

Monday, 4th March, 1940

THE COUNCIL OF STATE DEBATES

VOLUME I, 1940

(16th February to 10th April, 1940)

SEVENTH SESSION OF THE FOURTH COUNCIL OF STATE, 1940



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COUNCIL OF STATE.

Monday, 4th March, 1940.

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

QUESTIONS AND ANSWERS.

AVERAGE PRICES OF WHEAT, COTTON, SUGAR, ETC.

15. THE HONOURABLE SARDAR BUTA SINGH : Will Government state the average prices of wheat, cotton, sugar, gur and oil-seeds, which prevailed before the depression period and which prevailed from 1929 to 1939 each year separately ?

THE HONOURABLE SIR ALAN LLOYD : A statement showing such information as is readily available in respect of the years 1928 to 1939 is laid on the table.

Statement showing the average wholesale prices of wheat, cotton, sugar, gur, oilseeds—linseed and groundnuts for the years 1928 to 1939.

Commodity and market.	1928.	1929.	1930.	1931.	1932.	1933.	1934.	1935.	1936.	1937.	1938.	1939.	Remarks.
	Ra. a. p.	Ra. a. p.	Ra. a. p.	Ra. a. p.	Ra. a. p.	Ra. a. p.	Ra. a. p.	Ra. a. p.	Ra. a. p.	Ra. a. p.	Ra. a. p.	Ra. a. p.	
Wheat (3% barley 14% durt) (Lyalpur).	4 13 10	4 15 9	2 15 7	1 14 6	2 8 10	2 13 2	2 1 4	2 5 0	2 10 3	3 5 1	2 4 0	2 8 0	
Cotton, raw (M. G., F.O., Broach).	367 2	8 391 5	4 231 13	0 181 5	4 106 14	8 104 9	8 206 11	0 229 7	0 211 3	8 208 2	8 159 5	4 176 1	4
Sugar (Doharrah Deahl) (Calcutta).	21 12 1	21 8 3	21 8 9	16 7 4	17 10 10	15 1 8	15 0 1	15 14 3	15 13 11	14 7 11	14 12 3	18 1 7	Calcutta prices current.
Gur (Calcutta).	8 1 4	8 12 3	7 12 9	6 0 3	5 1 10	4 5 1	4 5 11	4 7 0	3 6 0	2 13 9	4 10 6	6 10 8	Calcutta prices current.
Oil Seeds—Linseed (Bombay).	10 5 7	11 14 3	10 11 3	6 0 4	6 1 7	6 1 7	6 6 9	6 10 6	7 6 1	7 14 8	7 5 6	7 11 9	
Groundnuts machine decorticated (Madras).	57 9 8	49 5 2	38 15 4	28 2 0	36 1 10	25 15 5	21 12 6	35 11 3	35 5 8	33 5 3	24 12 2	27 8 9	

STANDARD PRICES OF WHEAT, COTTON, SUGAR, ETC.

16. THE HONOURABLE SARDAR BUTA SINGH : Had the Government any standard price in view, a decline from which was registered, due to depression ? If so, what is the standard price for wheat, sugar, gur, cotton, rice and oil-seeds ?

THE HONOURABLE SIR ALAN LLOYD : The answer to the first part of the question is in the negative, the second part does not arise.

REGULATION OF PRICES OF AGRICULTURAL PRODUCE.

17. THE HONOURABLE SARDAR BUTA SINGH : Will Government state the basis on which prices of agricultural produce are to be regulated and the data for fixing this basic price ?

THE HONOURABLE SIR ALAN LLOYD : The information asked for is contained in condition (d) (i) of the Notification of the Government of India in the Department of Commerce, No. 20-W. (1)/39, dated the 29th September, 1939, to which the attention of the Honourable Member is invited. I may add that it was suggested at the Second Price Control Conference held at New Delhi recently that the control of prices in primary wholesale markets, as and when it was desirable, should vest in the Central Government. The Central Government have not so far fixed the prices in any primary wholesale market. As regards the fixing of prices in subsidiary wholesale and retail markets, under the terms of the Notification referred to, the Provincial Governments can only fix these prices in such a way as to keep them related to the prevailing prices in primary wholesale markets whether these latter prices are regulated by the Central Government or not.

NOMINATION OF SIKHS TO THE INTERVIEW AND RECORD BOARD WHICH INTERVIEWS CANDIDATES FOR THE INDIAN MILITARY ACADEMY.

18. THE HONOURABLE SARDAR BUTA SINGH : Will Government state whether any representative of Sikhs has been given a place on the Selection Board for selecting candidates for Indian Military Academy ? If none, for how many years no Sikh has had a place on the Board ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency, the Commander-in-Chief) : Sikhs have in the past been nominated to the Interview and Record Board which interviews candidates for the Indian Military Academy. The last occasion on which a Sikh was appointed was April, 1938.

AGRICULTURAL CREDIT DEPARTMENT OF THE RESERVE BANK OF INDIA.

19. THE HONOURABLE SARDAR BUTA SINGH : Will Government state the specific duties of the Rural Department of the Reserve Bank of India and what has been the practical result of its work in promoting rural credit since the formation of the Department ?

THE HONOURABLE MR. C. E. JONES : The Honourable Member is apparently referring to the Agricultural Credit Department of the Reserve Bank and his attention is drawn to section 54 of the Reserve Bank of India Act, the statutory report submitted by the Bank under section 55 (1) of the Act, and the annual reports of the Bank, copies of which are available in the Library.

REPRESENTATION OF AGRICULTURAL INTERESTS ON THE CENTRAL BOARD OF DIRECTORS OF THE RESERVE BANK OF INDIA.

20. **THE HONOURABLE SARDAR BUTA SINGH :** Are agricultural interests represented on the Board of Directors of the Reserve Bank of India and on its governing body ? If so, how ?

THE HONOURABLE MR. C. E. JONES : Appointments to the Central Board of Directors of the Reserve Bank are made as provided for in section 8 of the Reserve Bank of India Act and not on the basis of giving representation to particular interests. The attention of the Honourable Member is also invited to the proviso to sub-section (1) of section 9 of the Act.

APPOINTMENT OF DEPUTY GOVERNOR OF THE RESERVE BANK OF INDIA.

21. **THE HONOURABLE SARDAR BUTA SINGH :** Is the post of the Second Deputy Governor of the Reserve Bank of India still vacant ? How long will this vacancy remain unfilled ?

THE HONOURABLE MR. C. E. JONES : Yes.

As regards the second part, the Government are not in a position to furnish the information asked for.

OLD TYPES OF AEROPLANES WITH THE AIR FORCE.

22. **THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS :** Will Government state whether the aeroplanes of the Air Force stationed in India mostly comprise of those which are out of date and were not wanted by the Royal Air Force outside India ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : No.

ESTABLISHMENT OF FLYING TRAINING SCHOOLS.

23. **THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS :** Will Government state whether they are contemplating the establishment in India of Flying Training Schools similar to those in Canada for training pilots ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : No.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : May I ask why ?

THE HONOURABLE MR. A. DEC. WILLIAMS : Because it is too expensive.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Is any alternative arrangement under contemplation for training pilots ?

THE HONOURABLE MR. A. DEC. WILLIAMS : No alternative arrangement is under contemplation because an alternative arrangement is already in operation. Other methods of training are being employed at the moment.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Would the Honourable Member tell us what the other methods are ?

THE HONOURABLE MR. A. DEC. WILLIAMS : It is a little difficult to do so within the compass of an answer to a supplementary question, but I can do so to a certain extent. A regular squadron is at the moment being employed for flying training. A certain number of officers are being trained at a flying school outside India and also flying clubs are being utilised for preliminary training and for some advanced training including night-flying and aerobatics.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Which flying school outside India are Indian pilots being trained at ? Is the Honourable Member referring to the Empire Air Training Scheme ?

THE HONOURABLE MR. A. DEC. WILLIAMS : It is not in the public interest to answer that question.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : To ask that question or to answer it ?

THE HONOURABLE MR. A. DEC. WILLIAMS : Neither, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Can the Honourable Member tell us what is the number of Indians who are receiving training outside India ?

THE HONOURABLE MR. A. DEC. WILLIAMS : I am afraid I shall have to disappoint the Honourable Member on a number of occasions if he persists in asking for numbers.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I take it that the number of Indians is negligible.

ARMY IN INDIA RESERVE OF OFFICERS.

24. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government state whether the Defence Department is asking the Army in India Reserve of Officers to resign their present commissions if they aspire for Emergency Commissions ? If so, why ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : The whole of the Army in India Reserve of Officers, which is divided into a number of categories, has not been called up. Amongst those not yet called up, there are some who are anxious to serve immediately, and it has accordingly been decided to allow them to offer themselves for selection as Emergency Commissioned Officers. If selected, they must resign their A. I. R. O. commissions.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : The second part of my question has not been answered by the Honourable Member as to why this is so ? What are the reasons which should necessitate the present Commission-holders to resign their appointments for the sake of temporary appointments.

THE HONOURABLE MR. A. DEC. WILLIAMS : One reason is an officer cannot hold two Commissions at once. Another reason is that before they receive their Emergency Commissions they must become cadets at Belgaum school for training and a Commissioned officer cannot be a cadet.

NAMES OF GAZETTED OFFICERS IN THE SUPPLY DEPARTMENT.

25. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Will Government give the names of the gazetted officers in the Supply Department, stating in the case of each officer his position and total emoluments including all allowances before his appointment or transfer to the Supply Department and now ?

THE HONOURABLE MR. H. DOW : I lay on the table a statement giving the required information.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Could the Honourable Member tell me what is the number of gazetted officers in the Supply Department and what is the number of officers whose salaries have been increased ?

THE HONOURABLE MR. H. DOW : Well, Sir, the statement which I have laid on the table comprises four pages and I am afraid that I am not quick enough in mental arithmetic to do that.

Statement showing the names of the gazetted officers in the Department of Supply, their position and total emoluments, including all allowances, before appointment or transfer to the Department of Supply and at present.

Serial No.	Name.	Designation before joining the Department of Supply.	Total emoluments including all allowances before appointment or transfer to the Department of Supply.	4	5	6	7	Remarks.
				Ra. A. P.	Director General	Ra. A. P.		
1	The Honourable Mr. H. Dow, C.S.I., C.I.E., I.C.S.	Secretary, Government of India, Department of Commerce.	4,000 0 0	0	0	5,000 0 0		
2	Mr. R. W. Targett	Chief Controller, Indian Stores Department.	3,200 0 0	0	0	3,500 0 0		
3	Lieut.-Colonel E. Wood, M.C.	Officer Commanding, 7th Rajput Regiment.	2,070 0 0	0	0	3,177 12 0		
4	Mr. J. A. Mackeown, I.C.S.	Deputy Secretary, Government of India, Legislative Department.	2,400 0 0	0	0	2,500 0 0		
5	Mr. M. Ikramullah, I.C.S.	Deputy Indian Trade Commissioner, London.	1,500 0 0	0	0	1,900 0 0		
6	Mr. S. Bhoothalingam, I.C.S.	Sub-Collector and Joint Magistrate, Madanpalle Division, Madras.	900 0 0	0	0	1,350 0 0		
7	Rai Sahib Dip Chand	Administrative Officer, Office of the Controller of Broadcasting, All-India Radio.	1,000 0 0	0	0	1,200 0 0		
8	Mr. J. Byrne	Chief Superintendent, P.S.O.C. (I) Sectt.	680 0 0	0	0	1,000 0 0		

Statement showing the names of the gazetted officers in the Department of Supply, their position and total emoluments, including all allowances, before appointment or transfer to the Department of Supply and at present—contd.

Serial No.	Name.	Designation before joining the Department of Supply.	Total emoluments including all allowances before appointment or transfer to the Department of Supply.	Designation in the Department of Supply.	Present emoluments including all allowances.	Remarks.
1	2	3	4	5	6	7
9	Mr. L. N. Flatt	Deputy Chief Controller, Indian Stores Department.	Rs. A. P. 2,927 12 0	Director, Engineering.	Rs. A. P. 2,977 12 0	
10	Lieut.-Colonel T. H. Battye	Secretary, P.S.O. C. (I.) Sectt.	1,325 0 0	Director, Administration.	1,325 0 0	
11	Mr. D. C. Meik			Deputy Director, Administration.	800 0 0	Direct recruitment.
12	Lieut.-Colonel C. Preedy, O.B.E., R.E.	Technical Officer (Eng.) P. S. O. C. (I.) Sectt.)	1,300 0 0	Director, Indents and Priority.	1,300 0 0	
13	Major J. R. Marriott	Special Unemployed List (Indian Army).	*611 2 0	Deputy Director, Indents and Priority.	1,530 0 0	*Special Unemployed List pay.
14	Mr. D. M. Passmore			Director, Control	2,250 0 0	Direct recruitment.
15	Mr. C. T. G. Hooper			Deputy Director, Control.	1,500 0 0	Direct recruitment.
16	Mr. A. G. Grant, M.B.E., M.C.	Technical Officer (Assistant Eng.) P.S.O.C. (I.) Sectt.	800 0 0	Technical Officer (Engineer).	1,100 0 0	

17	Mr. P. B. Crear, B.Sc., A.I.C.	Technical Officer (Assistant Chemist) P.S.O.C. (I.) Sectt.	1,200	0	0	Technical Officer (Chemist).	1,200	0	0	
18	Mr. S. S. Venkatakrishnan					Assistant Technical Officer.	250	0	0	recruit-
19	Lieut.-Colonel H. P. Radley	Assistant Secretary, P.S.O.C. (I.) Sectt.	1,200	0	0	Director Devel-	1,200	0	0	
20	Mr. F. G. S. Martin, M.C.	Controller of Stores, E. I. R.	2,809	0	0	Controller of Supplies, Beagal.	3,059	0	0	
21	Lieut.-Colonel J. L. G. Harvey	Indian Army Ordnance Corps	1,505	0	0	Deputy Controller of Purchase (Jute).	1,950	0	0	
22	Mr. E. C. Forbes, D.S.O.					Deputy Adviser to Government, Woollen Industry.	2,000	0	0	Direct recruit-
23	Mr. John Podger					Government Mica Inspector	1,500	0	0	Direct recruit-
24	Mr. W. E. Flewett, I.F.S.	Joint Timber Advisory Officer	2,050	0	0	Chief Timber Inspection Officer.	2,050	0	0	
25	Mr. E. W. F. Johnson	Indian Ordnance Service (Retired)				Production Engineer.	1,500	0	0	
26	Mr. J. Stuart Williams					Assistant to the Adviser on Engineering Supplies.	1,000	0	0	Direct recruit-
27	Mr. C. J. Rusby	Offg. Chief Superintendent, P.S.O.C. (I.) Sectt.	600	0	0	Superintendent	600	0	0	
28	Mr. T. V. Silva	Head Clerk, M. E. S.	187	8	0	Superintendent.	500	0	0	(Provisional.)

NAMES OF OFFICERS APPOINTED TO ACT AS ADVISERS OR LIAISON OFFICERS IN THE SUPPLY DEPARTMENT.

26. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : (a) Will Government state the names of the officers appointed as Controllers or Liaison Officers in connection with various industries or businesses by the Supply Department? How many of them are Indians and how many Europeans?

(b) What are the terms of their appointment and the scope of their duties?

(c) With what firms or companies were they connected before their appointment and with what firms or companies are they now connected?

THE HONOURABLE MR. H. DOW : (a), (b) and (c). Government have up to now appointed six European and one Indian businessman to act as Advisers or Liaison Officers between the Department of Supply and different industries. They advise the Department on all matters concerning the particular industry with which they are connected. Their services are given in an honorary capacity without any remuneration. Their names and the firms with which they were and are still connected are as follows :—

1. Mr. J. C. Mahindra, Messrs. Tata Iron and Steel Co., Ltd., Bombay.
2. Mr. P. S. Macdonald, Messrs. Thomas Duff & Co., Calcutta, and President of the Indian Jute Mills Association.
3. Mr. P. F. S. Warren, Messrs. Jessop & Co., Ltd., Calcutta, and Vice-Chairman of the Indian Engineering Association.
4. Mr. A. C. Inskip, Messrs. Cooper Allen & Co., Cawnpore (British India Corporation Ltd.) and Chairman of the Tanner's Federation of India.
5. Mr. W. R. Watt, The British India Corporation, Ltd., Cawnpore.
6. Mr. L. C. Buss, Messrs. Burmah Shell Oil Storage and Distributing Co., Ltd., New Delhi.
7. Mr. A. F. Finlow, Messrs. Imperial Chemical Industries, Ltd., Calcutta.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Were Indian interests consulted before the appointments of Liaison Officers and Controllers were made?

THE HONOURABLE MR. H. DOW : With the exception of the last two appointments that I have mentioned, that is Mr. Buss of the Burmah Shell and Mr. Finlow of the Imperial Chemical Industries, these Liaison Officers were all appointed as the result of direct recommendations by the industries concerned. In cases where the industries are organised, they were appointed with the consent of their associations and in other cases on the unanimous recommendation of large and representative meetings of both Indian and European firms called for that purpose. As I say, except in the case of the last two they represent the choice of the industries themselves rather than the choice of Government. In the case of the other two, the Honourable Member will recognise that, on account of the large share of the business in this country which is under the control of those two firms, they alone were in a position to give the advice sought for.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Perhaps I have not made myself understood by the Honourable Member. What I want

to know is whether the Indian exporting interests, that is, the Indian firms connected with the supply of raw materials, were consulted before the Liaison Officers and Controllers were appointed. For instance, in the hides and skins business large Indian interests are affected. Were they consulted in any way before the appointment of a Liaison Officer ?

THE HONOURABLE MR. H. DOW : Sir, I understand now what the Honourable Member wants. If the Honourable Member will examine more closely the list which I have given, he will see that they all represent not exporters of raw materials but actual industries in the country. We have not yet found it necessary to appoint Liaison Officers simply to represent exporters because the Supply Department is not buying quantities of raw materials for export or is not dealing in them. The Honourable Member referred particularly to the Hides and Skins Association. There is no control yet over hides and skins and should we at any time find it necessary to appoint such a Controller we should certainly take the industry itself into our confidence.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : What about wool ?

THE HONOURABLE MR. H. DOW : The same applies to wool. We have a Controller for the woollen industry.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Am I right in saying that the Government purchase hides and skins in the raw state and wool in accordance with the prices fixed by the Liaison Officers.

THE HONOURABLE MR. H. DOW : No, Sir, you are not right in that. We are not purchasing hides and skins at all at present.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Or are you controlling their export in any way so that they might go to England and from there be distributed to various countries ?

THE HONOURABLE MR. H. DOW : No, Sir.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Is it the function of the Liaison Officers or Controllers or whatever they may be called to fix the purchase prices or not ? I thought from a report of a reply given by Sir Muhammad Zafrulla Khan in the other House that their business was to advise in regard to the purchase price.

THE HONOURABLE MR. H. DOW : Their business is certainly to advise but not to fix.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Then what control do Government exercise over the Controlling Officers ?

THE HONOURABLE MR. H. DOW : Government are completely in control of the prices in so far as they purchase the commodities. If they do not think the prices satisfactory, they do not purchase them.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I mean what check do they exercise on the advice tendered to them by their Liaison Officers, who are not sellers of raw materials and whose interests are connected entirely with the manufacturing industries.

THE HONOURABLE MR. H. DOW : If the Honourable Member suggests that the Supply Department is bound to accept any advice tendered to it as to the price they ought to pay, the suggestion is not one at any rate that the Department accepts.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : What I am asking the Honourable Member is as to what mechanism Government have devised for fixing the proper price at which certain materials should be bought ? The men whom they have appointed are generally connected with manufacturing industries and they have not associated with them any representatives of the sellers of the raw materials.

THE HONOURABLE MR. H. DOW : Sir, I am afraid we are at rather cross purposes because the Honourable Member thinks that the functions of the Supply Department are quite different from what they are. The Supply Department itself does not enter into contracts. It makes its contracts through the regular purchasing organisations of Government such as the Indian Stores Department, the Contracts Directorate, the Railway Purchase Organisation, and so on. And that machinery has not been in any way put out of operation by the creation of the Supply Department.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Well, may I put one more question to the Honourable Member ? So far as the present system is concerned, is it not liable to abuse if persons connected with particular manufacturing firms are asked to advise with regard to the fixation of prices, since that might—I don't say will necessarily but it might—give an advantage to the firm with which they are connected ?

THE HONOURABLE THE PRESIDENT : Don't you think that is an argument ?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : No, Sir. It is a plain fact. Any businessman or any authority should see that the system that it follows was not such as was liable to be abused in the interests of private firms.

THE HONOURABLE MR. H. DOW : I suppose, Sir, there are few systems which are not liable to abuse in some form or another, but I maintain that, if we were to adopt a system of appointing such advisory officers as the Honourable Member seems to contemplate, instead of dealing with people who have knowledge of the industries with which we are concerned, there would be more likelihood of abuse if we relied on the advice of people who know nothing about the business.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Sir, would it not be better in the circumstances to have Government officers to look into the matter who would be advised by the representatives of both sides of the industries concerned ?

THE HONOURABLE MR. H. DOW : I have been trying to explain that that is exactly the position. Government officers are in charge of all these things, and they are advised by people who have expert knowledge of the matter on which they require advice.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : What I have been endeavouring to find out is whether the Government officers who

are in ultimate control, in the exercise of their duties, receive advice only from the representatives of manufacturing firms or also from representatives of the firms connected with the sale of the raw material ?

THE HONOURABLE MR. H. DOW : No, Sir. The Department is open to accept advice, and is very glad of it, from any source whatever that they can get it.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : I take it, then, that the course which Government will adopt in future will be to consult the representatives of both kinds of Associations, that is to say, those connected with both sides of an industry ?

THE HONOURABLE MR. H. DOW : Certainly, Sir ; when our transactions in regard to raw materials are on the scale which they are with regard to other materials, I have explained that the first thing we shall do will be—if we require an Adviser with regard to, say, hides and skins or raw wool or anything of that kind—to take the industry into our confidence. As regards raw wool, although we have not actually found it necessary to appoint an Adviser, we have held a very large representative meeting of the wool exporters in Delhi to ascertain their views.

THE HONOURABLE THE PRESIDENT : Will you please proceed with the next question ?

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : One more question, Sir. With regard to hides and skins, since Government are not controlling in any way the exports of skins and hides and wool, or fixing the price of these articles, why have they appointed Liaison Officers for these ?

THE HONOURABLE MR. H. DOW : The answer is that I have not. I have explained that several times.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Well, the Honourable Member did mention the names of two gentlemen who were appointed for these two businesses, and I think the Honourable Sir Muhammad Zafrulla Khan mentioned the names of two persons—the very same names that the Honourable Member has given.

THE HONOURABLE MR. H. DOW : I have explained that with regard to the tanning industry and the woollen industry, we have Liaison Officers on the manufacturing side, but it has not been necessary as yet to appoint any Liaison Officer with regard to either raw hides and skins or raw wool. If the occasion arises—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : That is, the sellers can fix their own prices—

THE HONOURABLE THE PRESIDENT : Will you kindly proceed to your next question ? If you want any further information, you see Mr. Dow and talk it over as much as you like.

TOTAL MONTHLY EXPENDITURE INCURRED ON THE SUPPLY DEPARTMENT

27. **THE HONOURABLE PANDIT HIRDAY NATH KUNZRU :** (a) What is the total monthly expenditure incurred by Government on the Supply Department ?

(b) Is any contribution made by His Majesty's Government in Great Britain towards the cost? If so, on what basis?

THE HONOURABLE MR. H. DOW : (a) The total expenditure incurred by Government on the Supply Department including all Attached Offices and the expansion of the Indian Stores Department and the Contracts Directorate for War Supply purposes is estimated at Rs. 1,28,000 monthly.

(b) No direct contribution is made by His Majesty's Government towards the cost of the Supply Department. The Department, however, levies departmental charges on all supplies made to overseas authorities including His Majesty's Government. There is no reason to suppose that these charges will not completely cover the cost of work done on behalf of His Majesty's Government, and indeed the charges will, if necessary, be adjusted so as to ensure that the cost is fully covered.

TOTAL VALUE OF ORDERS PLACED BY THE SUPPLY DEPARTMENT.

28. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : (a) What is the total value of orders placed with Indian and European firms, respectively, by the Supply Department?

(b) Are Indians employed on equal terms with Europeans and Anglo-Indians in the European firms to which contracts have been given? If not, did Government use their influence with the firms to have this discrimination removed when placing orders with them?

THE HONOURABLE MR. H. DOW : (a) and (b). Government have no information.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : What does the Honourable Member mean by saying, with regard to (b), that Government have no information? I wanted information with regard to the action taken by Government.

THE HONOURABLE MR. H. DOW : Government places its orders in accordance with the provisions of the rules for supply of articles for the public service, and these rules require preference to be given to articles manufactured in this country, but they do not make any distinction on the basis of the nationality of the firm supplying. Therefore, there are no records on that point maintained by the purchasing department. As regards contracts made on behalf of the Supply Department, there have been at least 3,000 of these, I think, speaking from memory, in the last five months, and it is quite impossible, as the Honourable Member will see, for me to begin to collect information which naturally is not kept in the ordinary course of business.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Since Government have taken an interest in the employment of Indians, for instance, in the shipping companies and in other concerns, would it not be desirable that Government should interest themselves in this matter also and see that the more important firms to which Government are giving their own business should employ Indians freely?

THE HONOURABLE MR. H. DOW : No, Sir. I do not think that is my business. And as to the form in which the Honourable Member's question, part (b), is put—I am asked whether Indians are employed on equal terms

with Europeans. What exactly does he mean by being employed on equal terms? In equal numbers or on the same salary? You will see at once that this is capable of a very vast number of interpretations.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : The point was whether they have the same facilities for appointment, and whether when they are appointed, they are treated in the same way, that is, receive the same salary and allowances and other terms—whether they are appointed only in the junior grades and not allowed to rise to higher grades, etc.

THE HONOURABLE MR. H. DOW : I certainly do not consider it my business to inquire into the terms on which any firm with whom I put a contract employs its staff and what their nationality, religion, and so on, is. That is a matter for the firm itself.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Would it be inconsistent in any way with the policy of the Government for the Supply Department to use its influence to see that Indians were not discriminated against in any way by the firms with which they deal?

THE HONOURABLE THE PRESIDENT : You are now going into argument. These are not supplementary questions and therefore cannot be allowed. If these are to be put as supplementary questions, the position will become interminable if we go on in this way.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : It is a matter of constant dispute between Government and ourselves—

THE HONOURABLE THE PRESIDENT : You bring a Resolution on the subject and then you can talk on it. Questions cannot be used as a means of eliciting these informations.

NUMBER OF COMBATANTS AND FOLLOWERS RECRUITED.

29. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Will Government state the number of (i) combatants and (ii) followers recruited so far according to (a) the provinces to which they belong, and (b) the religions to which they belong?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): The labour involved in collecting this information would be more considerable than its value would justify.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Do I understand that the Government records, as they are, do not provide this information?

THE HONOURABLE MR. A. DEC. WILLIAMS : I would like to point out, Sir, that the Honourable Member does not state any time limit in his question. It would appear that he requires the information with effect from the 17th Century!

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : May I know whether the Honourable Member is aware that the Deputy Secretary, Defence Department, asked me whether I wanted to have information with regard to the men recruited since the outbreak of war and that I replied to him in the affirmative immediately?

THE HONOURABLE MR. A. DEC. WILLIAMS : I am not aware of any communication reaching the Defence Department on this point. I may as well tell the Honourable Member at once that if he were to ask any question relating to the numbers recruited since the outbreak of war, it would not be in the public interest to answer it.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : May I inquire why this inquiry was made from me by the Defence Department if they did not mean to supply the information ? Why was I asked to elucidate the meaning of the question if there was no intention on the part of Government to supply the information asked for ?

THE HONOURABLE MR. A. DEC. WILLIAMS : I have no information on the subject.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : The Defence Department asks me what I want and then the Honourable Member comes here and says he has no information. That is hardly fair.

THE HONOURABLE THE PRESIDENT : He has the right to say anything he likes—

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : That is unfortunately too true.

THE HONOURABLE THE PRESIDENT : Please proceed with the next question.

TOTAL NUMBER OF OFFICERS IN THE POOL OF OFFICERS CONSTITUTED TO SERVE THE NEEDS OF THE FINANCE AND COMMERCE DEPARTMENTS.

30. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : (a) What is the total number of officers at present in the pool of officers constituted to serve the needs of the Finance and Commerce Departments ? How many of them are Indian ?

(b) What is the number of Indian and British officers recruited from each of the five services referred to in the Finance Department Resolution, No. F. 28 (6)-Ex. II/38, dated the 2nd February, 1939.

(c) What are the posts held by Indian officers ?

THE HONOURABLE MR. C. E. JONES : A statement giving the required information is laid on the table.

(a) The number of officers in the Pool or on the list of pool officers is as follows :—

	Pool.	List.
Europeans	10	11
Indians	26	9
Total	36	20

(5) The number of Indian and British officers recruited from the five services mentioned in the Finance Department Resolution No. F. 28 (6)-Ex. II/38, dated the 2nd February, 1939, is as follows :—

Service.	Pool officers.		List officers.		Total.	
	British.	Indian.	British.	Indian.	British.	Indian.
Indian Civil Service	10	10	9	4	19	14
Indian Audit and Accounts Service . . . . .	..	12	..	3	..	15
Military Accounts Department . . . . .	..	2	..	..	..	2
Imperial Customs Service . . . . .	..	1	1	1	1	2
Income-tax Department . . . . .	..	1	..	..	..	1
Total	10	26	10	8	20	34

(c) The posts held by Indian officers in the Pool or on the list are as follows :—

1. Joint Secretary, Finance Department.
2. Joint Secretary, Commerce Department.
3. Deputy Trade Commissioner, London.
4. Indian Trade Commissioner, Japan.
5. Indian Trade Commissioner, Alexandria.
6. Commissioner of Income-tax, Central.
7. Deputy Financial Adviser, Military Finance.
8. First Secretary, Central Board of Revenue.
9. Finance Officer, Communications.
10. Director General, Commercial Intelligence and Statistics.
11. Collector of Salt Revenue and Central Excises.
12. Assistant Commissioner, Income-tax.
13. Assistant Commissioner, Income-tax.
14. Assistant Collector of Customs.
15. } Three Under Secretaries, Finance Department.
16. }
17. }
18. } Three Under Secretaries, Commerce Department.
19. }
20. }
21. Assistant Finance Officer, Communications.
22. Assistant Financial Adviser, Military Finance.

And the following posts are held by Indian officers on deputation :—

- (1) Secretary, Reserve Bank of India.
- (2) On deputation with the Reserve Bank of India.
- (3) Deputy Secretary, Supply Department.
- (4) Finance Officer, Crown and External Affairs Departments.
- (5) Secretary, Economic Resources Board.
- (6) Deputy Director General, Posts and Telegraphs, and *ex-officio* Assistant Finance Officer, Communications.

In addition, six Indian officers are under training.

NOTE.

The more senior officers are placed on a list of officers suitable to hold certain pool posts. Officers 'in the pool' are those who have been recruited to it in accordance with the terms of the Finance Department Resolution referred to above. As a temporary measure certain pool posts are held by officers neither in the pool nor on the list.

**APPRENTICES SELECTED FOR TRAINING IN ORDNANCE AND CLOTHING
FACILITIES, ETC.**

31. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Will Government lay on the table a statement showing (a) the following particulars in respect of the apprentices selected for training in Ordnance and Clothing Factories in India since their recruitment through the Federal Public Service Commission :—

- (i) Year of selection, (ii) name of factory, (iii) number of apprentices selected by the Federal Public Service Commission, (iv) number of apprentices who successfully completed the course of training, (v) number of apprentices appointed as temporary supervisors, (vi) rate of pay on which each apprentice was appointed, and (vii) number of apprentices appointed as chargemen, and
- (b) the number of Britishers recruited during the same period ?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief) : (a) and (b). I lay a statement on the table containing the required information.

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STATEMENT.

(a) (i) Year of selection.	(a) (ii) Name of factory and (iii) number of apprentices selected by the Federal Public Service Commission.	(a) (iv) Number of apprentices who successfully completed the course of training.
1933	Army Clothing Factory, Shahjahanpur.	29
1933	Ammunition Factory, Kirkee.	24
1934	Rifle Factory, Ishapore.	23
1935	Gun and Shell Factory, Cossipore.	20
1935	Harness and Saddlery Factory, Cawnpore.	17
1936	Steel Factory, Ishapore.	3
1937	Gun Carriage Factory, Jubbulpore.	10
1938	Year not yet completed.	
1939		

(a) (v) 118 apprentices have been appointed Temporary Supervisors under the Defence Services and more have since been absorbed since the outbreak of war.

(a) (vi) Rate of pay varies in each Factory and from time to time—no standard rate is laid down.

(a) (vii) 51 apprentices have been appointed as chargemen under the Defence Services and more have since been absorbed since the outbreak of war.

(b) Four.

APPRENTICES IN ORDNANCE AND CLOTHING FACTORIES.

32. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: (a) Are apprentices in Ordnance and Clothing Factories in the last year of their training generally in receipt of Rs. 80 per mensem as pay *plus* free residential accommodation, as far as possible, with free supply of light, water, etc.?

(b) Do the rules regarding the recruitment of apprentices for Ordnance and Clothing factories permit successful apprentices to be appointed as temporary Supervisors on a pay of Rs. 200 per mensem? Is not the salary on which they have been appointed much lower and not materially different from what they were receiving directly and indirectly in the last year of their apprenticeship?

(c) Do Government propose to consider the desirability of giving them a substantially higher starting salary?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): (a) In the last year of their training, apprentices are generally in receipt of between Rs. 72-8-0 and Rs. 75 with free residential accommodation, light, water, etc.

(b) Rs. 200 grade of temporary supervisors is the maximum.

The rates are incremental and the pay of ex-apprentices on appointment as temporary supervisors is fixed in the grade according to their qualifications and experience. ■

(c) No.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: With regard to the answer given to part (a), is it not a fact that the published rules on the subject provide for a salary of Rs. 80 per mensem generally in the last year of the training?

THE HONOURABLE MR. A. DEC. WILLIAMS: I am afraid I should require notice of that, Sir, but my information is as stated in the answer to the question.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: With regard to part (b), what is the salary, generally speaking, on which trained apprentices have been appointed?

THE HONOURABLE MR. A. DEC. WILLIAMS: As I stated, the pay is fixed according to the qualifications and experience of the ex-apprentice. There is no standard rate, but in some cases the initial pay is as much as Rs. 105 a month. It is normally between Rs. 70 and Rs. 80. In some cases apprentices have been known even to accept daily rates pending the occurrence of a vacancy.

NUMBER OF CADETS TO BE TRAINED ANNUALLY AT THE INDIAN MILITARY ACADEMY.

33. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: (a) Will Government make a full statement regarding the number of cadets that will be trained at the Indian Military Academy annually and the training that will be given to them in future?

(b) What proportion of the cadets will be selected from among those who pass the six-monthly examinations for admission to the Academy?

(c) What are the sources from which the rest of the cadets will be drawn?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): (a) The normal method of entry to the Indian Military Academy continues; the normal intake is 30 cadets by open competition from among those who qualify, and 30 by selection from the Indian Army. In addition, 20 cadets are accepted annually from Indian States to be trained for Indian States Forces. The course for these cadets is now being reduced from 2½ to 1½ years.

In addition there is a special entry to the Indian Military Academy to supply such additional requirements in Indian commissioned officers as may from time to time be necessitated by the war. With certain technical exceptions, these cadets will complete a five months' course at the Indian Military Academy before being posted to units for further training. The numbers to be admitted by special entry will vary with the progress of the war and the extent to which it is anticipated that the Indian Army will become involved. It is not therefore possible to state the numbers that will be trained annually as asked for in part (a).

(b) For the reason given in the answer to part (a), it is not possible to state the proportion that cadets who enter the Indian Military Academy by the normal method will bear to the whole.

(c) All male British subjects of Indian domicile are eligible for admission by special entry to the Indian Military Academy, subject to the required qualifications, which are detailed in the Press Communique of 1st January, 1940.

COST OF INDIAN TROOPS SERVING IN EGYPT AND MALAYA.

34. THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: What is the normal cost of the Indian troops serving in Egypt and Malaya? Is it being debited to British or Indian revenues?

THE HONOURABLE MR. A. DEC. WILLIAMS (on behalf of His Excellency the Commander-in-Chief): It is not in the public interest to answer the first part of this question.

As regards the allocation of cost, I refer the Honourable Member to the speeches, in this Council and in the other place on the occasion of the presentation of the Budget.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU: Do I understand the Honourable Member to mean that the entire cost of the Indian troops we have in Egypt and Malaya is being borne by the Indian revenues? That is what I gathered from the speeches to which the Honourable Member has referred.

THE HONOURABLE MR. A. DEC. WILLIAMS: I should be diffident about expressing any interpretation of the speech made by the Honourable Finance Secretary, but it must be apparent to the Honourable Member who has asked this question that where India is making a fixed lump sum contribution to the

general pool of military expenses it is quite impossible to say whether India or His Majesty's Government are bearing the actual cost of any individual item of expenditure in any particular country.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : The Honourable Member must have noticed that one of the items composing the total Indian military expenditure is "War measures". Does that include that part of the cost of the maintenance of these troops which is not included in the normal charges?

THE HONOURABLE MR. A. DEC. WILLIAMS : The position is that if in the course of the year the amount which falls to be paid for any particular item exceeds the lump sum paid by the Indian Government then the extra cost will be borne by His Majesty's Government. If it is less, India will be paying more than the actual amount expended, and naturally that particular expenditure will be paid from Indian revenues. I can say no more than that because it is not known how the expenditure will work out in the course of the year.

BILLS PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE.

SECRETARY OF THE COUNCIL : Sir, in pursuance of rule 25 of the Indian Legislative Rules, I lay on the table copies of the following Bills which were passed by the Legislative Assembly at its meeting held on the 1st March, 1940, namely :—

A Bill to amend the law relating to Income-tax.

A Bill further to amend the Reserve Bank of India Act, 1934 (Second Amendment).

STANDING COMMITTEE ON PILGRIMAGE TO THE HEJAS.

THE HONOURABLE THE PRESIDENT : With reference to the announcement made by me on the 26th February, regarding nominations to the Standing Committee on Pilgrimage to the Hejas, I have to announce that the following Honourable Members have been nominated for election to that Committee :—

1. The Honourable Mr. Abdul Razak Hajee Abdul Sattar.
2. The Honourable Khan Bahadur Mian Ali Baksh Muhammad Hussain.
3. The Honourable Haji Syed Muhammad Hussain.

There are three candidates for two seats and an election will be necessary. The date of election will be announced later.

RESOLUTION *RE* PRICE CONTROL POLICY.

THE HONOURABLE SARDAR BUTA SINGH (Punjab : Sikh) : Sir, I have the honour to move :—

"That this Council views with great apprehension the Price Control Policy of Government, and recommends to the Governor General in Council that no action be taken to arrest a normal rise in price of agricultural produce."

Sir, I need hardly affirm that I am one of those who feel that in these critical days it is the duty of every citizen to do all that lies in his power to assist the Government in its conduct of war. I am moving this Resolution with no other motive but to help the Government to so mould its policy as to secure the loyalty and devotion of the vast rural population in the difficult days which lie ahead. The disappearance of representative Governments in seven provinces, the absence of direct representation of agricultural, industrial and commercial interests on "Supply" and "Economic" Boards, deprives the countryside of voicing its views and safeguarding effectively their vital interests. I can say without any fear of contradiction that Government cannot sound the depth of India's economic waters and test its currents without associating representatives of the interests concerned. The policy of price control would not have been conceived in such a haste and revised in such a hurry, if informed opinion had a share in its shaping.

I have moved this Resolution to ascertain the basis of this policy and its scope. It is said that Dr. Gregory has submitted an illuminating memorandum, but its light has not emerged beyond the walls of the Secretariat. Then, again, two Conferences have met, but we have no real clue as to the result of these discussions. I am however convinced that Provincial Governments that are in touch with mass opinion must have opposed control. According to a newspaper report Sir Sikandar Hayat Khan, the Premier of the Punjab, declared his opposition to the scheme. Governors of Provinces who are now in the position of Trustees, could not have lightly countenanced action in this direction.

We have caught a glimpse of the mind of the Economic Adviser from what has been made public. He rightly points out that replacement costs form an important factor in determining prices and that sacrifices are inevitable during the war. Now, may I ask if he has worked out production as well as replacement costs for various areas of this vast continent? If not, on what grounds was the action taken? Since 1929 there has been no Government report which has not deplored the depression in the price of agricultural produce. The price of cotton and wheat in 1937 registered a rise, but Government never considered that the rise was not in the interests of the producers. In 1930 the index number for cereal and cotton was 100 and 91 respectively. The decline continued till the end of the last year. During this period all countries by various methods tried to improve the price but our Government took no action. The Communications Member in introducing the Railway Budget said :—

"Now it can hardly be denied that in the last few years following the great fall in prices of 1929—1931, the primary producers have been getting less than formerly".

He further said, referring to agricultural prices :—

"that rise has not materialised ; and in fact 1940 has brought a distinct fall in prices of important commodities".

When in 1938 I pleaded in this House for some action to help the agriculturists, Mr. Yeatts spoke of—

"dimensions that all India control would assume, quite apart from political and other difficulties involved and incidentally the expense".

The Honourable Leader of the House waxed eloquent on the complexity of the problem and even you, Sir, asked, "Is it humanly possible" and my Honourable friend Lala Ram Saran Das echoed, "No, not humanly possible".

How is it when such high authorities who held that it was humanly impossible yesterday, in the interests of the people, were now ready, without hesitation, to initiate a policy of control. My friend the Leader of the Opposition

[Sardar Buta Singh.]

must now support me, for all the commercial bodies have expressed opposition to control. Then, again, with manipulation of money at which money changers are engaged, it is impossible to know whether a rise in price does not merely indicate a depreciation in the value of money. According to Sir William Roberts both the rupee and the pound were depreciated by about 40 per cent. since September, 1931 and the pound was further depreciated at the beginning of the present war by 15 per cent. Indian price in gold value is less than two rupees a maund for wheat. Does the Government consider it wise to suck the rind of the orange which is already dry? Is the 80 per cent. of the population that lives in seven lakhs of villages to be denied any relief? Are the interests of the 80 per cent. of the population to be sacrificed in the name of giving some temporary relief to the 20 per cent. Will not this 20 per cent. have their share in the general prosperity of the country?

May I again ask, is the rise unjustifiable? Are the primary producers to be penalised merely because they are helpless? Will Government be fulfilling its duty as a guardian of the people by refusing them the bare necessities of life? It did not help them when it could, and now that circumstances have combined to help, is Government going to bar out this help?

I can affirm without any hesitation that all that Government can achieve is to deprive the primary producer the benefit of legitimate rise in price. I agree with Mr. Yeatts that it will need India-wide organisation, and immense expenditure to implement price control policy. In my opinion, without following totalitarian methods, effective control is impossible. It is wrong to suppose that people who have managed to survive the depression would manage to live anyhow, even when its own Government takes in hand the levelling down of the small rise in prices without taking into account what people have endured for the last ten years.

I hope the Government Member will see his way to accept my Resolution. In any case I appeal to the House to give me their support so that it may become a unanimous demand on behalf of all Indian interests.

THE HONOURABLE SIR ALAN LLOYD (Commerce Secretary) : Sir, I have listened to the Honourable Member's speech with complete bewilderment and amazement. I do not think it has been my privilege to listen to a speech before that was so completely divorced from reality. I had thought, Sir, that I knew something about the Government of India's policy in the matter of price control,—I have spent a very great many hours in discussions connected with it,—but the Honourable Member has information which is entirely outside my ken. He said, Sir, that the Government of India after having failed to help the cultivator during a period of depression is now proceeding without hesitation to initiate a policy of control; and he was referring to agricultural products. Now, I do not know on what he bases that statement. It is a statement which, as far as I know, is without foundation. Then, Sir, he several times made reference to schemes that he assumed had been worked out by Government and even to action taken by Government of which I at least have no knowledge. He said that informed opinion had no share in the framing of the scheme. But, Sir, what scheme? He said, Sir, that he had no clue to the results of the discussions that had taken place at the two Price Control Conferences held in New Delhi. I should have thought, Sir, that the absence of the putting into force of any scheme would at least give him some clue—apart from anything that has been published—some clue to the result of these Conferences. He said, Sir, that the Prime Minister of the Punjab was opposed to the scheme. To what scheme, Sir?

THE HONOURABLE SARDAR BUTA SINGH : Price control.

THE HONOURABLE SIR ALAN LLOYD : But the Honourable Member assumes that we have adopted a scheme for controlling the prices of agricultural products and goes further and alleges that we have taken action on that scheme. I must make it clear to the Honourable Member here and now that the Government of India have not as yet come to the conclusion with regard to any agricultural commodity that there is a case established for controlling the price. We in the Government of India are in agreement with the general—I might say universal—opinion of Provincial Governments that the prices of agricultural products were distressingly low before the outbreak of war and that some rise in price could be legitimately expected. I am not going to say what we are satisfied is the limit of such rise but the limit must be pretty high if the price quotations that now prevail are to be possible. We have seen, Sir, (to take an example), the price of wheat rise from Rs. 2-3-3 in August, 1939 to Rs. 3-8-0 in December, 1939 without our putting into force any such scheme as the Honourable Member attributes to us. That is a very substantial rise and I am not going to commit Government to any figure where we should stop the process. At least the Honourable Member has the satisfaction of knowing that we have not attempted to stop the process at that level.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : Sir, may I put a question to the Honourable Member in this connection ? Has any Provincial Government taken any steps to control the rise in price of any agricultural commodities ?

THE HONOURABLE SIR ALAN LLOYD : I will come to that point. In view of the terms of the Honourable Member's speech, I was referring to the primary producer of agricultural products. It is now agreed between the Provincial Governments and the Central Government that control at the primary stage is the business of the Central Government because of the obviously impossible results of different action in different parts of the country in regard to the same commodity. We have delegated to the Provincial Governments the power to control not the price paid to the primary producer but the margin between that price and the retail distribution price. Now, that I think will be readily understood. You have a commodity of which, when it reaches the retail distributor, X is representative of the primary producer's cost ; Y represents the cost of distribution and the profit of the middleman and retailer.

THE HONOURABLE SARDAR BUTA SINGH : Have the Government of India no intention of fixing the prices for the primary producers ?

THE HONOURABLE SIR ALAN LLOYD : Well, Sir, may I just finish the sentence I was engaged in before answering that. Now, it is reasonable that the element Y in the retail price is, of course, apt to go up to some extent owing to conditions like increased railway freights, and so on, but the margin for increase there is naturally small. The margin for increase in X is very much larger. If you take the view that is now agreed, I think, between all the Governments in India, that prices at the outbreak of war were undoubtedly low, the prices of primary products should be allowed to rise to a considerable amount before Government should interfere. It is to the extent of Y that the Provincial Governments have been interfering

[Sir Alan Lloyd.]

in prices. If there have been cases where the control affects also X, they are isolated cases at the outset of operations. The whole procedure was improvised at very short notice from law and order considerations rather than on economic considerations and there were a few uncertainties at the start ; but this is what we have now settled on, that it is not our policy to control the price of agricultural produce at the primary stage, until we hold that the rise has gone as far as it is legitimate for it to go. At what stage that will be I decline, Sir, to say. And my answer to my Honourable friend's question with which he interrupted me just now is implicit in that.

THE HONOURABLE THE PRESIDENT : But you will admit that the Government missed its opportunity in the case of jute ?

THE HONOURABLE SIR ALAN LLOYD : I make no admission, Sir. At any rate, if the Government allowed that particular monster too much rope, I think that particular monster has pretty well hanged itself with the rope that was allowed it.

I have in the main confined my remarks to agricultural produce and perhaps the House will not wish me to go into the question of manufactured goods, because I think that the question of agricultural commodities is perhaps the most important aspect of the whole question of price control. Even if it were practicable and possible to introduce a system of radically controlling the prices of primary agricultural produce, the effect of that would fall upon much the largest portion of the population.

The Honourable Member who moved this Resolution complained of the absence of direct representation of agricultural interests on the War Supply Board and the Economic Resources Board. Well, Sir, I won't go at length into the difficulties of finding representatives of agricultural interests. You can find representatives of merchants who handle agricultural produce but to find representatives of informed opinion from amongst cultivators is an extremely difficult thing. I do not want to press that point. But what I will say is that we have consulted the Provincial Governments at the Price Control Conferences ; and, short of direct representation, the Provincial Governments are as near direct representation as you can get. They all have a great interest in agriculturists, both for political reasons and because they derive one of their main sources of revenue from agriculture. And, as I mentioned, at the Price Conferences the Provincial Governments were in very general agreement that the interests of the agricultural producer must be fully watched and safeguarded. And I also wish to make it quite clear that in expressing that they did not come up against any opposition in the Government of India. I think, Sir, I have said enough to make it clear that it is absolutely impossible for the Government to accept the Honourable Member's Resolution with its implication that we have done something that we have not done and that we are going to do certain things which there is no ground for believing that we are going to do.

THE HONOURABLE MR. J. H. S. RICHARDSON (Bengal Chamber of Commerce) : Sir, perhaps I should have got up before the Honourable Member, but owing to my still being new to the customs of the House I failed to do so. There are just a few words that I should like to say on this Resolution.

I confess I found myself in rather a Gilbertian position when I started to consider this Resolution. Naturally my first thoughts turned to jute and remembering the dizzy heights to which that life-blood commodity of Bengal recently rose I felt it was impossible for me to have any apprehension whatever over the price control policy of Government and that there could be no arguments about recent jute prices being anything other than abnormal.

But my mind then wandered along like Gilbert's Minstrel and I found myself thinking of a certain large zamindary concern with which I am connected and the glowing picture came to me of ryots happy for a short space of time paying their arrears of rent with the gathering in of a good harvest and my Honourable friend was there rejoicing and bringing in the sheaves. After the bad and anxious times through which all agricultural connections have been passing, such a welcome change softened my heart and I began to feel sympathetic and that after all there might be some grounds for supporting the Resolution.

Unfortunately however this vision did not last very long, for wandering still further afield I found myself thinking of the sorry plight of the flour mills of Bengal. This was too much for me and it was here that
12 Noon. I really began to feel the corn pinched. Sir, only a short time ago when outlining the problems of Government price control policy before the recent conference, the Commerce Member referred to a protective duty which was levied on the import of wheat in the first year of the slump, and he said that the shock of this slump had been absorbed to some extent by that protective duty. I am glad he qualified his remarks by the words "to some extent" because unfortunately in the case of Bengal the shock was not absorbed at all and in more recent times when the economic position made it essential for the Bengal mills again to purchase some quantities of imported wheat they were not even allowed to bring in those cargoes which were already afloat without having to pay the increased duty which was then levied. Remembering this decision on the one hand and considering my Honourable friend's Resolution on the other it seemed evident that the Bengal mills may not only have difficulties should it become necessary for them to obtain supplies of imported wheat, but may also have to pay high uncontrolled prices for the local commodity. Sir, this goes against the grain and so returning from these wanderings I find myself left with sackcloth and *atta* both of which have strong claims for protection.

Sir, there is one other point I would like to mention and it is this. The Price Control Conference expressed the opinion that speculation in the future markets did not by itself raise the price of commodities though it was certainly a contributory cause. In Bengal our experience in the case of the so-called jute futures market does not bear out this opinion for undoubtedly speculation in this market has been the main and not the contributory reason for the recent rise of prices to figures far beyond their economic level and their ensuing decline. Anyone studying the series of charts showing the wild fluctuations in the prices of jute which have occurred since last July will agree with me when I say that if such charts had been those of the temperatures of any of us we would have long since departed this life. Sir, if by Government price control policy ways and means can be discovered to counteract or even to eradicate these abnormal rises and falls in the prices of jute and other similar commodities, then in my opinion Government will have achieved something for the good of all India and on behalf of those I represent I have no hesitation in saying that we wish every success to this movement.

Sir, I oppose the Resolution.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan) : Sir, I feel glad at the sympathetic reply that the Honourable Sir Alan Lloyd has given. As regards price control, I want to mention that during the Great War the prices ruling were very, very high as compared with the prices that are ruling in the present war. I may mention for the information of the House that in March, 1918, the price of Broach cotton went up as high as Rs. 698 per candy, while so far, in the present war, it has not gone, if I am not wrong, beyond Rs. 340. The same is the case with regard to the prices of wheat and kapas. In the last war kapas used to be at the rate at which cotton is selling now. In 1913-14, wheat went as low as Rs. 1-8-0 and then, a few years later, it went below Re. 1 per maund in the Punjab. So, Sir, the condition of the landlords has been very pathetic. They have not been able to meet even their land revenue and canal revenue. We cannot compare India with England, because here, if my impression is right, 85 per cent. of the population live on agriculture. Therefore, if the prices are better, everybody gains. By "everybody", I mean industries and other commercial concerns also. Sales improve and because the buying capacity of the masses is increased, there is more profit to the industry and a better return to the landowner. The Honourable Sir Alan Lloyd says, so far as I could gather, that price control does not exist. That is perhaps not correct. We see in the local papers every day that price control exists here and in certain other provinces. For instance, I find from the papers that the price of ghee here in Delhi is fixed at Rs. 45 to Rs. 50 odd per maund. I cannot myself understand how that price has been fixed? In the principal ghee markets of the Punjab, the ruling price of the best ghee at present is in the vicinity of Rs. 40. I cannot understand how the price has been fixed at Rs. 45 to Rs. 50 in Delhi? The Honourable Sir Alan Lloyd has said that there is no price control, but price control does exist in Delhi itself. We, in India, live mostly on agriculture and in case the agriculturist or the landholder prospers, every other industry and commerce well also prosper. It is in the interests of India to let the people recover from the grave economic depression that they experienced during the last 10 years. To regulate and control the prices now at a lower level will not certainly be in the interests of India. Therefore, Sir, I hope that even at a later date the Government will not be forced to start price control, because, by the higher price, not only the landholder will benefit but also various commercial, industrial and other concerns. The only circle which will not benefit are the people who are landless and those who are in service. The proportion of these people is too small and it is worth while to give them allowances so that they may be able to make both ends meet. I cannot follow the Honourable Mr. Richardson. As far as the Punjab is concerned, prices have not even touched half of what they were in the last war (1914—1918). Jute is the only commodity which has jumped up so high. As I have said already, every other commodity has not risen so much as jute has. Therefore, as far as the other provinces are concerned and particularly the Punjab which I have the honour to represent here, it is in the interests of all concerned that Government ought not to control the prices but to let the poor landlords recover from the depression which they have had during the last 10 years.

With these words I support the Resolution and I hope the Government will accept it, if they mean that no control has been made so far and is not intended to be enforced in the near future.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU (United Provinces Northern : Non-Muhammadan) : Sir, I came into the House thinking that

I would be able to accord my general support to the Resolution standing in the name of my Honourable friend Sardar Buta Singh ; but the speech made by Sir Alan Lloyd shows that there is no basis for that Resolution as the Government of India have not attempted to control the prices of primary products at all. Perhaps to be more accurate I should say that the Government of India have not tried up to the present in any way to limit the prices to be received by the primary producer for the things that he produces. But my apprehensions are not completely allayed by this information. Sir Alan Lloyd said in reply to my question regarding the activities of the Provincial Governments that they were confined entirely to the regulation of the retail prices of agricultural commodities. Now there may be a case for the regulation of such prices. Indeed there did exist a case for the regulation of prices of non-agricultural commodities. But there is a danger that the prices may be so fixed as to prevent the buyer of the primary products from giving to the primary producer the higher price that he would otherwise have been able to give.

THE HONOURABLE SIR ALAN LLOYD : May I interrupt for a moment. I know it is a little difficult, but if the Honourable Member will study the answer which I gave to the Honourable Sardar Buta Singh's question No. 17 this morning, he will see the terms of the delegation of powers which we have made to the Provincial Governments are not such as to authorise them to fix retail prices at a level which does not allow for the payment to the primary producer of the price which the primary producer can lawfully demand.

THE HONOURABLE PANDIT HIRDAY NATH KUNZRU : That is very reassuring indeed. It is such an assurance that I wanted to have from Government.

Sir, my Honourable friend Mr. Richardson, relying on his experience in connection with jute, was not disposed to agree with the opinion expressed by Dr. Gregory at the Price Control Conference that speculation, while a contributory factor, was not the primary cause of the rise in prices. I think at present it cannot be said that there has been any speculation so far as agricultural commodities are concerned, but the danger to which he drew our attention is one which we ought to bear in mind. In this connection I would venture to place before Government a suggestion which was placed the other day before the United Provinces Price Controller by the persons whom he met at Allahabad the other day. That was that, in order to dispel the fear that the primary producer might not receive the prices that he was entitled to or that on account of his ignorance he might be deprived of his share of the profit which he might earn on account of the rise in prices, it was desirable that Government should take steps from time to time to inform the primary producer of any rise in prices. That of course is primarily a matter for the Provincial Governments but I think it will be desirable, if the Central Government considers such a suggestion practical and I confess at first sight it does appear practical, to bring it to the notice of all the Provincial Governments and ask them to use their best endeavours to see that the benefits of the rise in prices reach the primary producers who have been hit much more by the depression than the middleman.

Our Honourable friend Mr. Richardson towards the end of his speech discussed the question of the stability of the purchasing power of the rupee. Well,

[Pandit Hirday Nath Kunzru.]

the stability of the purchasing power of a currency is a question which has been engaging the attention of the economists for at least 30 years and they have not been able to solve it satisfactorily yet. I hope that Government will look at the matter just now only from a practical point of view and will not involve themselves in any attempts of the kind which are apparently favoured by Mr. Richardson, for I am afraid if they do so they will be involved in a morass from which they will never be able to come out.

THE HONOURABLE SAYYED MOHAMED PADSHAH SAHIR BAHADUR (Madras : Muhammadan) : I feel, Sir, that enough has been said about the desirability of not doing anything to check the normal rise in prices of agricultural produce, and in the light of the remarks made by my Honourable friend Sir Alan Lloyd it seems as though there is no need for us to be alarmed as to any limit that might be contemplated by the Government of India to be placed on the normal rise in prices of agricultural produce. However, I feel that the Resolution moved by my Honourable friend Sardar Buta Singh has served a very useful purpose in making it plain to the Government of India that if in the future they feel any necessity to put any limit upon the rise in these prices, they should take care not to unduly depress the prices of agricultural produce in view of the fact that for some years past during the depression the primary producer has suffered very great losses and the opportunity that is now offered to him to recoup some of his losses should not be taken away from him. I feel that it is very desirable to see to it that the primary producer does get his legitimate share of the prosperity which has come to the country, even though that prosperity has arisen out of an undesirable cause in itself, that is, the war. But I am at some loss to know what kind of machinery will be devised to enable the primary producer to get to know of the rise in prices in the market. My Honourable friend Pandit Kunzru made a suggestion that the Provincial Governments should be instructed to inform the agriculturist in the country of the rise in prices in the market. But my apprehension is as to the means to be adopted to convey this information to the primary producer. I do not know how from time to time this gradual rise in prices can be conveyed to the primary producer. There is no doubt however that it is desirable that everything possible should be done to effect this.

In view of all that has been said and particularly in view of the fact that the Government of India has no intention at present of controlling these prices, I feel, Sir, that my Honourable friend Sardar Buta Singh will do well to withdraw his Resolution.

THE HONOURABLE DIWAN BAHADUR SIR A. RAMASWAMI MUDALIAR (Commerce Member) : Sir, I have very little to add to the very lucid exposition of the policy of the Government which my Honourable friend the Commerce Secretary has just stated in reply to the Resolution of the Honourable Sardar Buta Singh. I was somewhat surprised that the Leader of the Opposition quite innocently and quite naively asked the Government to accept the Resolution. I tried to read again—perhaps for the tenth time—the Resolution of which notice has been given by my Honourable friend.

“ This Council views with great apprehension the Price Control Policy of Government ”.

Am I to accept that statement, Sir, that I myself as a part of this House view with great apprehension the Price Control Policy of the Government, particularly when—

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : That sentence can be deleted and the Resolution in amended form accepted.

THE HONOURABLE DIWAN BAHADUR SIR A. RAMASWAMI MUDALIAR : I wish that my Honourable friend had made that suggestion and moved an amendment to that effect.

But seriously what is the position ? My Honourable friend began his speech by stating that the loyalty of the millions of the agriculturists should not be strained by any question of price control. I have a very high opinion of the loyalty of the masses in this country—their judgment of what is right and what is wrong, the view that they take in particular of the present war. But apart from that, it seems to me that Government cannot base its price control policy on any question of buying their loyalty by allowing prices to go up. The interest of the Government in the agriculturist is much too deep for us to weigh the possibility of loyalty or disloyalty of these classes in connection with such questions. Whether they are loyal or whether even for a moment it is assumed that their loyalty is strained, we are much too interested in the prosperity of the agriculturist to base our policy on anything except the fact that contentment from the point of view of their agricultural produce and the prices that they get for it must be our main consideration. (Hear, hear.) Secondly, Sir, my Honourable friend stated—and I believe he was repeating assertions which have been made elsewhere by very representative organisations of commerce and industry—that the Government of India was the wicked agency in this matter, that Provincial Governments have been much too anxious not to control the price of agricultural products and that it was merely due to the exertions, the influence, perhaps the coercion of Provincial Governments that the Government of India did not put a control on prices of agricultural products much earlier. What is the history of this matter ? The War was declared by this Government, or rather India's participation in the war was declared, on the 3rd of September. On the 8th September we had representations from more than one Provincial Government asking us to delegate powers with reference to the control of prices of various commodities to these Provincial Governments. The initiative did not come from us ; the initiative came from some of the Provincial Governments and I say they were justified at the time in taking that initiative. They were justified because during the first few days or weeks of the war there was so much of apprehension in the market, so much of unsettled conditions, that prices suddenly leaped above what my Honourable friend calls the normal rise of prices ; and from the point of view of law and order, if for nothing else, as my Honourable friend the Secretary of the Commerce Department explained, it was essential for Provincial Governments who had to bear the burden of keeping law and order in various urban centres to take some power to control the sudden and unaccountable rise in prices. This rise moreover did not go to the benefit of the agriculturist, for the produce had already been passed on to middlemen and retail dealers, and it was at that stage that the price was attempted to be brought down. In fact throughout the whole of this period Provincial Governments have been as active as the Government of India, in considering how far if at all any question of control of price was necessary, so that it seems to me that it is quite outside the mark, if I might say so very respectfully, to suggest that the Government of India has been considering the question of control of prices and that the Provincial Governments have been fighting hard to prevent the Government of India from putting a control on these prices. Perhaps the nomenclature that was given to these Conferences by myself or by the Government of India was a little to be blamed for this misapprehension. We called them Price

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Control Conferences, not because at these Conferences a decision was necessarily to be taken to control prices or because that was the only aim of these Conferences, but because we wanted to examine the whole question, to have the experience of Provincial Governments in this matter to find out what difficulties Provincial Governments were feeling either from the point of view of law and order or any other point of view. It was certainly not because we had come to any pre-determined conclusion on the subject that control of prices was essential and had somehow or other to be imposed. If my Honourable friend had done me the courtesy of perusing a speech which I made at the opening of the second Price Control Conference and which was published in the newspapers he would have found this explanation given in that speech and I definitely stated that the Government of India had convened that Conference more to find out the actual position and to take advice from Provincial Governments in these matters. My Honourable friend then referred to high politics and stated that the disappearance of Ministries had somehow or other prejudiced the question. Sir, we in these unhappy days attribute all our woes to the disappearance of particular Ministries. There was a time not many months ago when the process was reversed and provincial representatives attributed all their woes to the activities of such Provincial Governments. I do not state which view is right ; probably both are wrong. But let us not draw this red herring across the track and try to make out that the disappearance of Provincial Ministries had somehow or other brought an unfortunate predicament to the agriculturist ; far from it. The agriculturist is just where he has been all these months if he is not a little better off. My Honourable friend referred to the absence of representation of economic interests in the Economic Resources Board and the War Supply Board. I have repeatedly explained in various speeches that I had the privilege of making that the Economic Resources Board was constituted purely of departmental representatives, that their function was as far as possible to short-circuit departmental matters and the delays inevitably attendant on references and cross references as between department and department, and that to the extent that agricultural interests had to be represented on the Price Control Conferences. Provincial Governments were represented and they were at least as good an agency as any that we could devise to get the views of agriculturists. Apart from that, I and the Vice-President of the Economic Resources Board have fairly extensively toured the country and tried to meet representatives of agricultural interests, of Chambers of Commerce, which do represent agricultural interests to a certain measure, and tried to find out at first hand what their difficulties are and how they would like the Government of India to deal with these questions. I think I have again to repeat that so far from the Government of India ignoring the agricultural interests they have tried their level best to ascertain the point of view of the agriculturist in these various ways. My Honourable friend then referred to the fact that the Government of India had taken no action at all during the long period of depression and that now when comparatively small prosperity is attending the agriculturist they try to put the screw on the agriculturist and control prices. This again is a statement which has been so often repeated that I do not wonder that my Honourable friend repeats it once more on the floor of this House: What is exactly the record of the Government of India ? I do not claim that they have come to the help of the agriculturist as much as the agriculturist desires, but I do claim that the Government of India even in the time of adversity, in the time of the depression, had to a certain extent come to the help of the agriculturist. My Honourable friend representing a wheat-growing province should be the last to suggest that the Government of India sat with folded hands and did

not come to the help of the agriculturist. What happened, Sir? I was in another place and in another capacity when the first Tariff Protection Bill on an agricultural produce, a tariff duty on wheat, was adopted by the House in 1931. Within a few months of the opening of the depression period and from that time onwards, with a short lapse in 1937-38 perhaps, the agriculturist, so far as wheat is concerned at least, has had the kindly eye of the Government on himself and on his produce. Take again the question of sugarcane. Owing to the adoption of the policy of protection for the sugar industry and the policy of fixation of a minimum price for sugarcane which the sugarcane producer should sell at to the manufacturer, the agriculturist, so far as that produce is concerned, has had the help of the Government during all this period. Take again raw cotton which has been referred to. Has the Government's inaction been responsible for the fall in prices? Has the Government done nothing at all to help the agriculturist, the producer of raw cotton? What are all these trade agreements for? Does my Honourable friend remember that there was an Indo-Japanese trade agreement entered into in 1932, where the first—I might almost say the only—condition with which India was concerned was that we were anxious that the Government of Japan should accept or that they should buy a minimum quantity of at least a million bales of raw cotton from India? Was that intended to help the agriculturist during the period of depression or was it intended to hinder him and to thwart him? No, Sir. It is no good saying that the Government of India have sat with folded hands all this time. It is true, I admit, that there were various agricultural products which the depression had brought to a ruinous state and for which the Government had not done anything, perhaps the Government could not have done anything. I am not here to defend or to support all that Government have done in the past. But no suggestion has been made as to how Government could have helped this particular agriculturist. I am here strongly to contradict the statement that Government sat with folded hands through the period of depression and did nothing at all to help any kind of agriculturist with reference to any kind of agricultural produce.

Now, Sir, let me come to the very interesting speech which my Honourable friend Mr. Richardson made this morning. Let me dispose of the question of *atta*, wheat flour. I tried to follow his speech as closely as I could but I confess that I was considerably puzzled as to what the grievance was exactly in this matter. He wanted to suggest that in the interest of wheat flour production the price of wheat should be controlled. Now, it seems to me that, if he was referring to local markets, the price of *atta* will go up in accordance with the price of wheat. There is no need to control the price of wheat because the price of *atta* would be raised automatically by the price of wheat. If, on the other hand, he was thinking of the export market in wheat flour and he was putting forward the proposition that to help the export market of wheat flour, the internal price of wheat whose consumption is 95 per cent. of the total production, should be controlled, that is a proposition which has only to be stated in plain language for it to be rejected by this House. You cannot do that. If, on the other hand, he was referring to the difficulties of the export market in wheat flour, I might answer that, to the extent that you use imported wheat, Government allow a rebate on the wheat imported, and therefore you are in no worse position than you were by uncontrolled wheat prices.

My Honourable friend referred then to the question of jute. Now, Sir, the Government of India have been virtually in sackcloth in considering the question of jute for the last few months. I might almost say there has not been a working day in the Commerce Secretariat when the question of jute has

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not been actively before us. My Honourable friend realises the difficulties. Various solutions have been suggested, but if you take each one of these suggestions you will find that they are inextricably tied up with one another. I said, and I still hold that opinion, that I could not possibly contemplate the fixing of a maximum price for the raw product without at the same time contemplating fixing a maximum price for the finished product also. I had only to make that observation to find out that if one kind of interest was satisfied with one kind of fixation, another kind of interest was not satisfied. I said again that if I had to consider the possibility of closing the *fatka* market in jute I must face the position that the closing of the *fatka* market in hessian would be even more justified. There are other difficulties which I need not detail in this House. Above all, there is the fact that to a large extent in these matters we have to consult Provincial Governments and, though we have been given powers under the Defence of India Act, the prospect of utilising those powers in a totalitarian way, which one of the Members of this House deprecated, has not attracted my personal approval at any rate.

Then, Sir, I would only like to close by a reference to the present position as it is. I believe the Commerce Secretary has explained it in great detail. The present position is that the Provincial Governments are agreed that, with reference to the wholesale market in the primary stage of production, where really the fortunes of the agriculturists are connected with the fortunes of the market, any rise in price in the wholesale market will go directly to the benefit of the agriculturist. The control, if and when it should be exercised, should be exercised by the Central Government and not by the Provincial Government. In the retail markets, in controlling the margin of profits of middlemen, the Provincial Government is the right and I may add the only authority competent to deal with them. That is how at present the Government of India and the Provincial Governments have divided their spheres of activity, if and when price control is needed, and I trust that that statement of the case will satisfy the House. It is obvious that we cannot accept the general proposition which my friend the Honourable Leader of the Opposition inferentially stated, that we should sit still without taking any action till the price of agricultural produce reaches the limit which was reached in the last war. That certainly is not a proposition which I am able to accept. But normal rates, reasonable rates, judged by the circumstances at the time prevailing and compared with circumstances which prevailed earlier, these are factors which we are certainly willing to take into consideration before any scheme of price fixation is adopted. I might add also that there is a danger of a sudden rise in prices unbalancing the public, endangering law and order, and injuring the very interests that my Honourable friend has at heart. After all there is a limit to which the Provincial Governments can go in maintaining law and order. These are factors also which have to be taken into consideration and I would beg agriculturists and representatives of agricultural interests in this House and outside to see to it that no occasion arises for me or the Commerce Department or even for the Provincial Governments to take control of these prices.

THE HONOURABLE SAEDAR BUTA SINGH : Sir, I am very grateful to the Honourable the Commerce Member for the way in which he has explained the position of the Government of India. In view of the assurances given by him and by the Honourable the Commerce Secretary, I do not wish to press my Resolution.

The Resolution was, by leave of the House, withdrawn.

PARSI MARRIAGE AND DIVORCE (AMENDMENT) BILL.

THE HONOURABLE MR. M. N. DALAL (Bombay : Non-Muhammadan) :
Sir, I beg leave of the House to move :—

“ That the Bill to amend the Parsi Marriage and Divorce Act, 1936, as reported by the Select Committee, be taken into consideration.”

The Parsi Marriage and Divorce Act XV of 1865 was found defective and wanting in numerous respects to answer the present day needs of the community, and was therefore repealed, and the Parsi Marriage and Divorce Act, 1936, was passed on the 23rd April, 1936. Among the changes introduced by the Act of 1936, was a change in the law, with regard to the payment of permanent alimony to the wife on the passing of any decree under the Act. The order for the payment of permanent alimony to the wife, as contemplated by clauses (a) and (b) of sub-section 1, section 40 of the existing Act of 1936 covers two cases. In clause (a), the payment is “ secured ” by a charge on the husband’s property, and in clause (b) it is a personal order on the husband to make “ monthly payments ” to the wife.

The intention of the framers of the Act of 1936 definitely was to make the payment of alimony of any sort cease if the wife at any time after the order, either became unchaste or remarried. Unfortunately however the expression “ while she remains chaste and unmarried ” was placed in clause (a) and inadvertently omitted from clause (b). This Bill is, therefore, intended to remove the doubt, and to express more clearly the intentions of the framers of the Act.

A volume of opinion has already been received, and the consensus of the opinion is in favour of this amending Bill. This Bill has also the support of the Parsi Panchayet of Bombay. There are several Parsi Associations today, but the one and the only body which is recognised to be the premier Association in the community, is the Parsi Panchayet of Bombay, which controls a very large amount of funds for the benefit of the community. The community looks to the Trustees of the Parsi Panchayet for guidance in matters of religion, social customs, etc., and this body takes the lead whenever required in all matters affecting the community, and on its judgment the community, as a whole, lays great reliance.

The Report of the Select Committee is now in the hands of Honourable Members. The Select Committee has altered sub-clause (c) of clause 2 of the Bill, with a view to empowering the Court either to rescind or vary the order in the event of the wife remarrying or ceasing to be chaste. This change meets the suggestion of a section of the community.

With these words, Sir, I move.

The Motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. M. N. DALAL : Sir, before I move that the Bill be passed, I should like to offer my cordial thanks to the Honourable Members of the Select Committee for their valuable help and sympathetic treatment of the subject. Sir, I move :—

“ That the Bill be passed.”

The Motion was adopted.

The Council then adjourned till Eleven of the Clock on Tuesday, the 5th March, 1940.
