and population of which are small as compared with those of the territories which it traverses, and which form detached portions or establishments belonging to a State other than that to which the said river belongs, with this exception, throughout its navigable course.

ARTICLE 24.

This Statute shall not be applicable to a navigable waterway of international concern which has only two riparian States and which separates, for a considerable distance, a Contracting State from a non-Contracting State whose Government is not recognised by the former at the time of the signing of this Statute, until an agreement has been concluded between them establishing, for the waterway in question, an administrative and customs régime which affords suitable safeguards to the Contracting State.

ARTICLE 25.

It is understood that this Statute must not be interpreted as regulating in any way rights and obligations *inter se* of territories forming part, or placed under the protection, of the same sovereign State, whether or not these territories are individually Members of the League of Nations.

ADDITIONAL PROTOCOL TO THE CONVENTION ON THE REGIME OF NAVIGABLE WATERWAYS OF INTERNATIONAL CONCERN.

Barcelona, April 20, 1921.

1. The States signatories of the Convention on the Regime of Navigable Waterways of International Concern, signed at Barcelona on the 20th April, 1921, whose duly authorised representatives have affixed their signatures to the present Protocol, hereby declare that, in addition to the Freedom of Communications which they have conceded by virtue of the Convention on Navigable Waterways considered as of international concern, they further concede, on condition of reciprocity, without prejudice to their rights of sovereignty, and in time of peace,

(*a*) on all navigable waterways,

(*b*) on all naturally navigable waterways,

which are placed under their sovereignty or authority, and which, not being considered as of international concern, are accessible to ordinary commercial navigation to and from the sea, and also in all the ports situated on these waterways, perfect equality of treatment for the flags of any State signatory of this Protocol as regards the transport of imports and exports without transhipment.

At the time of signing, the signatory States must declare whether they accept the obligation to the full extent indicated under paragraph (*a*) above, or only to the more limited extent defined by paragraph (*b*).

It is understood that States which have accepted paragraph (*a*) are not bound as regards those which have accepted paragraph (*b*), except under the conditions resulting from the latter paragraph.

It is also understood that those States which possess a large number of ports (situated on navigable waterways) which have hitherto remained closed to international commerce, may, at the time of the signing of the present Protocol, exclude from its application one or more of the navigable waterways referred to above.

The signatory States may declare that their acceptance of the present Protocol does not include any or all of the colonies, overseas possessions or protectorates under their sovereignty or authority, and they may subsequently adhere separately on behalf of any colony, overseas possession or protectorate so excluded in their declaration. They may also denounce the Protocol separately in accordance with its provisions in respect of any colony, overseas possession or protectorate under their sovereignty or authority.

The present Protocol shall be ratified. Each Power shall send its ratification to the Secretary-General of the League of Nations, who shall cause notice of such ratification to be given to all the other signatory Powers: these ratifications shall be deposited in the archives of the Secretariat of the League of Nations.

The present Protocol shall remain open for the signature or adherence of the States which have signed the above-mentioned Convention or have given their adherence to it.

It shall come into force after the Secretary-General of the League of Nations has received the ratification of two States; provided, however, that the said Convention has come into force by that time.

It may be denounced at any time after the expiration of a period of two years dating from the time of the reception by the Secretary-General of the League of Nations of the ratification of the denouncing State. The denunciation shall not take effect until one year after it has been received by the Secretary-General of the League of Nations. A denunciation of the Convention on the Regime of Navigable Waterways of International Concern shall be considered as including a denunciation of the present Protocol.

Done at Barcelona, the twentieth day of April, nineteen hundred and twenty-one, in a single copy, of which the French and English texts shall be authentic.

CONVENTION AND STATUTE ON FREEDOM OF TRANSIT.

Barcelona, April 20, 1921.

ALBANIA, Austria, Belgium, Bolivia, Brazil, Bulgaria, Chile, China, Colombia, Costa Rica, Cuba, Denmark, the British Empire (with New Zealand and India), Spain, Esthonia, Finland, France, Greece, Guatemala, Haiti, Honduras, Italy, Japan, Latvia, Lithuania, Luxemburg, Norway, Panama, Paraguay, the Netherlands, Persia, Poland, Portugal, Roumania, the Serb-Croat-Slovene State, Sweden, Switzerland, Czecho-Slovakia, Uruguay and Venezuela.

Desirous of making provision to secure and maintain freedom of communications and of transit,

Being of opinion that in such matters general conventions to which other Powers may accede at a later date constitute the best method of realising the purpose of Article 23 (*e*) of the Covenant of the League of Nations,

Recognising that it is well to proclaim the right of free transit and to make regulations thereon as being one of the best means of developing co-operation between States without prejudice to their rights of sovereignty or authority over routes available for transit,

Having accepted the invitation of the League of Nations to take part in a Conference at Barcelona which met on the 10th March 1921, and having taken note of the final Act of such Conference,

Anxious to bring into force forthwith the provisions of the Regulations relating to transit by rail or waterway adopted thereat,

Wishing to conclude a Convention for this purpose, the High Contracting Parties have appointed as their Plenipotentiaries :

* * * * *

Who, after communicating their full powers found in good and due form, have agreed as follows :

ARTICLE 1.

The High Contracting Parties declare that they accept the Statute on Freedom of Transit annexed hereto, adopted by the Barcelona Conference on the 14th April 1921.

This Statute will be deemed to constitute an integral part of the present Convention. Consequently, they hereby declare that they accept the obligations and undertakings of the said Statute in conformity with the terms and in accordance with the conditions set out therein.

ARTICLE 2.

The present Convention does not in any way affect the rights and obligations arising out of the provisions of the Treaty of Peace signed at Versailles on the 28th June 1919, or out of the provisions of the other corresponding Treaties, in so far as they concern the Powers which have signed, or which benefit by, such Treaties.

ARTICLE 3.

The present Convention, of which the French and English texts are both authentic, shall bear this day's date and shall be open for signature until the 1st December 1921.

ARTICLE 4.

The present Convention is subject to ratification. The instruments of ratification shall be transmitted to the Secretary-General of the League of Nations, who will notify the receipt of them to the other Members of the League and to States admitted to sign the Convention. The instruments of ratification shall be deposited in the archives of the Secretariat.

In order to comply with the provisions of Article 18 of the Covenant of the League of Nations, the Secretary-General will register the present Convention upon the deposit of the first ratification.

ARTICLE 5.

Members of the League of Nations which have not signed the present Convention before the 1st December, 1921, may accede to it.

The same applies to States not Members of the League to which the Council of the League may decide officially to communicate the present Convention.

Accession will be notified to the Secretary-General of the League, who will inform all Powers concerned of the accession and of the date on which it was notified.

ARTICLE 6.

The present Convention will not come into force until it has been ratified by five Powers. The date of its coming into force shall be the ninetieth day after the receipt by the Secretary-General of the League of Nations of the fifth ratification. Thereafter the present Convention will take effect in the case of each Party ninety days after the receipt of its ratification or of the notification of its accession.

Upon the coming into force of the present Convention, the Secretary-General will address a certified copy of it to the Powers not Members of the League which are bound under the Treaties of Peace to accede to it.

ARTICLE 7.

A special record shall be kept by the Secretary-General of the League of Nations, showing which of the Parties have signed, ratified, acceded to or denounced the present Convention. This record shall be open to the Members of the League at all times; it shall be published as often as possible in accordance with the directions of the Council.

ARTICLE 8.

Subject to the provisions of Article 2 of the present Convention, the latter may be denounced by any Party thereto after the expiration of five years from the date when it came into force in respect of that Party. Denunciation shall be effected by notification in writing addressed to the Secretary-General of the League of Nations. Copies of such notification shall be transmitted forthwith by him to all other Parties, informing them of the date on which it was received.

The denunciation shall take effect one year after the date on which it was notified to the Secretary-General, and shall operate only in respect of the notifying Power.

ARTICLE 9.

A request for the revision of the present Convention may be made at any time by one-third of the High Contracting Parties.

In faith whereof the above-named Plenipotentiaries have signed the present Convention.

Done at Barcelona the twentieth day of April one thousand nine hundred and twenty-one, in a single copy which shall remain deposited in the archives of the League of Nations.

* * * * * *

STATUTE ON FREEDOM OF TRANSIT.

ARTICLE 1.

PERSONS, baggage and goods, and also vessels, coaching and goods stock, and other means of transport, shall be deemed to be in transit across territory under the sovereignty or authority of one of the Contracting States, when the passage across such territory, with or without transhipment, warehousing, breaking bulk, or change in the mode of transport, is only a portion of a complete journey, beginning and terminating beyond the frontier of the State across whose territory the transit takes place.

Traffic of this nature is termed in this Statute "traffic in transit."

ARTICLE 2.

Subject to the other provisions of this Statute, the measures taken by Contracting States for regulating and forwarding traffic across territory under their sovereignty or authority shall facilitate free transit by rail or waterway on routes in use convenient for international transit. No distinction shall be made which is based on the nationality of persons, the flag of vessels, the place of origin, departure, entry, exit or destination, or on any circumstances relating to the ownership of goods or of vessels, coaching or goods stock or other means of transport.

In order to ensure the application of the provisions of this Article, Contracting States will allow transit in accordance with the customary conditions and reserves across their territorial waters.

ARTICLE 3.

Traffic in transit shall not be subject to any special dues in respect of transit (including entry and exist). Nevertheless, on such traffic in transit there may be levied dues intended solely to defray expenses of supervision and administration entailed by such transit. The rate of any such dues must correspond as nearly as possible with the expenses which they are intended to cover, and the dues must be imposed under the conditions of equality laid down in the preceding Article, except that on certain routes, such dues may be reduced or even abolished on account of differences in the cost of supervision.

ARTICLE 4.

The Contracting States undertake to apply to traffic in transit on routes operated or administered by the State or under concession, whatever may be the place of departure or destination of the traffic, tariffs which, having regard to the conditions of the traffic and to considerations of commercial competition between routes, are reasonable as regards both their rates and the method of their application. These tariffs shall be so fixed as to facilitate international traffic as much as possible. No charges, facilities or restrictions shall depend, directly or indirectly, on the nationality or ownership of the vessel or other means of transport on which any part of the complete journey has been or is to be accomplished.

ARTICLE 5.

No Contracting State shall be bound by this Statute to afford transit for passengers whose admission into its territories is forbidden, or for goods of a kind of which the importation is prohibited, either on grounds of public health or security, or as a precaution against diseases of animals or plants.

Each Contracting State shall be entitled to take reasonable precautions to ensure that persons, baggage and goods, particularly goods which are the subject of a monopoly, and also vessels, coaching and goods stock and other means of transport, are really in transit, as well as to ensure that passengers in transit are in a position to complete their journey, and to prevent the safety of the routes and means of communication being endangered.

Nothing in this Statute shall affect the measures which one of the Contracting States may feel called upon to take in pursuance of general international Conventions to which it is a party, or which may be concluded hereafter, particularly Conventions concluded under the auspices of the League of Nations, relating to the transit, export or import of particular kinds of articles, such as opium or other dangerous drugs, arms

or the produce of fisheries, or in pursuance of general Conventions intended to prevent any infringement of industrial, literary or artistic property, or relating to false marks, false indications of origin, or other methods of unfair competition.

Any haulage service established as a monopoly on waterways used for transit must be so organised as not to hinder the transit of vessels.

ARTICLE 6.

This Statute does not of itself impose on any of the Contracting States a fresh obligation to grant freedom of transit to the nationals and their baggage, or to the flag of a non-Contracting State, nor to the goods, nor to coaching and goods stock or other means of transport coming or entering from, or leaving by, or destined for a non-Contracting State, except when a valid reason is shown for such transit by one of the other Contracting States concerned. It is understood that for the purposes of this Article, goods in transit under the flag of a Contracting State shall, if no transhipment takes place, benefit by the advantages granted to that flag.

ARTICLE 7.

The measures of a general or particular character which a Contracting State is obliged to take in case of an emergency affecting the safety of the State or the vital interests of the country may in exceptional cases, and for as short a period as possible, involve a deviation from the provisions of the above Articles; it being understood that the principle of freedom of transit must be observed to the utmost possible extent.

ARTICLE 8.

This Statute does not prescribe the rights and duties of belligerents and neutrals in time of war. The Statute shall, however, continue in force in time of war so far as such rights and duties permit.

ARTICLE 9.

This Statute does not impose upon a Contracting State any obligations conflicting with its rights and duties as a Member of the League of Nations.

ARTICLE 10.

The coming into force of this Statute will not abrogate treaties, conventions and agreements on questions of transit concluded by Contracting States before the 1st May 1921.

In consideration of such agreements being kept in force, Contracting States undertake, either on the termination of the agreement or when circumstances permit, to introduce into agreements so kept in force which contravene the provisions of this Statute the modifications required to bring them into harmony with such provisions, so far as the geographical, economic or technical circumstances of the countries or areas concerned allow.

Contracting States also undertake not to conclude in future treaties, conventions or agreements which are inconsistent with the provisions of this Statute, except when geographical, economic or technical considerations justify exceptional deviations therefrom.

Furthermore, Contracting States may, in matters of transit, enter into regional understandings consistent with the principles of this Statute.

ARTICLE 11.

This Statute does not entail in any way the withdrawal of facilities which are greater than those provided for in the Statute and have been granted, under conditions consistent with its principles, to traffic in transit across territory under the sovereignty or authority of a Contracting State. The Statute also entails no prohibitions of such grant of greater facilities in the future.

ARTICLE 12.

In conformity with Article 23 (*e*) of the Covenant of the League of Nations, any Contracting State which can establish a good case against the application of any provision of this Statute in some or all of its territory on the ground of the grave economic situation arising out of the acts of devastation perpetrated on its soil during the war 1914—1918, shall be deemed to be relieved temporarily of the obligations arising from the application of such provision, it being understood that the principle of freedom of transit must be observed to the utmost possible extent.

ARTICLE 13.

Any dispute which may arise as to the interpretation or application of this Statute which is not settled directly between the parties themselves shall be brought before the Permanent Court of International Justice, unless, under a special agreement or a general arbitration provision, steps are taken for the settlement of the dispute by arbitration or some other means.

Proceedings are opened in the manner laid down in Article 40 of the Statute of the Permanent Court of International Justice.

In order to settle such disputes, however, in a friendly way as far as possible, the Contracting States undertake, before resorting to any judicial proceedings and without prejudice to the powers and right of action of the Council and of the Assembly, to submit such disputes for an opinion to any body established by the League of Nations, as the advisory and technical organisation of the Members of the League in matters of communications and transit. In urgent cases, a preliminary opinion may recommend temporary measures intended, in particular, to restore the facilities for freedom of transit which existed before the act or occurrence which gave rise to the dispute.

ARTICLE 14.

In view of the fact that within or immediately adjacent to the territory of some of the Contracting States there are areas or enclaves small in extent and population in comparison with such territories, and that these areas or enclaves form detached portions or settlements of other parent States, and that it is impracticable for reasons of an administrative order to apply to them the provisions of this Statute, it is agreed that these provisions shall not apply to them.

The same stipulation applies where a colony or dependency has a very long frontier in comparison with its surface and where in consequence it is practically impossible to afford the necessary Customs and police supervision.

The States concerned, however, will apply in the cases referred to above a regime which will respect the principles of the present Statute and facilitate transit and communications as far as practicable.

ARTICLE 15.

It is understood that this Statute must not be interpreted as regulating in any way rights and obligations *inter se* of territories forming part or placed under the protection of the same sovereign State, whether or not these territories are individually Members of the League of Nations.

INTERNATIONAL CONVENTION RELATING TO THE SIMPLIFICATION OF CUSTOMS FORMALITIES.

Geneva, November 3, 1923.

(Came into operation, November 27, 1924.)

GERMANY, Austria, Belgium, Brazil, the British Empire (with the Commonwealth of Australia, the Union of South Africa, New Zealand, India), Bulgaria, Chile, China, Denmark, Egypt, Spain, Finland, France, Greece, Hungary, Italy, Japan, Lithuania, Luxemburg, the Protectorate of the French Republic in Morocco, Norway, Paraguay, the Netherlands, Poland, Portugal, Roumania, the Kingdom of the Serbs, Croats and Slovenes, Siam, Sweden, Switzerland, Czechoslovakia, the Regency of Tunis (French Protectorate) and Uruguay,

Desiring to give effect to the principle of the equitable treatment of commerce laid down in article 23 of the Covenant of the League of Nations;

Convinced that the freeing of international commerce from the burden of unnecessary, excessive or arbitrary customs or other similar formalities would constitute an important step towards the attainment of this aim;

Considering that the best method of achieving their present purpose is by means of an international agreement based on just reciprocity;

Have decided to conclude a convention for this purpose;

The high contracting parties have accordingly appointed as their plenipotentiaries :—

* * * * * *

Who, after communicating their full powers, found in good and due form, have agreed as follows :—

ARTICLE 1.

The contracting States, with a view to applying between themselves the principle and the stipulations of article 23 of the Covenant of the League of Nations with regard to the equitable treatment of commerce, undertake that their commercial relations shall not be hindered by excessive, unnecessary or arbitrary customs or other similar formalities.

The contracting States therefore undertake to revise, by all appropriate legislative or administrative measures, the provisions affecting customs or other similar formalities which are prescribed by their laws, or by rules, regulations or instructions issued by their administrative authorities, with a view to their simplification and adaptation, from time to time, to the needs of foreign trade and to the avoidance of all hindrance to such trade, except that which is absolutely necessary in order to safeguard the essential interests of the State.

ARTICLE 2.

The contracting States undertake to observe strictly the principle of equitable treatment in respect of customs or other similar regulations or procedure, formalities of the grant of licences, methods of verification or analysis, and all other matters dealt with in the present convention, and consequently agree to abstain, in these matters, from any unjust discrimination against the commerce of any contracting State.

The above principle shall be invariably applied even in cases in which certain contracting States, in accordance with their legislation or commercial agreements, may reciprocally agree to accord still greater facilities than those resulting from the present convention.

ARTICLE 3.

In view of the grave obstacles to international trade caused by import and export prohibitions and restrictions, the contracting States undertake to adopt and apply, as soon as circumstances permit, all measures calculated to reduce such prohibitions and restrictions to the smallest number; they undertake, in any case, as regards import and export licences, to do everything in their power to ensure—

(*a*) That the conditions to be fulfilled and the formalities to be observed in order to obtain such licences should be brought immediately in the clearest and most definite form to the notice of the public;

(*b*) That the method of issue of the certificates of licences should be as simple and stable as possible;

(*c*) That the examination of applications and the issue of licences to the applicants should be carried out with the least possible delay;

(*d*) That the system of issuing licences should be such as to prevent the traffic in licences. With this object, licences, when issued to individuals, should state the name of the holder and should not be capable of being used by any other person;

(*e*) That, in the event of the fixing of rations, the formalities required by the importing country should not be such as to prevent an equitable allocation of the quantities of goods of which the importation is authorised.

ARTICLE 4.

The contracting States shall publish promptly all regulations relating to customs and similar formalities and all modifications therein, which have not been already published, in such a manner as to enable persons concerned to become acquainted with them and to avoid the prejudice which might result from the application of customs formalities of which they are ignorant.

The contracting States agree that no customs regulations shall be enforced before such regulations have been published, either in the Official Journal of the country concerned or through some other suitable official or private channel of publicity.

This obligation to publish in advance extends to all matters affecting tariffs and import and export prohibitions or restrictions.

In cases, however, of an exceptional nature, when previous publication would be likely to injure the essential interests of the country, the provisions of the second and third paragraphs of this article will lose their obligatory force. In such cases, however, publication shall, so far as possible, take place simultaneously with the enforcement of the measure in question.

ARTICLE 5.

Every contracting State whose tariff has been modified by successive additions and alterations affecting a considerable number of articles shall publish a complete statement, in an easily accessible form, of all the duties levied as a result of all the measures in force.

For this purpose all duties levied by the customs authorities by reason of importation or exportation shall be methodically stated, whether they are customs duties, supplementary charges, taxes on consumption or circulation, charges for handling goods or similar charges, and in general all charges of any description, it being understood that the above obligation is limited to duties or charges which are levied on imported or exported goods on behalf of the State and by reason of clearing goods through the customs.

The charges to which goods are liable being thus clearly stated, a clear indication shall be given in the case of taxes on consumption and other taxes levied on behalf of the State by reason of clearing goods through the customs, whether foreign goods are subject to a special tax owing to the fact that, as an exceptional measure, goods of the country of importation are not or are only partially liable to such taxes.

The contracting States undertake to take the necessary steps to enable traders to procure official information in regard to customs tariffs, particularly as to the amount of the charges to which any given class of goods is liable.

ARTICLE 6.

In order to enable contracting States and their nationals to become acquainted as quickly as possible with all the measures referred to in articles 4 and 5 which affect their trade, each contracting State undertakes to communicate to the diplomatic representative of each other State, or such other representative residing in its territory as may be designated for the purpose, all publications issued in accordance with the said articles. Such communication will be made in duplicate and so soon as publication is effected. If no such diplomatic or other representative exists, the communication will be made to the State concerned through such channel as it may designate for the purpose.

Further, each contracting State undertakes to forward to the secretariat of the League of Nations, as soon as they appear, ten copies of all publications issued in accordance with articles 4 and 5.

Each contracting State also undertakes to communicate, as soon as they appear, to the "International Office for the publication of Customs Tariffs" at Brussels, which is entrusted by the International Convention of the 5th July, 1890, with the translation and publication of such tariffs, ten copies of all customs tariffs or modifications therein which it may establish.

ARTICLE 7.

The contracting States undertake to take the most appropriate measures by their national legislation and administration, both to prevent the arbitrary or unjust application of their laws and regulations with regard to customs and other similar matters, and to ensure redress by administrative, judicial or arbitral procedure for those who may have been prejudiced by such abuses.

All such measures which are at present in force or which may be taken hereafter shall be published in the manner provided by articles 4 and 5.

ARTICLE 8.

Apart from cases in which their importation may be prohibited, and unless it is indispensable for the solution of the dispute that they should be produced, goods which form the subject of a dispute as to the application of the customs tariff or as to their origin, place of departure or value, must, at the request of the declarant, be at once placed at his disposal without waiting for the solution of the dispute, subject, however, to any measures that may be necessary for safeguarding the interests of the State. It is understood that the refund of the amount deposited in respect of duties or the cancellation of the undertaking given by the declarant shall take place immediately upon the solution of the dispute, which must, in any case, be as speedy as possible.

ARTICLE 9.

In order to indicate the progress which has been made in all matters relating to the simplification of the customs and other similar formalities referred to in the preceding articles, each of the contracting States shall, within twelve months from the coming into force in its own case of the present convention, furnish the Secretary-General of the League of Nations with a summary of all the steps which it has taken to effect such simplification.

Similar summaries shall thereafter be furnished every three years and whenever requested by the Council of the League.

ARTICLE 10.

Samples and specimens which are liable to import duty, and the importation of which is not prohibited, shall, when imported by manufacturers or traders established in any of the contracting States, either in person or through the agency of commercial travellers, be temporarily admitted free of duty to the territory of each of the contracting States, subject to the amount of the import duties being deposited or security being given for payment if necessary.

To obtain this privilege, manufacturers or traders and commercial travellers must comply with the relevant laws, regulations and customs formalities prescribed by the said States; these laws and regulations may require the parties concerned to be provided with an identity card.

For the purpose of the present article, all objects representative of a specified category of goods shall be considered as samples or specimens, provided, first, that the said articles are such that they can be duly identified on re-exportation, and secondly, that the articles thus imported are not of such quantity or value that, taken as a whole, they no longer constitute samples in the usual sense.

The customs authorities of any of the contracting States shall recognise as sufficient for the future identification of the samples or specimens the marks which have been affixed by the customs authorities of any other contracting State, provided that the said samples or specimens are accompanied by a descriptive list certified by the customs authorities of the latter State. Additional marks may, however, be affixed to the samples or specimens by the customs authorities of the importing country in all cases in which the latter consider this additional guarantee indispensable for ensuring the identification of the samples or specimens on re-exportation. Except in the latter case, customs verification shall be confined to identifying the samples and deciding the total duties and charges to which they may eventually be liable.

The period allowed for re-exportation is fixed at not less than six months, subject to prolongation by the customs administration of the importing country. When the period of grace has expired, duty shall be payable on samples which have not been re-exported.

The refund of duties paid on importation, or the release of the security for payment of these duties, shall be effected without delay at any of the offices situated at the frontier or in the interior of the country which possess the necessary authority, and subject to the deduction of the duties payable on samples or specimens not produced for re-exportation. The contracting States shall publish a list of the offices on which the said authority has been conferred.

Where identity cards are required, they must conform to the specimen annexed to this article, and be delivered by an authority designated for this purpose by the

State in which the manufacturers or traders have their business headquarters. Subject to reciprocity, no consular or other visa shall be required on identity cards, unless a State shows that such a requirement is rendered necessary by special or exceptional circumstances. When a visa is required, its cost shall be as low as possible and shall not exceed the cost of the service.

The contracting States shall, as soon as possible, communicate direct to each other, and also to the Secretariat of the League of Nations, a list of the authorities recognised as competent to issue identity cards.

Pending the introduction of the system defined above, facilities at present granted by States shall not be curtailed.

The provisions of the present article, except those referring to identity cards, shall be applicable to samples and specimens which are liable to import duties and the importation of which is not prohibited, when imported by manufacturers, traders or commercial travellers established in any of the contracting States, even if not accompanied by the said manufacturers, traders, or commercial travellers.

[SPECIMEN.]

[NAME OF STATE.]

(Issuing Office.)

IDENTITY CARD FOR COMMERCIAL TRAVELLERS.

Valid for twelve months including the day of issue.

Good for..... No. of identity card.....

It is hereby certified that the bearer of this card

M. ....., born at.....

living at ..... No. ..... Street .....

is the owner of* .....

at .....

for the purpose of trade .....

.....

(*or*) is a commercial traveller employed by { the firm of / the firms of } .....

at.....

which { possess* / possesses } .....

for the purposes of trade .....

The bearer of this card intends to solicit orders in the above-mentioned countries and to make purchases for the firm(s) referred to. It is hereby certified that the said firm(s) is (are) authorised to carry out its (their) business and trade at..... and that it pays (they pay) the taxes, as provided by law, for that purpose.

....., the .....19.....

Signature of the head of the firm(s)

.....

Description of the bearer.

Age .....
Height .....
Hair .....
Special marks .....

Signature of the bearer.

.....

*State the articles or nature of the trade.

N.B.—The first entry should only be completed for heads of commercial or manufacturing businesses.

ARTICLE 11.

The contracting States shall reduce as far as possible the number of cases in which certificates of origin are required.

In accordance with this principle, and subject to the understanding that the customs administrations will retain fully the right of verifying the real origin of goods and consequently also the power to demand, in spite of the production of certificates, any other proof they may deem necessary, the contracting States agree to comply with the following provisions :—

1. The contracting States shall take steps to render as simple and equitable as possible the procedure and formalities connected with the issue and acceptance of certificates of origin, and they shall bring to the notice of the public the cases in which such certificates are required and the conditions on which they are issued.

2. Certificates of origin may be issued not only by the official authorities of the contracting States, but also by any other organisations which possess the necessary authority and offer the necessary guarantees and are previously approved for this purpose by each of the States concerned. Each contracting State shall communicate as soon as possible to the Secretariat of the League of Nations a list of organisations which it has designated for the purpose of delivering certificates of origin. Each State retains the right of withdrawing its approval from any organisation which has been so notified to it, if it is shown that such organisation has issued certificates in an improper manner.

3. In cases where goods are not imported direct from the country of origin, but are forwarded through the territory of a third contracting country, the customs administrations shall accept the certificates of origin drawn up by the approved organisations of the third contracting country, retaining, however, the right to satisfy themselves that such certificates are in order in the same manner as in the case of certificates issued by the country of origin.

4. The customs administrations shall not require the production of a certificate of origin—

(*a*) In cases where the person concerned renounces all claim to the benefit of a régime which depends for application upon the production of such a certificate.

(*b*) When the nature of the goods clearly establishes their origin, and an agreement on this subject has been previously concluded between the States concerned.

(*c*) When the goods are accompanied by a certificate to the effect that they are entitled to a regional appellation, provided that this certificate has been issued by an organisation designated for this purpose and approved by the importing State.

5. If the law of their respective countries permits, and subject to reciprocity, customs administrations shall—

(*a*) Except in cases where abuse is suspected, dispense with proof of origin in regard to imports which are manifestly not of a commercial nature, or which, although of a commercial nature, are of small value.

(*b*) Accept certificates of origin issued in respect of goods which are not exported immediately, provided that such goods are despatched within a period of either one month or two months, according as the exporting country and the country of destination are or are not contiguous; this period may be extended, provided that the reasons given for the delay in completing the transport of the goods appear satisfactory.

6. When, for any sufficient reason, the importer is unable to produce a certificate of origin when he imports his goods, the customs authorities may grant him the period of grace necessary for the production of this document, subject to such conditions as they may judge necessary to guarantee the charges which may eventually be payable. Upon the certificate being subsequently produced, the charges which may have been paid, or the amount paid in excess, shall be refunded at the earliest possible moment.

In applying the above provision, such conditions as may result from the exhaustion of the quantities which may be imported under a rationing system shall be taken into account.

7. Certificates may be in either the language of the importing country or the language of the exporting country, the customs authorities of the importing country retaining the right to demand a translation in case of doubt as to the effect of the document.

8. Certificates of origin shall not in principle require a consular visa, particularly when they originate from the customs administrations. If, in exceptional cases, a consular visa is required, the persons concerned may at their discretion submit their certificates of origin either to the consul of their district or to the consul of a neighbouring district for a visa. The cost of the visa must be as low as possible, and must not exceed the cost of issue, especially in the case of consignments of small value.

9. The provisions of the present article shall apply to all documents used as certificates of origin.

ARTICLE 12.

The documents known as "consular invoices" will not be required, unless their production is necessary either to establish the origin of the goods imported in cases where the origin may affect the conditions under which the goods are admitted, or to ascertain the value of the latter in the case of an *ad valorem* tariff, for the application of which the commercial invoice would not suffice.

The form of consular invoices shall be simplified so as to obviate any intricacies or difficulties and to facilitate the drawing up of these documents by the branch of trade concerned.

The cost of a visa for consular invoices shall be a fixed charge, which should be as low as possible; the number of copies of any single invoice required shall not exceed three.

ARTICLE 13.

Where the régime applicable to any class of imported goods depends on the fulfilment of particular technical conditions as to their constitution, purity, quality, sanitary condition, district of production, or other similar matters, the contracting States will endeavour to conclude agreements under which certificates, stamps or marks given or affixed in the exporting country to guarantee the satisfaction of the said conditions will be accepted without the goods being subjected to a second analysis or other test in the country of importation, subject to special guarantees to be taken where there is a presumption that the required conditions are not fulfilled. The importing State should be afforded every guarantee as to the authorities appointed to issue the certificates and the nature and standard of the tests applied in the exporting country. The customs administrations of the importing State should also retain the right to make a second analysis whenever there are special reasons for doing so.

To facilitate the general adoption of such agreements, it would be useful that they should indicate—

(*a*) The methods to be uniformly adopted by all laboratories appointed to make analyses or other tests, these methods being open to revision from time to time at the request of one or more of the States parties to such agreements.

(*b*) The nature and standard of the tests to be carried out in each of the States parties to such agreements, due care being taken that the standard of purity required for the various products is fixed in such a way as not to be tantamount to virtual prohibition.

ARTICLE 14.

The contracting States shall consider the most appropriate methods of simplifying and making more uniform and reasonable, whether by means of individual or concerted action, the formalities relating to the rapid passage of goods through the customs, the examination of travellers' luggage, the system of goods in bond and warehousing charges, and the other matters dealt with in the annex to this article.

In giving effect to this article, the contracting States will extend favourable consideration to the recommendations contained in that annex.

ANNEX TO ARTICLE 14.

(a) *Rapid Passage of Goods through the Customs.*

Organisation and working of the Service.

1. In order to avoid congestion at certain frontier customs offices, it is desirable that the practice of clearing goods at inland offices or warehouses should be encouraged whenever domestic regulations, transport conditions and the nature of the goods permit of this being done.

2. It is desirable that, unless abuse is suspected, and subject to the rights of States under their own legislation, the lead or other customs seals affixed by a State to goods which are in transit or on their way to warehouses should be recognised and respected by other States, apart from the right of the latter to affix new customs marks in addition to the lead or other seals.

Passage of goods through the Customs.

3. It is desirable that the States should, as far as is possible, but without prejudice to their right to levy special charges :—

(*a*) Facilitate the clearing of perishable goods outside ordinary office hours and on days other than working days.

(*b*) Authorise, as far as their legislation permits, the lading and unlading of vessels and boats outside the ordinary custom-house working days and office hours.

Facilities granted to persons declaring goods.

4. It is desirable that the consignee should always be free, except in so far as otherwise provided by article 10 of the Berne Convention of the 14th October, 1890, regarding the Carriage of Goods by Rail, which was amended by the Berne Convention of the 19th September, 1906, to declare, in person, goods in a customs office, or to cause this declaration to be made by some person designated by him.

5. It is desirable, wherever it is considered that such a system could usefully be employed, to adopt a printed form, including the customs declaration, to be filled in by the party concerned, the certificate of verification, and, if the country in question regards it as advisable, the receipt for the payment of the import duties.

6. It is desirable that States should refrain, so far as possible, from inflicting severe penalties for trifling infactions of customs procedure or regulations. In particular, if an act of omission or an error has been committed which is obviously devoid of any fraudulent intent and which can easily be put right, in respect of cases in which the production of documents is required for the clearing of goods through the customs, any fine which may be imposed should be as small as possible so as to be as little burdensome as possible and to have no character other than that of a formal penalty, *i.e.*, of a simple warning.

7. Consideration should be given to the possibility of using postal money-orders or cheques, against security of a permanent character, for the payment or guarantee of customs duties.

8. It is desirable that the customs authorities should, as far as possible, be authorised, when the identity of the goods can be established to their satisfaction, to refund on re-exportation of goods the duties paid on their importation, provided that they have remained continuously under the supervision of the customs authorities. It is also desirable that no export duties should be imposed when such goods are re-exported.

9. Suitable measures should be taken to avoid all delay in the passage through the customs of commercial catalogues and other printed matter of the same kind intended for advertisement when they are sent by post or packed with the goods to which they refer.

10. It is desirable, in cases in which certain documents necessary for purposes of customs formalities must bear the visa of a consulate or other authority, that the office which grants the visa should endeavour so far as possible to keep the hours of business which are habitual in the commercial circles of the locality in which such office is situated; it is also desirable that charges for attendances out of office hours, when levied, should be fixed at as reasonable a figure as possible.

(b) *Examination of Baggage.*

11. It is desirable that the practice of examining hand baggage in trains consisting entirely of corridor stock, either *en route* or when the train stops at a frontier station, should if possible be generally applied.

12. It is desirable that the practice recommended in paragraph 11 above as regards the examination of travellers' baggage should, as far as possible, be extended to journeys by sea and on rivers. The examination should, as far as practicable, be carried out on board ship, either during the voyage, when the crossing is not long, or on the ship's arrival in port.

13. It is desirable that notices should be posted on the custom-house premises and, as far as possible, in railway carriages and on boats, stating the charges and duties payable on the chief articles which travellers usually carry, and also a list of the articles the importation of which is prohibited.

(c) *Treatment of Goods in Warehouses and Warehousing Charges.*

14. It is desirable that States in which such institutions do not already exist should establish or approve the establishment of so-called "constructive" and "special" warehouses, which might be used for goods requiring special care on account of their peculiar character.

15. It is desirable that warehouse charges should be drawn up on a reasonable basis so as to be as a rule no more than sufficient to cover general expenses and interest on the capital laid out.

16. It is desirable that all persons having goods in warehouses should be allowed to withdraw damaged goods; the latter should be either destroyed in the presence of the customs officials or returned to the consignor without the payment of any customs duties.

(d) *Goods shown on the Manifest but not landed.*

17. It is desirable that the payment of import duties should not be required in the case of goods which, although they are shown on the manifest, are not actually introduced into the country, provided that sufficient evidence of the fact is furnished either by the carrier or by the captain within a time-limit fixed by the customs authorities.

(e) *Co-operation of the Services concerned.*

18. It is desirable to develop the system of international railway stations and to obtain effective co-operation among the various national organisations established therein.

It would also be advisable to establish the closest possible concordance between the functions and office hours of the corresponding offices of two contiguous countries, whether in the case of roads, rivers or railways. The practice of establishing the customs offices of contiguous countries in the same place, and, if feasible, even in the same building, should if possible be made general.

With a view to carrying out the recommendations contained in the present Section (*e*), it is desirable that an international conference should be convened, in which representatives of all the administrations and organisations concerned should take part.

ARTICLE 15.

Each of the contracting States undertakes, in return for adequate guarantees on the part of the transport agents, and subject to legal penalties in case of fraud or illegal importation, to allow baggage registered from the place of despatch abroad to be forwarded as of right, and without a customs examination at the frontier, to a non-frontier customs office in its territory, if such office is qualified for this purpose. The contracting States shall publish lists of customs offices thus qualified. It is understood that the traveller will have the choice of declaring his baggage at the first office of entry.

ARTICLE 16.

The contracting States, while reserving all their rights in respect of their own system of law regarding temporary importation and exportation, will be guided as far as possible by the principles laid down in the annex to this article as regards the régime to be applied to goods which are imported or exported in order to undergo a manufacturing process, to articles intended for exhibitions of a public character, whether for industrial, commercial, artistic or scientific purposes, to apparatus and articles employed for experiments or demonstrations, to touring vehicles, or furniture vans, to samples, to packing-cases and wrappings, to goods exported subject to an undertaking that they will be returned, and to other goods of a similar kind.

ANNEX TO ARTICLE 16.

1. It is desirable that the provisions of laws and regulations relating to temporary importation and exportation shall be simplified as far as circumstances allow, and shall be made public in the manner provided for in articles 4 and 5 of the present convention.

2. It is desirable that the measures of application should so far as possible form the subject of general regulations, in order that the persons or firms concerned may be acquainted with and able to take advantage of them.

3. It is desirable that the procedure adopted for the identification of goods should be as simple as possible, and that for this purpose :

(*a*) The guarantee afforded by the presence on the articles of marks affixed by the customs administrations of other States should be taken into consideration.

(*b*) The system of identification by specimens or samples, by drawings or by complete and detailed descriptions should be instituted, especially in cases in which the affixing of marks is impossible or offers disadvantages.

4. It is desirable that the formalities in connection both with declaration and verification should be carried out not only in the frontier offices, but also in any offices situated in the interior of the country concerned which possess the necessary authority.

5. It is desirable that an adequate time-limit should be allowed for the execution of undertakings which involve temporary importation or exportation, and that due consideration should be given to any unforeseen circumstances which may delay their execution, and the time-limit prolonged in case of need.

6. It is desirable that guarantees should be accepted in the form either of properly secured bonds or of payments in cash.

7. It is desirable that the security given should be refunded or released as soon as all the obligations which had been contracted have been fulfilled.

ARTICLE 17.

The present convention does not prejudice exceptional measures of a general or particular character which a contracting State may be obliged to take in the event of an emergency affecting the safety or vital interests of the country, it being understood that the principle of the equitable treatment of commerce must be observed to the utmost possible extent. Nor does it prejudice the measures which contracting States may take to ensure the health of human beings, animals or plants.

ARTICLE 18.

The present convention does not impose upon a contracting State any obligations conflicting with its rights and duties as a member of the League of Nations.

ARTICLE 19.

The coming into force of the present convention will not abrogate the obligations of contracting States in relation to customs regulations under treaties, conventions or agreements concluded by them before the 3rd November, 1923.

In consideration of such agreements being kept in force, the contracting States undertake, so soon as circumstances permit, and in any case on the termination of the agreement, to introduce into agreements so kept in force which contravene the provisions of the present convention the modifications required to bring them into harmony with such provisions; it being understood that this obligation is not applicable to the provisions of the treaties which terminated the war of 1914-18, and which are in no wise affected by the present convention.

ARTICLE 20.

In conformity with article 23 (*e*) of the Covenant of the League of Nations, any contracting State which can establish a good case against the application of any provision of the present convention in some or all of its territory, on the ground of the grave economic situation arising out of the acts of devastation perpetrated on its soil during the war of 1914-18, shall be deemed to be relieved temporarily of the obligations arising from the application of such provisions, it being understood that the principle of the equitable treatment of commerce, which is accepted as binding by the contracting States, must be observed to the utmost possible extent.

ARTICLE 21.

It is understood that the present convention must not be interpreted as regulating in any way rights and obligations *inter se* of territories forming part or placed under the protection of the same sovereign State, whether or not these territories are individually contracting States.

ARTICLE 22.

Should a dispute arise between two or more contracting States as to the interpretation or application of the provisions of the present convention, and should such dispute not be settled either directly between the parties or by the employment of any other means of reaching agreement, the parties to the dispute may, before resorting to any arbitral or judicial procedure, submit the dispute, with a view to an amicable settlement, to such technical body as the Council of the League of Nations may appoint for this purpose. This body will give an advisory opinion after hearing the parties and effecting a meeting between them if necessary.

The advisory opinion given by the said body will not be binding upon the parties to the dispute unless it is accepted by all of them, and they are free, either after resort to such procedure or in lieu thereof, to have recourse to any arbitral or judicial procedure which they may select, including reference to the Permanent Court of International Justice as regards any matters which are within the competence of that court under its statute.

If a dispute of the nature referred to in the first paragraph of this article should arise with regard to the interpretation or application of paragraphs 2 or 3 of article 4, or article 7, of the present convention, the parties shall, at the request of any of them, refer the matter to the decision of the Permanent Court of International Justice, whether or not there has previously been recourse to the procedure prescribed in the first paragraph of this article.

The adoption of the procedure before the body referred to above or the opinion given by it will in no case involve the suspension of the measures complained of; the same will apply in the event of proceedings being taken before the Permanent Court of International Justice, unless the court decides otherwise under article 41 of the statute.

ARTICLE 23.

The present convention, of which the French and English texts are both authentic, shall bear this day's date, and shall be open for signature until the 31st October, 1924, by any State represented at the Conference of Geneva, by any member of the League of Nations and by any States to which the Council of the League of Nations shall have communicated a copy of the convention for this purpose.

ARTICLE 24.

The present convention is subject to ratification. The instruments of ratification shall be deposited with the Secretary-General of the League of Nations, who shall notify their receipt to the members of the League which are signatories of the convention and to the other signatory States.

ARTICLE 25.

After the 31st October, 1924, the present convention may be acceded to by any State represented at the conference referred to in article 23 which has not signed the convention, by any member of the League of Nations, or by any State to which the Council of the League of Nations shall have communicated a copy of the convention for this purpose.

Accession shall be effected by an instrument communicated to the Secretary-General of the League of Nations to be deposited in the archives of the secretariat. The Secretary-General shall at once notify such deposit to all the members of the League of Nations signatories of the convention and to the other signatory States.

ARTICLE 26.

The present convention will not come into force until it has been ratified by five Powers. The date of its coming into force shall be the ninetieth day after the receipt by the Secretary-General of the League of Nations of the fifth ratification. Thereafter, the present convention will take effect in the case of each party ninety days after the receipt of its ratification or of the notification of its accession.

In compliance with the provisions of article 18 of the Covenant of the League of Nations, the Secretary-General will register the present convention upon the day of its coming into force.

ARTICLE 27.

A special record shall be kept by the Secretary-General of the League of Nations showing which of the parties have signed, ratified, acceded to or denounced the present convention. This record shall be open to the members of the League at all times; it shall be published as often as possible, in accordance with the directions of the Council.

ARTICLE 28.

The present convention may be denounced by an instrument in writing addressed to the Secretary-General of the League of Nations. The denunciation shall become effective one year after the date of the receipt of the instrument of denunciation by the Secretary-General, and shall operate only in respect of the member of the League of Nations or State which makes it.

The Secretary-General of the League of Nations shall notify the receipt of any such denunciations to all the members of the League of Nations signatories of or adherents to the convention and to the other signatory or adherent States.

ARTICLE 29.

Any State signing or adhering to the present convention may declare, at the moment either of its signature, ratification or accession, that its aceptance of the present convention does not include any or all of its colonies, overseas possessions, protectorates or overseas territories under its soveriegnty or authority, and may subsequently adhere, in conformity with the provisions of article 25, on behalf of any such colony, overseas possession, protectorate or territory excluded by such declaration.

Denunciation may also be made separately in respect of any such colony, overseas possession, protectorate or territory, and the provisions of article 28 shall apply to any such denunciation.

ARTICLE 30.

The Council of the League of Nations is requested to consider the desirability of summoning a conference for the purpose of revising the present convention if requested by one-third of the contracting States.

In faith whereof the above-named plenipotentiaries have signed the present convention.

Done at Geneva, the 3rd day of November, 1923, in a single copy, which will remain deposited in the archives of the secretariat of the League of Nations; certified copies will be transmitted to all the States represented at the conference.

PROTOCOL TO THE INTERNATIONAL CONVENTION RELATING TO THE SIMPLIFICATION OF CUSTOMS FORMALITIES.

At the moment of signing the convention of to-day's date relating to the simplification of customs formalities, the undersigned, duly authorised, have agreed as follows :—

1. It is understood that the obligations of the contracting States under the convention referred to above do not in any way affect those which they have contracted or may in future contract under international treaties or agreements relating to the preservation of the health of human beings, animals or plants (particularly the International Opium Convention), the protection of public morals or international security.

2. As regards the application of article 3, the obligation accepted by Canada binds only the Federal Government and not the Provincial Governments, which, under the Constitution, possess the power of prohibiting or restricting the importation of certain products into their territories.

3. As regards the application of articles 4 and 5, the acceptance of these articles by Brazil and Canada only involves, in the case of these States, the responsibility of the Federal Government to the extent to which the measures relating to tariffs or regulations referred to in those articles are taken by itself, and without its assuming any responsibility as regards such measures taken by the States or Provinces under rights conferred on them by the Constitution of the country.

4. In regard to the application of article 4 and of the second paragraph of article 5, the undertaking entered into by Germany does not entail any obligation on her part to publish certain trifling taxes which she collects or certain special formalities which she applies, but which are not imposed by her but by Federal States or by local authorities.

5. As regards the application of article 11, the contracting States recognise that the rules which they have established constitute the minimum guarantees which all the contracting States may claim, and do not exclude the voluntary extension or adaptation of such rules by bilateral or other agreements voluntarily concluded between the said States

6. In view of the special circumstances in which they are placed, the Governments of Spain, Finland, Poland and Portugal have stated that they reserve the right of excepting article 10 at the time of ratification and that they will not be bound to apply the said article until after a period of five years from this day.

A similar declaration has been made by the Governments of Spain, Greece and Portugal in respect of paragraph 8 of article 11 of the convention, and by the Governments of Spain and Portugal in respect of paragraph 3 of the same article. The Government of Poland has made a similar declaration in respect of the application of the whole of the same article, with the exception of paragraphs 1, 2, 4, 5, 7 and 9, which it agrees to apply as from the coming into force in its own case of the said convention.

The other contracting States, while stating their acceptance of the reserves so formulated. declare that they will not be bound, in regard to the States which have made the said reserves, as regards the matters to which they relate, until the provisions in question are applied by the said States.

Any exceptions which may subsequently be formulated by other Governments, at the time of their ratification or accession, with reference to article 10, article 11, or any particular provisions of those articles, shall be accepted, for the period referred to in the first paragraph above, and subject to the conditions laid down in the third paragraph, if the Council of the League of Nations so decides after consulting the technical body mentioned in article 22 of the convention.

The present protocol will have the same force, effect and duration as the convention of to-day's date, of which it is to be considered as an integral part.

In faith whereof the above-named plenipotentiaries have signed the present convention.

Done at Geneva, the 3rd day of November, 1923, in a single copy which will remain deposited in the archives of the Secretariat of the League of Nations; certified copies will be transmitted to all the States represented at the conference.

* * * * *

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

THE SECRETARY OF THE COUNCIL: Sir, in accordance with Rule 25 of the Indian Legislative Rules, I lay on the table copies of a Bill further to amend the Indian Tariff Act, 1894, and of a Bill further to amend the Madras Civil Courts Act, 1873, which were passed by the Legislative Assembly at its meeting held on the 15th March, 1926.

RESOLUTION *RE* REDUCTION OF THE EXPORTS OF OPIUM.

THE HONOURABLE MR. A. C. McWATTERS (Finance Secretary): Sir, I beg to move the following Resolution:

"This Council recommends to the Governor General in Council that immediate steps should be taken to give effect to the policy of progressively reducing the exports of opium from India except for strictly medicinal or scientific purposes so as to extinguish them altogether within a definite period."

This, Sir, is the third occasion within the last twelve months when various aspects of our opium policy have been discussed on the floor of this House, and I can only regret that on this occasion I do not see opposite to me my old friend, Sir Deva Prasad Sarvadhikary, who was the protagonist on the last two occasions, but who to-day would have been, I am sure, my strongest supporter. The Resolution which I have just moved will, if given effect to, be the most notable development in our opium policy since the discontinuance of our exports to China. The importance with which Government regard the policy embodied in this Resolution was emphasised appropriately by its being first mentioned in the speech of His Excellency the Viceroy when inaugurating this second Council of State on the 9th February last.

I should like to make it quite clear at the outset that we are not dealing to-day with the question of internal consumption of opium in India; we are dealing solely with the export of opium. The question of internal consumption is, as the House knows, primarily a matter for Local Governments and their Ministers. Subsequent to the discussion in this House a year ago, the Government of India have been in communication with the Local Governments on various aspects of that question and the replies of Local Governments have been received and are now under consideration. At the present time I can say nothing more than that about the internal question. What we are discussing to-day is the question of export of opium for smoking, not for opium eating, because practically the whole of our exports to the Far East are used for opium smoking. It is an international and not a domestic question.

It is not necessary for me to-day to enter in any great detail into the past history of our export of opium. But, in order to view the subject in its proper perspective, it is necessary to go back a few years. There are three well-defined stages in our opium policy in the last 15 years. In the year 1911 the Government of India, in agreement with the Government of China, decided to restrict progressively and eventually abolish the export of opium to China so as to terminate it by the year 1917 *pari passu* with steps which the Government of China were to take to prohibit the cultivation of opium in China. That agreement lasted only two years because

in the year 1913 the new Republican Government in China took up the question of suppression of opium cultivation with great vigour. Unfortunately, conditions in China have made it impossible for the Central Government to carry out their policy, and at the present time opium is probably grown in China on as large a scale as ever before. But the Government of India held to their policy and in the year 1913 they entirely abolished exports of opium to China with the object of assisting the Chinese Government in their endeavours. That policy has been continued ever since. More than that, the Government of India also restricted progressively their exports to non-China markets in the Far East with the object of preventing any Indian opium from being smuggled into China. The result financially has been that, whereas before 1913 the Indian Government's net revenue from the export of opium was something over 8 crores, in the current year, as the House knows, it was only a little over 2 crores, and even that figure was swollen by some adventitious receipts.

The second stage begins with the Hague Opium Convention. That Convention was ratified by India in the year 1920 as a result of long previous discussions. The Convention dealt with a good many aspects of the opium question besides export, but so far as export is concerned, the signatories undertook to restrict or prohibit export of opium to any country which desired the import of opium into its territories to be prohibited or restricted. In order to carry out that policy the system adopted was that known as the "import licence" system; that is to say, no opium was to be exported except under a definite licence from the Government of the country concerned or from their recognised consular officers. In India we have developed the policy still further by entering into direct agreements whenever possible with the various Governments themselves by which we consign the opium direct to the Governments with the object of keeping it under the control of those Governments and thus preventing smuggling. I may say that we are just on the point of concluding an agreement with French Indo-China, the last of our large purchasers with whom we have not yet concluded direct agreements. When that agreement is concluded, as it will be this month, we shall entirely discontinue the auction sales at Calcutta.

The third stage begins with Geneva. A little over a year ago, as the House will remember, between November, 1924 and February, 1925, discussions—sometimes controversial and acrimonious—took place at Geneva which resulted in the signing of two important Conventions marking a further definite advance. The first of those Conventions, to which representatives of all those countries which take Indian opium were signatories, provided that within 15 years from a date which is to be fixed by a Commission of the League of Nations, the countries which at present import opium for smoking, shall take steps to suppress completely the consumption of prepared opium, in their territories. This date, which is still in the future, is to be fixed by the League of Nations when they are satisfied that the exporting countries have controlled the export of opium from their territories sufficiently to prevent smuggling of opium being a danger to the carrying out of this policy. The second Opium Convention to which also India is a signatory is important. I will read the first article of the Protocol of that Convention. It says:

"The States signatory to the present Protocol, recognising that under Chapter I of the Hague Convention the duty rests upon them of establishing such a control over the production distribution and exportation of raw opium as would prevent the illicit

[Mr. A. C. McWatters.]

traffic, agree to take such measures as may be required to prevent completely, within five years from the present date, the smuggling of opium from constituting a serious obstacle to the effective suppression of the use of prepared opium in those territories where such use is temporarily authorised."

That, Sir, brings us down to the present position. We have a series of international undertakings beginning with the Hague Convention and ending with Geneva, the underlying assumption in which is that opium smoking is a vice and should be prohibited. I may say that in India also opium smoking has always been regarded as a vice, and there exist in all provinces Acts and rules of varying severity which have for their object the restriction or suppression of this practice. The new feature which emerges from Geneva is that the countries in the Far East where opium smoking is still temporarily authorised have now definitely expressed their desire to terminate the practice of opium smoking in their territories as early as possible. I now turn to the exact wording of the obligation which we have undertaken at Geneva. I would point out that the first Convention refers to the *exportation* of raw opium constituting a danger. We are on strong ground already so far as this is concerned, because, under the system which I have just described, we can and do control the exportation of opium. But the wording of the Protocol of the second Convention is much wider. As I have just informed the House, it refers to the *smuggling* of opium, and is not limited to the exportation of opium. Speaking in this House in September last, and with reference to this particular obligation, I said that the Government of India were prepared to take some responsibility even for the licit export of opium under the licence system, that is to say, they would endeavour to secure that their opium, even after it left India, was not used for the illicit trade. Since that time we have given the most careful consideration of the means necessary to carry out that promise. We desire to carry out our obligations not merely in the letter but in the spirit. Indeed, even before this obligation was undertaken, we did in some cases prohibit the export of opium to certain countries when not satisfied with the measures taken to stop smuggling. We prohibited the export of opium to Macao and to Dairen and also to Persia, but what we have now undertaken goes much further and imposes a general obligation upon us to see that Indian opium in no case enters into the illicit trade. If we are going to carry out this obligation in the spirit, it is incumbent upon us to make the most far searching inquiries into the ultimate destruction of all our exports of opium even after it has passed through the hands of the Governments to whom we consign it. The House will realise that it is impossible for us to scrutinise the internal arrangements of all these countries which are in most cases either British Possessions or Possessions of some of the most important Western Powers. Therefore, after careful consideration, the Government of India have come to the conclusion that the only practical and certain method of carrying out their obligations is to prohibit as soon as possible the export of opium altogether, except of course for medicinal and scientific purposes. This policy which we are recommending is not a mere gesture. It is intended to be a practical contribution towards a grave international problem, and the Government of India recommend this Resolution to the House because they are convinced that it is not only a practical policy but the right policy, and by adopting it we shall be fulfilling, and more than fulfilling, the international obligations which we have undertaken and the declarations which we have repeatedly made in the face of the world.

Now, Sir, I turn to the effect which this policy will have upon ourselves. In the first place there is the financial effect. It will mean the loss within a few years of the 2 crores or so of opium revenue which is obtained by the Central Government. The Central Government obtain no revenue from opium consumed in India. That revenue belongs to Provincial Governments. On this financial point I need say no more than I did in my budget speech. We hope that during the years when this policy is being given effect to, we shall be able by the gradual growth of other sources of revenue or by further economies in other directions to make up the loss which we shall incur by this policy. The second point which is equally important is the effect on the cultivators in the United Provinces. I would point out that the restriction of opium cultivation is not a new thing. It has been going on already and in September last I gave the House some striking figures to show the extent to which we have always restricted opium cultivation in the United Provinces. It does not of course mean the complete cessation of opium cultivation, because there still remains the amount required for the legitimate demand in India itself. We have been in consultation with the Government of the United Provinces and are assured by them that although they naturally regret the policy so far as it affects the cultivators, they are satisfied that the lands now cultivated with opium, which are always well irrigated village lands can be used for other valuable crops such as sugarcane, and if the policy is given effect to gradually, no serious injury to the cultivators need result.

As regards the period, it is not possible for me to-day to mention a definite date. There is first of all the administrative question of so making our arrangements as to cause the minimum amount of interference with and loss to the cultivators. There is also a political question involved because we obtain a proportion of opium also from the Malwa States. There would indeed be many advantages if all the cultivation of opium in India could be under the control of the Central Government and if the Malwa States could be supplied with the opium they require in the same way that we supply the Provincial Governments. That is a question however, which has not yet been explored and on which I can say nothing at present. It is a political question. Moreover, there is a technical difficulty, because the opium consumed in India is a blend of United Provinces and Malwa opium. For all these three reasons, the administrative, the political and the technical, we are unable at present to name a definite date when exports can finally be stopped, but it is our intention that the period shall not be unduly prolonged.

That is all I have to say on this Resolution. I commend it to the House because we are convinced that it is the most practical contribution we can make towards this serious international problem, and also because we are convinced that it is the right policy. The Government are particularly anxious to carry both Houses of the Legislature with them in this matter and I appeal to the House to pass this Resolution with a unanimous vote.

THE HONOURABLE THE PRESIDENT: The question is:

"That this Council recommends to the Governor General in Council that immediate steps should be taken to give effect to the policy of progressively reducing the exports of opium from India except for strictly medicinal or scientific purposes so as to extinguish them altogether within a definite period."

The motion was adopted.

RESOLUTION *RE* CREATION OF A SELF-GOVERNING TAMIL SPEAKING PROVINCE—*contd.*

THE HONOURABLE THE PRESIDENT: The Council will now resume discussion of the Resolution* moved yesterday by the Honourable Sir Sankaran Nair on the subject of the creation of a Tamil-speaking province.

THE HONOURABLE MR. G. S. KHAPARDE (Berar: Nominated Non-Official): Sir, I beg to support the proposition put forward by the Honourable Sir Sankaran Nair, not on very intricate or scientific grounds, as I believe in homely things and I put it as a homely reason. The Government of India and the British Government for the matter of that have, so to say, set up a school of self-government in India and there are nine pupils in it as there are nine administrations. Some of these pupils have carried out the policy and others have been a little troublesome and they have adopted various other methods. All government in this world, from my point of view, is regulated on only two systems, the system of punishment and the system of reward. Now this good, well-behaved province, I think, deserves to be rewarded, whereas others, who have unnecessarily created trouble, deserve a little—not punishment exactly—but disfavour, so to speak. This Tamil province behaved very well. They never adopted non-co-operation, they never adopted the tactics of obstructing Government, of paralysing the Government. They have behaved very well, taking advantage of all the facilities given to them. So some reward is due to them for this purpose. I do not understand the scheme put forward by the Honourable Mover, therefore, I shall not say anything about it. If that is not a good scheme, some other scheme can be adopted. He asks for complete self-government. That word has to be defined.

I suppose that is a matter for future consideration, and the Committee will settle that matter and it will have to be negotiated with the Home Government, so there is time for that. The basic principle is to promote the deserving, as in the school room we promote the deserving class and let the sluggards be; so we might let these people go a step further. That is the chief point in the proposal. I therefore support it very heartily. I am not to get it, but I do not mind my friends getting it, and if they get it, it will pave the way for us; it will be an object lesson to the whole of India and by behaving well and making the utmost use of the advantages they have they will open the way for others: but by obstructing they will obstruct themselves and obstruct us. The measure contains a sound policy and as it makes for the progress of self-government in India, I heartily support the Resolution moved by the Honourable Sir Sankaran Nair.

THE HONOURABLE MR. P. C. DESIKA CHARI (Burma: General): Sir, I am the only Tamilian now sitting in this Council of State and I have great pleasure in supporting this Resolution as it includes the district of my birth, namely, North Arcot. I also support it for another reason which I shall explain presently. I am one of those who believe in the immediate extension of the constitutional form of government throughout India.

*"This Council recommends to the Governor General in Council to advise His Majesty's Government to take such steps as may be required to constitute the following districts inhabited by the Tamil-speaking race, that is to say, Chingleput, North Arcot, Salem, Coimbatore, South Arcot, Tanjore, Trichinopoly, Madura, Ramnad and Tinnevelly, into a province with complete self-government."

Efforts have been made in another place and in this House and from various public platforms to convince the authorities who have the whip hand of the situation, of the necessity of letting India have full responsible self-government as early as possible. Even the immediate grant of a Commission to go into this matter has been recently denied to us. It may appear that we have been somewhat venturesome in launching this scheme for a little bit of reform for our province considering the fate which recently awaited a similar Resolution for the whole of India. It may appear at first sight that the authors of this Resolution—and being one of the signatories of the Resolution myself I also am open to this blame—were somewhat provincial in their patriotism, and some people may think that we do not want constitutional advancement for the whole of India. That is not our object. Our object is that if we bring forward a comprehensive scheme of reforms for the whole of India there is this danger of our demands being met by various objections on account of the varying conditions of life in various provinces. We do not want to have the issues clouded; we want to have the case of each province decided on the merits applicable to that particular province. We do not want that this issue should be side-tracked. The Honourable Mover has put forward his case in a very able manner, and I believe that, in spite of all that the mouth-piece of the Government, the Honourable the Home Secretary, has advanced, the Government have not taken the wind out of the sails of the Honourable Mover, and his tiny little boat is, if I may use the expression which he used in the course of his speech, quite safe in Indian waters. We have to take note of this fact that we have been told that in the midst of calm and plain sailing, the Indian seas are very treacherous, and that this tiny little boat sailing in Indian waters is likely to meet with a sudden outburst of fierce bureaucratic gales, like the one we had yesterday in the shape of the Home Secretary's speech; but I hope these gales may be avoided, and I hope and trust that the Honourable Mover, like a skilful mariner, will steer clear of the gales in the course he has adopted. He may deviate a bit to avoid the storm and may be content with accepting a committee of inquiry, or with having this Resolution accepted in principle so that the necessary inquiries may be made to see how the claims of this province can be met. I stated on a former occasion on the question of the Royal Commission, that the system of dyarchy and the test which was sought to be applied before the grant of responsible institutions have been successfully gone through; the province of my birth, Madras, and the province of my adoption, Burma, have passed this test with credit and distinction. I personally am of opinion that no such tests are necessary for the grant of a substantial measure of self-government, but even assuming that this test is necessary, we have passed it with distinction and we are entitled to a further stage of advancement. We are not to be told that our brother pupils have not come up to the same stage as we have. I do not believe that either, but assuming that statement to be correct, then we have made out a case for the further grant of reforms for this province. We are free from all the complications which ensue in various other provinces; there is no Hindu-Muhammadan problem. Revolutionary propaganda, as the Government would call the non-co-operation movement, has not had any success in that province, and the Reforms have been worked in a spirit of good-will. We have been told by His Excellency the Viceroy that British statesmen and the Government of India have extended the hand of fellowship and friendship, and it is open to the leaders of political thought in India to grasp the hand

[Mr. P. C. Desika Chari.]

of fellowship and friendship and so accelerate the coming in of self-government. I take it that this offer is made not only to the whole of India, but to every part of it, and we have few leaders of political opinion in this province who can be regarded as a better mouthpiece of this province than the Honourable Mover himself, who has been a distinguished Judge as well as a distinguished statesman who has been thought to be sufficiently well advanced to be in the highest councils of the Empire. I therefore urge upon this Council and upon the Members of the Government to show, not only by words, but also by their overt acts to the leaders of political thought that the hand of fellowship is there. I call upon the Members of the Government who have been so frank in saying that they have stretched out the hand of fellowship to advance further and not to recede, and I hope and trust that the leaders of political thought in the Tamil province will be allowed to grasp this hand of friendship in a hearty, friendly grasp. I also believe that the adoption of the principle underlying this Resolution would solve many problems. It would open the way for many other provinces to put forward schemes which would be quite suitable to the particular provinces, and I believe this will be a satisfactory solution for a province like Burma where there is a large volume of opinion, though not supported by a majority of public opinion there, that it is better to separate Burma from India. And if this system of Home Rule is extended to Burma, Burma will still remain within the British Indian Empire and will not be out of it, and the Province of Burma and the rest of India may be helpful to each other in many ways.

I may state that though I am fully at one with the Honourable Mover so far as the Resolution goes, I have not much sympathy for the scheme which he has put forward. The learned Mover has been very anxious to see that his boat is not overloaded, but I believe, in spite of warnings from those who are equally interested, he has put in a lot of dead matter which is a mere encumbrance to a fellow-passenger like myself on the same boat; and actuated by instincts of self-preservation as a fellow-passenger at sea on board the same boat I hasten to throw overboard some of this dead matter which encumbers it—for instance, that portion which relates to the Senate and also the portion relating to Parliament, which would enforce a rule that yearly about 100 members should vacate their seats. That is not quite consistent with the parliamentary system of government; and if it comes to such a pass that I think as a piece of caution it is necessary to throw overboard all these things which are not necessary on the voyage, I would not hesitate to throw overboard the whole scheme altogether, if I were to think that the throwing overboard of these unnecessary things would conduce to a better understanding or would lead to a safer voyage for the boat towards its appointed goal. I believe those are things which are wanted after we have got this Resolution accepted; and after reaching the land we are not wanting in fertile brains in Madras to give us a constitution which will be quite workable. I therefore heartily support this Resolution though I disagree with several of the things which have been brought in in the course of the speech of the mover as parts of the scheme. I take it the Honourable and learned Mover meant by bringing forward a scheme of that kind to show that workable schemes can be put forward and he wanted merely to show how far in the extension of Reforms he will go. As regards the details of the scheme they will be subjected to various

processes in the shape of inquiries and committees, in the shape of round-table conferences, in the shape of calling upon leaders of political thought to formulate their own views and schemes. It will be time enough to judge of those schemes when once the principle is conceded. With these words I heartily support this Resolution.

THE HONOURABLE MR. R. D. MORARJI (Bombay: Non-Muhammadan): Sir, the Resolution for the grant of complete self-government to the Tamil-speaking districts of the Madras Presidency which has been moved by the Honourable Sir Sankaran Nair, if I may say so without appearing presumptuous, suffers from certain grave defects. I do not know whether his intention is to experiment with this territory in order to watch the results of the introduction of complete self-government, or whether he thinks that the Tamil-speaking districts are more advanced than any other linguistic area in the country. I do not believe it could be the latter; for, I am sure in that case there would be many besides myself who would challenge the soundness of such an assertion. Sir, I do not think that under the existing constitution it is either desirable or even possible to establish complete self-government in one or more provinces. I would remind the House that the terms of reference to the Reforms Inquiry Committee two years ago explicitly asked for remedies to remove the defects in the Act within its scope and structure. Complete provincial autonomy which I presume the Honourable Sir Sankaran Nair really means by complete self-government, it was said by many witnesses—official as well as non-official—would be impossible within the existing constitution. I am aware that there has been a great deal of discussion both in this country and in England as to the exact meaning and implications of the term 'Provincial autonomy' in Indian politics. I will not go into the details of this constitutional problem. I think it is enough for the purposes of this debate to say that autonomy in any sense of the term is impossible within the existing constitution. That, I think, was made sufficiently clear by the reports of some of the Local Governments themselves on the working of the Reforms and brought out with great emphasis in the Minority Report of the Muddiman Committee. Provincial autonomy, even if it were possible, would not be desirable under the existing circumstances with autocracy established in the Central Government. One of the Honourable Member's successors in the Government of India, Sir Tej Bahadur Sapru, the first Law Member in the reformed Government, in his speech as President of the Liberal Federation at Poona three years ago, said that the establishment of Provincial autonomy, without a simultaneous move towards responsibility in the Central Government, would lead to serious conflict between the Provinces and the Government of India. Progressive opinion in India is unanimous on this point. If the Honourable Mover of this Resolution, instead of attempting to introduce piecemeal reform of this kind, had brought in a scheme of self-government for India, comprehensive in character and including in it full responsibility in both the Provinces and the Central Government with certain reservations as regards defence for a temporary period, I should have been disposed to regard it with deep sympathy. But his present proposal, I fear, is impossible to carry out; and on that ground alone, if on no other, I find myself unable to support it.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN (Punjab: Nominated Non-Official): Sir, it was a great treat yesterday when the paper was read to the House; naturally the calibre of the one who read it is such

[Sir Umar Hayat Khan.]

that the paper was very ably written. I think the paper was written for the whole of India; and as that chance did not occur some other *via media* had to be found to bring all that before the House, because otherwise all the labour would have been lost. If one had not actually seen the Resolution for which that speech was made, one would have thought that it was really meant for the whole of India. Well as for the whole of India, I think it might be useful whenever the time actually comes when some responsible authority—say the Statutory Commission—comes out to see such proposals for itself. Then of course all these matters could be referred to that Commission. Sir, one of the Members before this also tried to create another province; he was a member from Madras and the province was Kanada or some curious name like that—we are not all experts here on the geography of Madras. But if that province was the same province that our friend now wants to make, then I cannot understand why this proposal has again come up before the same House. Sir, if that was a separate province and this is going to be a separate one, then, including Madras itself, there will be three provinces. In my opinion the people of the Presidency are really the best judges as to how to partition their present Presidency and it is not for us to do so. The scheme in itself is very impracticable. For instance, if one province was given autonomy the other provinces which are not given autonomy would complain. Next day, perhaps another Honourable Member may come forward with the request to create another province in exactly the same way, to secure the ministerial Portfolio of it.

THE HONOURABLE MR. P. C. DESIKA CHARI: We want that to be done.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: I will presently come to it and show how impracticable it is. If we had our provinces on a linguistic basis, then, as I said the other day, we would have hundreds of provinces in India and not the 9 or 10 which we have now. The condition of India would be exactly what it was before when there were so many Rajas having various parts of the country. They would have their own armies and perhaps their own navies if the province was in the vicinity of the sea. They will be absolutely disconnected from each other. Their administrations will be different as they will be under different heads. What will happen? Whenever India is invaded, they will crumble like a house of cards. The necessity of unity was felt only recently. We all know that the British army is one of the best armies because it has won the world-war. Next comes the French army. But what happened towards the end of the war? Though the French and the British armies were working together, it was felt that the trouble was that they were under two heads, *i.e.*, the two different armies. So, when the critical time came they had to bring the English army under the French Generalissimo and after that what happened? There was success and the enemy was beaten. So, it will be seen that unless the army is of the very best material and had gone through the best training under one man, it will never stand the actual test for which it is meant. When these small States all over India with their armies come together to fight against a common foe, I think it will be a bad day for India. After all, my friend has brought this Resolution forward because he wants to make progress. Sir, only living things

can make progress. If they are dead, the progress comes to an end. If the scheme was such that an invasion from outside was possible where would this Council of State and the Legislative Assembly and the rest of it be? The other powers are not going to care for all this. So the whole progress will be finished.

THE HONOURABLE MR. G. S. KHAPARDE: It will be the federated India that will decide.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: Sir, one-third of India is already under the rule of Rajas. Now, I think there will be lots of people who would say: Give us your property in British India and take our property which is situated in the territory of these Indian States.. Of course, I know that there are certain very good States down country which have got good administrations. Our friends in Bombay have also got some States but from the recent happenings they have not got the same ideas about their administration. Sir, the people of the North and the South of India are poles asunder in their ideas and many other things and therefore we feel that if all these various provinces are separated, the result will be that the Punjab alone will have to fight the enemy on the border. That Province alone would not be strong enough to fight. The Punjab is the most important part of India because if that is conquered the rest of India does not count. The charge of the keys of the Empire has been entrusted to the Punjab in the past. If one-third of India which is already in the hands of Indian Ruling Chiefs can show that it is administered better than the British territory then, of course, it can be said that the time has come when the change suggested by our friends can be made. As things are at present, I think his speech was out of place. He is simply trying to put a round peg in a square hole. I do not always advocate that everything British is the best because I do realise that sometimes there are drawbacks here and there. But there is no doubt that they are the best for keeping the country safe from inroads and that is why they do not take those men in the Army who have been tried and have been found wanting. In the same way, they have also found that, however good their fighting material may be, when it comes to a hot climate, where there is malaria and other diseases, it is bound to deteriorate.

THE HONOURABLE THE PRESIDENT: I must ask the Honourable Member to come back to the Resolution.

THE HONOURABLE COLONEL NAWAB SIR UMAR HAYAT KHAN: As to the Resolution, Sir, I have tried to prove that it is impracticable to divide India into small units and I hope the House will reject it as it has already rejected similar measures brought forward by Dr. Rama Rau and Mr. Sethna.

THE HONOURABLE MR. K. C. ROY (Bengal: Nominated Non-Official): Sir, I rise to oppose the Resolution. I do so with very great regret, firstly, because the Resolution seeks to promote the cause of self-government in this country and, secondly, because it comes from the Honourable Sir Sankaran Nair, a man for whom I entertain the highest esteem. He comes to this House with great knowledge and vast experience almost unrivalled by any other Member of this House, and the House may very well be proud of his membership. His proposition, however, Sir, is an unfortunate one. It postulates, in the first instance, the partition of the

[Mr. K. C. Roy.]

Madras Presidency. Those of us who come from Bengal could recall with great regret the unhappy and the evil legacies which the partition of Bengal brought about and left behind. Therefore, Sir, we are bound to caution the House not to give assent to this proposition. Sir, if you consent to the creation of a new province of Tamil-Naidu, why leave out Andhra, Karnataka or Malayalam? What would be the administrative effect of such an adjustment? What would be the net financial result?

Sir, the Honourable Sir Sankaran Nair has been carefully silent about finance. I know that Finance is not the pet subject of constitution makers. The Honourable Mr. Desika Chari has spoken as a Tamilian in this House, but what is the verdict of the Tamil-speaking race. I ask him to read the *Hindu* newspaper. The Hindu newspaper has condemned the project in no uncertain terms and so have the vernacular newspapers. Where is the demand then?

Sir, I now come to the linguistic basis. In recent months I find my countrymen have suffered from two obsessions. One is the round table conference and the other the distribution of India on a linguistic basis. I think the unfortunate lead was given by the Joint Committee, a reference to which was made by the Honourable Mr. Crerar. The portion that covers Sir Sankaran Nair's Resolution is thus set forth in the Report. I quote from page 8:

"They are of opinion that any clear request made by a majority of the members of a legislative council representing a distinctive racial or linguistic territorial unit for its constitution under this clause as a sub-province or a separate province should be taken as a *prima facie* case on the strength of which a commission of inquiry might be appointed by the Secretary of State, and that it should not be a bar to the appointment of such a commission of inquiry that the majority of the legislative council of the province in question is opposed to the request of the minority representing such a distinctive territorial unit."

This was an unfortunate recommendation. I am sorry, Sir, but to the best of my recollection the Joint Committee had no evidence on the linguistic data. The only man who could give any authoritative evidence, I think, is Sir George Grierson, whose name perhaps is well known to most Members of this House. In his memorable work he has analysed the languages and I give a brief summary from the official red book of the India Office:

"Excluding the Gilgit Agency in Kashmir and the tribal areas of the North-West Frontier Province, where a language census was not taken, it was found in 1921 that there were 222 distinct languages recorded as vernacular in the Indian Empire."

Distinct languages as distinct from dialects. I want the House to consider for one moment how it is possible to redistribute India on a linguistic basis. At one time I thought that my province of Bengal, which has one language, could be promoted to a membership of the Home Rule Dominions or to the status of a self-governing colony on the basis of language alone, but it was only the other day I found Sir Abdur Rahim wants Urdu to be introduced in Bengal without delay. Any attempt on the part of our friends to divide India on a language basis is a hopeless proposition fraught with great difficulties, communal, political and geographical. I therefore stand for the political and geographical distribution of India as it stands to-day. This has been done as the result of great experience by great administrators and so far has stood the test of time and experience.

Now I come to the last point. The last point is that Sir Sankaran Nair wants complete self-government which the Honourable Mr. Crerar described as extreme provincial self-government, and which the Honourable Mover of the Resolution subsequently described as Dominion status. His request is without a parallel in history. Has the province of Tasmania got Dominion status? Has the province of Ontario got Dominion status? You can give Dominion Status to Canada, to Australia, but you could not give it to constituent provinces. How is the Mover going to adjust the Tamil province enjoying Dominion status with the Central authority? Does he or does he not admit that there will be always under other circumstances a federal government functioning at the headquarters of the Indian Empire? Lastly, I should like to remind the House what has been the lesson of history in India. The Honourable Colonel Sir Umar Hayat Khan has spoken in his inimitable style of the lessons of past history. If you allow the provinces to grow unchecked, not exactly on the lines on which the British provinces in the colonies have grown, it will undoubtedly be found one day that the provinces will become a menace to the safety of the Central authority and impair the ideal of an Indian nation which has grown as a result of British administration.

THE HONOURABLE RAJA SRI RAWU SWETACHALAPATI RAMAKRISHNA RANGA RAO, BAHADUR OF BOBBILI (Madras: Nominated Non-official): Sir, the Resolution under discussion is of an interesting and far-reaching, if somewhat of a bewildering character. As an ideal and as a first and necessary step for the ultimate realization of self-government, the Resolution would appear to be unobjectionable, but having regard to the illiterate and ignorant condition of the great bulk of the people, is it wise at this stage to grant complete self-government? That is a serious question deserving very careful consideration. Another equally important factor needing close attention and thought is the existing communal differences, political, social and religious, which have been fruitful agencies for estrangement of the various castes and creeds in the country. A union of hearts so essential for the success of the proposed experiment remains to be created. In this matter the masses have to be educated by getting them to realize that political advancement and the salvation of their country cannot make any headway until the present barrier of disunion and conflicting political interests are removed. Mere verbal professions of union do no good. It must be deducible from conduct extending over a fair period.

Sir, the House is aware that attached to the province of Madras is a number of contiguous districts speaking the Tamil language, the Telegu language and the Kanarese language which might be grouped to constitute the Tamil, Telegu and Kanarese-speaking provinces. Detached from these are two districts speaking Kanarese and Malayalam on the West Coast, namely, South Canara and Malabar. If the criterion for the formation of separate provinces be the language of the District, the Presidency will have to be split up into three provinces speaking Tamil, Telegu and Kanarese, assuming that in spite of its geographical isolation from the rest of the Kanarese-speaking districts, South Canara is tacked on to the Kanarese province. There will then remain the District of Malabar speaking the Malayalam language, which will have to be constituted as a separate province. The splitting up of the Presidency into four autonomous Provinces enjoying complete self-government involves a financial problem of

[Raja Sri Swetachalapati Ramakrishna Ranga Rao.]

no mean magnitude and therefore needs very careful and mature consideration. The problem appears insoluble without further taxation of a grinding character or unless the services are remunerated on a niggardly scale to ensure the balancing of the Budget. Such a step, it is needless to point out, is bound to affect administration prejudicially in more ways than one. If the question were merely the territorial re-arrangement of a province, as for instance, the desired transfer of a portion of the Ganjam and Vizagapatam Districts to the existing Province of Bihar and Orissa, there would have been no objection provided measures were taken to safeguard the interests of minorities, but this is not one on similar lines.

There are various other uninviting features of the proposal which I pass over and shall content myself with the observation that complete self-government at the present stage of the country's development politically and in other respects will be tantamount to a hark back to the past, to the elevation and material advancement of a few as of old, the stagnation of many and oppression of the vast bulk of the people. I affirm that my political goal is self-government to be reached in stages according to the measure of the people's fitness for the exercise of larger and more advanced political rights and privileges, but I regret that at the present stage of our political development I cannot record my vote in favour of the Resolution as, in my judgment, it would amount to the infliction of a calamity quite undeserved on the innocent and inoffensive people of the Tamil districts. Sir, before resuming my seat, let me assure the House that, if I have spoken rather strongly, it is due entirely to my patriotism and to my genuine love of, and concern for the welfare of, the dumb millions of South India.

THE HONOURABLE SIR C. SANKARAN NAIR (Madras: Non-Muhammadan): Sir, I appreciate the courtesy of the Honourable Member who has replied to me. I have nothing to complain of in the tone of the speech, nor have I anything to complain of in the criticisms he has advanced against my proposals. I knew my proposals in the form in which they stood would not have found ready acceptance on the part of Government. As I shall point out, there is only one misconstruction in the matter, and that is that the Honourable Member has assumed that my Resolution does not require, or does not involve, an inquiry on the part of the Viceroy or the Governor General in Council. It is a request to him by this Council of State to take a step. We only indicate the general principles, and I put forward a scheme for the purpose of showing that I have fully worked out the general principle and have come to a conclusion as to the details of the scheme showing how the general principle can be applied. Once the general principle is accepted, whether that should be the scheme the Viceroy should accept and whether any changes should be introduced into it, are all matters for him to consider before he makes his final recommendation to the Home Government as to whether they should accept it or reject it.

Now coming to the Resolution itself. There is only one point on which I can see any vital difference of opinion between myself and my Honourable friend who spoke on behalf of the Government. That is indeed a great difference of opinion which has to be recognised; that is, in putting forward my scheme for a House of Commons, I put forward the principle of universal suffrage. I put it forward for the purpose of safeguarding the interests of the masses, the interests of the poverty-striken people. For 40 years I have been in public life and I may say that, all the time, I have been advocating their interests, and whenever I have advocated their

interests and the Government were not directly affected themselves, they have supported me. But in those measures which directly affected the Government, either economically or politically, they have opposed me, and the Honourable Member who has now done so has only been carrying out the traditions of his Government. It is only natural that they should oppose me because he has told us quite candidly—he has let the cat out of the bag and come forward with the true reason—" If you give all these people the franchise, do you realise the consequences?" Though not in those words, he says, " Do you know what will happen, not only to the classes against whom they are now opposed, but to all these institutions?" He is quite right there. I have anticipated that objection. I have realised the force of that objection, but I put it forward because I stand for universal suffrage; I stand for the interests of those classes who are now downtrodden, destitute and poverty-striken, and I say, if we have the interests of the masses in mind, we must say, " Here we give you the franchise ". The Government should tell them " You have not been satisfied with us, and you have been blaming the British Government and have been saying that this British Government promised all sorts of things, swearing that they will do this and do that for you; you have been swearing that they do nothing for you. You say these higher castes have done nothing for you; you say that the landed classes and the aristocracy have done nothing for you; you say that these foreign capitalists come here from England and exploit you and ruin you. Very well we will give you this universal franchise. Come forward, let us have your suggestions; we are prepared to meet you ". That is the situation, let that be distinctly recognised. Whoever opposes that let him come out into the open and give his reasons for not accepting it. We are faced with this problem. That is the only point on which I see any vital difference of opinion between me and the Honourable Member who has opposed my Resolution.

There is one other matter which is connected with this. The Honourable Member says that his reading of history is quite different to mine, and is right there; it is quite different to mine. He says it is the higher classes, the privileged classes, who have taken care in the past of the interests of the lower classes, and I am wrong in stating that it is necessary to give the lower classes power for them to advance economically, socially and morally. Well that is the view of a large number of people; I do not deny it. Some political philosophers have said that it is for the higher classes, who know what is in the interests of a country, to look after the interests of the masses, and that they do look after the interests of the masses, whereas the lower classes are not sufficiently educated and will never become sufficiently educated for that purpose. Education in their case, they say, means revolution and it is much better to leave them in that state and for the higher classes to take care of them. As I understand the Honourable Member, that is the line he took. That is the line taken by a considerable body of opinion everywhere, not only in India but all over the world; but, as I said, I do not accept that view and that view will never hold in India, not only for the reasons which have persuaded political philosophers elsewhere that you cannot entrust to the higher classes the salvation of the lower classes, not only for the reasons based on history, but for special reasons applicable to India. The whole policy of the English Government till now, for at least half a century from 1857, has been to tell the people of India that they would remove all obstacles in their path, but that they would have to effect the reforms and elevate themselves. That is why, when the Universities were constituted, they told India: "We will

[Sir C. Sankaran Nair.]

give you higher education but it is for those who have received it afterwards to educate the masses. Over and over and over again measures have been brought forward in this Council or rather in the Council which corresponded to this before the Reforms, and they have been thrown out on the ground that the British Government will not interfere in such questions. They said: "We will not interfere with anything which interferes with caste; we will not interfere with anything which has even the semblance of interfering with religion or custom ". Therefore, apart from the reasons that I have given, apart from the reasons already cited which Lord Ronaldshay has given, apart from the reasons which arise from the difference of the civilisations which we follow,—apart from all that, apart from the peculiar constitution of the British Government, there is this further reason, that it is the avowed policy of the British Government not to interfere with any of these obstacles the removal of which is necessary for the amelioration of the lower classes. In effect they say, " We are foreigners, we do not know your religion, your social customs, and it is not for us to interfere with them ". The logical conclusion is: " We give you the power not only to come up to this Council but to settle all that between yourselves ". Those are two matters on which we differ, and I am quite ready to recognise that difference. I realise that difference; and if we had popular government here I should be quite willing to go to the country and seek their suffrage on those differences.

Now I come to the other things on which I do not really see much difference except in methods. So far as what my Honourable friend says of the language test is concerned, I doubt whether I have made myself quite clear to him. I did not put forward any such proposition. In fact when I heard the speeches of the Honourable Mr. Roy and the Honourable Mr. Morarji I wondered what I was listening to. It was not a reply to my speech, to anything that I had advanced. I did not say that India should be divided by language tests. What I said was that in this instance we may adopt the Tamil language test, and the reason is this. The Secretary of State said in his speech in the House of Lords that so far as any self-government for the whole of India is concerned or any further Indian progress is concerned, it is inconceivable for two reasons. One is on account of the Hindu-Moslem conflict. His words are quite clear; he says:

"If we withdrew from India to-morrow the immediate consequences would be a struggle *a l'outrance* between the Moslems and the Hindu population."

Then he threw out another challenge with reference to the demand that the British troops should be withdrawn at an early date from India. He says: "You want the British Army to be withdrawn from India? What will be the probable consequences of that?" He says—and I give it in his own words:

"I have never found one who advocated such a course. Is there, in fact, a responsible leader of any school of Indian thought who will to-morrow say: 'Commit to us at once the full responsibility and we will acquiesce in the withdrawal of British troops from India.' "

I do not want to say whether that is right or wrong; but there it is. Now there are the grounds on which he says he will not allow anything like Home Rule for India. He went on further to say that he would allow that conditions in India show that each Province may follow its own

social tendencies, its own civilisation, its own development. This is what he actually says:

"Afford an opportunity to each Province to work out its constitutional salvation in its own way."

Then having said that each Province might work out its own salvation, he said another thing. He said:

"The Madras Presidency has shown itself fitter for an advance than any other Province."

Now those are the facts on which I go. He admits that the Madras Presidency has shown itself to be fitter than any other Province for a constitutional advance. We on our part ask the Government to take it up. Now, how can it be taken up? Can the Province be taken as a whole for this purpose? I do not know whether my Honourable friend who opposed me was here before the Reforms. It was a gentleman who afterwards became a Member of the Government of India who wanted to constitute the Telegu speaking districts into a separate province. Another motion was brought forward in this Council to constitute the Kanarese speaking districts into a separate province. Madras has four languages, the Andhra, or the Telegu, the Kanarese, the Malayalam, and the Tamil. The Malayalam is a very small province and whether we the Malayalees should go with the Tamil or with the Kanara province is a point on which I am not certain in my own mind. Considering all the circumstances of the case I took the Tamil province as a separate province which may well claim this constitutional advance. I do not mean for a moment that the Telegus should not have it. Let them have it by all means, if they want to be separated from the Tamil province. I do not say Kanara should not have it if they want to be separate from the Tamil province. Naturally in this particular case I take Tamil as a test. If the Government entertain any doubts about it I throw it out as a challenge. Let them make the necessary inquiries. They know well how to make them. They can make up their mind whether the Madras Province as a whole does not require a very great advance upon the existing state of things. The request is not to divide India into provinces on a linguistic basis. I do not even ask for the Province itself to be divided on a linguistic basis, except in this particular instance in which it appears to be appropriate.

Then there is the question about the Army. The Honourable Member says we are in this fortunate position in the South that we do not want an Army, but he asks me: "Why is it you don't require an Army? Is it not because the British Army is all round you." Quite true, but why should we not have the benefit of our geographical position? If we are constituted into a province and the British Army is all round us in the interests of the Empire why should we not have the benefit of it? He says: "Supposing the *Emden* comes again?" Now we will not be drawn into a war at all except for the purposes of the Empire. Nobody is likely to want to fight the Tamil people. We do not injure anybody else. We do not wish to conquer anybody else. But we may be drawn into war as a consequence of being a part of the Empire. In that case it is only right that we should have the support of our Empire because we give our support to the Empire. Mutual help will be necessary in that case. He says suppose the *Emden* comes again to Madras. In the Tamil land,

[Sir C. Sankaran Nair.]

there are no fortified ports or military or naval stations, and therefore it is not likely that the *Emden* will come to the Tamil land. He says it might come to Madras. But Madras is not in the Tamil land and therefore it is their business to look after Madras. Madras is half Telegu and half Tamil.

THE HONOURABLE THE PRESIDENT: The Honourable Member has already largely exceeded his time.

THE HONOURABLE SIR C. SANKARAN NAIR: Sir, I want only two minutes more. As to the Executive Council and as to our relations with the Governor General in Council, they are all implied in the Resolution. All financial arrangements that are necessary must be made by arrangement between the Governor General and the Tamil Government.

I have done with the Honourable Member and I do not propose to reply to the remarks made by other Honourable Members except to one observation about the Indian States. The principle I put forward of different Provincial Governments with different constitutions is the solution for the Indian States. None other has been suggested.

As to Mr. K. C. Roy's speech, I have already given my answer in replying to the Honourable Member who spoke on behalf of Government. The Bengal partition cut the Bengali nation into two. My Resolution restores unity to the Tamil speaking community.

THE HONOURABLE MR. J. CRERAR (Home Secretary): Sir, before dealing with the reply made by the Honourable and learned gentleman to my own remarks, I have a few words to say with regard to the speeches made by the Honourable gentleman who supported the Resolution. I am sure that the Honourable and learned gentleman must share with me a considerable degree of surprise, if not at the measure, at any rate at the character, of the support which he received in this House. My Honourable friend Mr. Khaparde, I fear, did not treat the Resolution with the same respect and consideration with which I did. The Honourable and learned member said that he supported the Resolution, though he entirely failed to comprehend the scheme which it set forth. He thought that it was a simple and easy proposition based on the principle of punishment and reward. Was he not conscious, was he not, at any rate, apprehensive that there might be a serious fallacy in the assumption that this was indeed a reward because more than one Honourable Member who spoke later indicated that the rosy prospects intended by the Resolution might yet prove to be a calamity? That may or may not be the case and I have not taken upon myself to pass any final judgment upon it. Now, the other supporter of the Resolution, a member of the community for whose benefit this Resolution is being moved, also gave it a very qualified measure of support. In a strange way he contrived to support the Resolution, while dissociating himself to a very large extent from its contents. The Honourable gentleman drew a poetic and, indeed, a pathetic picture of a gallant little bark struggling out from harbour to the open seas to breast and confront the dangers of what he called the bureaucratic gales. It rather touched me. It touched me particularly to find that at least one of the passengers on

that little bark was already trembling for his own safety and even before it had left the quay was busily engaged in jettisoning the greater part of its cargo. Well, Sir, those are the views which have been expressed by the supporters of this Resolution.

I now turn to the reply which the Honourable gentleman has made himself. I should like to acknowledge, in the first instance, the courtesy with which he admits that I did endeavour to meet his Resolution in a spirit of judicial and candid inquiry. But he said that there was only one vital point of difference between us. I will come to that vital point of difference, as he called it later, but I myself must interpolate if this is one, that there are at least two vitally important points of difference between us. The first, and to my mind the most vital, point of difference is the difference we have as to what exactly this Resolution purports to do. The Honourable and learned gentleman said that it was not intended to preclude an inquiry. I will ask the House merely to examine what the Resolution says, and to observe that, if Honourable Members approve of this Resolution and accept it, they will be committed not to any interpretations that may conceivably be put upon the Resolution but to its actual terms and implications. I say, therefore, that this Resolution does not invite this House to embark upon an inquiry.

THE HONOURABLE SIR C. SANKARAN NAIR: Will the Honourable Member allow me to interrupt him? I did not say that this House is not to make an inquiry. It invites the Viceroy to make the inquiry.

THE HONOURABLE MR. J. CRERAR: It does not invite or recommend to the Governor General in Council . . . .

THE HONOURABLE MR. P. C. DESIKA CHARI: The Resolution says: "to advise His Majesty's Government to take such steps as may be required". Does that not include an inquiry?

THE HONOURABLE MR. J. CRERAR: It does not include an inquiry on the general principles of the Resolution. The House will be committed to advising the Governor General in Council not to inquire into the merits of the proposition contained in this Resolution but to take steps to carry them into effect. That is a totally different thing from instituting an inquiry. I have myself said throughout that I am by no means opposed to the institution of inquiries into these large constitutional questions, which ought to be exhaustive and minute. But before I come to that point, I wish to deal very briefly with what the Honourable Member called the vital difference of opinion between us. If I may be permitted to do so, I should like, Sir, to correct what was, I am sure unconsciously and inadvertently, a misrepresentation of what I said. I pointed out to the House that the Honourable gentleman proposed to confer upon what he himself called the depressed classes a universal suffrage or practically a universal suffrage together with the referendum. Now, I never expressed myself as opposed to the extension of the suffrage to all or any classes of the population of this country who have reached such a stage of political development that they can in their own interests and in the interests of the country safely be entrusted with it. I never committed myself to any such proposition and I do entirely disavow it. What I did say was that the House would do well to inquire whether such an electorate as the Honourable Member adumbrated is as yet sufficiently well organised and sufficiently capable

[Mr. J. Crerar.]

of taking advantage of this expedient to have it entrusted to it, because, while the Honourable Member proposes to confer this suffrage, he provides no means of regulating or controlling the manner in which it should be exercised. He gave the crude elements of political power into the hands of what he himself admits is a body not yet fully politically developed. Now I do say that that is a very dangerous thing to do. Whether it is a right or wrong thing to do I do not presume to judge. I say that it is a dangerous thing to do, and the House would do well to reflect upon that danger. Finally, the real and fundamental difference between the Honourable Member and myself is this, that though we have all heard with the greatest interest his interpretation and his exposition of the Resolution, the Resolution says something very different. There is the greatest difference in the world between promoting inquiry and precipitating decision. The Honourable Member has fallen into the danger, I fear, of endeavouring to precipitate decision. It is a danger into which this House will not, I hope, fall. It is a danger into which, with all its responsibilities for the examination, the formulation and the execution of policy, the Government of India cannot and will not permit itself to fall.

THE HONOURABLE THE PRESIDENT: The question is:

"That the following Resolution be adopted, namely:

"This Council recommends to the Governor General in Council to advise His Majesty's Government to take such steps as may be required to constitute the following districts inhabited by the Tamil-speaking race, that is to say, Chingleput, North Arcot, Salem, Coimbatore, South Arcot, Tanjore, Trichinopoly, Madura, Ramnad and Tinnevelly, into a province with complete self-government."

The motion was negatived.

STATEMENT OF BUSINESS.

THE HONOURABLE SIR MUHAMMAD HABIBULLAH (Member for Education, Health and Lands): Sir, to-morrow, as Honourable Members are aware, is the last day allotted for non-official business. On Friday next motions will be made for the consideration and passing of the Bills which were laid on the table to-day, and it is hoped that all the Bills outstanding in another place, which Government desire to pass into law this Session, will be laid on the table on that day. Should this expectation be realised, the Bills in question would be proceeded with on Monday, the 22nd March, In addition to legislative business, there remains for disposal my own Resolution recommending the issue of a notification on the subject of emigration to British Guiana, which has been circulated to Honourable Members and in respect of which you, Sir, are, I understand, prepared to waive the full 15 days period of notice. On this understanding I propose to move that Resolution on Tuesday, the 23rd March, on the conclusion of any legislative business which may not be disposed of on the previous day. This, Sir, so far as can be foreseen at present, will conclude the business of the Session.

The Council then adjourned till Eleven of the Clock on Wednesday, the 17th March, 1926.