

LEGISLATIVE ASSEMBLY DEBATES

TUESDAY, 6th DECEMBER, 1932

Vol. VII—No. 7

OFFICIAL REPORT



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Adopted, as amended.**

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LEGISLATIVE ASSEMBLY.

Tuesday, 6th December, 1932.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Ibrahim Rahimtoola) in the Chair.

MEMBER SWORN.

Mr. David George Mitchell, C.S.I., C.I.E., M.L.A. (Secretary, Legislative Department).

QUESTIONS AND ANSWERS.

DESIRABILITY FOR EFFECTING ECONOMY IN CANTONMENTS OF THE SOUTHERN COMMAND.

1592. ***Sardar Sant Singh** (on behalf of Sirdar Sohan Singh): (a) Is it a fact that the General Officer Commanding-in-Chief, Southern Command has impressed upon all Cantonment Authorities under his Command, the desirability for effecting economy by reduction of surplus establishment and by making new appointments on reduced salaries in case of Cantonment Fund employees?

(b) If the answer to the above question be in the affirmative, will Government be pleased to furnish a statement showing in detail the way in which these instructions have been carried out till now in each of the following Cantonments with a view to make them self-supporting:

1. Ahmednagar. 2. Belgaum. 3. Deolali. 4. Mhow. 5. Neemuch. 6. Poona. 7. Ahmedabad. 8. Baroda. 9. Pachmarhi. 10. Kamptee?

Mr. G. R. F. Tottenham: I have called for a report and will lay a report on the table in due course.

CANTONMENTS IN THE SOUTHERN COMMAND WITH AND WITHOUT DEFICIT BUDGETS.

1593. ***Sardar Sant Singh** (on behalf of Sirdar Sohan Singh): Will Government be pleased to state the names of those Cantonments and particularly the smaller ones in the Southern Command, which have no deficit budgets and also those which have deficit budgets owing to the withdrawal of Government grants?

Mr. G. R. F. Tottenham: The Honourable Member appears to be under a misapprehension: no budget deficit is left uncovered. Baroda and Santa Cruz receive grants-in-aid from Army Estimates while Secunderabad and Aurungabad receive subventions from the local Abkari funds. All other Cantonments in the Command are self-supporting.

ECONOMY AND RETRENCHMENT IN CANTONMENTS BY THE GRANT OF ELECTED BOARDS.

1594. ***Sardar Sant Singh** (on behalf of Sirdar Sohan Singh). Have Government considered whether the desired economy and retrenchment could be best attained in small Cantonments, if they are granted elected boards wherever the civil population is 2,500 or more?

Mr. G. R. F. Tottenham: The Government have no reason to believe that the constitution of elected boards in small Cantonments would secure any economy.

REFUSAL OF AN ELECTED BOARD TO THE BARODA CANTONMENT.

1595. ***Sardar Sant Singh** (on behalf of Sirdar Sohan Singh): (a) Is it a fact that the civil population of Baroda Cantonment numbering 2,585 was refused a Board on the grounds that this civil population is composed of "troops' families and persons of the menial and follower classes with the exception of a few Baroda State officials or pensioners and Mission boys who visit the Cantonment for training purposes"?

(b) If so, will Government be pleased to state the total number of Troops' families, followers and menial classes, which is alleged to form part of the civil population (2,585) in the Baroda Cantonment? Are Government prepared to reconsider the decision if the grounds assigned for the refusal of a Board are found to be at variance with actual facts?

Mr. G. R. F. Tottenham: (a) Yes.

(b) I have called for detailed information and will lay a reply on the table in due course.

EXECUTIVE OFFICERS AND SENIOR MEDICAL OFFICERS IN CANTONMENTS PAID BY GOVERNMENT.

1596. ***Sardar Sant Singh** (on behalf of Sirdar Sohan Singh): (a) Is it a fact that in some Cantonments, the Executive Officers and Senior Medical Officers are paid by Government and not out of the Cantonment funds?

(b) If the answer to the above question be in the affirmative, will Government be pleased to furnish a statement of those Cantonments, in which the Executive Officers are paid by Government and no allowance is paid to the Senior Medical Officers for supervising the Cantonment Dispensaries?

Mr. G. R. F. Tottenham: (a) Yes.

(b) I presume that when referring to Senior Medical Officers the Honourable Member is thinking of Officers of the Indian Medical Service or Royal Army Medical Corps. All such officers in charge of Cantonment Hospitals receive an allowance from Cantonment funds.

HIGHER SALARIES DRAWN BY THE STAFF OF THE BARODA CANTONMENT.

1597. ***Sardar Sant Singh** (on behalf of Sirdar Sohan Singh): (a) Are Government aware that though the Baroda Cantonment is comparatively much smaller as regards population, area, income, and work than a number

of other cantonments, its office staff are drawing salaries decidedly higher than what the staff in other cantonments do?

(b) Are Government aware that in the Baroda Cantonment before 1920 its Head Clerk had to perform fairly heavy criminal and civil judicial work over and above the cantonment fund work on a salary ranging from Rs. 40 to Rs. 80 per month and is it a fact that this salary was at once raised to Rs. 150 about 1920? If so, why? Is it a fact that since 1924 the Head Clerk and other clerks, etc., were relieved of the heavy judicial work on its transfer to the Residency Office and the cost of living has now gone down to the pre-war level and that the Head Clerk, Tax Collector and Sanitary Supervisor are still drawing the increased salaries and allowances?

Mr. G. R. F. Tottenham: I have called for a report and will lay a reply on the table in due course.

COMPETITION OF AMERICAN FRUITS WITH THE KULU VALLEY FRUITS.

1598. ***Mr. K. P. Thampan** (on behalf of Mr. Jagan Nath Aggarwal):

(a) Are Government aware that fruit growers in the Kulu valley have suffered considerably of late owing to the Indian markets being flooded with American fruits and that the latter are competing successfully with them?

(b) Are Government aware that this is due to great increase in postal charges during recent years?

(c) Is it a fact that the only route from Kulu to Pathankot is *via* Mandi State and that in that State there is a monopoly for motor lorries and a toll is levied on all heavy and light cars passing through the State?

(d) Are Government aware that fruit growers have no other means of transportation and that the fruit industry is suffering heavily on account of toll-charges and monopoly of motor traffic on the said road?

(e) Is it a fact that postal charges on fruit parcels were raised in 1920-21 by 25 per cent. and in 1931 by another 25 per cent. making an increase of 50 per cent. on the whole?

(f) If the answers to the above are in the affirmative, are Government prepared to take steps to relieve the distress of Kulu fruit growers? If so, what?

Mr. T. Ryan: Enquiries are being made and a reply will be placed on the table in due course.

DEPORTATION OF MR. RANBIR SINGH.

1599. ***Mr. K. P. Thampan** (on behalf of Mr. Jagan Nath Aggarwal):

(a) Are Government aware that Ranbir Singh, B.A., son of L. Khushal Chand, Editor of the daily *Milap*, Lahore, was arrested on 21st September, 1932, under Emergency Powers Ordinance Section 3 for a period of two months which was to expire on 20th November, 1932?

(b) Is it a fact that at about 9 P.M. on the night of the 19th November, 1932, he was taken away from Lahore Fort, where he was detained, to Lahore Cantonment Railway Station and thence has been taken to an unknown destination?

(c) Is it a fact that he has been deported under Regulation III of 1818? If so, will Government be pleased to state the reasons for taking this step against him?

(d) For how long is he to be kept in detention? What allowance has been fixed for him and will he be allowed to carry on his studies and literary pursuits during his deportation?

The Honourable Mr. H. G. Haig: (a) Yes.

(b) and (c). He has been detained under Regulation III of 1818 for reasons of State which I am not prepared to make public.

(d) I would refer the Honourable Member to the reply given by me on the 5th December to parts (c) and (d) of Bhai Parma Nand's question No. 1549 on the same subject.

MEETINGS HELD IN LAHORE IN CONNECTION WITH THE REMOVAL OF UNTOUCHABILITY.

1600. ***Mr. K. P. Thampan** (on behalf of Mr. Jagan Nath Aggarwal): (a) With reference to the answer given by Government to a question by Mr. Gaya Prasad Singh on the 14th November, 1932, that the question of removal of untouchability had nothing to do with politics and that it was a question of moral and religious reform, are Government aware that meetings held in Lahore in connection with the fast of Mahatma Gandhi relating to the question of the removal of untouchability were treated as political meetings?

(b) Are Government aware that certain gentlemen, *viz.*, Messrs. A. C. Bali, Hem Raj, Gurbux Rai, Kalyan Das, and Master Jassu Ram have been arrested for taking part in those meetings, though the notices served on them under section 4 of the Special Powers Ordinance allowed them to take part in purely religious processions or meetings?

(c) Are Government prepared to take any steps in the matter?

The Honourable Mr. H. G. Haig: I have no information but have made enquiries and will lay a statement on the table in due course.

PROVISION OF PROPER DRAINAGE IN KAROL BAGH, DELHI.

1601. ***Shaikh Fazal Haq Piracha:** (a) Will Government please refer to the portion quoted below of Mr. Bajpai's reply on the 24th March, 1932 to the starred question No. 957 by Mr. S. C. Mitra in regard to the lack of drainage in Karol Bagh?

"... Meanwhile everything that can be done with available resources is being done to ameliorate the conditions of life there. ..."

(b) Are Government aware that the lane in Karol Bagh lying to the south of plots Nos. 25 and 26, Block B.D., on the Khajoorwala Road is in a most insanitary condition?

(c) Are Government aware that the owner of these plots has repeatedly represented to the Delhi Municipality to do something to ameliorate the condition there, that the Health Officer of the Municipality has visited the site for a number of times, but that the Municipality have expressed their inability for the present to take any action in that connection stating that "the attention of Government, to whom this estate belongs, has repeatedly been drawn to the absence of drains and as soon as the Government of India are in a position to provide funds, suitable steps will immediately be taken to remove the cause of complaint"?

(d) Are Government aware that the matter represented did not necessarily involve the drainage scheme as a whole?

(e) Do Government intend to ascertain from the Municipality why they have taken no action in regard to the drainage of the lane, or do Government intend to undertake to provide proper drainage themselves?

Mr. G. S. Bajpai: Enquiries have been made and the information will be furnished to the House in due course.

**RESOLUTION RE TRADE AGREEMENT SIGNED AT OTTAWA—
concl'd.**

Sir Abdur Rahim (Calcutta and Suburbs: Muhammadan Urban): Mr. President, we all feel that this is the most momentous question that has ever been brought before this Assembly or any other Legislature in this country for a long time. Some of us feel very strongly on the point and are convinced that this Agreement is not in the economic interests of this country. I am conscious, Sir, that opinion is greatly divided in this House. The Government will secure a very large support for this Agreement, larger support than they have ever been able to secure on any other question that has agitated the public mind in the country.

Sir Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): Hear, hear.

Sir Abdur Rahim: My friend, Sir Muhammad Yakub, says "Hear, hear", but he always supports the Government and, therefore, his voice does not count.

Sir Muhammad Yakub: You have supported the Government for a much longer time than I do now.

An Honourable Member: Both of you sail in the same boat.

Mr. President (The Honourable Sir Ibrahim Rahimtoola): Order, order.

Sir Abdur Rahim: Sir, I supported the Government in all matters in which I thought Government were right when I was a Member of the Bengal Government, but whenever I thought that Government were in the wrong and I was free to vote as a Non-Official Member of this House or of the Bengal Legislative Council, I never had any hesitation in opposing the Government tooth and nail (Applause from the Opposition Benches), and if my friend, Sir Muhammad Yakub, is so curious, I would ask him to look into the records of the Cabinet of the Bengal Government and he will find that even inside that Government I never hesitated to vote against the majority if I thought I was right. (Applause from the Opposition Benches.)

Sir, it has been said that I am implacable in my opposition to this Ottawa Scheme. I do consider it, and I did consider it, as soon as I read the Report of the Delegation, that it was a pure and simple gamble playing with the economic fate of millions of people of this country, and,

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on that ground, I felt from the very beginning that unless we made a further study, unless we made a most extensive investigation into the various interests affected, it would be my duty to oppose this Agreement tooth and nail. I know, as I have said, Government will have a large majority to support this scheme, a scheme which is not theirs, but which has been thrust upon India by the British Government to which this Government are subordinate. The Government of India were not at liberty, even if they wanted to reject this Agreement, to do so, and that explains the peculiar procedure that was adopted in this case, different from the procedure adopted with respect to the self-Governing Colonies. I have alluded to that in my speech on the previous occasion and read out a passage from Mr. Stanley Baldwin's speech in support of my contention. Indeed, the Government of India's procedure struck me as very peculiar, because of the speech of Mr. Stanley Baldwin. So far as the Government of India are concerned, therefore, though I attach great value to their opinion in many matters, in this matter I am unable to attach any value to the Government of India's opinion whatever. Sir, I am also aware, and I admit frankly that not only numerically they will have a large number of votes even from this side of the House, but I am fully conscious that votes have different moral values on different occasions. For instance, if my Honourable friend, Mr. Arthur Moore, the Leader of the European Group, will vote with us tomorrow on the Ordinance Bill, and so also Mr. Ramsay Scott, and Mr. Morgan, I would consider that a very great triumph indeed for us even if a majority of votes be in favour of the Government. Similarly, I do not wish to discount the fact, nor can I do so, that Government on this occasion will have the votes of my Honourable friend, Dr. Ziauddin Ahmad—I do not find him here,—of Mr. Mody, of Sir Hari Singh Gour, and Mr. Ranga Iyer. (*An Honourable Member*: "Haji Abdoola Haroon.") Sir, he and Mr. Chetty were members of the Delegation and, therefore, I did not mention their names. I have no doubt that the votes of these gentlemen and some others who may perhaps follow them will be made very much of by the Government, by the British Conservative Government who have put forward this scheme—a scheme which they have been pursuing ever since the days of Joseph Chamberlain.

Now, let me deal with some of the speakers. I am sorry that my Honourable friend, Mr. Morgan, is not in his seat, because he charged the authors of the Minority Report, my Honourable friend, Mr. Raju, Diwan Bahadur Harbilas Sarda and myself, with having been influenced by political prejudices against Britain. I repudiate that charge as false and unfounded. (Cheers from the Nationalist and Independent Benches); the very passage he quoted from the Minority Report belied that charge. I am sorry that the Honourable Member whom I know well—and he is a very mild mannered gentleman indeed—should have been carried away by his enthusiasm for Empire preference to lay this charge against us,—a charge either by way of propaganda or arising out of racial pride. Sir, he told us that the jute mills were doing very badly; a number of looms were sealed; and he expected that preference to jute manufactures would help the industry. He is a business man; I believe he is connected with the jute business, and he is entitled to his opinion. But I know this, that even in the most flourishing days of the jute industry, the poor growers of jute, my own countrymen in Bengal, did not benefit much

by it. And that is exactly the position now. The jute producers of East Bengal, who toil all day and night to grow this commodity,—are they going to benefit? From past experience I say that they will not; they are as likely to lose as to benefit. If they benefit at all, it will be so little that it can very well be neglected.

Now, I come to my Honourable friend, Mr. Mody. Sir, when I listened to him, it seemed to me that he was so excited with joy over this Agreement that he lost that calm demeanour which always characterises him. I am not a business man and I have not a business man's mentality; but there must be something very valuable in the Report or behind it which excited him and caused so much elation in my Honourable friend, Mr. Mody. I will not try to fling at him what he said on the previous occasion in this House. He is perfectly entitled, on further investigation, after the intensive study which he gave to this question during the six days that we sat—during three days of which he was absent—(Laughter)

.....

Mr. H. P. Mody (Bombay Millowners' Association: Indian Commerce): Was I? No, Sir. On a point of explanation, may I say that I was only away just one day and no more, and that was a Saturday.

Sir Abdur Rahim: He was away from Delhi I think for two or three days.

Mr. H. P. Mody: That does not mean being away from the Committee.

Sir Abdur Rahim: I take it that he was continuing his study in the train. (Laughter.) He is overjoyed at the prospect of Indian producers of raw products capturing the British market, monopolising the British market. It almost seemed that his mouth watered at that prospect. May I put to him one question? Is it so easy, a business man as he is, to capture markets? What about his own industry, the cotton mill industry of Bombay? He is the Chairman of the Millowners' Association; he is their representative here and their spokesman. Has he not been seeking protection after protection for his own industry, even though so well organised, so largely supplied with capital? If that be so, is it sober judgment for any one to say that the poor starving agriculturist of India, unorganised, illiterate, a prey to middlemen—that he is in a position to capture within the space of three years the British market with his raw product? Sir, it is beyond common sense to believe an assertion of this kind. Then, Mr. Mody, I am sorry, ridiculed us for showing so much interest in the fate of the industries of India. I was wondering at that time if it was not somewhat strange for the representative of the cotton industry of Bombay to ridicule, to hold in slight estimation the support of Members of this House. Why? Because Mr. Mody knows,—a shrewd business man as he is, he knows very well that this Assembly does not now count at all; that it is the Government that is the most powerful body; that it is the Treasury Benches that dominate this Assembly. Therefore, it is not us that he is out to placate. His interests lie in supporting the Government. It was very rightly pointed out by my Honourable friend, Mr. Ramsay Scott, whom I know very well, and I know to be a very candid and sincere man—he told us frankly that it is

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the powerful industries of iron and steel of the Tatas and the cotton mills of Bombay which alone can influence the Government, and can protect themselves, but our poor struggling industries have no voice with the Government, no influence with them at all. Sir, if you look at the Report of the Delegation which I shall presently refer to, this is absolutely clear. So far as textiles are concerned, the subject was under inquiry by the Tariff Board and the Report points out on page 14:

"It may be well to explain the reasons why we felt it impossible to include in Schedule F the goods separately listed in Schedule G. In principle, there is no objection to a preference on textile goods which are not subject to protective duties, but we felt it would not be right to commit the Government of India finally until the Report of the Tariff Board had been received and considered."

With regard to the steel industry, what was the procedure adopted? The Tariff Board's inquiry into the steel industry is not to come on until 1934. So what was done was this. A representative of the steel industry, if my information is correct and I have it on very good authority, was sent for post-haste to London so that he was in a position to arrange with the manufacturing houses of Britain and we know what the result of that negotiation is. I accept the word of Mr. Dalal who appeared before us that the Agreement they have been able to conclude is in the interests of his firm. I may mention by the by that he offered no opinion whatever on the Agreement as a whole. Only he said it was for the benefit of the steel industry. He further told us that the position of the firm with regard to pig iron was bad and, therefore, in order not to lose the British market for pig iron, he was compelled to enter into an arrangement with the British manufacturers with regard to galvanised sheets. But this sort of arrangement is at any rate not in accordance with the policy which this Assembly laid down with respect to the Tata Iron and Steel Industry when they gave protection. The arrangement is that they will make the bars and send them to Britain in order to convert them into galvanised sheets and then the British manufacturers will send them here to their agents for sale. The fate of the other industries was not taken into account at all, throughout the Delegation's Report. I do not find that even a list is given of the other industries which are trying to raise their heads in this country behind the shelter of the tariff revenue duties. In the Special Committee I asked for a list of those industries, but we have not received it yet and I believe such a list is not forthcoming. This is the position with reference to the industries which are not so well favoured and so influential as Mr. Mody's. With regard to the India industries generally, as I am on this subject I may point out before I pass on to the other speakers, that the question is disposed of in paragraph 39 of the Delegation's Report on page 15. It says that Article 14 gives us the chance to protect them as we like. Now let us see what Article 14 lays down: It says this:

"In the event of circumstances arising which in the opinion of either party necessitate a change in the rates of duty or margins of preference settled by the Agreement on any particular description of goods that party shall notify and consult with the other party with a view to adjustments being agreed upon. If no Agreement is reached within six months of the date of such notice, it shall then be open to the original party to give to the other party six months' notice of his intention to carry into effect the change desired in the rate of duty or margin of preference on goods of the description named in the original notice and to bring the revised rate or rates into operation at the expiration of this period."

Now, so far as I can judge, this Article is not at all explicit. It does enable India to negotiate with the British Government regarding any particular article if we wish to vary the rates of duty. That is an Article of very general application, but one would have expected that on a matter of this importance when we are entering into an Agreement which is bound to affect our growing industries and industries which have a chance of establishing themselves in the future, that there should be a provision in the Agreement to the effect that it shall not in any way interfere with the policy of discriminating protection which we have adopted. That policy was well known to the Delegation and the Government of India. Why was not an express clause to that effect put in in the Agreement? India's industrial condition is such that it is necessary that we shall give full effect to our policy of discriminating protection, and the Agreement should in no way stand in the way of the policy which we have adopted after very careful consideration and investigations and in order to effectuate which we have instituted a Tariff Board. I have gone through the Agreement time after time and I say, subject to correction, that there is no explicit provision with reference to this matter. At the beginning of the Schedule, it is mentioned that it will not affect the duties on certain classes of goods mentioned in the Tariff Act. That does not affect the position. We have no protective clause of a specific character. Now I come to my friend, Dr. Ziauddin Ahmad, who is still not here. (A Voice: "He is here.") I am glad he has come. He is a great mathematician and I have great respect for him and he is a valued friend of mine, but unfortunately figures have such a fascination for him that he is liable to overlook other considerations. Sir, from the very beginning of the deliberations of the Select Committee—I am disclosing no secret to which he can object—the balance-sheet had a great value in his eyes, and he had one prepared, but I find that even Mr. Burt—I was not here when he spoke but judging from the report I have seen of his speech in the papers—even he does not attach any value to the balance-sheet, and I do not think that any other signatories to the Majority Report have attached any value to the so-called balance-sheet. Obviously, then, Sir, whatever mathematical value the balance-sheet may have, it has no economic significance whatever. Dr. Ziauddin began by saying in his note that the whole Ottawa Scheme was a leap in the dark on the part of Great Britain and I think, in the course of his note, he also says that we are equally in the dark so far as the position of India is concerned; that is to say, both the sides are taking a leap in the dark.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): I never said that India was taking a leap in the dark.

Sir Abdur Rahim: This is the sentence I was thinking of:

"It is impossible to visualize at this stage, with the materials at our disposal, the effect of the Ottawa Agreement on agricultural products or on our industries and on the pockets of the consumers."

Now, Sir, only men with eyes can visualize, and if this is not a leap in the dark, I should like to know what is. That is the position of my friend, Dr. Ziauddin Ahmad, another signatory to the Majority Report. Now, my Honourable friend, Mr. Ramsay Scott, pointed out in very forcible language that the inquiry hitherto has been quite insufficient so far as the industrial position is concerned; but, like a true Briton, he is loyal to Empire preference.

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My friend, Mr. Sadiq Hasan, told us frankly that the carpet industry, in which he is very largely interested, is likely to benefit to some extent, but, like a true Indian patriot, he is prepared to sacrifice whatever probable benefit his own concern might derive, because, in his opinion, the larger interests of India were at stake. Now I come to my friend, Sir Hari Singh Gour. He attaches very great value to the safeguards that he has devised. Now I put it to him, if responsible Government is in store for us, say, at the end of one or two years, is any safeguard at all necessary? Absolutely not. Supposing we have no responsible Government under our next constitution, then in that case we have a vivid picture of this Assembly before us to guide us as to what the next Assembly will be like. Supposing there is a large block of nominated members,—nominated, as my friend points out, by the Princes—then I say that that Assembly will certainly not be better than the present one. Where then is the benefit or the value of that safeguard, if the Assembly itself is weak and is going to be dominated by nominated men? In that case, the Assembly will vote in favour of any scheme put forward by the then Government. He also said that acceptance of the Agreement would be a great gesture to the Round Table Conference, to Great Britain and to the Dominions. Sir, I entirely agree, yes. They are cogitating at the Round Table Conference over safeguards for trade relations, for trade and commerce of Great Britain, and the vote of the Assembly in favour of the Ottawa Scheme will give them the necessary model on which to base those safeguards, that is, a provision by which preference is to be given to British manufacturers, whatever the sacrifice that may be involved to Indian manufacturers. Sir Hari Singh Gour wound up by giving us a parody of Umar Khayyam that after having listened to the discussions and arguments in the Special Committee, he came out by the same door by which he had gone in. True, but he will walk now into a lobby different from what he would have otherwise gone into, and that is a great difference. Sir, the question under discussion is of very great importance; and I submit that having regard to the hurried and wholly insufficient inquiry we have had so far, we would not be justified in reversing our policy which has been established since the days of Lord Curzon. It was forcibly pointed out not only by Lord Curzon in 1903, and by the Fiscal Commission, but also by Sir Geoffrey Corbett at the last Imperial Conference in 1930, that it is not in the interests of India to embark upon any scheme of Imperial Preference. Any scheme like that is not for the benefit of India. Sir, are we justified, on the materials which have been furnished to us, to depart from a well-established policy like that? It obviously involves considerable risks to the future economic development of India and are we, as Members of this Assembly, in a position to say: "Yes, let us take our chance". Sir, I have been told that I am irreconcilable. I know the majority of this House favour the Ottawa Agreement, but I have the satisfaction of knowing that the country is behind me. (Applause.) Every opinion that has been expressed in the Press so far supports me. In the Special Committee itself we examined a number of witnesses and they were unanimously of the opinion that the Ottawa Agreement was not in the best interests of India. Sir, we went to that Committee for that very purpose, to obtain expert and business opinion, at least that was one principal object we had in view, and the advice that was given to us was entirely opposed to this scheme. Sir, there is no mention in the Majority Report even of the existence of

that evidence. Under these circumstances, I submit that it will be taking not only a plunge in the dark, but we shall be taking grave risks and, so far as I am concerned, I am certain that we shall be endangering the economic interests of India if we enter into an Agreement like this.

***Mr. R. K. Shanmukham Chetty** (Salem and Coimbatore *cum* North Arcot: Non-Muhammadan Rural): On the last occasion, Mr. President, my Honourable friend, Sir Abdur Rahim, levelled the charge that the procedure followed by the British Government in dealing with the Government of India in the matter of the Ottawa Conference was essentially different from the procedure followed with regard to the Dominions and he further stated that the Government of India were not free agents in dealing with the British Government at Ottawa. He reiterated that charge again this morning. I have the greatest respect for my friend, Sir Abdur Rahim, and I do not cast the slightest doubt on his sincerity, patriotism or public service and I hope one may confidently expect that a gentleman of his eminent position in public life would concede even to his opponents that same sincerity of purpose which we all recognise in him. I would respectfully tell him, Sir, that in this matter of procedure, at any rate, my Honourable friend is under a very serious misapprehension. As one who has taken part in the Ottawa discussions right from their very inception, let me assure my Honourable friend that the procedure followed in the discussions between the representatives of the British Government and the representatives of the Government of India was exactly the same as was followed between the representatives of the British Government and any other Dominions. My Honourable friend quoted a passage from the speech of Mr. Stanley Baldwin in support of his own contention. I am afraid, my Honourable friend has entirely misunderstood the purport of that passage.

Sir Abdur Rahim: It is plain English.

Mr. R. K. Shanmukham Chetty: What exactly happened with regard to the negotiations between the British Government and the Government of India was this. The Delegates of the Government of India met the Ottawa Committee of the British Cabinet in London during the second week of May and it was on that occasion that the speech to which my Honourable friend has alluded was made by Mr. Stanley Baldwin. Soon after the formal meeting with a special Committee of the British Cabinet, the British Government handed over to us as the representatives of the Government of India a schedule containing the list of commodities on which Great Britain would like to have a preferential treatment in the Indian market. Similar schedules were handed over to representatives of Dominion Governments. It is no doubt true that in the case of certain Dominions discussions had started at an earlier stage than when the discussion started with the Government of India, but that does not mean that there was any difference in the procedure between the British Government and the Government of India and that between the British Government and the Dominion Governments. In fact, even certain Dominion Governments like that of South Africa and Southern Rhodesia followed exactly the identical procedure that we of the Indian Delegation followed in London and it was later on recognised on all quarters that the concentration of discussion directly between the representatives of the various Governments at London was more conducive to expediting

***Speech not revised by the Honourable Member.**

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business than the discussion carried on by correspondence between certain Dominions and the British Government. Sir, I can assure my Honourable friend that in this matter there was not the slightest difference between the procedure followed between the British Government and the Government of India on the one hand and the British Government and the Dominion Governments on the other.

Sardar Sant Singh (West Punjab: Sikh): May I ask my Honourable friend at this stage whether the Dominion representatives consulted their commercial interests before going to London or not?

Mr. R. K. Shanmukham Chetty: Sir, my Honourable friend again stated that the Government of India were not free agents. I hope that I am not giving away any of the secrets if I were to tell this House what exactly took place in the negotiations between the Government of India and the British Government. Speaking with all the responsibility that I have and with full first hand knowledge of the entire negotiations, I can state with confidence that not merely were the Government of India free agents in this respect, but that the Delegates of the Government of India in London and Ottawa were, in the freest manner possible, free agents. (Applause.) When the Government of India Delegates got the schedules of the British Government, they began to examine them and, let me assure my Honourable friends in this House, that in every one of the proposals that were finally made by the Government of India Delegates, the proposals were initiated by the Delegates of the Government of India and accepted by the Government of India. I must acknowledge, Sir, the fullest liberty that the Government of India gave to their Delegates in this respect and I would be failing in my duty if I did not take an early opportunity of paying my tribute to the work especially of one in the Delegation to whose honesty of purpose the success of the Government of India Delegation was ultimately due. I mean the efforts of Sir George Rainy. (Applause.) Sir, while Sir George Rainy was a Member of the Government of India, we all recognised that he was one actuated by the highest motives and honesty of purpose. And after observing at close quarters the magnificent work that Sir George Rainy rendered for the cause of India for three months in London and Ottawa, I can say with the utmost confidence that, if there is one person about whose honesty of purpose I cannot have the slightest doubt, it is Sir George Rainy. I go further and say, that if Sir George Rainy were sent as a plenipotentiary of the Government of India to negotiate a commercial treaty with any country in the world, I would blind-folded sign that Agreement if Sir George Rainy were satisfied that the Agreement was justified. (Loud Applause.) Sir, as I observed the magnificent services that Sir George Rainy rendered to India during those three months I felt within myself that India could better be served by men with honesty of purpose combined with wisdom and knowledge than by men with blind patriotism combined with ignorance and prejudice.

Sir, in the short time at my disposal, I would refer only to one particular matter arising out of the report, a matter on which doubts have been cast by the Minority Report. I have always felt that if there is one part of the Agreement more than another about which there cannot be the slightest doubt that it is in the interest of India, it is the Supplementary Trade Agreement regarding iron and steel. And I was

rather surprised to find that even with regard to this Supplementary Agreement the Minority Members of the Special Committee were not prepared to concede that it was in the interest of India. They observe:

"We feel that the Legislature and the country will not feel happy over the fact that the Tata's have to send their sheet bars to Britain for the manufacture of galvanised sheets to be placed in the Indian market by their agents and the profits to be shared between the British manufacturers and Tata's."

I will attempt to explain very briefly the implications of this Supplementary Trade Agreement regarding iron and steel. This House has recognised now for some time that the Indian iron and steel industry is a great national asset and that it ought to be protected, and this House has amply protected this great national industry. At a very early stage in our deliberations in London, we found that negotiations were proceeding between the iron and steel manufacturers of the various countries in the British Empire with a view to arriving at some common scheme of industrial co-operation; and we found that in this matter at any rate we could conclude a bargain which will be distinctly to the advantage of the Indian iron and steel industry. But the scope of such an Agreement was necessarily very restricted. The Indian iron and steel industry is one of our great protected industries, and, in accordance with the principle that we kept before our minds during the whole course of discussions at London and Ottawa, we could not do anything which will detrimentally affect that scheme of protection. But we found that in the case of galvanised sheets, at any rate, there was scope for getting very effective help for the Indian iron and steel industry.

The position with regard to the Indian iron and steel industry is briefly this. When the Tariff Board recommended their scheme of protection, the Tariff Board calculated that the Tata Iron and Steel Company would be in a position to manufacture about 600,000 tons of iron and steel. In their calculation the Tariff Board took into account the fact that the Railway Administration in India would be in a position to place orders with Tata's for 200,000 tons of rails. The House knows that, as a result of the financial stringency, the Railway Board failed to place this expected order for 200,000 tons of rails with Tata's. The result has been that though the maximum capacity of Tata's to produce iron and steel is in the neighbourhood of 600,000 tons, they are today actually producing only about 400,000 tons; and it was this fall in the production which was not due to any causes for which Tata's are responsible that necessitated the grant of additional protection from time to time by this House. Now, we wanted to examine the question whether it would not be possible to open fresh outlets for increasing the production of Tata Iron and Steel Works, and we found that in the case of galvanised sheet there was scope for rendering such a help to the Tata Company.

The position about galvanised sheet is roughly this. In the year 1981-82, the consumption of galvanised sheet in India was approximately 113,000 tons. Of these, about 29,000 tons were made by Tata's and 84,000 tons were imported from abroad. We were told that, as a result of the extension of the galvanised plant, the Tata Company would be in a position to increase their output of galvanised sheet within the next few months to the extent of about 45,000 tons. We were further told that though the Tata Company had on hand schemes for installing two further units for converting sheet bar into galvanised sheets, it will be some time before these units came into effective operation.

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Now, it was under those circumstances, that we concluded the Supplementary Trade Agreement. 'What does that Agreement provide? That Agreement provides that the duty on galvanised sheets imported from abroad will be Rs. 83-12-0 as it is at present; the duty on galvanised sheet imported from the United Kingdom will be Rs. 53; and the duty on galvanised sheets made from Indian sheet bars and sent from the United Kingdom will be Rs. 80. In addition to this Trade Agreement that was made between the Government of India and the British Government, further business agreements have been made between the Tata Iron and Steel Company and the British manufacturers of iron and steel. Now, under this Agreement between the manufacturers of both countries, it is arranged that the Tata Company will send to England about 80,000 tons of sheet bars for conversion into galvanised sheets, and that these finished galvanised sheets will be sent back to India at the lower rate of duty, that is, Rs. 80 per ton. In addition, the Indian iron and steel manufacturers have been assured of a certain market for the Indian pig iron in the United Kingdom market. Sir, this arrangement will enable the Tata Iron and Steel Company to manufacture an additional 80,000 tons of sheet bar; in other words, they will be enabled, as a result of this Agreement, to increase their production of iron and steel from 400,000 tons to about 480,000 tons. And we naturally thought that to enable the Indian manufacturer to increase the production by about 80,000 tons would result not merely in a substantial profit to the Indian steel manufacturer, but that it would result in the lowering of the cost of production of all the 480,000 tons. Specially the arrangement with regard to the marketing of the Indian pig-iron in the United Kingdom market is a very valuable feature of the Agreement. The blast furance capacity in India is very considerable and we have depended on the Japanese market all these years, and that market we have lost. And this opening that has now been obtained in the United Kingdom market for a minimum of 70,000 tons of basic iron is one which will further help the Tata Company to reduce the cost of production. And, in these circumstances, Sir, we thought that this will not merely result in an immediate profit to the iron and steel manufacturer in India, but that when the next Statutory Inquiry comes, the total cost of production of the Tata Iron and Steel Works would be considerably lower than what it is at present.

It is these considerations that led us to conclude this Supplementary Trade Agreement; and let me once again remind Honourable Members that, so far as this part of the Trade Agreement is concerned, it is to remain in force only till the 31st March, 1934, when the Statutory Inquiry with regard to iron and steel will take place, after which we would be entirely at liberty to do what we consider to be the best in the interests of the country. I hope this explanation would enable Honourable Members to appreciate the true implications of this Supplementary Trade Agreement.

The time at my disposal would not permit me to touch on any other points. On the last occasion, I ventured to observe that when 12 Noon. this Trade Agreement comes to be examined in the pure light of reason, it would be found to be of some advantage to the primary producers of this country and I cannot make any secret of the fact, that I am greatly elated at the fact that, as a result of a closer scrutiny of this Trade Agreement, a number of my colleagues on the Special Committee were convinced that this Agreement is really in the best interests of the country.

I do not in the least deny the contention of my Honourable friend, Sir Abdur Rahim, that he has got the country behind him in the opposition to this Agreement. I know that the great volume of opinion outside this House is with my Honourable friend, Sir Abdur Rahim; but I am also confident that if that great volume of opinion outside this House had an opportunity to examine this Agreement with the same amount of care with which my colleagues on the Special Committee examined it, they also would be converted in time to the view that I hold that this Agreement would be in the interests of India. But even if the majority outside this House were against this Trade Agreement, I would take consolation in the fact that on certain occasions at any rate one must choose between two alternatives, honesty and popularity; and in this I had not the slightest doubt in my mind what is the alternative that I ought to choose, and I am glad that in this I was able to carry a great many of my colleagues with me. And I would still feel the satisfaction that he is a slave who will not dare to be in the right with two or three. In this matter I feel a sense of satisfaction that I am in the right with at least some of my colleagues in this House who ought to know the full implications of this Agreement and that satisfaction I would continue to feel whatever may be the volume of opinion outside this House. (Cheers.)

Mr. M. Maswood Ahmad (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Sir, I hope you will allow me to deal with the subject on items as well, because I did not open my mouth on the previous occasion, because I was not in sound health.

I hope you remember that I put several questions on the floor of the House on this subject of the Ottawa Agreement and the Honourable Member in charge replied that it was very difficult to collect all those figures and refused to reply in detail to those questions. I say that if to collect the figures and place them before the House was so difficult for Government, how was it, or is it possible for us Members on this side of the House to collect those figures from the Sea-borne trade and other reports. Apart from this, in the Supplementary Question I drew attention to some figures which I wanted and which it was not possible to collect from the books in the Library, and my Honourable friend, the Commerce Member, asked me to send him a letter about particular articles in which I would have been interested and then he would be ready to reply and to collect figures on these particular points for those particular articles. Sir, I thank him for that, but I was not interested in one particular item only; rather I was keen to know the figures for all the articles taken as a whole and I wanted to know the figures of all the commodities and all the subjects which were under the Trade Agreement. Sir, all my attempts failed and Government did not inform us what we wanted. They concealed the facts and figures from us. Further you are aware that even in the Committee stage the Members of the Committee were not in a position to get figures for all these commodities. They have examined only the export side and they could not examine the import side. May I ask, Sir, how far it is just to ask for our verdict without placing full facts before us?

Coming to the point I will say that we should examine these things on three lines. Three questions arise out of it, the first is, whether we can compete in the matter of the articles with the other countries in the United Kingdom by getting the preference? The second question is, whether by contraction of market we can get just prices for our goods-

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or not? The third question is, whether countries in the United Kingdom can consume all the articles produced by India and by other countries in the United Kingdom?

If you will see the Schedule, you will find, first of all comes the wheat question. In this connection it is very clear that we have imposed taxes in the shape of protection duty on Australian wheat which was imported into India and was cheaper than Indian wheat. Now, I ask, Sir, when Indian wheat cannot compete with the Australian wheat in India, how is it possible that we can compete with Australian wheat in the United Kingdom? In tea, Ceylon will be our competitor. The same case is for other commodities. Then, dealing with the third point I will deal with oilseeds, hides and skins. You will find that the United Kingdom cannot consume the whole quantity. I will say about oilseeds that ground-nut supplied to the United Kingdom is only 10 per cent.—linseed 12 per cent.—castor seed 12 per cent.—rape seed 26 per cent.—and others 26 per cent. Whereas the quantity of these articles that we supply to the other countries is as follows: ground-nuts 88 per cent., linseed 88 per cent., castor 88 per cent., rape seed 74 per cent. and others 74 per cent. This is the condition of the oilseeds.

Then comes the question of hides and skins. In this connection I want to read a passage from the letter which I have received from the Muslim Chamber of Commerce, Calcutta, sent by Mr. Nauman, B.A., the premier exporter of hides and skins, because some of my Muslim friends are doubtful about this hides and skins question. So I want to place it before them. They say:

"Strangely enough, these are the very commodities which, though included in one form or other in the category of preferences, will suffer the most if the Agreement is carried out as their export to foreign country is on such a large scale that in comparison to it the export to the United Kingdom is a nonentity."

Here I will add that countries in the United Kingdom *cum* India produce more hides and skins than is needed. Further, they say:

"It is an open secret that the position of the hides and skins merchants is far from happy as they have been experiencing for the last three years continued depression in their trade. The only source of consolation for them consists in whatever exports they can make in raw hides and skins to Germany who is by far the largest buyer. If over and above the 5 per cent. export duty which is already a serious stumbling block in their way, a further handicap in preferences is imposed, there is great danger that even this last ray of hope may become extinct to them, as Germany's attitude towards India is bound to be biassed and in consequence any action on her part to counteract the preferences will systematically put an end to the importation of Indian raw hides, etc., into Germany."

That is the question of hides and skins. The second point is also against this Ottawa Agreement, because contraction of market will decrease the competing buyers and the United Kingdom will dictate the price suitable to them.

Similarly if you will examine—and my other friends have said it—by the preferences which have been given to India, India is not going to gain anything. The preferences are given to such commodities for which India either has got a sort of monopoly or has no chance to compete with other countries in the United Kingdom.

My Honourable friend, Dr. Ziauddin Ahmad, has solved the question of the mathematical problem that the balance of trade of the whole

world is always zero. (Laughter.) But, Sir, mathematical problems cannot solve the practical questions. If you will permit me, Sir, I will relate a story which I remember. A marriage party was going to a certain place and there was a river in the way and when they came there, the father of the bridegroom asked his elder son who was an Engineer with a sound knowledge in Mathematics whether it was possible to cross the river or not. The boy sent a man to measure the depth of water and the man measured it and said that the depth of water was one foot at one place and two feet at another place, and again at one place it was 25 ft. and in another place it was 30 ft. while in the end it was $1\frac{1}{2}$ ft. and in the very end six inches. The total length of the river was 20 ft. The mathematician son then began to calculate and came to the conclusion that the average depth of water in the river was about three feet, and then divided the average depth of water on the number of the men in the party and said that the average depth of water per head came to less than one inch and advised the marriage party that there was no harm for the whole party crossing the river. (Laughter:) I do not want to narrate the result and leave the mystery for the decision of the House. So these mathematical calculations are not useful in practical life, and, if this House were to accept the mathematical results deduced by my friend, Dr. Ziauddin Ahmad, the same results which attended the marriage party would follow in this case. I can conscientiously say that this Agreement is injurious to this country. There is no doubt about it. We are not going to gain anything from this Agreement.

Sir, at the same time I will say that it is not our duty only to make speeches here or to point out that this thing is bad or that thing is not bad. Our duty is to suggest practical methods to Government. If we cannot reject an injurious measure, then what is our duty?

An Honourable Member: To resign.

Mr. M. Maswood Ahmad: Our duty is to decrease the injuries, to minimise the harmful effects of the measure. It is quite clear that we are in a minority. Government have an overwhelming majority. There are 40 Nominated Members, there are 10 Members of the European Group, and there is another United Party which has come into existence, and so on. There is no doubt we are in a minority, but merely saying that this measure is injurious and that we should reject it is not sufficient for us. When we cannot reject any measure, then what is our duty? Our duty is to try to decrease the injurious effect of the measure. Even if no body from amongst the Opposition goes to the Select Committee, Government is sure to pass this Resolution, and the Bill will be sent to a Select Committee composed of the habitual supporters of the Government. I, therefore, appeal to the Leader of my Party and to the other Members of my Party as well who think that this Agreement is injurious that they should go to the Committee and decrease the injurious effects of the Bill.

Now, Sir, there are three ways to give preference. I want to deal with this question, because I am not aware who will be in the Committee, and to enlighten the House I will suggest only one thing. There are three kinds of giving preference. We can give preference either by increasing the rate for other countries or by decreasing the rate on British goods, or something by decreasing and something by increasing. In my

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opinion, if the Treasury Benches are bent upon giving preference to British goods, then the only course is to decrease the taxes on British goods and not to increase the taxes on foreign goods. In dealing with this question, Sir, I will say that India has been over-taxed now. We, Indians, are poor, and there is no doubt about it. We generally use Japanese and German goods, because they are cheap. So if Government will increase the taxes on foreign goods which we generally purchase, we will have to pay higher prices in future. What we sell is already very cheap and we do not get fair return, while what we are to purchase is too costly. Therefore, I suggest that we should not increase the taxes on foreign goods

Mr. President (The Honourable Sir Ibrahim Rahimtoola): The Honourable Member will please conclude within three minutes more.

Mr. M. Maswood Ahmad: Before closing my speech, I will say this, that if Government are going to increase the taxes on foreign goods, it will be disastrous to India. If they dared to make money by this preference policy, they will be responsible for the result. If the last drop of Indian blood which they have taken in the shape of surcharge imposed by Sir George Schuster is not going to quench the thirst of the Treasury Benches, then we cannot help any more. We cannot bear any more taxation, and if Government are going to give preference to British goods by increasing the taxes on foreign goods, then, I again say, it will be disastrous to India and it will create a revolution in the country.

The Honourable Sir George Schuster (Finance Member): Sir, if I rise today to take part in this debate, it is not because I think that I can contribute very much in the way of argument on the merits of the case in addition to all that has been said and written already, all that has been said in very able speeches in the first debate such as that which was made by my friend, the Deputy President, all that has been said in the very lucid Report prepared by the Special Committee of this Assembly, all that has been said in a series of particularly convincing speeches to which we have listened both yesterday and today, speeches like that made by my friend, the Leader of the Nationalist Party, by Dr. Ziauddin Ahmad, by Mr. Burt, by Bhai Parma Nand, by Mr. Mody, and this morning again by my friend, the Deputy President. Sir, I think every man who will sit and study carefully all that has been said on this subject cannot remain unconvinced, cannot retain the earlier prejudices with which this whole matter was viewed. If I speak today, I wish rather to put certain broader aspects of the whole matter before the House, and I wish to speak as one who witnessed the actual negotiations at Ottawa and still retains some very vivid impressions of what happened on that momentous occasion. But before I turn to those wider aspects, there are one or two points with which I feel that I must deal.

In the first place, as regards the financial aspects of this measure, the Honourable Member who has just spoken has very kindly offered us "enlightenment" on that subject. Honourable Members will find what our actual proposals are from the Bill which has been before them for some days. The only point which I wish now to emphasise is this, that the whole of those proposals has been prepared with the express design of producing results which will not appreciably affect the tax revenue of

the country. One has to work on certain estimates and calculations. One has to make estimates of what, if any, the diversion of trade is going to be of imports from foreign countries, to imports from Great Britain, as a result of the preference. Having made those estimates, it is merely a matter of arithmetical calculation to devise a scheme which will produce exactly the same results as regards revenue as the existing schedule of duties. We believe that what we are proposing to the House will have no appreciable effect on the revenue returns, and, therefore, will not have any effect on the prospects of further taxation.

There is another point, a point which was touched on by Mr. Mody in his speech yesterday,—the effect on the consumer. Here, again, we believe that the continued competition, the very keen competition to which the trade of every country is subjected today, that very keen competition will continue between foreign goods and British goods, so that if British goods get the advantage of a ten per cent. preference over foreign goods, and if that advantage is translated into terms of duty by giving the British goods a five per cent. lower duty than they have at present and putting on foreign goods a five per cent. higher duty than they bear at present, we believe that the competition will tend to reduce the prices at which foreign goods are sold to the level of the British goods, and that in the long run the tendency will be that the consumer will benefit from these changes. That, I admit, is a matter which must be carefully watched in the future, but that at present is our confident belief.

Then, Sir, among other points which seem to be exercising the minds of some of my Honourable friends opposite, there is that point of possible retaliatory measures, and I believe that some of my Honourable friends, particularly from the Punjab, have a fear lest, as an indirect result of this whole measure, countries like Japan may take retaliatory measures against Indian cotton, and that, therefore, much wider damage may be done than the benefit which could possibly accrue from the preferences under this Agreement. I think that if any Honourable Member has fears about cotton, he should realise that the occasion on which those fears ought to have been expressed was a few months ago when at the urgent request of the Indian manufacturers the import duty on Japanese piece-goods was increased to 50 per cent. That was a discriminatory measure of far more intensity than anything which is contemplated in this Agreement. That was an occasion on which those fears might have arisen and been expressed. But what is the result of that measure? Do we see any falling off in the demand for Indian cotton? No. There has been no falling off in the demand for Indian cotton, neither in the Japanese purchases of Indian cotton nor in the purchases of any other country. Indian cotton continues to hold its place today, both as regards the quantities that are sold and as regards the price at which they are sold. Indian cotton still commands a price which, if anything, is above the normal parity. While I am speaking on this subject, I should like to say this. There is, I believe, no big exporter of primary agricultural products in the world today which is in such a favourable position as India is as regards the exports of Indian cotton. We have no stocks piling up. The statistical position is and has been for the last two years increasingly strong. That, Sir, is, I think, a point which should impress Honourable Members who feel any fears on that particular matter.

Then, Sir, there is one other special point on which I had intended to say something, and that relates to the charge which is frequently made

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and has been made in very emphatic terms by my Honourable and learned friend, Sir Abdur Rahim, today, that the Indian Delegation were not free agents in this matter. Sir, that charge has been answered

Sir Abdur Rahim: May I say a word by way of personal explanation? I did not say that the Delegates were not free agents; I said that the Government of India were not free agents.

The Honourable Sir George Schuster: I accept my Honourable and learned friend's explanation and I am quite prepared to deal with that point as well as with the actual words that I used. The charge which my Honourable and learned friend made was answered in much more eloquent language than I can aspire to, by my Honourable friend, the Deputy President. My task now, therefore, is not to make any original contribution on this matter, but simply to endorse what he said. I myself was not a member of the Delegation so far as tariffs were concerned, but I came into their discussions rather as a spectator when we met together on the steamer crossing the Atlantic to Canada. I can tell my Honourable friends that at that time when we discussed the matter on the ship, no decision of any kind had been taken; all the decisions, all the plans as to what we should do at Ottawa were completed on the ship. My Honourable friends were completely free agents. They discussed the matter with every sort of possible variation as to what could be done, with complete freedom on the ship, and the only authority to which they had to refer their proposals, as they finally produced them, were the Government of India. The Government of India—and here I can perhaps speak with greater authority than my Honourable friend, the Deputy President,—the Government of India were throughout, both as regards the proposals and as regards the selection of the delegates, given an entirely free hand. The Secretary of State absolutely respected the fiscal autonomy convention. We operated with complete freedom, and for any results that have been achieved the Government of India must bear the full and sole responsibility.

In this connection I would like to refer to what was done by Lord Curzon's Government in this matter. That has been a frequent subject of discussion in this debate; and a frequent charge that has been made against our present proposals is that we have departed from the principles which were laid down thirty years ago by Lord Curzon's Government. I would like to say with reference to that in the first place that conditions are now entirely different. The position as regards Indian tariffs is entirely different to what it was in Lord Curzon's days, but a much greater difference still is, of course, the policy of the British Government. Again, a third difference is the condition of the world today. We have to carry on trade in conditions today for which there has been no parallel in the history of the world, and it becomes more and more necessary for every country that wishes to maintain its place to design a deliberate plan for its economic policy. It cannot maintain its position merely by sitting idle and following the old-established principles of free trade. Those days are gone and many of us who are free traders at heart profoundly regret it. But we have to face the facts. That, however, is not the point that I really wished to make in this connection. I wished to call the attention of the House to what really were Lord Curzon's feelings on this matter.

There is on record a very interesting speech made by Lord Curzon in the House of Lords on May 21st, 1908. In that speech he explained the motives which prompted that famous Despatch of 1903, and these were his words:

"May I confess that our real apprehensions when drawing up the Despatch about the fiscal future of India were not so much economic as political? We said to ourselves what guarantee should we have if any new system were proposed, that India would have free speech in the discussion of the subject, or a free judgment in its decision?... *(We had no objection in principle to a system of preferential tariffs, and he ended his speech thus.)* If we could understand that in any Imperial Conference which takes place the interests of India would be fairly considered; if a pledge could be given that no system will be forced on her in deference to pressure from England, or from any part of England, which is not suited to her own interests, or that she will not be called upon to accept any system devised exclusively in the interests of England, and that in the event of no such solution being found practicable, she will be left in the enjoyment of the degree of fiscal liberty which she now enjoys, then I believe that India, so far as I have any right to speak on her behalf, would gladly join in any such Conference as I have spoken of, and that she would welcome any practical scheme of fiscal reform embracing preferential tariffs within the Empire, because she is already in favour of the main principles which underlie that reform, and because in the respects to which I have referred she has already put into practical operation some of the most effective means of carrying those principles into effect."

Now, Sir, I maintain that those political conditions which Lord Curzon laid down have now been fulfilled, and there can be no doubt in the mind of any one who has had any part in these negotiations and discussions that India, so far as she is represented now by the present Government, had an absolutely free hand in this matter, and that the Government, in fulfilling their responsibility in that connection, were actuated by one motive and one motive only and that was the best interests of India. And, Sir, this Government, going beyond what has been done by any Government in any of the Dominions, have afforded this House an opportunity for examining the whole proposals which, I say, is not paralleled in the case of any other part of the Empire. As a result of that examination, an overwhelming majority of the representatives chosen by this House to examine the matter have come to the considered conclusion that this Agreement is in the interests of India.

Now, Sir, I wish to turn from that to what I have always felt to be the real issue in this matter. And that is an issue of which we have heard surprisingly little. I believe that on its merits this Agreement is in the interests of India and, I believe, that those who are prepared to listen to reason and to let that influence their mind must have been convinced by the speeches which have been made, and by the report of the Committee that that is the case. But that is not what I have in mind as the real issue. The importance of any advantage which India can get out of this Agreement pales into insignificance in comparison with the importance of what is the real issue in this matter. The real issue in the matter is this—is India to join the economic group of the British Commonwealth of Nations or is India to cut herself adrift and stand alone for all time. That, Sir, is the real issue and I do not believe that there is any Honourable Member in this House who, if he himself sat here and had to carry on his shoulders the responsibility of answering that question, could possibly answer it in any other way than that in which we and our delegates have done. (Applause.) Sir, I fully concede to my Honourable friend, Sir Abdur Rahim, complete honesty in the line which he has taken; but I would put this to him. It is a very easy

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line to take. He himself has told us that we are assured of a majority over this measure. He, therefore, has accepted the position that it is bound to go through. That being so, nothing which he says is likely to influence the actual result. He is not standing out in the cold liable to be blown upon by the tempest that would arise if we rejected this Agreement and, if India had to stand alone in the world. He has not got to face that alternative. He can adopt the easy course of pointing to details in the Agreement where he thinks India has not got quite all that she ought to get or to other points where the results are uncertain. That, Sir, is a very easy task, but I put it to him if he had to choose now if India shall join this new movement for economic co-operation within the Empire or if she should take the terrible risk of standing on her own and rejecting the proffered hand, would he dare to take that risk? I believe, Sir, that he would not, and as I have sat through this debate or as I read the four days discussion which preceded it, I have asked myself what would Honourable Members have said and what would the public of India have said if we, who carry the responsibility of Government today, had declined to take part in this Ottawa Conference and if we had not been able, through the great ability of our delegates, to produce to them an Agreement which offers India a profitable entry into the British Commonwealth of Nations and to the British economic group. They would have said that we had been guilty of the gravest possible dereliction of duty. And they would have been right.

Now, Sir, I wish to say something on the value of Indian co-operation in this British economic group. I wish to explain to the House why I myself, and my colleagues, attach such tremendous importance to India's entry into this group. Since I last spoke in this House, I have had the opportunity of going over a great part of the world and talking at first hand with those who are responsible for the finances of a great part of the world today. I have seen conditions in Canada, and in the United States. I have talked with those who are responsible for the finances of Australia, New Zealand, South Africa and most of the European countries. I do not believe there are many Members in this House nor of the public in India who have the least appreciation of what are the conditions in the world today, of what terrible dangers hang over every country, of the instability which exists everywhere, of the threats which are menacing the existence not merely of Governments but of the whole social and economic order on which the world has built up its present position. Now, Sir, amidst all these dangers, amid the tremors which may presage a violent earthquake, I believe that there is only one solid bit of ground in the world today and that is the ground of those territories which are working together within the British group. I believe the only sure foundation for the continuance of trade and the whole economy of the world, as we have known it, the only sure foundation in the world today is British credit, British honesty and British commercial integrity. Some people would pin their faith on gold regarding gold as the ultimately secure form of investment. But what is the use of gold in the world if gold, as a basis of currency, is no longer of any value, and how can it function as a basis of currency unless the world continues on the established economic principles? If those go, then gold becomes completely valueless. You cannot eat it; and the amount that will be required for jewellery and the arts is of negligible importance. Indeed no

one would require that in the conditions which would then arise. But, on the basis of British honesty and British commercial integrity, we have something to lean upon. And it is a very remarkable fact that, since the British Government decided to unlink their currency from gold, sterling has become the reliable standard of value in the world. It is sterling which is stable, and it is gold which is soaring about in the heights, unrelated to any reasonable value for commodities. Sir, I have no time to enlarge on that point, but I commend it to the serious attention of my Honourable friends. If there are any who seek for some practical indication of what membership of the British Group means today, I would like to put before the House one fact. It is merely illustrative, but I think it is very significant. If we turn back to 1929, that is to say, to the beginning of the present crisis, and compare the credit of India with, let us say, the credit of Japan—a country which has always been quoted to us as one which manages its affairs extremely well in the national interests—we find that in 1929 the credit of Japan stood very nearly on the same level as the credit of India. What is the position today? I have looked up the latest London papers which we have—the papers of the 17th November—and I find that Japanese 6 per cent. sterling Bonds in London stand at about 68, Japanese 5 per cent. Bonds at about 58, Japanese 6½ per cent. dollar Bonds in New York at 63. The yield is thus very nearly on a 10 per cent. basis. But India's 3½ per cent. securities stood on the date to which I am referring at about 85; that is to say, our 3½ per cent. securities in London stood at about 17 points higher than Japanese 6 per cent. securities. Now, I think that is a very good indication of what being a member of the British Group means today, and I again venture to commend that also to the serious consideration of my Honourable friends.

Sir, the time is short and I do not wish to detain the House, but before I close I should like to add two other points as regards the reasons why I feel it so important that India should continue to remain a member of the British Group. It is not merely in India's direct material interests that it is so necessary. It is because I feel that India, being a part of that Group, will add to the strength of that Group; and in the strength of the British Group lies really the surest hope of some recovery from the present evils from which the world is suffering. There was a striking passage in a speech made by Mr. Neville Chamberlain, to which I listened the other day in Parliament in London, when he opened the debate on the Ottawa Agreement. He there called the attention of the House to the fact that all nations today were inter-connected, and that no nation could go down into the morass of economic depression without depressing the fortunes of its neighbours. But he went on from that to say, conversely, that if any group can pull itself out of the morass and get on to surer ground, then it can help the other nations of the world; and he said that if the British Group, as a result of this Agreement, can move towards security and prosperity, then it could lend a helping hand to other nations, and that is going to be the brightest hope for getting away from our present troubles. Sir, I believe that to be very true, for, if there is one group which has shown a broad view of the international position and has shown a desire to help the world to recover its prosperity, it is the British Group; and by joining the British Group, by strengthening the hands of the British Group, India will be contributing to the chances of recovery of the world.

[Sir George Schuster.]

There is another aspect of the same idea, a rather more personal one that I wish to put before the House. Sir, it was my good fortune to be present at Ottawa. As I have already said, I was not a member of the Tariff Delegation. I was interested merely in the question of currency and monetary reform; and, therefore, if I say anything now in praise of the Indian Delegation, it is not of myself that I am speaking, for I am not included. Sir, I think one of the most vivid impressions which I have retained from my visit to Ottawa is that of the brilliant success achieved by the Indian Delegation (Loud Applause); and in witnessing that, I felt that I saw a new vision of the future—Sir, it was admitted on all hands that Sir Atul Chatterjee, the Leader of the Indian Delegation, stood out from all the Leaders of the other Delegations for his ability in the conduct of affairs. (Loud Applause.) I will spare the blushes of my Honourable friend, the Deputy President, and the other members of the Delegation and will not expressly extend that compliment at this moment to them. But, Sir, the work of the Indian Delegation conjured up in my mind the vision of Imperial Conferences in the future; and it was brought home to me, in a way which I have never realised before, of what enormous value the contribution of representatives like those which India sent to Ottawa would be to the deliberations of the Empire in the future. (Loud Applause.) India is able to supply men with long traditions behind them, men who will bring a new outlook to bear on the whole question, and I am convinced that India's part in the deliberations of the future will not only be of enormous advantage to herself but to the Empire as a whole. (Hear, hear.) Sir, in Ottawa I think I may say that we worked together in a spirit of comradeship which it is perhaps difficult to preserve amid the political controversies that surround us here. I think we felt on our side an enormous admiration for our Indian colleagues. It was a pleasure and pride to us, to Sir George Rainy and to myself, to serve under an Indian Leader like Sir Atul Chatterjee, and I hope our Indian colleagues on their side felt equal pleasure in working with us. The Deputy President has already paid a tribute to Sir George Rainy and I was very glad to hear him do it. That was a splendid illustration of the idea which is in my own mind. I think if Honourable Members would cease looking for points of criticism in the details of this Agreement, if they would try to realise that what happened at Ottawa was something which has enormously enhanced the prestige of India, which has firmly established a place for India—and I would say an *independent* place for India—in the future discussions of the representatives of the British Commonwealth of Nations, I think if they would take that attitude, then they would approach this Agreement in a quite different spirit to that which we have had illustrated in some of the speeches which have been made today. Sir, I would appeal to those who may still be in doubts as to which way they should cast their votes—I would appeal to them to appreciate the broader aspects of this question. I would appeal to them not to destroy the spirit of the work which was done by their Delegates at Ottawa; not to destroy the spirit of Imperial co-operation which has been given such a strong start at Ottawa; and I would say to them: Respond to that in a generous way: let us have no meagre majority; let us have as big a majority as we can get to convince the world that India is ready to take her part in the British Commonwealth of Nations and to reciprocate the appreciation which on the British side is given to her. (Applause.)

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I am not a commercial man and I know nothing about the commercial intricacies which can follow by this Agreement, but I wish to express my view only as a layman and as a producer.

I sat in the Committee and if I had not done so I would be the last person to stand up and make a speech in the House today. But when I sat there and listened to the evidence which came before the Committee, I confess that I was not impressed at all by the evidence of those gentlemen who seem to have created such a good impression on the mind of my Honourable friend, Sir Abdur Rahim. I thought that they were talking just like a student who has read only in the books and had no practical experience of the world or of the commerce which we wanted to listen. Sir, I will confine myself to a very few remarks and I do not wish to go into the details which have been dealt with very ably by other Honourable Members. My remarks will be confined to the agricultural produce. India, Sir, has got a big population. About 80 per cent. of the people live in the villages and entirely depend upon the agricultural produce. The interest of this 80 per cent. of the population is really the interest of India. It cannot be said that about 15 per cent. population which is living in the cities can override the 80 per cent. population which is living from hand to mouth.

Now, Sir, the advantage which I can see by this Ottawa Agreement is the giving of preference to the Indian producer by raising the level of prices in England and thereby raising the price in the world. All the benefit that will accrue from this Agreement will go into the pockets of the people who are engaged either as farmers themselves or as field labourers. That is bound to raise the prices, because all this benefit will go into their pockets. Now, whatever the disadvantage there may be it is not going to affect the agricultural producer in any way. No Honourable Member has been able to convince me, nor the witnesses who appeared before the Committee could convince them that the benefit was not going to accrue from the exports which we were going to have. The exports, so far as the Agreement is concerned, are going to bring the benefit to the teeming millions of India and this factor will redeem a bit the position of the starving millions of India in the matter of their daily requirements.

My Honourable friend, Mr. Sadiq Hasan, said yesterday that the cotton of the Punjab was going to be adversely affected, because Japan was going to retaliate. I cannot understand his theory. To my mind, he could not convince the House at all that Japan was going to retaliate in any way. Japan can purchase this class of cotton only from India. There is no other competitor of this class of cotton in the world. So, if Japan wishes to retaliate, then there can be two kinds of retaliation. One is that she will refuse to purchase any cotton from India. If they were to do so, it would mean the closing up of all their factories which are manufacturing cotton goods. This, I am sure, Japan can never afford to do. If Japan does not wish to close her mills, then she must purchase cotton from India. The other way to retaliate can be that they may not be willing to purchase our cotton at this price. If they do not purchase at this price and the producer says that he is not going to sell at a lower price, naturally they will come to some agreement, because one is anxious to sell and the other is anxious to buy and the level of the price can never go down. So I cannot understand how Japan can retaliate.

[Mr. Muhammad Yamin Khan.]

Another remark was made by my Honourable friend, Raja Bahadur Krishnamachariar, yesterday and he read out a passage from the Report of the Committee about wheat. He said that he did not know how the wheat was going to be affected and this morning a similar remark was made by Mr. Maswood Ahmad. He said when Indian wheat could not compete with Australian wheat in India, how could it compete in the United Kingdom? I think these remarks were made, because the Honourable Members do not know the real position. I am afraid they have not properly studied this problem or the figures. If they had gone through the figures which were supplied to the Members of the Committee, they would have been convinced by them at the very first glance. I had my own doubts and I still have certain doubts, but I think the position has been made very clear to me as far as wheat goes. My Honourable friend, Mr. Maswood Ahmad, also made a few remarks to the effect that Indian wheat could not compete with the Australian wheat even in India itself. Well, Sir, that is a position which he has taken up without giving even a moment's thought. Australian wheat was, as far as I know, never sold in Delhi or in the centre of India, and the Australian wheat can never compete with the Indian wheat in the central parts of India. Australian wheat was imported at Bombay and Calcutta and the Indian wheat could not compete with it there, because of the railway freight which is very high. I came to know from some of my friends who wanted to purchase Indian wheat and the Punjab wheat in Calcutta. They purchased it at Karachi instead of at Lyallpur. It costs them much less to take the Punjab wheat from Lyallpur to Karachi and then ship it to Calcutta than to take it by rail from Lyallpur to Calcutta. That is the real

1 P.M.

difficulty in the way of the producer of wheat in the Punjab and the United Provinces. We can now see the prices. In 1927, the price of wheat which was imported into the United Kingdom from India was £12/7 per ton; in 1928, it was £12/2 per ton. Then, in 1929, it came down to £11/1 per ton. Then came up the crops of 1930. In 1930, India produced about two million tons as surplus wheat than was the average production of the past years. So did Canada and so did Australia. These three countries produced about six million tons more than their average production and that brought down the prices to a great extent, because the purchasers were very few. And at once we find that in 1930 the price instead of 12/2 or 11/1 came down to 8/3 per ton. In 1930, this could not be sold and the surplus produce was collected in all the countries. The effect was that in 1931 the prices went down to 5/5. From 12/7 it came down to 5/5. This brought ruin on the agriculturists in India, because wheat is the real standard of value in India and everything is sold in India according to the relative value of wheat. Wheat is the determining factor of the commodities or daily requirements in India. If wheat becomes cheap, ghee is bound to become cheap, maize is bound to become cheap, fodder is bound to become cheap, and the people who cannot sell their produce at a higher rate have got very little money in their pockets to purchase manufactured goods either made in India or imported into India from outside. So the whole economic condition of India depends upon the relative value of wheat. So, in order to make India a rich country, wheat must be sold at a high price.

Now, Sir, I will give one more instance and that will convince my Honourable friends who have got some doubts as I myself had. The

United Kingdom imports about $6\frac{1}{2}$ million tons of wheat every year. Out of this, $2\frac{1}{2}$ million tons come from the Empire countries, that is, Canada, India and Australia. And three million tons of wheat are imported into England every year from foreign countries, that is, United States of America, Argentine and Russia. So more wheat is supplied to England by the foreign countries and our normal production in India is about $8\frac{1}{2}$ million tons. Now, our capacity of growing wheat in 1930 has shown that India can produce $10\frac{1}{2}$ million tons, that is, two million tons over and above our average production. India's capacity to grow two million tons more can be achieved every year if we can find a world market. If we can sell our wheat in the United Kingdom, we can certainly grow two million tons over and above our production at present. This we could supply to the United Kingdom if we could find a favourable market at our cost of production. That cost of production can be affected and we can compete only in two ways. The first is, if the cost of production in other countries rises; secondly, if we can decrease our cost of production; and, thirdly, if there is a duty on the produce of the foreign suppliers. What this Agreement amounts to is that they are going to put about nine shillings and a few pence more over every ton on the import of foreign wheat. This means that the prices at which they have been supplying in England will rise, and if the price of foreign wheat rises, this gives us an opportunity to sell our wheat even cheaper than theirs if we sell it at nine shillings more than we are doing now. This means that we will be still selling at six pence less per ton and getting higher prices in India for wheat.

Leaving this aside, another question which comes up is whether we shall be able to achieve this or not. The only thing we can do is this that at present we have to see the circumstances and we have to afford an opportunity to the producers. We cannot say that this result will be achieved in a day or two or even in a year. An opportunity has to be afforded to the producer and this opportunity is afforded by the present Agreement by raising the level of prices. And, I am sure, that India will not have the prices that prevailed in the last two years. One effect which, I am sure, will be produced on wheat by this Agreement is very important. At Lyallpur, the price of wheat at the crop time, in May or June, was Rs. 1-6-0 per maund, the lowest for very many years, and in the villages it went down to Rs. 1-2-0 per maund. In Meerut, Hapur and Delhi wheat was sold in May and June at 23 seers a rupee whereas we find that at present it is 12 seers a rupee. Where has that money gone to? Has the producer gained anything? Has the consumer gained anything? The producer sold his produce at 23 seers a rupee in the month of June, because they could not afford to keep it lying after June. They must pay the Government revenue. The producer sold it at that time and now the consumer is purchasing it at 12 seers to the rupee, this means that all this money is going into the pocket of the middleman. He is selling for two rupees the same thing which he purchased for one rupee and this was the result, because there was no export of wheat at that time. Nobody from outside was willing to purchase a single maund of wheat in the month of May and June from the Indian producer and that is why this was the result. As soon as this happened, that effect has been achieved. We will ask the Government, later on, that the Government should come for the help of the producer not only by extending the period of the import duty on wheat which they brought about two years ago, but to continue that for several years more; but also by two other

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methods: one of them will be by reducing the freight for wheat to the port towns of Calcutta, Karachi and Bombay, and another by asking the British Government to put up their demand of purchasing any wheat whatever they require in the month of May and June and not in October or November as they have been doing in the past. As I have not got much time at my disposal I will conclude and I will only say that I have looked into the side for which preference is going to be given on the imports and I find that all those articles which are going to be imported they are not going to affect even a little bit any of the people who are living in the villages. All those commodities are meant for the rich people and, therefore, I do not look to the interests of the rich people as the interests of India: the poor agriculturist's interest is the interest of India and, therefore, I support.

The Assembly then adjourned for Lunch till Twenty Minutes Past Two of the Clock.

The Assembly re-assembled after Lunch at Twenty Minutes Past Two of the Clock, Mr. President (The Honourable Sir Ibrahim Rahimtoola) in the Chair.

Mr. N. N. Anklesaria (Bombay Northern Division: Non-Muhammadan Rural): Sir, in spite of the very honoured and respected names which I find among the signatories to the Report before this House, I am constrained to say that the Report, in my humble opinion, is a very disappointing document.

Mr. S. O. Mittra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Hear, hear.

An Honourable Member: Is that so?

Mr. N. N. Anklesaria: In spite of the remarkable speech that the Honourable the Finance Member delivered this morning, I feel convinced that the Report has got nothing to commend itself. ("Hear, hear" from the *Nationalist Benches*.) I have carefully gone through the whole Report, read it at the top, in the middle, as well as at the end, and I have found nothing in it.

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): Very good.

Mr. N. N. Anklesaria: In the beginning of the first paragraph, the Committee state that they have made a *thorough* examination of the material which was supplied to them. At the end of the same paragraph, they say that they have not been able to make a full examination of a most material side of the question. Sir, if words have got any meaning, this statement in the Report makes the Report start with a very adverse

presumption against it, and that presumption is confirmed when we proceed to analyse the statements made in the body of the Report. In the middle of the Report, in paragraph 17, the Honourable Members lay down a proposition contained in a quotation from the writings of a Reader in Economics of the Bombay University. They say, they fully agree with the view propounded in that quotation. With all respect, I say, Sir, that in the circumstances of the present discussion the proposition laid down in that quotation is of extremely doubtful validity, for it completely gives the go bye to the fact that there are bargains which are fair and there are bargains which are unfair, there are bargains which are worth having and there are bargains which are worth leaving severely alone. If, in the bargain, England gets one thousand rupees and India gets only one rupee, would any Indian worth the name stand up and say that he will stand by the Agreement? The Committee's investigations have been vitiated by the proposition on which they rely in this quotation as I can show to the House by taking up the statements in the Report *seriatim*. In the circumstances which have been stated, the sole question for the Committee was to find out if a better bargain could possibly have been made with England by our Delegation? And, Sir, there is only one item in which the deliberations of the Committee have deviated in the right direction, and that is about their remarks on the preference to Indian cotton seed. That is the only lacuna they have been able to point out in the recommendations which our Delegation have made in their Report.

Sir, it is said that the Committee have provided safeguards. What are those safeguards? They say they have safeguarded the interests of the consumer. Sir, in paragraph 15 of the Report, they say, as regards the safeguarding of the interests of the consumer, that they think it as impossible to predict generally upon whom the cost of preference will fall. That is not solving the problem of the consumer's interests; that is evading the whole problem. In paragraph 16 of the Report, they talk about safeguarding the interests of the taxpayer, and how do they propose to do it? They have said that they have received assurances from the Honourable the Finance Member that in framing his finance and tariff Bills he would take care to guard the interests of the consumer. But, I ask, was a Committee required to tell us that the Finance Member was going to safeguard the interests of the consumer or the taxpayer. It is then said in the Report that our policy of discriminating protection will in no way be affected by this Agreement. But, I ask, again, was a Committee required to tell us that? The same thing has been stated in the Report of our Delegation

Sir Abdulla-al-Mámún Suhrawardy (Burdwan and Presidency Divisions: Muhammadan Rural): Why did you vote for the Committee?

Mr. N. N. Anklesaria: I did not vote for it.

An Honourable Member: Yes, you did.

Mr. N. N. Anklesaria: Sir, I would challenge any Member of this Ottawa Committee on the floor of this House to point out one single argument or one single fact which Members of this House could not have found either in the Report of the Delegation or by making inquiries in the Commerce Department or interrogating my Honourable friend, Mr. Burt, and they would have found the arguments and facts better said and better stated than in the Report of the Committee.

[Mr. N. N. Anklesaria.]

It might be said that the Government are in favour of this motion, and by opposing it you are more pro-Government than the Government themselves. My short answer to that is that if the Government choose to support the motion of my Honourable friend, Sir Hari Singh Gour, it is Government's own concern. I stand here for the principle of consistency, and I stand here against useless fuss and flutterings about nothings. I am, therefore, opposed to this amendment and I support the motion of my Honourable friend, the Commerce Member.

Mr. F. E. James (Madras: European): Mr. President, there are three important features of the Majority Report of the Ottawa Committee to which I wish to draw the attention of the House. The first is that the Report was signed by representatives from every Party in the House, and that itself is an important fact. The second is that its recommendations seek to establish the control of this House over the continuance or otherwise of the Agreement, and I think insufficient attention has been paid to that particular point. As far as I am aware, this is the first time, on a matter of this description in which the Executive has said that it is prepared to accept in advance the verdict of this House. I would remind Members of the House that this Report bears the signatures of two Members of the present Government. In the third place, the Report recommends that there should be a permanent Committee of this Assembly sitting to watch the current of trade in regard to those articles which come under the Agreement. I make no secret of the fact that I was opposed on the Committee to this particular procedure being taken, for various reasons, and I think I am not betraying any confidences that are important when I say that Mr. Ranga Iyer and myself crossed swords on this particular point, and ultimately he won. My objection to this particular form of procedure was that I did not think that a Committee of the House, elected largely on the basis of parties, is the best kind of Committee to watch the course of trade and to appreciate the development of agriculture in regard to this Agreement. What I would have much preferred would have been something far bigger than this. I would have preferred the creation of an Imperial Economic Council for India, which would represent agriculture, trade, commerce and industry, which would devise means for controlling production, organising expansion, co-ordinating state-aid,—which, in other words, would help to plan the economy of the nation. (Mr. Arthur Moore: "Hear, hear.") Although I had to be content with the recommendation made in the Report, I still press upon the consideration of the Government this wider aspect of this very important question.

The Committee came to the conclusion that the Agreement was in the best interests of India, that it would help to retain and help to find a market for the expansion of the exports of India's produce into India's largest and most stable market, the United Kingdom. Those who have had little experience of business underestimate the importance of obtaining a stable and large market. Sir Robert Horne, in the House of Commons, during the Ottawa debate, said that one of the most important things, both from the point of view of the producer and from the point of view of the manufacturer, was to secure a large and stable single market, and that I claim is what the Agreement has done for India. On the other hand, India has given a ten per cent. preference (or 7½ per cent. in certain instances) on a comparatively small list of scheduled articles of import

from the United Kingdom. I say comparatively small list, because the list actually is only $22\frac{1}{2}$ per cent. of the total list of scheduled imports into this country.

There are certain fundamental objections taken to the Agreement which have been mentioned in the Minority Report and with which I wish to deal briefly.

The first is the argument that whereas British imports into India under the terms of the Agreement are not subject to Empire competition, Indian imports into the United Kingdom are, and the conclusion drawn from that statement,—which is not wholly true, though it is true in large substance,—is that the value of the preferences that are offered to India must remain more or less uncertain in their incidence and will depend upon various factors determining the comparative ability of the competing countries to respond to any increased demand. Now, there are three points to be mentioned in regard to that argument. The first is that, while it is true that a larger portion of the imports into the United Kingdom from this country are subject to Empire competition, it is also true that India's greatest competitors in the United Kingdom are countries from outside the Empire. I would draw the attention of the House to some very pertinent figures. The total value of the market in the United Kingdom in the articles in Schedules A, B, C and D, that is, all the articles on which we get preference in the United Kingdom, is £196 millions. India's present share of that is £49 millions, and that of all the other Empire countries is £44 millions. The share of foreign countries is £104 millions. Therefore, India, with the rest of the Empire, has a capturable market before it of £104 millions. Even today India's share of the market in the United Kingdom is greater than the share of all the other countries in the Empire alone. Then, take the other side of the argument. It is true that a large portion of imports from the United Kingdom into India are not subject to competition to any great extent from countries within the Empire; but again I would remind the House that practically all the imports from the United Kingdom are subject at the moment to heavy and keen competition—competition in regard to articles in which there are low labour costs, and in which there are also depreciated currencies. Then, in the third place, whereas India in the United Kingdom market gets preferences ranging from 10 to 50 per cent. to help her articles against foreign competitors, Britain in this market gets only preferences to the value of 10 per cent., and in some cases of $7\frac{1}{2}$ per cent., to help her in her tremendous fight for India's market with foreign countries.

The second major argument that has been advanced is that this Agreement will seriously damage what have been called the unprotected industries: Those industries which have grown up under the shelter of the existing revenue tariff. I may here say that there will be plenty of time to deal with those things on the Select Committee and there has always been that promise from the beginning. Mr. Ramsay Scott made a strong case and, if I may say so, an able case on this point. I am bound to say I like the latter portion of his speech better than the former portion. I am glad that he has come back like the prodigal son after wandering into the far country! I can assure him that we welcome him back even though he has come back to the same position with which we originally began. I trust, Sir, that Sir Joseph Bhore, who is known to be Christian in thought and deed, will be prepared to offer him, when the Select Committee time comes, a suitable present in the shape of a fatted calf. But, Sir, I would

[Mr. F. E. James.]

say this—those who argue on the lines of the first part of Mr. Ramsay Scott's speech are arguing in precisely the same manner as the Canadian manufacturers argued in Canada face to face with their own Prime Minister. I think the attitude of my own party in regard to this matter generally speaking is that we definitely do protest against the present duties being regarded as protective duties only to be removed, with the sanction of secondary industries which have grown up under their shelter. My suggestion to the House is that that way lies a policy of indiscriminating protection which fosters uneconomic industries at the expense of the consumer and the primary producer. Having said that much, I would remind the House that the Committee has inserted in its Report a valuable statement that where any of these industries can make out a *prima facie* case, the members of the Committee who signed that Report have pledged themselves to see what they can do to remove any injury that might be caused by the reduction of the tariff in giving preference.

Now, Sir, the third argument is this. It is that the Agreement will not help world prices. I suggest that nobody has ever said that it will. There are other factors. But there are two points which I should like to make. The first is that surely this Agreement means that if and when prices do rise, the producer will be able to take advantage of the rise. The second is this—in the words of the Agricultural Commission—"the producer in this country can get a better price for those crops which are produced for purposes of export than for those crops which are produced solely for the purpose of home consumption". This is confirmed in a book called "Trade and Industry in Modern India" by Professor Vakil, who gave evidence before our Committee, in which he says:

"It must be pointed out that the high price which the producer gets is due in a great measure to the foreign demand. The home consumer has to offer a price which must be as near the export price as possible, because if this were not done, there would be a strong impetus to export more. This is borne out by the fact that the index number of prices of food grains is generally on a much higher level than that of the general index number. If the stimulus of high prices thus brought about were removed, it is possible that the production may fall."

I leave that argument there in Professor Vakil's hands. The fourth objection to the Agreement raised by Sir Abdur Rahim and his friends is, this Agreement will only serve still further to complicate the world situation. Now, Sir, the Honourable the Finance Member has dealt with this aspect of the case in the most able and, if I may say so, powerful speech to which we listened this morning. While he was speaking, I could not help being impressed by two things which came to my mind. I asked myself "who are the real opponents to this scheme?" They can be divided into two classes. First of all, the free traders and, secondly, the apostles of economic nationalism. Part of our troubles in the world today are due to the untoward development of economic nationalism which has resulted in high tariffs all over the world and the channels of trade are blocked. I claim that this Agreement is the first step in regional agreements which must come. The world cannot afford to wait. The world cannot afford to wait even until the time of the World Economic Conference. Surely if it is possible for great countries within the British Empire to come together and make reciprocal arrangements in regard to trade, thereby facilitating exchanges between countries with vast populations, that is a beginning of recovery from our present difficulties.

I suggest to this House that if this Trade Agreement had been made in similar terms under similar conditions between countries that were not members of the British Empire, there would have been no question that this House would have deemed it one of the most remarkable events that have ever taken place in economic history. Therefore, Sir, I claim, in closing, that while this Agreement gives the final blow to what is called free trade, it also kills economic nationalism. It is a foundation stone for continental economic development and thereby leads the way to world recovery.

Sir Zulfiqar Ali Khan (Nominated Non-Official): I do not want to detain the Assembly very long, because all the arguments for and against the motion have been produced and there is very little left to say. We cannot, however, conceal from ourselves the momentous nature of the step which the Empire is now taking in departing from the principles of free trade which have so far been followed in the Empire. In Great Britain, this proposal has produced violent opposition. The Liberal Ministers have resigned and there is a great difference of opinion prevailing in the country. In India also, there are visible signs of revolt against this proposal. My own colleagues have cited the verdict of Lord Curzon's Government in refusing to accede to the desire of those who wanted protection for the Empire. Sir George Schuster, in his lucid and forceful speech, showed that Lord Curzon's objections to it were not based on economic principles. They were more political than economic. Whatever the motives of Lord Curzon's Government were it is clear that since then times have changed and principles of business in the world have also changed. It is the needs of the times which mould the methods and policy of a nation with regard to business to be carried on in the world of Commerce, and the present situation demands that we should consider the position solely from the point of view of our own country. But, Sir, unfortunately it does often happen that nations prefer what flatters their vanity to what serves their interest. I have no doubt, however, that my own colleagues here would take a view of the situation which will conduce to the prosperity of India, and to the cohesion and prosperity of the Empire.

Sir, I listened very carefully to the speeches of the Opposition and of those who are opposed to this Agreement. I must say that with the exception of one or two speakers on the other side, I failed to discover any vitality or force of argument in those speeches. They were mostly half-hearted, and, perhaps, made to suit their future prospects. (Hear, hear.) (*An Honourable Member*: "Prospects in Government circles.") It is the same thing if you seek circles outside the Government,—it makes no difference. (*Mr. H. P. Mody*: "Both are circles.") I must say, however, that Sir Abdur Rahim's speech was characterised by patriotic feeling, by sense and by the outcome of his own experience. But, Sir, there were flaws in his arguments which were brought out so prominently by my Honourable friend, Sir George Schuster. Now, I must come to grips with the real problem. Indian trade flows into two channels. One goes to the British Empire and the other towards the foreign countries. The question now is, whether it is in our interest to let trade flow towards the Empire countries, or whether we shall dam this channel and let the water flow entirely towards foreign countries. Well, if we refuse the present Agreement, India would then have to seek

[Sir Zulfikar Ali Khan.]

foreign markets entirely. Now those foreign markets, as far as I can see, are not very stable—I would rather say that they are treacherous. You are aware that those manufacturing countries—France, the United States, Italy and so forth—possess colonies which they are fast developing. France is most favourably situated. She has her colonies on the Mediterranean coast-line, for example, Morocco, Algeria, Tunis, Syria. These are most productive countries and there France is fast developing the agricultural resources of those countries; and all the raw materials which we may possibly be sending to France will be available in a short time to the French factories in these colonies, and the advantage of those raw materials lies in the fact that these countries are so closely situated to the markets which they seek. India, standing alone, will not be able to capture those markets; in fact, India's chances of keeping her present trade would be very meagre. Sir, I have seen by experience in my travels over the continent of Europe that both big and small countries are all bent upon cutting our throats. They are raising high tariff walls against us, in fact they are raising high tariff walls against their own neighbours and much more against us. Under these circumstances, how can we expect that whatever trade we have with them will flourish in the future and all the trade which we shall lose within the Empire by rejecting this Agreement will find markets in those countries? Under these circumstances, I cannot understand how we can sever our connection economically from the Empire. It would be a very short-sighted policy indeed to let go this present opportunity of improving our prospects of developing our trade within the Empire and to depend on those treacherous markets in the continent of Europe which are called foreign markets. Sir, my friend, Mr. James, has shown what chances there are for us to capture a large part of the trade of the Empire. Well, we can do it by developing our resources and it is the duty of Government to help us in developing the agricultural resources in this country. Now, coming to the problem of imports, the thing which strikes me is this, that however we may grant preference to British goods, the fact remains that unless the purchasing power of the people is strengthened, no goods, whether they come from England or from foreign countries, can find a sale in India. So the primary need not only of the country but of the Government is to see that the purchasing power of the people is enhanced, and their material prosperity developed. Well, my Honourable friend, Sardar Sant Singh, who comes from the same province as myself, has said that wheat in the Punjab has no chance of being exported from India according to the proposed arrangements. I also listened very carefully to my friend, Mr. Muhammad Yamin Khan's arguments. He produced his arguments at great length with facts and figures, and so on, but he foundered on the rock when it came to suggesting practical means of improving the chances of wheat by reducing the cost of production. In my own note, I have suggested a few remedies. First, I ask the Government to grant concessions for the Punjab wheat. The first is a revision of the water rate, second, the revision of the railway freight and third, the revision of the shipping charges. If these three rates are

3 P.M. revised and reconsidered and they are appreciably reduced, I have no doubt that the Punjab wheat will have a great future before it and it is a well known fact that before, and after the war, we exported large quantities of wheat from the Punjab. In fact, the

prosperity of Karachi is due to this export trade from the Punjab and, on account of it, the Punjab cultivators found great prosperity. But since the cost of production has increased in the Punjab, the profit which could be derived by exporting wheat from the Punjab has also disappeared. The result is that Australia, the Argentine, Canada and Russia and other countries have competed with us. Obviously under the present circumstances there is hardly any chance for the Punjab wheat to derive any advantage from the proposed preference because when the Australian wheat can attack our own home markets here with profit, at any rate along the coast line of India, how can we hope to derive any advantage out of the competition in the markets of Great Britain?

Mr. Muhammad Yamin Khan: I may point out to my Honourable friend that the cost of production of wheat in Australia, I am told, is about Rs. 8-2-0 per maund which is much higher than the cost of production of wheat in India is..

Sir Zulfiqar Ali Khan: Then, how can it compete successfully with the Indian wheat? It is a great pity, Sir, that people from other provinces who know so little about the problems of cultivation and the cost of production in other provinces have the audacity to say these things. I come back to wheat and will continue my argument with regard to its prospects. I hope, Sir, I have a few minutes still.

Mr. President (The Honourable Sir Ibrahim Rahimtoola): The Honourable Member has already had 15 minutes and the Chair will allow him only five minutes more to conclude his remarks.

Sir Zulfiqar Ali Khan: Thank you, Sir. I will rush through all that I have to say. Wheat, as I have said, must be developed not only in the interests of the Punjab, but in the interests of Government themselves, because, as I have said before, the purchasing power of the people must be strengthened and that is the concern of both the people and the Government. If facilities are afforded to the people in the Punjab in the way I have suggested, I have no doubt that the wheat trade in the Punjab will revive and find prosperity.

Now, with regard to cotton. That is also another staple crop in our province. Sir George Schuster has clearly shown that cotton in the Punjab is not likely to suffer at all, because the demand for the Punjab cotton is not diminishing in any country, especially in Japan. Under these circumstances, our apprehensions with regard to the hard times before us in connection with these two commodities are not well founded.

Now, Sir, I will not deal with any of the arguments put forth by some of those who oppose this motion, because there is no time, but I must appeal to my Honourable friends that from the short speech that I have made they will feel that the chances of India are much brighter by agreeing to the proposed Agreement than otherwise. Sir Hari Singh Gour began his speech yesterday by quoting from Omar Khayyam and I will close mine by quoting Omar's Verse: I say that if you Honourable Members of this House miss this opportunity of taking advantage of this Agreement, your reward will neither be here nor there:

Mr. Gaya Prasad Singh (Muzaffarpur cum Champaran: Non-Muhammadan): Sir, before proceeding to make a few very general remarks which I should like to offer, I desire to record my protest at the way in which the papers that were available to the Members of the Special Committee have been withheld from this House. It was as if with a triumphant air that the Government agreed to go into the Special Committee, and there to examine expert and other witnesses in order to come to a correct conclusion. The experts have been examined, and their evidence has been recorded; but the Members of this House have been deprived of the opportunity of studying the papers and coming to their own conclusions. Sir, I am not raising a definite point of order, but some Members of this House have read from the evidence recorded in the Committee; and I understand that there is a practice in this House, although it is not embodied in the rules, that no Member should be allowed to read from a paper which is not available to the other Members in this House. Apart from that, it is hardly fair that Members of this House should be deprived of the right of studying those papers, and formulating their own conclusions thereon. I would even now request my Honourable friend, the Commerce Member, to supply the Members of this House with a copy of the evidence that has been recorded in the Special Committee.

Sir, about three years ago, Pandit Madan Mohan Malaviya, the then leader of the Nationalist Party in this House, and the revered leader in the country, resigned from this House with a few of his other colleagues on this question of preference which was then accorded to one article only against the protest of the majority of the elected Indian Members. Today I find that my esteemed friend, Sir Hari Singh Gour, the leader of the Nationalist Party, has joined hands with the Government in accepting the principles of Imperial Preference for at least three years. Sir, my Honourable friend, Mr. Chetty, for whom I have great respect, went to Ottawa as the Government's nominee. There he signed that Agreement which he now tries to justify, and to ask us to accept. Sir, this reminds me of the well-known fable—the story of the fox without the tail. (Laughter.) My Honourable friend has lost his tail at Ottawa in the interest of India, as he says; and now he tries to deprive some of my colleagues of their necessary appendage. (Laughter.) It may be painful for some Honourable Members to submit to that operation, and I would appeal to them not to be beguiled into accepting his very specious plea in this matter. Sir, my Honourable friend paid a very handsome compliment to Sir George Rainy. I myself endorse what he has said with regard to Sir George Rainy. But I must look at this question from my country's standpoint. An Englishman, Sir, is nothing if not a sturdy patriot of his own country, a virtue in which many of us are lacking. My Honourable friend went further and said that he will sign blindfolded any agreement to which Sir George Rainy is a party. Well, he has already performed that feat at Ottawa, which he now tries to support on the floor of this House. My Honourable friend, Sir George Schuster, has paid a very handsome compliment to the Indian Delegation. Sir, I am very gratified to learn this. He has gone further and eulogised those speakers who have supported the Agreement by their speeches. Will my Honourable friend also abide by their opinion with regard to the Ordinance Bill which is still pending? When he has paid such a handsome compliment to my Honourable friends, like Mr. Chetty, Sir Hari Singh Gour and Mr. Ranga Iyer, or even his own protegee, Mr. Mody, on the Ottawa Pact, is he prepared to take their opinion also in the matter of the Ordinance Bill? But, at that time, it

will be said that they are in the wrong. The real fact of the matter is that Government have got their fixed programme, and they only take whatever co-operation is needed from those who are willing to offer that co-operation at that particular stage and with that particular object which they have in view. When that object is achieved, they do not seek their advice. So, it should not be particularly gratifying to those Honourable Members to whom handsome compliments have been paid just now that they would maintain the same high position in the estimation of Government in other matters which fortunately they occupy so far as the present question is concerned. My Honourable friend, Mr. James, said that this Agreement will kill economic nationalism. Sir, my answer to that is that it will do nothing of the sort; it will only create economic Imperialism. (Applause.) My Honourable friend, Sir George Schuster, and my other friends like Mr. Chetty have, as it were, entered into a sort of mutual admiration society. (Laughter.) My Honourable friend, Mr. Chetty, says that at times it may be necessary to be honest rather than to be popular; he has gone further and admitted that the bulk of opinion in this country is against the ratification of the Ottawa Agreement. Sir, if that is so, why should we go against popular opinion? We claim to be the representatives of the people; we have come here on their suffrage, and we must respect public opinion. But, in the present case, there is no divorce between popularity and honesty. It is possible both to be popular and honest, and so far as the present question is concerned, I hold that to oppose the Agreement is to be popular outside and to be honest inside.

Sir, I shall now make one remark about my Honourable friend, Mr. Mody. My friend made his speech on the first occasion in a somewhat diffident tone and in a spirit of opposition. Yesterday he warmed up and exhibited a degree of emotion which was remarkable to many of us. He is quite welcome to change his opinion as often as he likes. We have come to associate these political somersaults with such gentlemen. But he went further and twitted some of the Members on the Opposition for their sudden and fancied interest in Indian industries, and specially the industry which he represents. Sir, has he forgotten how many times he has come with a beggar's bowl in this House and asked for protection for his own industry? I have been a Member of this House since 1924, and I do not remember any occasion on which his beggar's bowl has been refused by us. We have supported him with votes, we have supported him with funds from the Indian Exchequer, and we have given him whatever relief he really needed. But this ungrateful representative of the Bombay mill industry (Laughter) forgets all that we have done for him, and now twits us with harbouring unfriendly feelings to the industries of this country and to the industry which he represents. Sir, what is the reason for this sudden transformation in his vision? Perhaps the measure of protection which he now requires at the hands of the Government, and which will probably come up before this House in March next, is a sufficient index for this somersault which he has performed. Sir, we have been consistently supporting the mill industry in India as a national industry, and will he forget what part we played in the abolition of the cotton excise duty and granting other protections? We will now think twice before we support any extravagant claims of the industry. We shall be prepared, in spite of what he is doing today, to offer his industry whatever legitimate protection it is in need of. My Honourable friend, if I remember aright, opposed this Agreement in his first speech a few

[Mr. Gaya Prasad Singh.]

days back, but for some mysterious influence he has turned round and supported it now. My Honourable and esteemed friend, Sir Hari Singh Gour, has been waxing eloquent over the safeguards which he says he has provided in the Agreement. There can be, as has been pointed out by the distinguished Leader of the Independent Party, Sir Abdur Rahim, only two situations. Either we shall have responsible Government within two or three years, or we shall not have it. If there is responsibility in the Centre, there will be no need for safeguards; the autonomous Parliament will do whatever it likes. If there is not that measure of responsibility, as I fear there will not be, what is the worth of the professed safeguards? Today the Ordinance Bill is pending before the House. Has my friend or anybody else been able to check its progress even a little bit? So, Sir, the safeguard which he seeks to provide is only illusory and it should not blind our eyes to the realities of the situation. Sir, the Indian Fiscal Commission, with which your honoured name will be associated for all time, has in very clear and unmistakable terms laid down the policy to be followed in this respect. May I now conclude with the remark which your distinguished predecessor in office, Mr. V. J. Patel, made when he said: "No Ottawas for us"? With these few words, Sir, I oppose the amendment which is under discussion. (Cheers.)

***Seth Haji Abdoola Haroon** (Sind: Muhammadan Rural): Sir, on this Agreement so much has already been said that I do not want to go into it in detail; but I find that up till now those who oppose this Agreement have three arguments: the first is that whatever preference we have got from the United Kingdom is not much valuable to us and, second, that whatever preference we have given to the United Kingdom is very much harmful to this country, that is, it is Imperial Preference, and so on; and, third, that whether the Agreement is beneficial to India or not.

According to my views, I think that I have to take first the export business of India. You will see, especially within the last three years, on account of the depression of trade all over the world how we are proceeding and how India's trade proceeding with England and foreign countries. I find from the pamphlet published by Mr. Nalini Ranjan Sarkar, President of the National Chamber of Commerce of Calcutta, that he says that the present export trade of India is diminishing every year, whereas the export trade with the United Kingdom is improving within the last three years. According to his figures, he says the United Kingdom, including the British Empire, we had 38 per cent. export business in 1913-14, 36 per cent. business in 1929-30, 40 per cent. in 1930-31 and 44 per cent. in 1931-32: whereas with foreign countries we had 64 per cent. in 1929-30, 60 per cent. in 1930-31 and 55 per cent. in 1931-32. According to these figures the export trade of India is diminishing with foreign countries; he has not said anything why it is diminishing; but according to my view it is on account of three causes.

First, since the last three years Europe is enhancing the tariff wall against the Indian exports. My friends will find out from the report of the Majority Committee that on so many articles the foreign countries have already enhanced the tariff wall against India. The second thing,

*Speech not revised by the Honourable Member.

and, that is very important, is that on account of depression they are unable to get credit to purchase something from the outside world. I have personal knowledge of some examples. Why? Because the depression is not on account of the Agreement at Ottawa, but it is the general depression. Nobody knows when this depression will be over, but, if it is continued, I do not know what my friends, who are always arguing that there is no fear about the export trade of India and that we can find a market in foreign countries, will say. As a business man, I find that today my customers are merely purchasing 44 per cent. of my commodities, whereas in other foreign countries not any of them can purchase my goods more than 6 per cent. or 7 per cent., on the other hand England and Empire countries are purchasing together 44 per cent. of my export. You have got a schedule before you in the Majority Committee Report of all these commodities and this can be easily found out. I have very little time to give these in detail. But if today we throw out the Agreement according to the views of some of the Honourable Members on account of their political or other views, this closing up of the export business of 44 per cent. with the United Kingdom will be a disaster for Indian export trade. I want to give one example which I have seen of this kind—that of Greece in Europe which has prohibited the import of sugar into their country from any country except the United Kingdom, although the United Kingdom is not a producing country, but still they allow the United Kingdom, because they have a favourable balance of trade with the United Kingdom, whereas they have no favourable balance of trade with any other country. If these things are going on all over the world today and nobody can say when it will end, it is advisable for this Honourable House not to throw out the Agreement immediately without considering it. Just now, my friend, Mr. Gaya Prasad Singh, spoke in detail about each and every Member. I am very sorry, but if my Honourable friend had been a Member of the Select Committee, I am sure, with his open mind and justice, he would have been convinced that the Ottawa Agreement was favourable. I cannot convince those who, on account of political or other views, hold different views; but, I am sure, I can convince any business man who can sit with me and consider the Ottawa Agreement, item by item.

An Honourable Member: What about the agriculturist?

Seth Haji Abdoola Haroon: If any agriculturist can spare the time and have an hour's conversation with me, I shall try and convince him immediately he asks me to go to him and sit with him to examine this Agreement.

Another point is that the preference that we have given to the United Kingdom is Imperial Preference more favourable to them. If, however, you go through these figures, which are given by Mr. Sarkar, you will find that we get the United Kingdom and the whole of the British Empire importing into India not more than 44 per cent. of their imports whereas they are purchasing 44 per cent. of our exports. There is a general attack that, on account of these preferences, our industries will suffer—the soap industry and many others will suffer—I do not know how many. But, according to my view, I find that till 1930 there was only 15 per cent. of tariff value duty. On account of financial difficulties, the import duties were raised from 15 per cent. to 25 per cent. I do not know if

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this House will always say that this 25 per cent. duty should not be reduced even when the financial position of the Government of India improved. If that is so, then it is all right, otherwise I do not think a reduction of 5 per cent. duty will do much harm to Indian industries. However, Sir, there is plenty of time before the Tariff Bill comes before this House. The Select Committee must sit and consider each and every item. As my friend, Mr. Ramsay Scott, said, we shall have to consider all sorts of industries.

Lastly, I want to deal with the question whether this Agreement is favourable to India or not. As a business man, whenever we are making a bargain, we generally calculate how much we will gain or how much we will lose. According to that, I very much appreciate the time spent and labour taken by my friend, Dr. Ziauddin Ahmad, in preparing a list showing for the years 1929-30 how much we exported and how much we imported in respect of each and every item. According to his calculation, we find that we get preference from the United Kingdom to the extent of 7.4 crores, whereas we have to give to the extent of 2.85 crores preference in imports. As a business man, I have to look to these figures, and I find that according to the present Agreement India will not lose anything, but on the other hand she will gain something. That is my conclusion, and, therefore, I support this Agreement.

Mr. O. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhamadan Rural): Sir, I must congratulate Honourable Members on this side of the House, though such an opportunity seldom comes to me, on the good moderation which they have exercised while answering some of the arguments pressed from this side of the House again to enable them to revise their judgment, which I hope they will do, because the division time is near. My friend, the Secretary of my Party, Mr. Gaya Prasad Singh, took a cheerful view of the situation which shows that he at any rate will be open to conviction, and even though he may go into the opposite lobby for the mere sake of opposition, yet, at a later stage, we will find him and friends of his way of thinking clamouring for a place in the Tariff Committee and thus accepting the Ottawa principle which this Resolution embodies.

Mr. F. E. James: That is why I objected to the Committee.

Mr. O. S. Ranga Iyer: Sir, I also find that my friend, Mr. James, says he will object to it, but his objection will not prevent us from getting friends of Mr. Gaya Prasad's way of thinking to endorse the principle by going into the Committee. I also believe that Sir Abdur Rahim, the respected Leader of the Independent Party,—for whose judgment, even when we do not see eye to eye with him, we have great esteem,—will also see his way, if he loses, as he is certain to lose on this Resolution, to go into Committee and thereby accept the principle of the Ottawa Agreement.

Sir Abdur Rahim: No, no.

Mr. O. S. Ranga Iyer: I hear my friend, Sir Abdur Rahim, say "No, no," but a great parliamentarian like him should not take a non-co-operating attitude. It is better to have fought and lost than never to have fought at all. Even supposing Sir Abdur Rahim and I and Sir

Hari Singh Gour and all of us had signed the Agreement, even then by design we would have to ask Sir Hari Singh or Sir Abdur Rahim to stand up and oppose this motion. (Laughter.) Where is the Parliamentary Utopia, may I know, whose angelic denizens never differ among themselves? Parliamentary opposition is necessary for Parliamentary politics to thrive. But fortunately on this occasion it is not by design that Sir Abdur Rahim is opposing this Resolution; not that he is convinced that non-ratification is the only way. He never took up that extreme attitude—neither in his speech in this House nor in the Committee. It was with great admiration bordering almost on devotion that I, who worked with him in Committee, found this great public man—who had served the country as a Judge, an eminent Judge of the High Court of the province to which I have the honour to belong—would not take up that wholly intransigent attitude, faced with the facts which stared us in the face. Sir, as a Member of the Bengal Government, he was not afraid of courting unpopularity by going against surging public opinion in Bengal. Therefore, none on this side dare accuse him as a lover of popularity. He was not afraid of taking a bold stand against my late lamented leader, Mr. C. R. Das, who stood then for all that was vocal in the Congress, with whom I had to travel long distances in the South, to form the Swaraj Party. Therefore, none on this side can lightly accuse Sir Abdur Rahim of trying to fish for or to flirt with popularity. Today we are convinced that the course that he adopts is a course which is controversial. He is entitled to his judgment. He has formed his judgment *not* after a careful, lasting and satisfactory examination of the question as he himself has told us. He did not say—reject the Agreement. He said,—and he was entitled to that opinion,—give us more time to examine: let us have a Committee which will go into this question, examine the industrial experts and agricultural and other experts so that we may be in a position to say once for all whether the Agreement is to the advantage or the disadvantage of India. That was not an attitude which could be condemned as the attitude of a young man in a hurry. That was an attitude in keeping with his ripe age and his great experience, but some of us who differed from him understood that time was of the essence. The Government of India unfortunately were not the only party to the transaction. They could not postpone, owing to the fact that Great Britain is the important factor in the question, and owing to the fact that Great Britain had already agreed to Agreements with the other parts of Empire. It was impossible for us, some of us who do not, so far as our eye can see, visualise a state of affairs when we can afford to stand out of the Empire,—so long as we take up an attitude of association with the Empire nations even though as an absolutely equal nation—an equality which I see very near—so long as we take up that attitude it was not possible for us to say, postpone this Agreement, when no postponement was possible. What was the alternative? I at any rate was completely in sympathy with Sir Abdur Rahim's attitude in the Committee until almost the very last day when he went out of the Committee after making a statement. He was present when I made my statement. I had not made up my mind, and if he was present the next day I am certain he would have changed his mind. He was not present the next day, and, for full four hours, almost singlehanded, I had to put up a strenuous fight against the European opposition whose views I cannot say were blinded by prejudice. I had to put up a strenuous fight against the semi-silent unwillingness of the Government to give us the Committee that we wanted. That Committee is the Assembly Committee which would sit

[Mr. C. S. Ranga Iyer.]

in judgment from year to year on the working of the Ottawa Agreement. We said: "You chose the Ottawa Delegates without consulting us. The Assembly had no voice and no choice in that matter. Therefore, the Assembly must at any rate have the right of sitting in judgment over the working of the Ottawa Agreement and watch from year to year the rise and fall of the trade tide and report to the House so that the House will have an opportunity of discussion year after year," and either the Government, guided by the wisdom of that Committee, will denounce that Agreement in six months, a right which has not been taken away, or within three years the accumulated evidence which comes before this committee would be ample testimony for India wrecking that Agreement. I consider that, as I have said . . . (At this stage Sardar Sant Singh made an interruption.) The Honourable gentleman says that this attitude smacks of petitioning. His very presence here, if he will go and ask my friend, Pandit Jawaharlal Nehru, is the result of a mendicant policy of co-operation with the Government. We are here in defiance of the Congress mandate and if I did not believe in the policy of co-operation on equal terms, which I do not consider to be a policy of mendicancy, I would not have been here. I would have followed them through the great struggle as I have followed them in the past. Let my Honourable friend, if he does not want to petition, agree with the Sikh left-wingers in the Punjab, resign his seat here and take his proper place in the civil disobedience movement.

Sardar Sant Singh: On a point of personal explanation, Sir. My Honourable friend has entirely misunderstood me. I said that after the three years there would be a flood of applications in the bankruptcy Courts on account of the trade going down.

Mr. C. S. Ranga Iyer: That shows the Honourable gentleman's education has yet to progress on the Agreement and the Report that we have made. I would ask him very carefully to read it again, for every year there will be a Report published by the Government and the Committee appointed by the Assembly will have the opportunity of sending for witnesses, for representative men including the Honourable gentleman if he is sent from the Punjab as the custodian of the agricultural interests. (Laughter.) They will all be examined from year to year. That is not petitioning, that is application in a great cause. If the Government had not yielded on this fundamental matter, namely, the appointment of a Committee of enquiry which from year to year will sit in judgment on the Ottawa Agreement, I at any rate would have been today on the side of Sir Abdur Rahim. My regret is that he was not present on the last day after making his important, earnest, sincere statement—for who can charge Sir Abdur Rahim with insincerity, who worked with Gokhale in the great days of the Public Service Commission and wrote the famous dissenting minute, and I, knowing him as I do,—and my relations knew him better, one of whom happens to be a Judge of the Madras High Court,—who knew him well—knowing him as my friends and relations have known him, I can only say that he was animated by the most sincere of considerations when he decided to stand away. But we claim the equal right of sincerity. My Honourable friend, Mr. Gaya Prasad Singh, was mud slinging Mr. Mody. He said, Mr. Mody took up one attitude here, and another attitude elsewhere. We did not go into the Committee with a mind made up. (Hear hear.) He said and others have said the same

that Mr. Mody spoke with diffidence, almost like a sucking dove, (Laughter), before he went into the Committee, but he spoke with confidence—almost in defiance when he came out of the Committee. Why not? He knew more in the Committee. He worked with us late hours into the evening and for several hours by day, and arrived at

Mr. Gaya Prasad Singh: It was a magic Committee.

Mr. O. S. Ranga Iyer: My Honourable friend says it is a magic committee. His attitude has not even the beauty of logic in it; it is too tragic for words. (Laughter.) His charging Mr. Mody with inconsistency only reminds me of the girl that Mr. Gaya Prasad Singh met thirty years ago. Mr. Gaya Prasad asked her, "What is your age?", and the young lady said, "Sweet seventeen". He met her 20 years ago, and asked her "What is your age?". She said, "Sweet seventeen". He met her three days ago, and she said the same "Sweet seventeen". He is all adoration over that lady, because she was consistent. (Laughter.) And he is extremely angry with my Honourable friend, Mr. Mody, because he is inconsistent. I know the sensational Press out in the country want Mr. Mody's head on a charger. Sir, when Oliver Cromwell returned from Ireland, one of his admirers went and said: "Don't you see the number of people in front of you? How popular you are!". Oliver Cromwell with his sense of humour said: "Many more would have liked to have my head on a charger." The question of popularity and unpopularity is a very dubious one, Mr. Gaya Prasad went for Mr. Chetty, because he went against the popular opinion in the country. According to the Secretary of my Party, a new slogan has got to be introduced into the English language: "Honesty is the best popularity." (Laughter.) Sir, we believe in honesty, not even as the best policy; we believe in honesty, not for policy's but honesty's own sake, and if we are willing to face unpopularity, as I have faced it in the past when conviction grew on me, it is because nothing like facing Mrs. Grundy whose swollen head before a strong will and conviction will become diminished. One man of conviction, said the great Burke,—and I may parody what he said—one man of conviction is equal to one million people without conviction. (Applause.)

Diwan Bahadur Harbilas Sarda (Ajmer-Merwara: General): I had no intention of taking part in this discussion, but as my colleagues on the benches behind me demand that I should speak as I was a member of the Ottawa Agreement Committee, I rise to say a few words. I signed along with two other Honourable Members the Minority Report and that Report embodies my views on this question of the Agreement. If we did not recommend to this House that this Agreement should be ratified, it was because, after a full consideration of the materials placed before us by Government and after considering the evidence that was given before us, we came to the conclusion that this Agreement was not in the interests of this country.

I am sorry that a worthy Member of this House found it possible to insinuate that it was because of political bias that we signed our Minority Report. I must here repel that insinuation with all the force that I can command. Sir, I have been nurtured and brought up on English literature and English thought. My training, during my career of 85 years in the service of the Government of India, and my education belie that insinuation. If I had any political bias, it is in favour of England and not against it.

[Diwan Bahadur Harbilas Sarda.]

Though our Report says that this Agreement should not be ratified I am of opinion that ratification is not the question that is before us. The question of ratification arises only when an agreement has been arrived at between the accredited representatives of two countries. The representatives of a Government can be taken to be representatives of a country if it is a self-governing country. As the Government of India is a subordinate branch of the Government of Great Britain, the position of the Indian Delegates was quite different, and there can be no question of ratification. The question is, whether this Assembly should accept the Agreement that has been arrived at between the representatives of the two Governments. I am quite prepared to accept that the Indian Delegates to Ottawa were inspired with the best of motives and I also believe that they did their best to secure as many advantages as they could for our country in the circumstances in which they were placed. My information also is that the Honourable Sir George Schuster, who was there in an advisory capacity on monetary and fiscal questions, laid the case of India in fiscal and economic matters as well as any patriotic Indian could have done.

Sir, it is gratifying to us to find that the British Government have declared that this Agreement will not be considered as ratified until this Legislative Assembly has accepted it. It is a matter for satisfaction so far as this thing goes. The principle underlying is that no economic arrangement would be binding on this country until the Legislature of this country accepts that arrangement. Though, constituted as the present Assembly is, this declaration is not of very great value, still the principle underlying this declaration and the acceptance by Britain of that principle are of great value and will be very useful to this country later on.

As regards the Agreement, we, who signed the Minority Report, thought and still think that so far as exports from India sent to England are concerned, we need not worry over the threat held out by England that a duty would be levied on those exports. Those exports are mostly of raw material and England will think twice before levying a duty on them and thus increasing the burden on the consumers in England, so far as wheat and tea and such other things are concerned. And so far as jute and other things are concerned, such as skins and hides, if England levied a duty on these imports, it will only increase the cost of production of her manufactures which will be a handicap for her in competing with the products of foreign countries of a similar nature.

As regards English imports into India, this Agreement gives their preference. One of our main objections to this was that by giving preference to English products and levying a higher duty on non-United Kingdom goods, we will increase the cost of production of our manufactures. We will have to pay more for certain things which we use in our manufactures and which are imported from non-United Kingdom countries, and the cost of production of our manufactures will, therefore, increase and we will not be able to compete with foreign manufactures of the same kind which come into India. It is perfectly true that by giving England preference we are helping English industry, but our objection to this Agreement is not that England would be benefited by this Agreement. If England benefits, we have no objection. We are not jealous of England. Our objection was that the arrangement would result in more loss than gain to this country.

Sir, England was a free trade country, but now she has become a protectionist country. When England adopted free trade, it was not because she thought that the world would benefit by free trade; not because she thought that for the good of the people nothing should be done to hamper free movement of goods, nor that, if no duties are levied, the requirements of people in different parts of the world would be supplied to them more cheaply. Situated as England was at the time, it was in her interests that there should be free trade. She was the mistress of the seas, and was a country far in advance of other countries in manufacturing goods for foreign countries. She found that her trade would expand and continue to expand if no duties were levied in any country on the articles which she imported into those countries. If England had not been a great manufacturing country, but a raw material producing country, her policy would have been quite different. England's aim is constant and it never changes. She understood perfectly well that free trade meant exploitation of a non-manufacturing country and accumulation of wealth and, therefore, of power for manufacturing countries. This truth

4 P.M. was fully understood by Adam Smith, the father of the British political economic science, when he proclaimed that it was good for the rest of the world that there should be free trade. He, however, understood all the implications of this question and he said that, when necessary, England should have protection. Those who have studied his book, "The Wealth of Nations", are aware that he thinks that so long as English manufactures go to other countries and find a market there, it is England's interest that there should be free trade for English goods; but he also lays down that when the state of affairs is different and manufactured goods are imported into England, England should have protection. I shall read a few lines with regard to this policy of England from a book recently published. It is Mr. Ramgopal's "Selections from Ingersol". In his Review of Professor Denslow's "Modern Thinkers", dealing with Adam Smith's theory, Colonel Ingersol, who was one of the greatest orators in America, says:

"I was glad to find that a man's ideas upon the subject of Protection and Free Trade depend almost entirely upon the country in which he lives or the business in which he happens to be engaged.....It gratified me to learn that even Adam Smith was no exception to this rule, and that he regarded all protection as a hurtful and ignorant interference *except when exercised for the good of Great Britain*. Owing to the fact that his nationality quarrelled with his philosophy, he succeeded in writing a book that is quoted with equal satisfaction by both parties. The Protectionists rely upon the exceptions that he made for England, and the Free Traders upon the doctrines laid down for other countries."

This shows that England's aim is constant and there is no inconsistency in England's attitude. England was once a free trade country, but now she is a protectionist country. Why? She knows that conditions have changed. As Japan and Germany and America are outstripping her in producing manufactured goods for the world's markets, she finds that it is necessary for her to have all the advantages of free trade so far as possible in the countries which she can influence and all the advantages of protection against free competition by other countries. Therefore, Sir, we must remember that England is working for her own good when she asks for preference for her goods. But it is our duty to consider what is for the good of our country.

I shall conclude with reciting a line which my friend, Mr. Shanmukham Chetty, quoted from the Great American poet, Lowell. He said:

"he is a coward who would not be in the right with two or three."

Mr. B. K. Shanmukham Chetty: Who dare not be in the right with two or three.

Diwan Bahadur Harbilas Sarda: Now, our Committee, Sir, consisted of 16 members. And I, with my two friends, we three have dared to be in the right, while my friend, Mr. Chetty, was in the majority of thirteen, whatever that number may signify. (Cheers and Laughter.)

Mr. S. C. Mitra: Sir, I had my opportunity to express my views about the Ottawa Pact on a former occasion and, in the meantime, nothing new has happened to change my views. Sir, I have no interest in any Tariff report which will require any backing by Government in the coming Winter Session, so I hold to my views. Now, I shall only say a few words as I know that the whole House is impatient to conclude this debate. I shall not take more than a few minutes—not about the Ottawa Pact, but about the Bhore-Gour pact that is now before the House for ratification.

Sir, I hope, my friend, the Honourable Sir Joseph Bhore, will explain how he will implement the conditions that have been arrived at between the two parties. I should like him to explain at least one thing which my friend, Mr. Gaya Prasad Singh, has so exhaustively dealt with, as to why the evidence before this Special Committee was not placed before the House and why the Committee was held in camera. Sir, it has become the fashion to follow English customs blindly. One can understand that in the case of the Government in England, where Ministers are responsible to Parliament, the convention has grown up for making Select Committee procedure secret, but here where speaker after speaker including the Deputy President who, in a very lucid speech tried to explain his position, have made a point that had the whole evidence and discussions, that were before the Special Committee, been known to the House, they also would have been similarly convinced. I cannot understand why then the whole proceedings have been kept secret. My friend, Seth Haji Abdoola Haroon, now repeats that if all the facts that were discussed in the Select Committee were known to Honourable Members, they would have been very much convinced. I hope the Honourable the Commerce Member, when he will rise, will explain why he made it a condition to keep everything secret—not only at the time when the Committee was sitting, but its proceedings are even now kept secret.

Then, there is another point. It is said that the Government of India Delegates at Ottawa were not free to exercise their judgment. Now, it has never been said, so far as I understood my Leader, Sir Abdur Rahim, that while in England, the members of our Delegation were denied any opportunity which was given to members of other Delegations. The whole case from our side was that, unlike the other Delegations from the Dominions or Colonies, the Government of India Delegates had no opportunity, while they were in India, to have instructions or to discuss these matters with merchants or the Chambers of Commerce, who are the persons who could rightly guide them. It would, I hope, be not derogatory to the members of the Delegation to say that they were not conversant with all the phases of trade relationships; and so I ask, what was the reason that the Government of India did not give them any opportunity, while they were here in India, to consult the trades people, the merchants and the Chambers of Commerce. That was the point that we wanted to make. We find that the other Delegations consulted their own people and had a list of the goods on which Britain wanted preference and also a

list of the goods in respect of which the Dominions wanted preferences. They consulted their own people and when they were in England, certainly there was no discrimination made of course. We urged that our Delegates, with the best of their intentions and with all their ability, were in a very unfavourable position to compete with or grapple with these experts.

There is one other point with regard to my Honourable friend, Mr. Ranga Iyer's statement. I congratulate him on his very moderate and considerate speech. I know his heart is fully patriotic; and if he had urged anything in favour of this pact, it was only because of the idea that a great concession has been made to this Assembly. Sir, I think we have in this House the right to have a Select Committee and in the Select Committee we have a right to call for evidence. I do not think that is any new power that we have obtained by this pact. Now, from a perusal of the newspapers, I find that in the Round Table Conference Lord Irwin in his speech placed before them certain safeguards. Now, we know that formerly there were only three safeguards, but these have now been lengthened to eight; and the eighth safeguard is that the Viceroy must have power in his hands in case of any difficulty over relationship with any Colonies. That power in the Viceroy's hand is meant as a safeguard so that the future Legislature cannot go into a question like this. I think, on this matter also, the Commerce Member will explain to the House how the attempt that is being made to keep the future Legislature out of any power to deal freely with the Colonies, or the British interests will be dealt with. There is hardly any time at my disposal and I wanted to say a few words about my friend, Mr. Mody. I think he has a short memory, otherwise his predecessors from that constituency knew, when the Swarajists were in power, how they had to go from door to door to secure their interests. He was angry that though he gets a very fat salary from the Millowners, whose President he is, God has denied him a bulky body. I would only like to say this to him that he is not the only man who has stood for the interests of the industrialists in this House, but, times without number, I think, the Opposition have helped every industrialist who came with any such suggestion in all the cases of discriminating protection. As Mr. Gaya Prasad Singh remarked, it was Pandit Madan Mohan Malaviya who, with his whole party, walked out of the House as a protest on such an occasion. So, if he thinks that he is serving the interests of the millowners by making such absurd remarks, I think he is going too far. It may be that in the next Session Government may be too powerful to help him, but one day he will have to come to us if his industry is to prosper. I know the millowners, when it suited their purpose, went to the Congress. The whole agitation about boycott is financed by the millowners.

Mr. H. P. Mody: If my Honourable friend's real desire is to misrepresent what I have said, then I do not wish to prevent him from doing so. But I have said nothing of the sort which he is now suggesting.

Mr. S. C. Mitra: Sir, I accept his statement and I shall be the last person to continue in that way. Sir, one fundamental question I wanted to make clear. It is known to every student of economics that for a country which has got a developed industry or which has no manufactures of her own and depends entirely on agriculture, it is good for her to have free trade. It is in the interests of England to have free trade. But when other countries have begun to develop their industries, they have to

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put tariff walls to protect their nascent industries and later on discriminating duties also. So, it was always to the interests of England, which is far ahead of any other country in the matter of manufacture, to have free trade, but when she found that other countries were raising high tariff walls, she was in a predicament. In 1897, I think, Canada first brought to the notice of the British Government to have recourse to protectionist measures to safeguard their interest against United States of America high tariff, but all along it was in the interests of England to stand against any protective policy. Now, as regards India, she could well afford to be free, were it a mere agricultural country. But we are gradually developing our own industries; so it is to our interest to have a protective policy to preserve our own industry. England is anxious to get hold of all the Dominions and Dependencies and is putting pressure on other countries not to raise but to reduce their tariff walls, because it suits her own purpose. I was glad when Sir George Schuster made the point quite clear that it is from the point of view of Imperial interests and not so much for India's good that they support the Ottawa Agreement. From that point of view, it is certainly supportable. In that case it must be agreed to with the willing consent of Indian public opinion. It may be said that this House, by a vast majority, will support this Ottawa Pact, but it is equally known that the whole country will almost unanimously oppose it. Sir, if these things in trade matters are forced on us, the desired effect that the Honourable Sir George Schuster wants to bring about will not be attained. On these considerations, I do not support this pact.

Several Honourable Members: The question may now be put.

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

The motion was adopted.

The Honourable Sir Joseph Bhoré (Member for Commerce and Railways): Sir, it is not altogether an easy matter to reply to a debate which has extended for so many days and during the course of which so many individual issues have been raised. My task, has, however, been rendered comparatively simple by the great assistance which has been forthcoming from all quarters of the House in replying to an Opposition which, I venture to think, has grown weaker and weaker as reasoned and considered views have taken the place of prejudice or suspended judgment. One fact which has, to my mind, prominently emerged from the inquiry of the Committee appointed by this House is that the economic theories which we have heard enunciated are at the worst most dangerous will-o'-the-wisps and at the best fitful and uncertain guides. Their authors have qualified their premises with so many conditions, they have admitted so many imponderable, mitigating or aggravating factors, they have in so many cases gone no further than merely to indicate tendencies or probabilities that the results to my mind, are bereft of any practical value whatsoever. Yet, Sir, it is largely on the basis of these economic theories that much of the Opposition to the Agreement has been founded. I cannot within the time at my disposal do more than refer to one or two typically fallacious arguments of the kind

which are so largely used to support the opposition to the Agreement. It has, for instance, been argued that if we, as the result of preferences, granted by us, bought more largely from the United Kingdom, we would buy less from foreign countries and that they, in their turn, would not be able to afford to take as much of our exports as they have done in the past. While, on the other hand, if we, as the result of preferences we obtained, sold more largely to the United Kingdom, then we should meet with keener competition elsewhere from rivals ousted from the British market and that thus our trade would be merely diverted and not increased in the aggregate. My reply, Sir, not being an economist, is that of the practical man who can only claim common sense as his guide and authority.

Firstly, I would say that if, as a result of preferences obtained in Great Britain, I was able to sell more in that country and found there a larger, a more secured and sheltered market, then surely my capacity to meet competition elsewhere in that commodity would be all the stronger. Secondly, I would point out that an increase in our purchases from the United Kingdom need not necessarily mean a diminution of our purchases from foreign countries, nor a diminution of our sales to foreign countries. My conception of the cycle of economic cause and effect is entirely different to that of the opponents of the Agreement. They are entirely obsessed by a purely static idea of trade. To them its quantity and volume are fixed; if we sell more to one country, we must sell less to another, and if we buy more from one country we must buy less from another. If, Sir, this were correct, then surely it would put an end to all advancement and all progress. I place before the House the dynamic view of trade. If, as a result of these preferences, I am able to sell more to the United Kingdom, then surely my purchasing power is increased, and, with every increase in my purchasing power, I set in motion forces which induce wider and still wider markets for my goods.

Another typical instance I would take concerns the market for our agricultural produce. My Honourable friend, Mr. Burt, has dealt very conclusively with the case of agriculture. But, Sir, the position of the opponents of the Agreement in respect of the agriculturist, and the producer of primary products is so astonishing that I cannot refrain from summarising and paraphrasing it for the benefit of the House.

[At this stage Mr. President (The Honourable Sir Ibrahim Rahimtoola) vacated the Chair which was occupied by Mr. Deputy President (Mr. R. K. Shanmukham Chetty).]

As far as I understand their case, it is this. They say that an increased foreign market would be of little value to us, because the higher prices that might thereby be obtained might not filter down to the actual producer. Further, they contend, that the economic limit of agricultural production has been reached, and in any case they say that we want and can ultimately make use of all the produce of this country in the country itself. Sir, it appears to me that for sheer cynical indifference to the interests of the agriculturist this last statement would be difficult to beat. I may, I think, fairly contend that in view of the many millions of acres which have been added and are being added and will be added under the great new irrigation systems to the irrigable area of this country, in view of the millions of acres which are still available for cultivation and are still lying waste, in view of the improvements which are being made from year to

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year in agricultural practice as a result of science and research, the assumption that the economic limit of agricultural production has been reached needs more conclusive justification than the *ex cathedra* statements of economists who are bent upon establishing their case. I will leave it to the agricultural interests in this House to say whether it is not wider markets that are needed and urgently needed, for the agricultural produce of this country, and whether it is not just those wider markets that we are attempting to make available under this Agreement.

Sir, underlying many of the speeches that have been made in this House there appears to me to be an earnest desire to be assured that the interests of this country are being placed first in the framing of our fiscal and our tariff policy. If that is so, Sir, then my Honourable friends opposite and I are on common ground; there is absolutely no difference between us. I have always contended that my position has been based upon what I deem to be the interests of this country. The most hostile critics of the Agreement have admitted that the rejection of this Agreement will entail definite loss to this country. Those same critics have admitted that its acceptance must result in benefit to this country, though they attempt to outweigh those benefits by problematical losses in other directions. Am I not justified, then, Sir, in contending, as I have done, that we should be acting contrary to our own interests if we refused to avoid certain injury, if we refused to accept the prospect of certain advantages for fear of incurring conjectural losses? If those losses actually materialise, if we found ultimately that they were of so serious a nature as to justify an abandonment of the policy of reciprocal preferences, then, Sir, the way is open for us. I know that much doubt has been expressed in this House as to the value of the six months' notice clause in the Agreement. I think it was my friend, Mr. James, who pointed out on the last occasion what Sir Herbert Samuel, who had been frequently referred to in the course of the debate, said in Parliament on this point. I have now a copy of Hansard here and I should like to quote to the House the actual words employed by him. He said:

"Before that I was anxious to say that in one of those treaties embodied in this blue-book, in the Indian treaty, there is a provision to this effect: 'This agreement between His Majesty's Government in the United Kingdom and the Government of India shall continue in force until a date six months after notice of denouncement has been given by either party'. So it may not be so very wrong and so very foolish to suggest that with the Dominions' agreement also the same provision should be inserted."

Then he goes on to say again:

"Therefore, there can be no insuperable reason why, if the opinion of this House were unanimous, Government should not accept that proposal and ask the Canadian Government to agree to the insertion in the agreement of the provision, word for word, which has been inserted in the Indian agreement."

Opposition Members, Sir, who appealed to the authority of Sir Herbert Samuel will, I hope, accept his authority on this point as well.

The Leader of the Independent Party criticised with considerable warmth what he thought was the procedure that had been adopted by Government in preparing their case for Ottawa. The facts of the case are simple and I should like to give them to this House. Two days after Sir George Rainy had announced that the Government of India had accepted the invitation to go to Ottawa, a fully explanatory circular letter was addressed to all Chambers of Commerce, Trades Associations and

Local Governments asking for their proposals and suggestions in regard to matters to be discussed at Ottawa. Of the replies received some were useful; others were not; some dealt with the question on its merits; others refused to have anything to do with it on political grounds; but I can assure this House that it is quite contrary to fact to suggest that commercial opinion in this country was not allowed an opportunity of expressing itself. Further, we informed commercial organisations that commercial and industrial interests could send observers or representatives to Ottawa, a course which was followed by the United Kingdom and by the Dominions. My Honourable friend, the Leader of the Independent Party, asked why, before we granted preferences to Great Britain in this country, we had not consulted industrial interests here. I venture to submit to him that had he looked for it he could have found the answer for himself. In a nutshell it is this: the object of the question is evidently to suggest that we have entirely ignored the interests of our Indian industries. I would say that that suggestion is wholly without foundation.

[At this stage Mr. President (The Honourable Sir Ibrahim Rahimtoola) resumed the Chair.]

We have safeguarded the interests of those industries which have been given protection and those which may hereafter be given protection under our policy of discriminating protection. I may say that that policy stands and that nothing in the Agreement will be allowed to come in the way of the practical application of that policy. My Honourable friend has, I think, forgotten the fact that we have in no case promised Great Britain free entry or a particular rate of duty, but only a margin of preference so that it is entirely open to us to levy what rate of duty we think fit on any particular commodity. I would suggest to my Honourable friend that when people are determined to find sinister or questionable intentions, it is the easiest thing in the world to find them, to see them behind every act and every word that may be used by those whom they are determined to criticise. My only prescription for this form of ophthalmic disease is that my Honourable friends should discard the glasses darkened by suspicion which they are now using to look at everything which pertains to this Agreement.

Much has been made of the fact that the Members of this House who found a place on the Ottawa Delegation were not elected by the House. As far as I know, no Delegation was elected by anybody at Ottawa; but I do submit respectfully to this House that it is a terrible commentary upon the public life of this country, if it is possible for anyone to suggest that an elected Member of this House ceases to command public confidence, simply because he discharges a public duty and a public service at the request of Government. I am afraid that a good many Members of this House may have been influenced by the fact that many commercial bodies in this country have declared against the Agreement. I would ask the House to consider the facts of the case. Some of the most important of these bodies which vehemently, and without reserve of any sort, proclaimed their opposition on political grounds to any Agreement before one had been entered into or even discussed, now proceed to assess the economic merits of an Agreement which they have all along condemned root and branch. I ask this House whether, in these circumstances, it is possible for these bodies to free themselves from all bias—unconscious if you like—and become dispassionate and impartial critics of that Agreement. I want to make

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it clear that I attribute motives to no one; but I do assert that the verdict passed by these bodies on this Agreement is irretrievably tainted by the views previously held and expressed, and I would ask Members of this House not to allow their independence of judgment to be influenced by views proceeding from such sources. As to the recommendations of the Committee appointed by this House, I need say only very shortly that I accept them and I accept the amendment of my friend, Sir Hari Singh Gour. I would like here to add one word and that is that I am in entire sympathy with what I take to be the object which induced my Honourable friends, Dr. Ziauddin Ahmad, and Sir Zulfiqar Ali Khan, to write their respective minutes. Government will consider most carefully the best method of ensuring that the utmost possible advantage is taken of the new openings for our agricultural and other industries.

I come lastly to the amendment moved by my Honourable friend, Mr. Das, who, I regret, is not here. Mr. Das was not concerned with the economic merits of the Agreement; he wished the question of its acceptance or its rejection to be decided purely on political grounds. Now, I would submit that the position that political considerations must override all others entails as a corollary the position that economic consequences are of minor moment. But I would remind this House that some one must pay the price and it will be a vicarious payment. It will not be my Honourable friend, Mr. Das, who will pay. The consequences of the Import Duties Act would have waited for no one and what, in effect, my Honourable friend, Mr. Das, says to the Indian agriculturist, the Indian trader and the Indian industrialist is this: "Courage, my friend; it may be true that you may suffer losses; that your trade may be restricted and your markets may be lost; but we hold unimpaired the power of entering into a Trade Agreement and if that is no consolation to you in your losses, it may be to those who step over your bankrupt bodies and come after you". I ask the House whether we have not chosen the better way, for we have attempted, and I hope successfully, to save these people from these losses and we have left unimpaired for all practical purposes the power referred to.

My old friend, Diwan Bahadur Rangachariar, said, by concluding this Agreement, you have taken away the only bargaining factor we possess, the only *quid pro quo* which we have to offer for political advance. I would say to him, if you really think that the power of concluding a Trade Agreement is a bargaining factor, have we in any way impaired that factor by what we have done? Surely Article 14 is a complete reply to that accusation. But, Sir, I would ask the House whether it is not possible for us to view this question in entirely different perspective? Must we always talk in terms of war and strife, of bargains and conditions? If we can now talk the language of co-operation in the world of commerce and trade, may it not help a better understanding in the settlement of those great constitutional issues which are now awaiting final conclusion? (Applause from all sides of the House.)

Perhaps, Sir, the House will permit me to end on a personal note. My Honourable friend, Diwan Bahadur Rangachariar, said that it was an irony of fate that it should be left to the first Indian Commerce Member to introduce a measure of this character. Let me assure the House that Indian Members of Council, when they enter upon office, do not leave their consciences in the ante-chamber. (Applause.) I have

made no extravagant claims for this Agreement. I have indulged in no glowing prophecies for the future. I have told what I consider to be the plain and simple truth. I have said that we stand to lose and lose definitely if we do not accept this Agreement, that we stand to gain and gain definitely if we accept this Agreement, and that time alone can show whether any losses, which we cannot foresee at present, will outweigh the gains which we can. If, Sir, I had not honestly felt that I could wholeheartedly support this Agreement, then the task of introducing these measures would have fallen on other shoulders. (Applause.) I do ask the House most earnestly, emphatically by its vote, to endorse the acceptance of this Agreement. (Applause from all sides of the House.)

Mr. President (The Honourable Sir Ibrahim Rahimtoola): The amendment that the Chair now puts to the House is:

"That after the words 'the 22nd September, 1932,' the words 'and approving the Report of the Committee set up by this Assembly on the 10th November,' be inserted, and that, at the end of the Resolution, the following be added:

'and further that he do give effect to the recommendations of the said Committee'."

The Assembly divided:

AYES—74.

Abdoola Haroon, Seth Haji.
Abdul Hye, Khan Bahadur Abul
Hasnat Muhammad.
Acott, Mr. A. S. V.
Ahmad Nawaz Khar, Major Nawab
Ahmed, Mr. K.
Allah Bakhsh Khan Tiwana, Khan
Bahadur Malik.
Amir Hussain, Khan Bahadur Saiyid.
Anwar-ul-Azim, Mr. Muhammad.
Bajpai, Mr. G. S.
Bhore, The Honourable Sir Joseph.
Bower, Mr. E. H. M.
Burt, Mr. B. C.
Chetty, Mr. R. K. Shanmukham.
Chinoy, Mr. Rahimtoola M.
Dalal, Dr. R. D.
DeSouza, Dr. F. X.
Dudhoria, Mr. Nabakumar Sing.
Dunn, Mr. C. W.
Dutt, Mr. G. S.
Fazal Haq Piracha, Shaikh.
Fox, Mr. H. B.
Gour, Sir Hari Singh.
Greenfield, Mr. H. C.
Gwynne, Mr. C. W.
Haig, The Honourable Mr. H. G.
Hezlett, Mr. J.
Hossack, Mr. W. B.
Hudson, Sir Leslie.
Ishwarsingji, Nawab Naharsingji.
Ismail Ali Khan, Kunwar Hajee.
Ismail Khan, Haji Chaudhury
Muhammad.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur
Sardar.
Lal Chand, Hony. Captain Rao
Bahadur Chaudhri.
Mackenzie, Mr. R. T. H.
Macqueen, Mr. P.
Meek, Dr. D. B.

Metcalf, Mr. H. A. F.
Mitchell, Mr. D. G.
Mitter, The Honourable Sir
Brojendra.
Mody, Mr. H. P.
Moore, Mr. Arthur.
Morgan, Mr. G.
Muazzam Sahib Bahadur. Mr.
Muhammad.
Mujumdar, Sardar G. N.
Mukherjee, Rai Bahadur S. C.
Nayudu, Rao Bahadur B. V. Sri Hari
Rao.
Nihal Singh, Sardar.
Noyce, The Honourable Sir Frank.
Pandit, Rao Bahadur S. R.
Parma Nand, Bhai.
Puri, Mr. Goswami M. R.
Rafuddin Ahmad, Khan Bahadur
Maulvi.
Rajapur, Rao Bahadur M. C.
Rajan Bakhsh Shah, Khan Bahadur
Makhdum Syed.
Ranga Iyer, Mr. C. S.
Rastogi, Mr. Badri Lal.
Rau, Mr. P. R.
Ryan, Mr. T.
Sarma, Mr. R. S.
Schuster, The Honourable Sir George.
Scott, Mr. J. Ramsay.
Shafie Daoodi, Maulvi Muhammad.
Sher Muhammad Khan Gakhar,
Captain.
Singh, Kumar Gupteshwar Prasad.
Singh, Mr. Pradyumna Prashad.
Sorley, Mr. H. T.
Suhrawardy, Sir Abdulla-al-Mamin.
Tottenham, Mr. G. R. F.
Wilayatullah, Khan Bahadur H. M.
Yakub, Sir Muhammad.
Yamin Khan, Mr. Muhammad.
Ziauddin Ahmad, Dr.
Zulfiqar Ali Khan, Sir.

NOES—27.

Abdul Matin Chaudhury, Mr.
 Abdur Rahim, Sir.
 Anklesaria, Mr. N. N.
 Azhar Ali, Mr. Muhammad.
 Eluput Sing, Mr.
 Dutt, Mr. Amar Nath.
 Gunjal, Mr. N. R.
 Jadhav, Mr. B. V.
 Jog, Mr. S. G.
 Krishnamachariar, Raja Bahadur G.
 Lalchand Navalrai, Mr.
 Liladhar Chaudhury, Seth.
 Maswood Ahmad, Mr. M.
 Misra, Mr. B. N.

Mitra, Mr. S. C.
 Murtuza Saheb Bahadur, Maulvi
 Sayyid.
 Pandian, Mr. B. Rajaram.
 Patil, Rao Bahadur B. L.
 Sadiq Hasan, Shaikh.
 Sant Singh, Sardar.
 Sarda, Diwan Bahadur Harbilas.
 Sen, Mr. S. C.
 Sen, Pandit Satyendra Nath.
 Singh, Mr. Gaya Prasad.
 Sitaramaraju, Mr. B.
 Thampan, Mr. K. P.
 Uppi Saheb Bahadur, Mr.

The motion was adopted.

Mr. President (The Honourable Sir Ibrahim Rahimtoola): The original Resolution, as now amended, becomes the substantive proposition, and the Chair will now place before the House the amendments which were moved on the original Resolution. The question which I have now to put is:

"That for the original Resolution the following be substituted:

"This Assembly, before accepting the Trade Agreements made by the Government of India with His Majesty's Government in the United Kingdom, which was signed at Ottawa on the 20th August, 1932, and the Supplementary Agreement regarding iron and steel contained in the correspondence between Sir George Rainy and Sir Horace Wilson, dated the 22nd September, 1932, recommends to the Governor General in Council to refer the matter to the Tariff Board for the purpose of examining the said agreements so that if, on the report of the Tariff Board, the Indian Legislature were to come to the conclusion that the acceptance of the said Agreements are in the interests of India, this Assembly will recommend to the Governor General in Council to introduce such legislative measures as it might deem to be necessary and this Assembly further requests the Governor General in Council to request His Majesty's Government to postpone the operation of the Import Duties Act in the meantime."

The motion was negatived.

Mr. President (The Honourable Sir Ibrahim Rahimtoola): The next amendment which the Chair will put to the House is:

"That for the original Resolution the following be substituted:

"Having considered the papers on Ottawa Agreement, this Assembly recommends to the Governor General in Council that he be pleased:

- (a) to convey to His Majesty's Government that India is not prepared to consider any proposal for reciprocal trade benefits with the United Kingdom till such time as India is not given Responsible Self-Government; and
- (b) to convey to the Colonial Empire that no Trade Agreement will be entered into or Tariff concessions granted to any Colony which does not concede to Indians settled in their territory equal rights of citizenship."

The motion was negatived.

Mr. President (The Honourable Sir Ibrahim Rahimtoola): The next amendment which I will put to the vote of the House is:

"That for the original Resolution the following be substituted:

"That the Ottawa Trade Agreement between India and other countries of the British Empire be referred for scrutiny and report to a Committee of the Legislative Assembly consisting of the Honourable Sir Joseph Bhoré, Dr. D. B. Meek, Sir Hari Singh Gour, Mr. R. K. Shanmukham Chetty, Mr. B. Das, Sir Abdur Rahim, Mr. B. Sitaramaraju, Seth Haji Abdoola Haroon, Sir Zulfiqar Ali Khan, Mr. G. Morgan, Mr. Muhammad Yamin Khan and the mover, with powers to co-opt not more than six specialists including persons interested in the industries affected by the Agreement; and to avoid dislocation in trade, this Assembly recommends to the Governor General in Council not to introduce a Bill to amend the Indian Tariff Act of 1894, till the report of the Committee has been adopted by the Assembly.

This Assembly further requests the Governor General in Council to urge on the British Government to suspend the operations of the Import Duties Act till this House has given its decision on the Agreement."

Dr. Ziauddin Ahmad: I beg leave to withdraw the amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. President (The Honourable Sir Ibrahim Rahimtoola): I shall now put the Resolution, as amended, as a substantive proposition to the House.

The question is:

"That this Assembly, accepting the Trade Agreement made by the Government of India with His Majesty's Government in the United Kingdom, which 5 P.M. was signed at Ottawa on the 20th August, 1932, and the supplementary Agreement regarding iron and steel contained in the correspondence between Sir George Rainy and Sir Horace Wilson, dated the 22nd September, 1932, and approving the Report of the Committee set up by this Assembly on the 10th November, recommends to the Governor General in Council that he do introduce in the Indian Legislature at the earliest possible moment such legislative measures as may be necessary to give effect to the Agreements in question, and further that he do give effect to the recommendations of the said Committee."

The Assembly divided:

AYES—77.

Abdoola Haroon, Seth Haji.
Abdul Hye, Khan Bahadur Abul
Hasnat Muhammad.
Acott, Mr. A. S. V.
Ahmad Nawaz Khan, Major Nawab.
Ahmed, Mr. K.
Allah Baksh Khan Tiwana, Khan
Bahadur Malik.
Amir Hussain, Khan Bahadur Saiyid.
Anklesaria, Mr. N. N.
Anwar-ul-Azim, Mr. Muhammad.
Bajpai, Mr. G. S.
Bhore, The Honourable Sir Joseph.
Bower, Mr. E. H. M.
Burt, Mr. B. C.
Chetty, Mr. R. K. Shanmukham.
Chinoy, Mr. Rahimtoola M.
Dalal, Dr. R. D.
DeSouza, Dr. F. X.
Dudhoria, Mr. Nabakumar Sing.
Dunn, Mr. C. W.
Dutt, Mr. G. S.
Fazal Haq Piracha, Shaikh.
Fox, Mr. H. B.
Gour, Sir Hari Singh.
Greenfield, Mr. H. C.
Gwynne, Mr. C. W.
Haig, The Honourable Mr. H. G.
Hezlett, Mr. J.
Hossack, Mr. W. B.
Hudson, Sir Leslie.
Ishwarsingji, Nawab Naharsingji.
Ismail Ali Khan, Kunwar Hajee.
Ismail Khan, Haji Chaudhury
Muhammad.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur
Sardar.
Jog, Mr. S. G.
Lal Chand, Hony. Captain Rao
Bahadur Ohaudhri.
Liladhar Chaudhury, Seth.
Mackenzie, Mr. R. T. H.
Macqueen, Mr. P.

Meek, Mr. D. B.
Metcalfe, Mr. H. A. F.
Mitchell, Mr. D. G.
Mitter, The Honourable Sir
Brojendra.
Mody, Mr. H. P.
Moore, Mr. Arthur.
Morgan, Mr. G.
Muazzam Sahib Bahadur, Mr.
Muhammad.
Mujumdar, Sardar G. N.
Mukherjee, Rai Bahadur S. C.
Nayudu, Rao Bahadur B. V. Sri Hari
Rao.
Nihal Singh, Sardar.
Noyce, The Honourable Sir Frank.
Pandit, Rao Bahadur S. R.
Parma Nand, Bhai.
Puri, Mr. Goswami M. R.
Rafuiddin Ahmad, Khan Bahadur
Maulvi.
Rajah, Rao Bahadur M. C.
Rajan Bakhsh Shah, Khan Bahadur
Makhdum Syed.
Ranga Iyer, Mr. C. S.
Rastogi, Mr. Badri Lal.
Rau, Mr. P. R.
Ryan, Mr. T.
Sarma, Mr. R. S.
Schuster, The Honourable Sir George.
Scott, Mr. J. Ramsay.
Shafee Daoodi, Maulvi Muhammad.
Sher Muhammad Khan Gakhar,
Captain.
Singh, Kumar Gupteshwar Prasad.
Singh, Mr. Pradyumna Prashad.
Sorley, Mr. H. T.
Suhrawardy, Sir Abdulla-al-Mámün.
Tottenham, Mr. G. R. F.
Wilayatullah, Khan Bahadur H. M.
Yakub, Sir Muhammad.
Yamin Khan, Mr. Muhammad
Ziauddin Ahmad, Dr.
Zulfqar Ali Khan, Sir.

NOES—25.

Abdul Matin Chaudhury, Mr.
Abdur Rahim, Sir.
Azhar Ali, Mr. Muhammad.
Badi-uz-Zaman, Maulvi.
Bhuput Sing, Mr.
Dutt, Mr. Amar Nath.
Gunjal, Mr. N. R.
Jadhav, Mr. B. V.
Krishnamachariar, Raja Bahadur G.
Lalchand Navalrai, Mr.
Maswood Ahmad, Mr. M.
Misra, Mr. B. N.
Mitra, Mr. S. C.

Murtuza Saheb Bahadur, Maulvi
Sayyid.
Pandian, Mr. B. Rajaram.
Patil, Rao Bahadur B. L.
Sadiq Hasan, Shaikh.
Sant Singh, Sardar.
Sarda, Diwan Bahadur Harbilas.
Sen, Mr. S. C.
Sen, Pandit Satyendra Nath.
Singh, Mr. Gaya Prasad.
Sitaramaraju, Mr. B.
Thampan, Mr. K. P.
Uppi Saheb Bahadur, Mr.

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 7th December, 1932.