

LEGISLATIVE ASSEMBLY DEBATES

SATURDAY, 20th MARCH, 1943

Vol. II—No. 1

OFFICIAL REPORT



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LEGISLATIVE ASSEMBLY

Saturday, 20th March, 1943.

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

MEMBERS SWORN.

Mrs. Renuka Ray, M.L.A. (Nominated Non-Official),

Mr. Noel Victor Housman Symons, C.I.E., M.C., M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

GRIEVANCES OF THE STAFF OF THE BINDING DEPARTMENT OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

338. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Labour Member be pleased to state if it is a fact that as the annual increment is not given to the people of the Binding Department of the Government of India Press, New Delhi, they wish to go to other Departments when vacancies fall vacant there, but their applications are not forwarded?

(b) Is it or is it not a fact that some people were given a trial in which they were successful, but they have not been provided with a situation uptil now?

(c) Is it or is it not a fact that many a time the Manager has been asked that until the annual increment is enforced in the Binding Department, those who are already working in that Department should be given a chance and situations should be provided for successful candidates in preference to outsiders, but the Manager did not heed these requests?

(d) Are Government prepared to take the successful candidates in the 'Distributory' Section so that those who have passed the test may not suffer?

The Honourable Dr. B. R. Ambedkar: (a) No. Transfer of industrial employees from one establishment to another is governed by the National Service (Technical Personnel) Ordinance, 1940.

The application of one warehouseman who applied last January for service in the Air Force was in fact forwarded.

(b) One warehouseman qualified as a distributor in the test held in 1941. As there were other candidates who had qualified earlier and as the post of distributor does not lie in the ordinary range of promotion of warehousemen, the qualified warehouseman was not appointed to the vacancies that occurred.

(c) The answer to the first part is in the negative. The second part does not arise.

(d) The successful candidates will be considered for distributors' posts in accordance with the rules.

Qazi Muhammad Ahmad Kazmi: As regards the answer to part (d) of the question, may I know the position exactly as regards those who had been given a trial and were found successful?

The Honourable Dr. B. R. Ambedkar: As I said, there were other candidates who had qualified earlier.

Qazi Muhammad Ahmad Kazmi: But as far as those persons who were found successful are concerned, will their claims be considered?

The Honourable Dr. B. R. Ambedkar: Certainly.

SELECTION GRADE POSTS IN THE BINDING DEPARTMENT OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

339. *Qazi Muhammad Ahmad Kazmi: (a) When selection posts have been announced in nearly all the Departments of the Government of India Press, New Delhi, will the Honourable the Labour Member be pleased to state why no such selection grade posts are given to the Binding Department?

(b) Is it or is it not a fact that previously the strength of the Binding Department was 50/60 persons and for the supervision of their work there was one foreman, one Jamadar and one Binding Examiner, but now that the strength has increased to 135 persons, there are still only three persons in the supervisory rank?

(c) Are Government prepared to divide the Binding Department into two sections and provide one more Foreman, Jamadar and Examiner?

The Honourable Dr. B. R. Ambedkar: (a) There is a selection post of Bindery and Warehouse Foreman in the Bindery of the Press.

(b) The previous strength was over sixty and there was only one supervisory post of a Bindery Warehouse Foreman. The present strength in the Bindery is 107 including 20 temporary war posts and there are now three persons in the supervisory rank.

(c) No.

Qazi Muhammad Ahmad Kazmi: I did not quite catch the reply of the Honourable Member. May I know whether he admits the increase of numbers that I have given?

The Honourable Dr. B. R. Ambedkar: Yes. I said that the present strength in the Bindery is 107.

Qazi Muhammad Ahmad Kazmi: With that increase, will the Honourable Member consider the advisability of increasing the supervisory staff in view of the increase in the number of the lower paid?

The Honourable Dr. B. R. Ambedkar: I will consider.

GRIEVANCES OF THE PIECE WORKERS IN THE MACHINE DEPARTMENT OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

340. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Labour Member be pleased to state whether or not it is a fact that there are several persons in the Machine Department of the Government of India Press, New Delhi, who are employed on piece work and several on salary?

(b) Is it a fact that all piece workers are not given an equal amount of work with the result that some get more wages than others?

(c) Is it not a fact that officials show partiality and favour to some in the allotment of work in such a way that there is a very unequal distribution of wages and the wages of a large number of piece workers amount to very little and do not suffice for their requirements and the maintenance of their families?

(d) Do Government propose to consider the advisability of giving equal work to all, so that at the end of the month all should have a nearly equal amount of pay and thus redress their grievances?

The Honourable Dr. B. R. Ambedkar: (a) Yes.

(b) The answer to the first part is in the negative. The second part does not arise.

(c) No.

(d) This is actually done but equal work does not ensure equal earning. The attention of the Honourable Member is invited to the reply to part (c) of starred question No. 85 given in this House on 17th February, 1941.

Qazi Muhammad Ahmad Kazmi: May I know whether the Honourable Member has made an enquiry into the allegation that the actual distribution of the work at present does not give equal wages to the persons employed?

The Honourable Dr. B. R. Ambedkar: The answer is based on enquiry.

ANNUAL ELECTION FOR THE WORKS COMMITTEE OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

341. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Labour Member please state if it is a fact that the annual election for the Works Committee of the Government of India Press, New Delhi, which is held on 8th April, is not properly conducted?

(b) Is it or is it not a fact that the voters are not called one by one but all the voters gather together and stand in the room where the votes are received?

(c) Are Government prepared to make proper arrangements for keeping the

voters away from the clerk concerned, and to allow only those to come forward who are called to give their votes?

The Honourable Dr. B. R. Ambedkar: (a) and (b) No.

(c) This practice is already being followed.

Qazi Muhammad Ahmad Kazmi: Did the Honourable Member make an enquiry as to the complaints that were made to the polling officer at the time the votes were taken and satisfy himself that there were complaints of the kind that I have made in the question?

The Honourable Dr. B. R. Ambedkar: No. I will make enquiries if the necessity arises.

Qazi Muhammad Ahmad Kazmi: Now that I have put the question, will the Honourable Member be pleased to make an enquiry whether it is a fact that the complaints that are made are correct?

The Honourable Dr. B. R. Ambedkar: Yes.

NON-APPOINTMENT OF A MUSLIM AS ASSISTANT RESEARCH OFFICER IN THE IMPERIAL INSTITUTE OF VETERINARY RESEARCH.

342. *Mr. H. A. Sathar H. Essak Sait: With reference to the promise made by the Honourable Mr. N. R. Sarker, the then Member-in-charge of the Imperial Institute of Veterinary Research, in reply to my cut motion on the 10th March, 1942 (Assembly Debates, 1942, Volume I, page 900), that a Muslim will be appointed in preference to the first choice of the Federal Public Service Commission provided a Muslim is included in the list of candidates, will the Education Secretary be pleased to state whether any Muslim was included in the list of candidates recommended by the Commission for the appointment of Assistant Research Officer for Foot and Mouth Disease, which vacancy was advertised in the *Pioneer*, dated the 17th February, 1942? If so, was the post offered to such Muslim candidate in pursuance of the said promise? If not, why not?

Mr. J. D. Tyson: If the Honourable Member will verify his reference he will find that the words used by the Honourable Mr. N. R. Sarker were—“Government would reserve the right to appoint a Muslim in preference to the first choice of the Federal Public Service Commission provided a Muslim is included in the list of candidates recommended by the Commission.”

In the instance to which the present question relates, a Muslim was included in the list of candidates recommended by the Federal Public Service Commission and the post is being offered to him.

Mr. H. A. Sathar H. Essak Sait: My question refers to the last selection. Is it not a fact, with reference to the answer to part (1), that a Muslim's name was included but he was not taken?

Mr. J. D. Tyson: I have said that a Muslim's name was included and the post is being offered to him.

Mr. H. A. Sathar H. Essak Sait: But he was not taken then.

Mr. J. D. Tyson: Nobody has been taken. The post is being offered to him. The offer has probably reached him by now.

Mr. H. A. Sathar H. Essak Sait: Is it not a fact that this post was advertised after the cut motion and selections were made after that, and in the selections two names were included. The first was the name of a non-Muslim and the second was of a Muslim and then the non-Muslim was appointed on a higher salary than what was advertised. My Honourable friend is referring to something that happened later.

Mr. J. D. Tyson: I am referring to the present position. A Muslim was included in the list and the post has been offered to him. The Muslim was not the first nominee in the list; he was the second.

PAUCITY OF MUSLIMS IN GAZETTED CADRES IN THE IMPERIAL INSTITUTE OF VETERINARY RESEARCH.

343. *Mr. H. A. Sathar H. Essak Sait: (a) With reference to the reply of the Honourable Mr. N. R. Sarker, the then Member-in-charge of the Imperial Institute of Veterinary Research, to my cut motion on the 10th March, 1942,

will the Education Secretary be pleased to make a statement on the improvement in the position of Muslims in all the gazetted superior and inferior cadres in the services of the Institute since that date?

(b) Were several gazetted posts in the Institute advertised lately? If so, what steps have been taken to ensure that an adequate number of Muslims are appointed to these vacancies?

Mr. J. D. Tyson: (a) Only one appointment has been made in the gazetted cadre of the Institute since the 10th March, 1942. There has been no change in the number of Muslims in the gazetted cadre since that date. In the non-gazetted cadre the percentage of Muslims has increased from 22.4 in January 1941 to 25.3 in March 1943.

(b) Yes. In each case it has been stipulated that the appointing authority reserves the right to appoint a Muslim if included in the selected list of candidates recommended by the Federal Public Service Commission.

Mr. H. A. Sathar H. Essak Sait: With reference to the answer to part (a), will my Honourable friend tell me whether this increase is in the cadre of temporary appointments or permanent appointments?

Mr. J. D. Tyson: I am afraid I must ask for notice of that.

Mr. Lalchand Navalrai: Even though a member of the Hindu and Muslim communities stand equal on the list, may I know if preference is given by the Public Services Commission to a Muslim?

An Honourable Member: Yes, if the post is to be filled by a Muslim.

Mr. Lalchand Navalrai: Why do you say, "yes"? I am asking the Member in charge. I say "no".

Mr. J. D. Tyson: The Honourable Member seems to have answered his own question.

DESIRABILITY OF HAVING A RECONSTRUCTION DEPARTMENT.

344. ***Sir F. E. James:** Will the Honourable Member representing the Commerce Department be pleased to state:

(a) if the Government of India consider that the task of preparing for the transition period from war to peace is vitally important and that preparations should be undertaken even during the war for the study of the problems involved;

(b) if he is aware that the elaborate machinery set up in 1941 for the study of problems of reconstruction is cumbersome, entrusted to the hands of those already more than fully employed, and in any case has not yet fully functioned;

(c) if he is aware that the considerable progress made by the Demobilisation Directorate of the Adjutant General's Branch of the General Headquarters will be largely stultified unless adequate plans are made in consultation with Provincial and State Governments, industry, labour and educational institutions, for the absorption of large number of members of the Defence Forces into civil employment after the war;

(d) if, therefore, he will consider the desirability of setting up a separate Department or Section of Reconstruction in charge of an officer with a status equal to that of a Secretary, and directly responsible to the Honourable Member for Commerce, adequately staffed and with effective liaison with the other Departments of Government principally concerned; and

(e) if he will also consider the advisability of requesting the Governments of the Provinces and principal States to appoint Reconstruction Officers who will be in direct touch with the Reconstruction Department of the Government of India?

Mr. T. S. Pillay: (a) to (e). I would invite the attention of the Honourable Member to the observations made by the Honourable the Finance Member on the subject of post-war reconstruction in the course of the debate on the Finance Bill on the 17th March, 1943.

Sir F. E. James: Might I address a question to the Honourable the Finance Member, in view of the fact that the observations in his speech on the

Finance Bill do not really answer all the points in my question? I am aware that he may not be in a position today to fill in the details of the scheme outlined in his speech. May I ask him whether he will be prepared to make a fuller statement on the subject before the end of the Session, in answer, if necessary, to a short notice question?

The Honourable Sir Jeremy Raisman: I hope that it may be possible to give a more detailed statement of the Government's intention before the end of this month.

CANCELLATION OF NEWSPRINT IMPORT LICENCE OF THE *Railway Herald*.

345. *Mr. Lalchand Navalrai: Will the Honourable Member representing the Commerce Department be pleased to state:

(a) the quota of newsprint allotted to *Railway Herald*, Karachi, by the Chief Controller of Imports for the period ending the 31st December, 1941;

(b) if it is a fact that an import licence for the newsprint was obtained from the Assistant Controller of Imports, Karachi, for the quota referred to in (a) above;

(c) if it is a fact that Messrs. J. N. Singh and Company, Limited of Lahore, tendered the import licence, referred to in (b), to the Assistant Controller of Imports for Bombay and if the same was cancelled; if so, why; and

(d) if Government propose to revive the licence so cancelled; if not, why not?

Mr. T. S. Pillay: (a) A newsprint import quota of 6 cwts. 2 qrs. and 10 lbs. was allotted by the Chief Controller of Imports to the *Railway Herald*, Karachi, for the quarter ending 31st December, 1941.

(b) Yes, Sir.

(c) No Sir.

(d) This question does not arise. I may, however, explain for the information of the Honourable Member that the validity of licences issued for September to December 1941 against which a shipment did not take place during that period was subsequently extended to the end of April, 1942.

Mr. Lalchand Navalrai: Was the newsprint given under that licence afterwards?

Mr. T. S. Pillay: I can only say that the licence was extended to the end of April 1942.

ORDER INVESTING MAJOR GENERAL WOOD WITH POWERS OF CIVIL AND MILITARY ADMINISTRATION IN ASSAM.

346. *Mr. K. G. Neogy: (a) Will the Honourable Member representing the Indians Overseas Department be pleased to state if it is a fact that sometime in 1942 Major-General Wood was invested with the full authority of the Government of India in the spheres of the civil and military administrations in respect of the Province of Assam and in relation to certain duties with which he was entrusted at that time? If so, does the Honourable Member propose to lay on the table a copy of the relevant order or notification?

(b) Under what provision of law was this step taken?

The Honourable Sir Sultan Ahmed: (a) Major General Wood derived his powers from rule 133 of the Defence of India Rules which empowered him to exercise any power conferred on any authority by any of those rules and from a direction issued to Provincial Governments under clause (a) of section 126A of the Constitution Act instructing them to take immediate action in accordance with any requirement made by him for the purposes of his post. A copy of the Defence of India Rules is in the Library and a copy of the telegram embodying the declaration under section 126A of the Constitution Act is laid on the table.

(b) Rule 133 was made under the powers conferred by the Defence of India Act and the direction was given by the Central Government under the powers conferred by clause (a) of section 126A of the Constitution Act.

Copy of a Telegram from the Government of India, in the Defence Co-ordination Department, New Delhi, to all Provincial Governments and Chief Commissioners, No. 960, dated the 5th March, 1942.

Major General Wood has been appointed with plenipotentiary powers Administrator General, Eastern Frontier Communications. Importance of these communications is now for obvious reasons of defence of paramount importance overruling all civil considerations. Notification issues to-day empowering Wood where he considers it necessary or expedient for purposes of his post to exercise any power conferred on any authority under Defence of India Rules. In addition to these extraordinary powers Wood is being informed that he may expect all Provincial Governments to take immediate action in accordance with any requirement made by him for above purposes and to afford him every facility and complete co-operation. This should be taken as direction from Central to Provincial Government under section 126A (a) of Constitution Act.

Mr. K. C. Neogy: Is the Honourable Member sure that the authority which was given to him initially mentions all the provisions of the law that he has quoted on this occasion?

The Honourable Sir Sultan Ahmed: The latest order is to be found in the telegram to which reference has been made by me in my previous answer.

Mr. K. C. Neogy: Telegram to whom?

The Honourable Sir Sultan Ahmed: To all the Provincial Governments, saying that this should be taken as a direction from the Central Government under section 126A of the Constitution Act.

Mr. K. C. Neogy: Is it not a fact that near about the 2nd March a sort of personal authorisation was made by His Excellency the Governor General investing this officer with the full powers of the Government of India, both on the military and the civil side, so far as the province of Assam is concerned?

The Honourable Sir Sultan Ahmed: It may have been so but the real direction is to be found in the telegram to the Provincial Governments under section 126A of the Constitution Act, dated the 5th March, 1942, which is the latest order on the subject.

Mr. K. C. Neogy: If there is an earlier order on the subject, as stated by me, will the Honourable Member be pleased to lay it on the table?

The Honourable Sir Sultan Ahmed: I submit it is not necessary, because the latest order is contained in the telegram, dated the 5th March, 1942, under which he was acting.

Mr. K. C. Neogy: It may not be necessary from the Honourable Member's point of view but it is very important, I may tell the House, from the point of view of the constitutional powers exercised by the Viceroy and the Government of India.

The Honourable Sir Sultan Ahmed: I submit that Major General Wood really was acting mainly on the telegram, dated the 5th March, 1942, and therefore he was not so much acting under the previous executive order.

Mr. K. C. Neogy: So, it was a *Badshahi panja* that he initially carried with him! Was the Government of Assam consulted before this special action was taken?

The Honourable Sir Sultan Ahmed: The consultation with the Local Government was not considered necessary. It is entirely within the discretion of the Central Government to issue directions under section 126A of the Constitution Act.

Mr. K. C. Neogy: Has the Government of Assam strongly protested against this direct supersession of their authority by a single officer of the Government of India?

The Honourable Sir Sultan Ahmed: No, Sir.

PAYMENT OF COMPENSATION FOR INDIAN-OWNED PROPERTIES IN BURMA TAKEN OVER BY BURMA ARMY.

347. ***Mr. K. C. Neogy:** (a) Will the Honourable Member representing the Indians Overseas Department be pleased to state whether Government are aware that certain properties belonging to Indians in Burma had been taken over by the Burma Army during the course of military operations before the fall of Burma?

(b) Is it a fact that claims for compensation in respect of such properties have been lodged with the Government of Burma and/or the Burma Army authorities, in India? If so, what steps have the Government of India taken to see that these claims are expeditiously settled? How many claims have been lodged, and how many have been settled or paid up-to-date?

(c) Do the Government of India propose to impress upon the Burma Army authorities or the Government of Burma that such claims should be settled as expeditiously and in as businesslike a manner as possible?

Mr. A. V. Pai: (a) Claims to that effect have been lodged with the Government of Burma.

(b) The answer to the first part is in the affirmative. The Government of India have on several occasions represented to the Government of Burma the desirability of expediting the settlement of such claims. The Government of Burma have received in all 1,375 claims in respect of property requisitioned or acquired under the Defence of Burma rules by or on behalf of the Military authorities and in respect of goods supplied and services rendered to those authorities. 977 claims have so far been settled.

(c) As already stated in reply to part (b) the Government of India have made suitable representations in the matter to the Government of Burma.

EXCLUSION OF CERTAIN PROPERTIES IN BURMA DESTROYED DUE TO "DENIAL SCHEME" FROM BURMA GOVERNMENT'S WAR RISKS INSURANCE (GOODS) SCHEME.

348. *Mr. K. C. Neogy: (a) Will the Honourable Member representing the Indians Overseas Department please state if it is a fact that property destroyed at the instance of the Burma authorities as a part of the "Denial Scheme" in Burma has been excluded from the definition of War Risks as given in the Burma Government's War Risks Insurance (Goods) Scheme and that this has materially prejudiced the interests of many Indians in respect of their property in Burma?

(b) Are Government aware that considerable dissatisfaction prevails among Indians whose claims for compensation have been summarily rejected for this reason, and that they may be driven to the necessity of obtaining the decision of British Indian Courts of Law on the interpretation put by the Government of Burma on their War Risks Insurance Scheme on this point?

Mr. A. V. Pai: (a) I am informed that the Board of Management of the War Risks (Goods) Insurance Scheme constituted under the War Risks (Goods) Insurance Rules of the Government of Burma have decided that loss or damage caused by denial measures is not a loss or damage within the meaning of "war risks" under those Rules.

(b) Government have reason to believe that those whose claims have been rejected are dissatisfied. I understand that the Burma Government contemplate certain amendments in the rules so as to extend the time allowed by the rules for the filing of suits in order to permit of the institution of suits in Burma after the war.

Mr. K. C. Neogy: In view of the material difference between the provisions of the War Risks (Goods) Insurance Rules of India and those of Burma, in this particular matter, will the Government of India consider the desirability of making a representation to the Government of Burma to reconsider their attitude with regard to part (a) of the question?

Mr. A. V. Pai: I am afraid I cannot make a representation on a question of law.

Mr. K. C. Neogy: It is not a question of law. It is a question of equity. I take it that there is a substantial difference between the two rules in question, on this particular point. If that be so, do the Government consider it desirable to make a representation to the Burma authorities on grounds of equity?

Mr. A. V. Pai: I shall consider it and send a copy of the question and answer to the Government of Burma.

FALL IN COAL OUTPUT OF BENGAL AND BIHAR COAL FIELDS.

349. *Mr. K. C. Neogy: Will the Honourable the Labour Member please state if it is a fact that the output of coal in the Bengal and Bihar coal fields in the year 1942 was considerably less than that of the previous years? If so, what were the percentages separately of the decrease as compared to the output for the years 1939, 1940 and 1941? What are the factors responsible for this reduction in output?

The Honourable Dr. B. R. Ambedkar: No. The output of coal in the Bengal and Bihar coalfields for 1942 was very considerably above that for 1939. The peak year to date has been 1940. There was a very slight drop in 1941 on the 1940 figures and a further slight drop in 1942. The total drop on the 1940 figures is less than one per cent.

As the drop in production is so slight no detailed enquiry has been held into its cause.

Mr. K. C. Neogy: Has any representation been made to the Government of India by the trade interests on this particular point, mentioning any grievance due to which this drop might have occurred?

The Honourable Dr. B. R. Ambedkar: I have no information as yet.

REPAIRS OF THE DURGAH OF MAKHDUM SHAH SAHIB, QUTAB ROAD, DELHI.

+350. *Khan Bahadur Shaikh Fazl-i-Haq Piracha: (a) Will the Education Secretary kindly refer to the replies to starred questions Nos. 456 and 307 asked by Maulana Zafar Ali Khan and Maulvi Syed Murtuza Sahib Bahadur on the 21st March, 1941, and the 1st April, 1942, respectively, relating to the Durgah of Makhdum Shah Sahib, Qutab Road, Delhi, and state whether the remaining graves in that Durgah have since been repaired, and a gate at the main entrance thereof provided?

(b) If the reply to (a) be in the negative, are Government prepared to allot the necessary funds for this purpose during the current year to meet the long standing demand of the local Muslim public?

(c) Is it a fact that the total length of the passage between the Durgah and the main road which is sought to be broadened does not exceed 60 feet?

(d) Is it a fact that the cost of the acquisition of land for the purpose mentioned in (c) above will not be very high, and will be commensurate with the benefits accruing to the general Muslim public from this improvement?

(e) Do Government propose to give notice of acquisition to the owners of the land adjoining the passage immediately in order to concede this demand of the Muslims?

Mr. J. D. Tyson: (a) No.

(b) No funds can be found during the current financial year which is drawing to a close, but the work will be taken up during the forthcoming financial year.

(c) No. It is over 300 feet.

(d) and (e). Having regard to the fact that the public already have access to the monument by a foot path Government do not consider that expenditure on acquisition of land and the construction of a road would be justified at the present time.

DESIRABILITY OF HAVING MUSLIM CHOWKIDARS FOR THE MUSLIM PROTECTED MONUMENTS IN DELHI.

+351. *Khan Bahadur Shaikh Fazl-i-Haq Piracha: (a) Will the Education Secretary kindly state the number of the Muslim Protected Monuments in the Delhi Province?

(b) What is the total number of chowkidars employed by the Archaeological Department to look after them?

(c) How many of these chowkidars are Muslims and non-Muslims?

(d) Is it a fact that the monuments mentioned in (a) above comprise many mosques and Maqbaras?

(e) Is it a fact that Muslims have strong religious scruples against the employment of non-Muslims to take care of their religious places?

*Answer to this question laid on the table, the questioner being absent.

(f) Do Government propose to see that all such places of religious sanctity in the Delhi Province are looked after by Muslim chowkidars, and that all non-Muslims entrusted with the care of them are transferred forthwith?

Mr. J. D. Tyson: (a) There are 137 protected monuments of the Muslim period.

(b) Four Head Chaukidars and 35 chaukidars.

(c) Two Head Chaukidars and 18 Chaukidars are Muslims and the rest non-Muslims.

(d) Yes.

(e) and (f). As far as possible, Muslim chaukidars are posted at mosques which are in regular religious use.

UNSTARRED QUESTION AND ANSWER.

MANUFACTURE OF CONDENSED OR DRIED MILK IN INDIA.

61. Mr. E. L. C. Gwilt: (a) Will the Honourable Member representing the Food Department be pleased to state whether condensed or dried milk is being manufactured in India?

(b) Are the firms so manufacturing receiving any subsidy from Government or the Army?

(c) What are the names of the firms and locations of their factories?

(d) What, in volume, is the anticipated incidence of annual production of each of the factories concerned of condensed milk and dried milk?

(e) Are these being manufactured from (i) cow's milk, (ii) buffalo's milk, or (iii) a mixture of both?

(f) Is it the intention of Government or the Army to purchase any supplies of condensed and dried milk manufactured in India? If so, have they contracted to do so, and at what respective prices?

Mr. K. G. Ambedkar: (a) and (c). Condensed milk is produced by the Military Dairy Farms and dried milk by Messrs. National Nutriment Ltd., Benares. Government are not aware of any other manufacture of condensed or dried milk on a commercial scale.

(b) Military Dairy Farms are, of course, run by the Defence Forces but no firm is receiving any subsidy.

(d) The Benares factory is reported to produce 78 tons of dried milk per annum.

(e) Dried milk is manufactured from buffalo's milk, condensed milk from a mixture of cow's and buffalo's milk.

(f) Condensed milk from the Military Dairy Farms is taken over by the Defence Forces. The Benares factory is being inspected in connection with a proposal to place a trial order. The latter part of the question does not arise.

MOTION FOR ADJOURNMENT.

SENTENCE OF DEATH ON AND CONFISCATION OF PROPERTIES OF PIR OF PAGARO.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice of a motion for adjournment of the business of the Assembly from Mr. Yusuf Abdoola Haroon. He wishes to discuss a definite matter of urgent public importance as reported in yesterday's newspapers, namely, the sentence of death and confiscation of movable and immovable properties of Sayed Sabghatullah, Pir of Pagaro, by a Martial Law Court in Sind; and its repercussion on the Martial Law administration in Sind. Is there any objection to this motion?

Mr. C. M. Trivedi (Secretary, War Department): Sir, I beg to submit that a sentence passed by a court is not a proper subject for an adjournment motion.

Mr. President (The Honourable Sir Abdur Rahim): Does that include a Martial Law court also?

Mr. C. M. Trivedi: In this case the sentence was passed by a Martial Law Tribunal, but this does not affect my submission.

Mr. President (The Honourable Sir Abdur Rahim): What rule is the Honourable Member referring to?

Mr. C. M. Trivedi: I am not referring to any rule, but this is what I consider to be the position.

Mr. President (The Honourable Sir Abdur Rahim): I can quite understand the judgment of an ordinary court not being the subject-matter of an adjournment motion, but does that apply to the sentence of a Martial Law Court also?

Mr. C. M. Trivedi: A Martial Law Tribunal is constituted under the Martial Law Regulations.

Mr. President (The Honourable Sir Abdur Rahim): Is there any authority?

Mr. C. M. Trivedi: I have got the Martial Law Regulations with me here. The court is a court constituted under the Martial Law Regulations.

Mr. President (The Honourable Sir Abdur Rahim): Apart from this point of order, is the Honourable Member taking objection to leave being granted?

Mr. C. M. Trivedi: Yes, Sir, I object to it.

Mr. President (The Honourable Sir Abdur Rahim): So far as the point of order is concerned, I rule that the sentence of a Martial Law Court can be the subject-matter of an adjournment motion and that it stands on a different footing in this respect from the judgment of an ordinary court. As objection has been taken to this motion being moved, those who are in favour will rise in their places.

(Less than 25 Honourable Members rose.)

As less than 25 Members are in favour of leave being granted, the leave is refused.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE LABOUR DEPARTMENT.

The Honourable Dr. B. R. Ambedkar (Labour Member): Sir, I beg to move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, three non-official Members to serve on the Standing Committee to advise on subjects with which the Labour Department is concerned."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, three non-official Members to serve on the Standing Committee to advise on subjects with which the Labour Department is concerned."

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, there are several Standing Committees attached to the different Departments, but there is no Standing Committee of this House which numbers only three. Now, what can be the reason for the small number of Members elected by this House? Either the Labour Department is not an important Department, or it may be due to the fact that the Standing Committee is never called, or called very rarely, to discuss any matter. I should like to have information on either of these two subjects. Is the Labour Department an important Department? I find that it is in charge of a very eminent person like Dr. Ambedkar. Even if it was an unimportant Department before, it should cease to be an unimportant Department at the present day at least so long as he is in control of the subject. But if it is to be an important Department, the Standing Committee should consist of a much larger number of persons. Look at the Standing Finance Committee, look at the Standing Finance Committee for Railways, and look at the Public Accounts Committee. The number of Members of any of these Committees is much larger than three. I am told that this Committee does not meet very often—I do not know whether it is a fact—and that even when it meets, not much business is placed before this Committee. If that be so, I am afraid the utility of the Committee will be greatly diminished. I, therefore, appeal to the Government to increase the number of Members to eight. I understand that two Members are selected from the other place. I suggest that eight Members should be elected by this House. If you like, you may increase the number of Members given to the other House.

The Honourable Dr. B. R. Ambedkar: Sir, I am very glad to notice that this motion of mine has excited so much interest from the House. The number three, as I understand, is based neither on the importance nor on any other consideration, but I am told that it is a standard number and that if there are any enlargements or deviations from the standard number, they constitute only an exception and not the rule.

Now, Sir, with regard to the point raised by my Honourable friend Dr. Banerjea that the reason why the number was fixed at three is because the Department pays scant courtesy to this Committee, I submit, is not borne out by facts. The House will notice from what I am saying now that in 1940 there were two meetings of this Committee held and some very important business was placed before the Committee. For instance, at the two meetings that were held in 1940 the subject-matter that was placed before the Committee included the conclusions of the Labour Conference, report of the Technical Training Inquiry Committee, scheme for the training of skilled artisans and accommodation in Delhi. In 1941 there was one meeting held and the business placed before the Committee included conclusions of the second Conference of Labour Ministers and progress made with the technical training under the Bevin training scheme. In 1942 one meeting was held and there was also an adjourned meeting held subsequently. The proceedings of the third Conference of Labour Ministers, the summary of the views of the employers and workers' representatives on certain subjects, building programme in Delhi and Simla, proposals relating to the recognition of Trade Unions, progress made with the technical training under the Bevin training scheme and amendments of the National Service (Technical Personnel) Ordinance, 1940, were the subjects that were placed before the meeting of the Committee. I am sure nobody can say that the Department has not been placing before the Committee matters which are of importance and interest to Labour.

Then, the other thing I would like to submit to the House is this that this is not the only Committee to advise the Labour Department. Besides this, we have now instituted a Plenary Conference which consists of representatives of the Central, Provincial Governments, and also the Indian States, the representatives of employers and of labour are also represented on the Plenary Conference on a very extensive scale. There is no case for so large an increase asked for by the Honourable Dr. Banerjea. In addition to that we have also got the Standing Labour Advisory Committee. Having regard to the circumstances I hold the view that if there was any case for the enlargement of the personnel of the Committee, that case has considerably suffered by reason of the constitution of the Plenary Conference as well as by the Standing Labour Committee. However, if my Honourable friend is anxious that the personnel of this Committee should be increased, I am prepared to increase the number to eight—assigning five to this House and three to the upper Chamber: and I hope this will satisfy my Honourable friends in this House.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): Will the Honourable Member please tell the House whether Members of this Committee are members of the Plenary Conference?

The Honourable Dr. B. R. Ambedkar: Some of them are—Messrs Mehta and Joshi are members both of the Plenary Conference as well the Standing Committee.

Mr. H. A. Sathar H. Essak Sait: Are they ex-officio members of the Plenary Conference?

The Honourable Dr. B. R. Ambedkar: No, they represent their organisations.

Maulvi Muhammad Abdul Ghanl (Tirhut Division: Muhammadan): Sir, in view of the war conditions this Labour Committee has become very very

[Maulvi Muhammad Abdul Ghani.]

important. It deals with the labour questions. Besides, as has just been pointed out by the Honourable the Member in charge, this Committee deals with many other important questions such as building matters. . . .

Mr. President: (The Honourable Sir Abdur Rahim): The Honourable Labour Member has already replied.

The question is:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects, with which the Labour Department, is concerned."

The motion was adopted.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE SUPPLY DEPARTMENT.

Mr. J. A. Mackeown (Government of India: Nominated Official): Sir, I move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects with which the Department of Supply is concerned, during the financial year 1943-44."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects with which the Department of Supply is concerned, during the financial year 1943-44."

Sardar Sant Singh (West Punjab: Sikh): Sir in view of the expansion in the Supply Department and in view of the fact that there have been good many sections newly created in connection with the war effort, I think the number of Members proposed is one which was proposed when the Supply Department came into existence. Now, I hope, the Honourable Member will see that with the expanding work in the Supply Department dealing with various matters the strength of this Committee is increased to some appreciable degree.

An Honourable Member: I suggest that the whole House should go into the Committee.

Sardar Sant Singh: Will you make that suggestion? I do not want to discuss it at any great length. For the time being I am only asking that the strength of this Committee should be increased. The Honourable Member will be in the best position to ask the whole House to go into the Committee. I do not think anybody will oppose him, if he makes that suggestion. For the time being what I suggest is that the Committee should be increased in number.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): In view of the policy that the Muslim League Party has been following from the very beginning regarding this Department we will not take any part in this matter. None of our members will be in this Committee. We have always refused to be camp followers and that is the reason why we are unable to take part in this Committee.

Mr. J. A. Mackeown: Sir, neither on grounds of its expansion, nor of its importance in comparison with the Labour Department, can I agree that our Department is entitled to have eight Members from this House. I may remind my Honourable friend Sardar Sant Singh that originally when this Committee was formed it consisted of three members only from this House. It will be within the recollection of some of the Honourable Members that one year this motion was actually rejected in order to emphasise the desire of Members that the number should be raised to five. Subsequently, last year Sir Homi Mody moved the motion in the form in which I have moved it today. I think the number which the House approved then is very suitable and has been found to be convenient for the working of the Committee. I

regret, I am not in a position to agree to a Committee of eight members from this House.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects with which the Department of Supply is concerned, during the financial year, 1943-44."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): I may inform Honourable Members that for the purpose of election of Members for the Standing Committee for the Labour Department and the Standing Committee for the Department of Supply, the Notice Office will be open to receive nominations up to 12 O'clock on Wednesday, the 24th March and that the elections, if necessary, will be held on Friday the 26th March 1943. The elections which will be conducted in accordance with the principle of proportional representation by means of the single transferable vote will be held in the Assistant Secretary's Room in the Council House, New Delhi, between the hours of 10-30 A.M. and 1 P.M.

THE TRADE MARKS (AMENDMENT) BILL.

Mr. President (The Honourable Sir Abdur Rahim): Legislative Business..
Mr. Pillay.

Mr. T. S. Pillay (Government of India: Nominated Official): Sir, I beg to move for leave to introduce a Bill further to amend the Trade Marks Act, 1940.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That leave be granted to introduce a Bill further to amend the Trade Marks Act, 1940."

The motion was adopted.

Mr. T. S. Pillay: Sir, I introduce the Bill.

Mr. President (The Honourable Sir Abdur Rahim): Before I call on the Honourable Member to proceed with the Tobacco Excise Bill, I wish to remind the Honourable Members that according to the arrangement arrived at, these two Bills, and, I believe, discussion on the Demands for Supplementary Grants also ought to be concluded today. It is for the different Parties to arrange how it is to be done.

THE TOBACCO (EXCISE DUTY) BILL—contd.

Mr. President (The Honourable Sir Abdur Rahim): The House will now resume consideration of the Tobacco (Excise Duty) Bill. The Honourable Member Mr. Amarendra Nath Chattopadhyaya has already moved his amendment*, and concluded his speech.

Mr. H. Greenfield (Government of India: Nominated Official): Sir, I oppose this amendment. The Honourable Member admitted that he had no new arguments to bring forward and I see no reason, therefore, why I should repeat my own arguments in rebuttal of his contentions.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in Part I of the Schedule to the Bill, in sub-part II, item Nos. (1)(b), (1)(d) and (1)(e) be omitted.

The motion was negatived.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, I beg to move:

"That in sub-part 1A of Part I of the Schedule to the Bill, item No. (1)(b) be omitted and the subsequent item (c) be relettered as item (b)."

Sir, this refers as the House will observe to the omission of item (1)(b) which refers to biris. I have pleaded the other day in this House that biri

*That in Part I of the Schedule to the Bill, in sub-part II, items Nos. (1)(b), (1)(d) and (1)(e) be omitted.

[Mr. Jamnadas M. Mehta.]

smokers ought to be a matter of special solicitude and consideration for the Honourable the Finance Member. A repetition of the same arguments will be unnecessary, but the point must be emphasised that biris should not be taxed by a levy of excise of six annas when cheroots are subject to an excise of two annas. That anomaly the Government have not yet explained. The only explanation which I understand they have got is this: that biris, although nominally the excise thereon is heavy, yet one seer of biri tobacco is able to manufacture one thousand biris and therefore six annas will be distributed over a thousand biris, while two annas in the case of cheroot may be distributed only over a few cheroots. That seems to be a plausible excuse. Now, Sir, I beg of the Honourable the Finance Member to remember that that kind of argument means that the Government do not tax tobacco, but they want to tax the men who smoke it in addition. Definitely it is very immoral. Under the guise of excise on tobacco, you are not taxing tobacco, on its value, but you are keeping in mind as your targets the smokers of thousand biris and wish to levy a tax on all of them in spite of the value of the tobacco being much less.

Mr. N. M. Joshi (Nominated: Non-Official): It is a poll tax.

Mr. Jamnadas M. Mehta: Yes. I therefore say that the Government should not have a double objective under the garb of levying an excise on tobacco, you single out every poor individual who smokes biris, never mind the price of the tobacco itself. That, I say, is an immoral thing and I beg of the House to cut out this tax on biris. I know there are one or two Honourable friends of mine on these non-official Benches who have some fundamental objection to the smokers of biris and they consider the smoking of biris so bad a habit that they must be taxed. For instance my Honourable friend Mr. Lalchand Navalrai says that tobacco smoker must be taxed because he stinks. I say that the man who swallows goats and fish stinks ten times more. Is he to be taxed for swallowing goat and fish? I cannot understand this kind of argument because of your aversion to tobacco smoking, you swallow goat and fish and want to go tax free while you want a tax to be imposed on the poor biri smoker. I cannot think any argument more immoral than that of my Honourable friend. I therefore wish that Government will pay no attention to the so-called stinking of biri smokers. It depends upon who stinks more and how much. I entirely repudiate that kind of argument that a smoker is to be subject to taxation because tobacco stinks. I hope my Honourable friend will be more considerate to the poor tobacco smoker hereafter.

Mr. N. M. Joshi: Let him use a disinfectant.

Mr. Jamnadas M. Mehta: That is the whole point of biri smoking. This also affects the agriculturist grower of tobacco much more because it is a tax on the same level or perhaps much higher level and therefore the agriculturist suffers heavily. As I pointed out day before yesterday, the smoker of biri will suffer and I submit that this tax under the guise of having an excise duty on tobacco smuggles into the legislation an entirely different principle of taxation which I hope the House will entirely repudiate. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-part 1A of Part I of the Schedule to the Bill, item No. (1)(b) be omitted and the subsequent item (c) be relettered as item (b)."

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, I never wanted to intervene in this debate because there are a majority of smokers and I considered that I should remain neutral if this motion was pressed to a division. I will only say that my Honourable friend Mr. Jamnadas M. Mehta by smoking too much has lost all sense of feeling whether biri smoking stinks or not. He may himself not be a biri smoker and I therefore think he has got no experience of biris. He is smoking cigars. I think he has misunderstood those who give their honest opinion about biri smoking and say that it is a nuisance to those who do not smoke and to those who have been smoking and who have left off smoking. There are many who have left off

smoking because they are convinced that it is a vice. If the majority of people take to vice, then I cannot help it. It is a matter which everybody should consider, whether it is necessary or not. Is it a necessary habit?

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban): If you smoke you would understand it better.

Mr. Lalchand Navalrai: I do not want to be personal. I would advise all my friends to give up smoking. Smoking is an accompaniment to bridge playing, it is an accompaniment to drink. I have seen when people play bridge, a number of cigarettes are consumed during that time. Of course biris are not consumed at that time. You yourself admit that biris are bad. I do not want to take up more of the time of the House. My own personal view is that this vice should be stopped in some manner, not necessarily by taxing it. That is also one of the ways of stopping this vice. If the price of biris goes up, there will be less number of people who will smoke. If notwithstanding the high price, people still smoke, then I will call them incorrigible.

My Honourable friend referred to flesh eating and he objected to that. He said that smoking and the stink from biris are as bad as eating flesh and mutton. But I think he has got no experience of that also. He is a grass-eater and I am both vegetable-eater and mutton-eater. Therefore, I am submitting that he has no experience of that and he cannot attack me like that. He has often been on the table with those who eat mutton and fish and he has, I think, relished the smell, at any rate, because he never left the table. Therefore, I say that my submissions may be considered by the House on their own merits. I persist in saying that biri smoking as well as other smoking is very stinky.

Sardar Sant Singh (West Punjab: Sikh): Sir, if I intervene at all in this debate, I do not intervene for the purpose of using this forum as a place of conversion of smokers into non-smokers. Having a privilege to belong to the Sikh community where smoking is strictly prohibited and the use of tobacco is strictly banned, I would not have participated in this debate one way or the other. But there seems to be some discrepancy in the Bill as introduced by the Honourable Member and I am pointing it out in the hope that he will try to explain the matter.

The amendment has been moved to exclude biris from Part I of the schedule. I find that this item (b) deals with taxing tobacco intended for manufacture into biris. Schedule I is "if intended for manufacture into" and then follow the various items till it comes to (b)—biris. The tobacco will be taxed according to this Schedule and the tax will be collected in accordance with the provisions of clause 5 of the Bill, which reads thus:

"The Central Government may, by notification in the official Gazette, impose on cured tobacco or any tobacco product mentioned in the Schedule, brought into British India from the territory of any Indian State, not being territory which has been declared under section 5 of the Indian Tariff Act, 1934, to be foreign territory for the purposes of that section, a duty of customs equivalent to the excise duty imposed by this Act on the like tobacco cured or the like tobacco product manufactured in British India."

This schedule deals with taxing tobacco intended for manufacture into biris, but if biris are brought from the Indian States into British India they are not to be taxed. The result will be—if I am right in the reading of clause 5 of this Bill along with this Schedule—that biris manufactured in the Indian States could be brought freely into British India while in British India if the same biris are manufactured they will be taxed, thus putting the industry in British India at a disadvantage and driving the industry from British India into Indian States. That seems to be the implication. I have tried to find out whether in the Bill "tobacco product" has been defined in any way, but it is not there.

What I say is that this will be unfair on the grounds of justice and equity between a British Indian dealer and an Indian state dealer. I tried to reconcile myself by referring to the excise duty on sugar and excise duty on matches, but in so far as sugar and matches are concerned, lakhs of rupees are required to set up a factory whereas in the case of tobacco the product is already there both in Indian States as well as British India. Therefore, by imposing this

[Sardar Sant Singh.]

restriction upon the British Indian subjects, the Government will be driving the trade into Indian States by allowing them the free export of biris into British India and thus putting the British Indian market at a discount. I hope the Honourable Member will throw some light on this question.

The Honourable Sir Jeremy Raisman (Finance Member): I am sorry that unnecessary odium or odour has been imported into this discussion, and I find myself in the curious position of being a defender of the habit of smoking. I agree with the poet who waxed lyrical on the subject of tobacco. What he said was

"Sweet at the break of the day
Sweet when they have cleared away;
Lunch, and at close of day,
Possibly sweetest."

And I would remind my Honourable friend, Mr. Lalchand Navalrai, who said that those who smoke go mad:

"Go mad and beat their wives,
Plunge, after shocking I was
Razors and carving knives
Into their gizzards."

So, I agree with the poet that smoking, as a habit, though it may have some disadvantage, also has a great advantage as stabilizing the nervous tension of the individual and assisting him to call on reserves when he requires them, of soothing him in times of excitement.

Mr. Jamnadas M. Mehta: You are more lyrical than the poet.

Sir Cowasjee Jehangir: Does it mean that everybody should smoke?

The Honourable Sir Jeremy Raisman: The last thing that I should like is that the poor man should be deprived of the solace which I myself value so highly. I should not like to calculate the amount of tobacco consumed in the contemplation of this very Bill. I can assure the House that it was quite considerable. My Honourable friend, Mr. Jamnadas Mehta, apparently objects to the construction of the Schedule, because he thinks it discriminates against the poor man's biri. He is, I am afraid, under a misunderstanding and that arises from the fact that he is not so familiar with the use of cheroots as we have become by virtue of our enquiries into the subject. There are a large number of poor men, and my Honourable friend, Mr. Krishnamachari, would support me here, who smoke what can only be called a cheroot. In certain parts of South India, the class which smokes cheroots of a kind is as poor and even poorer than the class which smokes biris in that part of the country to which my Honourable friend is accustomed. Therefore, we had to deal with the cheroot in a different way. The cheroot mostly consists of cured tobacco and the tax on it at annas two, as I shall show shortly, is comparable with the tax on biris. What we have done is this: We have to cater both for the cheroot smoked by the very poor labourer in South India and for the fat cheroot which my Honourable friend and I myself also smoke. So, we imposed a low rate of duty first on the leaf tobacco which is manufactured into cigars or cheroots and then, to deal with my friend's cheroot and my cigar, we put on a much heavier scale in addition on the manufactured product and the result of that is to equalize the position and at the same time to grade the tax according to the poorest consumer.

Now I have something else to say about the biri. The biri is an article which consists of a wrapper of a leaf which I think is called *tendu* and which
12 Noon. contains a certain amount of tobacco. Now there is no reason on first principles why we should not have taxed the wrapper which is used in the same way as tobacco as well as the tobacco of the biri.

Mr. Jamnadas M. Mehta: Does the Honourable Member say that the wrapper leaf is tobacco leaf?

The Honourable Sir Jeremy Raisman: The definition of tobacco could perfectly well have covered the wrapper which is used with the tobacco. On

primary principles of taxation the position is so similar in respect of these two articles, although the commodities are somewhat different in nature, that we could easily have said, "Tobacco shall include any leaf which is normally used in the smoking of tobacco or anything mixed with tobacco or anything in which tobacco is wrapped for the purpose of being smoked". We have not done that. The result is that the tax on this biri is lower than it would have been and that equates the position as between the poor man's biri and the poor man's cheroot—the kind I was talking about just now. The proof that the incidence of this tax on the biri is a very modest one is this. Since this duty was announced the prices of tobacco products have naturally, in accordance with the custom of the trade, been adjusted so as to include the duty. That is regular practice and there is said to be justification for it, because at times when duties are removed or reduced the trade finds itself under the necessity of reducing prices. Therefore, they feel justified, as soon as a tax is announced in adjusting their prices accordingly. In actual practice it will be found that the extent to which the price of the biri has moved upwards since this tax was announced is very modest and does approximate to the 20 per cent. on the consumer's price which I indicated. For this reason, Sir, I most strongly oppose this amendment, which would indeed throw the whole of this Schedule out of balance: and I must remind my Honourable friend that the poor man smokes cigarettes as well as biris, and he smokes the kind of cigarettes with which we are dealing here in Schedule II, and you must agree that the most difficult part of this task is to see that in levying your tax you do not interfere with the trade and show no discrimination as between one kind of trade and another. You must produce a balance and a great deal of care has gone to the construction of this Schedule.

I will deal now with the point raised by my Honourable friend, Sardar Sant Singh, which was a point of considerable substance. I would say that we hope in regard to this, as in regard to other excises, to arrive at an arrangement with Indian States which will preserve a position of balance between the trade in British India and in those States. What we do here is to take power to levy certain duties, but we proceed by the manner of inducing the States which are contiguous with British India, and States generally as far as possible, to adjust their own system of taxation to ours, so that there is no advantage or prejudice. We usually succeed in achieving that, and I have very little doubt that we shall succeed in this instance. But the ultimate sanction, if we were unsuccessful, would probably be in the nature of complete prohibition of the imports of tobacco products from the States rather than some elaborate arrangement for the levy of a scale of duties. That would be our protection of the interests of the trade in British India. If it should prove necessary to take any further powers than we have taken in section 5, we should not hesitate to do so, if it were necessary in order to protect the equitable interest of the producer in British India as well as compared with the producer in the State.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-part IA of Part I of the Schedule to the Bill, item No. (1) (b) be omitted and the subsequent item (c) be re-lettered as item (b)."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim): I suggest that the other two amendments may be moved one after the other.

Mr. Jamnadas M. Mehta: Sir, I move:

"That in sub-parts I and II of Part I of the Schedule to the Bill, for the figures '0.6', wherever they occur, the following be substituted:
'0.2 or 20 per cent. on the market value whichever is less'."

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-parts I and II of Part I of the Schedule to the Bill, for the figures '0.6', wherever they occur, the following be substituted:
'0.2 or 20 per cent. on the market value whichever is less'."

Mr. Jamnadas M. Mehta: Sir, I move:

"That in sub-parts I and II of Part I of the Schedule to the Bill, for the figures '0.6', wherever they occur, the following be substituted:

'0.2 or 25 per cent. on the market value whichever is less'."

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-parts I and II of Part I of the Schedule to the Bill, for the figures '0.6', wherever they occur, the following be substituted:

'0.2 or 25 per cent. on the market value whichever is less'."

There will now be a discussion on both these amendments.

Mr. Jamnadas M. Mehta: I thought you suggested moving all the amendments.

Mr. President (The Honourable Sir Abdur Rahim): No.

Mr. Jamnadas M. Mehta: All right. I do not wish to prolong this debate because the arguments I have used can only supplement what I have said so far on the Bill. The answer which the Finance Member has made . . .

The Honourable Sir Jeremy Raisman: Which I hope I have made!

Mr. Jamnadas M. Mehta: The first point is that we can bring this taxation to the level of two annas instead of six annas. My Honourable friend brought to his assistance the poor men in Madras in order to get his six annas passed. This is like the Bombay speculator who always brings the cotton grower when his speculation is to be criticised. But this kind of thing he should not do because he promised to crush the speculator, and why should he himself justify a thing which is wrong in the name of the poor.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadian Urban): Let him crush himself!

Mr. Jamnadas M. Mehta: Let him crush this propensity to tax the poor. Even though the poor man might be smoking the biri, it is cheaper than the cheroot. That you cannot get over. So if the poor man in Madras is tempted to smoke something more costly, even that tax can be understood, but here you are putting them on a differential scale and my point therefore is that you should try to look on both of them with an equitable and equal eye, otherwise you might, while wishing to do justice to both, be doing really an injustice, or let 25 per cent. of the market value be taxed because then it will be some standard which we can understand. Today this is without any standard and therefore it is somewhat arbitrary and belies all the professions which the Bill makes and its champions make that they are looking to the interests of the poor. My friend, Sardar Sant Singh, has already given the argument about the Indian States and therefore I do not wish to repeat that argument.

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhammadian Rural): Sir, I rise to support my Honourable friend, Mr. Jamnadas Mehta. My whole argument has been to prevent taxation being levied on tobacco; but as we have failed on the last amendment, I believe that some sort of lessening the tax will be helpful. These two amendments, *viz.*, that six annas be substituted by 2 annas or 20 per cent., and that six annas be substituted by 2 annas or 25 per cent. of the market value, will go a great way to reduce this burden of taxation on the poor. Biris are practically smoked wholly by the poorer section of the population. Personally, I am not a smoker and I never advocate smoking; but it has been a necessity for the poor and consequently this necessity for these poor people should not be taxed. The poor people have been taxed in many ways and this lessening of the burden from 6 annas to 2 annas will be of great help to the poor. With these words I support these amendments; I hope the Honourable the Finance Member will also help us to get it passed.

The Honourable Sir Jeremy Raisman: Sir, I regret that I must oppose this amendment and I would again emphasise that in drawing up this schedule we have gone into very great detail regarding the actual prices and conditions in which tobacco is marketed and consumed. It would be impossible on administrative grounds—at any rate exceedingly difficult—to base the tax on the market value of any commodity of this kind. The position regarding biris, I have

already explained. The tax levied on them is, to our certain knowledge, fairly equated with the tax on alternative forms of tobacco consumed by comparable classes. There is no discrimination there and merely to introduce in this crude way a sweeping amendment of this kind would make the incidence of the tax exceedingly inequitable, exceedingly deleterious to the established trade and exceedingly difficult to administer. I must therefore oppose it.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-parts I and II of Part I of the Schedule to the Bill, for the figures '0.6', wherever they occur, the following be substituted:

'0.2 or 25 per cent. on the market value whichever is less'."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-parts I and II of Part I of the Schedule to the Bill, for the figures '0.6', wherever they occur, the following be substituted:

'0.2 or 25 per cent. on the market value whichever is less'."

The motion was negatived.

Mr. Amarendra Nath Chattopadhyaya: Sir, I move:

"That sub-part III of Part I of the Schedule to the Bill be omitted."

Sir, it is a simple suggestion that mere air-cured tobacco should not be taxed. I do not want to waste the time of this House; I only suggest that air-cured tobacco be omitted.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That sub-part IB of Part I of the Schedule to the Bill be omitted."

The Honourable Sir Jeremy Raisman: Sir, the Honourable Member has adduced no arguments. This tobacco, which is Virginia tobacco, a good quality of tobacco, although it is air-cured, is a commodity which certainly should not be singled out for exemption, and I oppose the amendment.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That sub-part IB of Part I of the Schedule to the Bill be omitted."

The motion was negatived.

Mr. Jamnadas M. Mehta: Sir, I beg to move:

"That sub-part IB of Part I of the Schedule to the Bill be omitted."

This refers to the taxation on stalks, stems and other refuse of tobacco. I have brought with me samples of the commodity which is proposed to be taxed and it is under the name of stalks, stems and other refuse of tobacco. They are purely wood, not at all tobacco. I shall presently show, with your permission, what I have brought, that this is no tobacco at all, and without the House understanding it, the Finance Member may be able to run away with these stalks and other things he wants to tax.

(The Honourable Member here showed the Assembly samples of tobacco stalks.)

After all the tobacco has been cleaned, the leaves have been cleared and the stalks only remain and are used for fuel. How meticulously the Government want to enter into the possibility of taking whatever little they can from the poor is indicated by these stalks. I have got a good number of other samples which will show that in addition to the taxation on tobacco of the poor man, the Government have far extended their depredations into things which can by no stretch of the imagination be called tobacco. I refer to the stumps. These are not even stumps. These are absolute refuse in which there is no tobacco value and for this my Honourable friend wants one anna. Happily, he does not say "intended to be used for agricultural purposes only". If it is used for agricultural purposes this one anna is useless, it does not apply. But if it is used for fuel, namely, a household domestic purpose in agricultural economy the one anna comes in. Therefore I do hope that if only by way of exception, as sometimes he relents, he will support my amendment.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That sub-part III of Part I of the Schedule to the bill be omitted."

The Honourable Sir Jeremy Raisman: Sir, I am afraid that my Honourable friend has chosen, although it is somewhat picturesque, nevertheless not a very

[Sir Jeremy Raisman.]

good item on which to base his argument, as I hope to convince even him in a moment. He has heard the expression "Put that in your pipe and smoke it". I think he will find—though I do not think he is a pipe-smoker as I am—but he will find that some of these things that he calls bits of wood actually find their way into the highest quality of pipe tobacco; but what I will assure him is this that even in good quality cigarettes, cigarettes of the kind which I do not know if he smokes, but I certainly do, a certain element of these so-called stalks, stems and so on does enter. The tobacco manufacturer is able to utilise nearly every part of the tobacco plant. Why? Because he finds that he can make cigarette tobacco which includes a certain element of the stalk or stem, should he not be taxed on that? If my Honourable friend will refer to the taxation schedule of any country in the world where tobacco is taxed, I can show him that this item—stalks and stems—has to come in. Even in England, where the tax on tobacco is enormous, where it is, I think, of the order of 30s. a pound—that is about Rs. 20 or so—even there he will find stalks and stems. because it is a part of the tobacco plant which is definitely used and not merely in the making of the lowest grades of smokeable articles but even in comparatively high grades. As regards its uses for agricultural or any other purposes, they simply do not enter. This only comes in when you are actually dealing with the tobacco which is going to be made into cigarettes or other articles intended for consumption. It is at that stage that it would be taxed. If the poor man keeps these stalks and intends to use them for fuel or for any other purpose like that, there is no question of their being taxed.

Mr. Jamnadas M. Mehta: How will you distinguish?

The Honourable Sir Jeremy Raisman: Because of the point at which we deal with them.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That sub-part III of Part I of the Schedule to the Bill be omitted."

The motion was negatived.

The Schedule was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That the Bill, as amended, be passed."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill, as amended, be passed."

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): I wish to oppose this Bill. The first point for consideration that I would put before the House is the flat rate. The flat rate which has been fixed will work great hardship on the persons whom I will presently mention. When agricultural operations are carried on, the lower leaves of the tobacco plant either drop off or are removed for the purpose of inter-cultivation. These leaves are collected by the labourers, may be wages are paid in those leaves, or may be, just because the owner of the field does not pay, he allows the labourers to collect these leaves. The poor people collect these leaves and they stock them till the weight of the leaves comes to about one maund when they dispose of those leaves. We were told that any cultivator must make Rs. 100 per acre clear profit. Whether that estimate is based on tobacco which is grown in the Punjab, I do not know, but there are varieties and varieties of tobacco. The tobacco grown in the Bombay Presidency does not fetch more than Rs. 30 per maund. In other words, the yield is about three maunds an acre and the price fetched is Rs. 90. And look at the flat rate that has been fixed that is Rs. 30 per maund. Inferior tobacco leaves will be taxed at the same flat rate, which means three maunds of inferior tobacco—the Agricultural Department, which has been carrying on experiments, has not been able to improve the quality and make the cultivation a paying one.

The Honourable Sir Jeremy Raisman: Has my Honourable friend seen the report on the Marketing of Tobacco, which says that the average yield is more like seven maunds per acre?

Mr. Govind V. Deshmukh: I do not know under what circumstances the experiment was made and seven maunds were obtained, because we know very well that the Government experimental farm can make seven maunds as they have facilities, such as, supply of artificial manure, irrigation, labour,—any number of labourers are available to them.

The Honourable Sir Jeremy Raisman: The figure for Bombay is given as 627 lbs. per acre, which is nearly eight maunds.

Mr. Govind V. Deshmukh: It is not the yield of the field of an ordinary cultivator. That may be all right so far as experimental Government farms are concerned.

The Honourable Sir Jeremy Raisman: This is an average figure for the whole province.

Mr. Govind V. Deshmukh: I think it would be very difficult for the Honourable Member to satisfy the agriculturist that the yield could be as much as that. For instance, the yield of cotton on the Government experimental farm may be more than the yield from the field of an ordinary agriculturist. The Government have better facilities of irrigation, better facilities of labour and other facilities, which go to increase the output. The poor cultivator has got no means, his only capital is his land and his own labour is the power, and may be a couple of bullocks. Therefore, the ordinary cultivator cannot get more than three maunds. At the price of Rs. 30 per maund, the cultivator in the Bombay presidency gets Rs. 90, and the duty is Rs. 90, so that what does the cultivator get? He gets nothing. He pays Government at the cost of his own labour.

The Honourable Sir Jeremy Raisman: No. The cultivator will not pay the tax.

Mr. Govind V. Deshmukh: The cultivator grows this tobacco and sells. Would he not be required to pay?

The Honourable Sir Jeremy Raisman: The cultivator will not pay the tax. The tax is not levied on the fact of growing it.

Mr. Govind V. Deshmukh: The cultivator cultivates, then he has to dispose of the produce, he cannot keep it in the house. He takes it to the market, takes it bit by bit, he has to sell it, and the grower is converted into seller. Would not at that time the poor cultivator be taxed? Would his produce be allowed duty free? If not, the cultivator grows for you tobacco and he has to live on his own labour for which he would otherwise have paid to other labourers to whom he would have been required to pay wages. That is the first thing that I want to put before the House. The qualities of tobacco are different and the yield of tobacco would differ according to the seed, the soil, the climate, and it would be very hard on the poor agriculturist to have a flat rate like this all throughout the country. Another thing that I was thinking of was this. The poor men who are off and on engaged as labourers—otherwise they have nothing to do—they go to the fields, pick up the leaves which are left by the cultivator himself lying on the soil. The poor woman or man goes to the field and collects the leaves. They keep them for some time and when the stuff accumulates to the weight of a maund they dispose of it. Would not these poor people be required to pay duty because they have to dispose of the stuff? They would be required to pay Rs. 30 a maund when they have to dispose of their stock. In other words, all the labour which these poor men have taken to collect the leaves does not pay them; it pays the Government. That is why I am suggesting that it will be better to have a graded rate of duty instead of one flat rate. A flat rate will work as an injustice on the poor agriculturist and the ordinary labourer who takes pains to collect all these leaves into something which becomes a marketable commodity. As the Bill that is proposed

[Mr. Govind V. Deshmukh.]

to be accepted by the House is one which contains rigorous clauses, I oppose it.

Dr. P. N. Banerjee: Now that the clauses of the Bill have been disposed of to our dissatisfaction, I must point out that the administration of the Bill when it is translated into an Act will meet with very great difficulty of a practical character.

In the first place, difficulties will arise between the Central Government and the Provincial Governments. Agriculture is a Provincial subject and so is land. I do not know how the Central Government will be able to control cultivation without impinging on the authority of the Provincial Governments. I am afraid that these disputes may have sometimes to be referred to the Federal Court. The second difficulty will arise with regard to the relations between the Central Government and the States; and the third difficulty will arise from the harassment and oppression which will be involved on the poor cultivator. I spoke a few words on this subject the other day, and I wish to emphasize that in administering the Bill, due care should be taken so that the poor cultivator is not harassed or oppressed in any way. The best way to secure this object will be not to begin the stage of taxation at the time of cultivation but begin it at a later stage when the tobacco is manufactured in large scale or small scale factories. The cultivator should be left alone. Because the cultivator is illiterate and cultivates only a very small plot of land, his difficulties are very great, and I would ask the Honourable the Finance Member not to add to his difficulties. If he takes proper care in the administration of this Bill and leaves the cultivator out, then the Bill may be administered in a way which will not adversely affect the poor people. Although the poor man's smoke will still be hit, the amount of oppression and harassment will be considerably less.

Seth Yusuf Abdoola Haroon (Sind: Muhammadan Rural): Sir, I rise to oppose the motion moved by the Honourable the Finance Member. The biri industry in the South is mostly done by the Mussalmans and as such the Musim League Party has received a representation from South as well as from Bengal and other provinces to this effect. Mussalmans have got to earn their livelihood by means of this industry and if due consideration is not given to them, I am sure this is going to affect them very badly. On account of the war, they have to face so many other difficulties in addition and this Bill will naturally put them out of work. I am sure the Finance Member will consider this point and see his way not to impose this taxation at this time.

Sardar Sant Singh: I thought that I would persuade the House not to make this House a forum for advocating the use of smoking as a healthy habit but I find, Sir, that no less a person than the Honourable the Finance Member quoting chapter and verse in favour of this habit. Therefore, I am obliged to say a few words.

Everybody knows that the Sikh religion strictly enjoins the Sikhs not to touch tobacco in any shape or form and there are very sound reasons for this. The very fact that some poets and some writers have taken to advocate the use of smoking is proof positive of the fact that it has got evil effects, which they want to counter by advocating its use and by persuading people to take to this line of life which according to the Finance Member gives some relaxation. I can assure him that he will find that there are other forms of relaxation as well. There are healthier habits which will give the human brain the relaxation which it occasionally needs.

Apart from this, the Honourable the Finance Member has said that in order to work the Bill, he will enter into negotiations with the Indian States in order to protect the industry in British India from dying out. But he has not made it clear whether such negotiations have already taken place or they are going to take place. He would not have disclosed his taxation proposal to any State

before he made his Budget-speech on the 27th February. He could not do it. That is obvious, because the Finance Bill secrets are kept very close. Now, I do not know whether during this period from the 27th February to the 20th March he has consulted the States in that matter or not.

The Honourable Sir Jeremy Raisman: Yes.

Sardar Sant Singh: I should like to know what steps he proposes to take in order to save the industry from dying out during the period the negotiations take place in order to come to an arrangement with the Indian States. Meanwhile, the Indian States will be free to manufacture biris and send them in competition with British India without any hindrance. Does he not fear that there will be a danger of the industry dying out before the remedy is applied?

The third point I would like to make is this. The administrative side of this taxation is to be handed over to the excise authorities, sub-inspectors, who are not very highly paid public servants. They will have to deal with shrewd businessmen who count their morality in terms of pounds, shillings and pence. If he wants to bribe the excise staff in order to save Rs. 30,000, he will easily give them Rs. 5,000. He will not count in terms of morality or honesty but in terms of Rs. 25,000 which he will save. How does he propose to deal with the administration of this Bill. There will be administrative difficulties which probably may break the whole machinery of this taxation. Then there is the question of dealing with the illiterate cultivator. The Finance Member has stated that the cultivator of ten acres of land will be free from certain restrictions. What are those restrictions which he has removed from the cultivators of ten acres of land. The restrictions are that he will give orally to the excise officer certain information which in the case of a bigger cultivator is to be given in writing, by means of filling forms, and so on. I am not dealing with the details, but the cultivator will have to make a return of all his processes of curing and so forth and then keep a record of it. How does he propose the cultivator to do it unless he is to employ a Munshi or Agent who is literate enough to understand all these things? These will be the administrative difficulties which the Honourable the Finance Member will have to deal with while dealing with this taxation.

Last of all, I am not free from apprehension that it is an attempt in an indirect manner to tax the agricultural produce. Today for sentimental reasons and for reasons which are more due to my religious inclinations than anything else I do not want to oppose this tax and I will remain neutral. But I would rather like the same thing to be forbidden by legislation. So, I want to oppose any proposal to enhance the duty on tobacco. So far, I am very clear in my mind about the taxation proposal. But what troubles me is this that this is the beginning of an attempt to tax agricultural produce as such and I want to make it very clear that I, representing the majority of agriculturist constituents, do not want to encourage it but I protest against this attempt. The agricultural incomes are not to be taxed. They are taxed already in the shape of irrigation and land revenue. I will remind the Honourable the Finance Member that there is a sort of pledge already given that agricultural incomes shall not be taxed. Therefore, I want to bring these points to the notice of the Honourable Member and to say that our opposition to the taxation of agricultural produce in any shape or form remains in principle.

The Honourable Sir Jeremy Raisman: Sir, I have only a few words to say. I have already at the earlier stage of the debate indicated our attitude in regard to the apprehensions which are felt regarding the effect of the administration of this tax on the grower. I do not want to repeat what I then said except to emphasise that that is a matter which has our most careful attention and which we shall certainly not overlook. I cannot give a detailed answer to every question which Honourable Members have raised but I can say that it will be our prime care and object to see that the tax is administered with the absolute minimum of inconvenience to the grower. I do not regard this as being in the nature of a tax on agricultural produce. In a sense, of course, everything comes

[Sir Jeremy Raisman.]

from the soil, such as, sugar and salt, and you can name any number of things which might be said to be the produce of the soil.

Dr. P. N. Banerjea: It depends upon the stage at which you tax it.

The Honourable Sir Jeremy Raisman: Exactly. I do not regard this myself as being in the nature of a tax on agriculture and we certainly shall administer it in a manner which will not constitute a tax upon agriculture. It is our object to tax the consumer by levying a duty at a certain stage in the trade in tobacco at which it can most conveniently be levied.

The only other point I would mention is that in regard to the Indian States, I would inform the House that 72 Indian States already tax tobacco. As regards the stage at which we took up this matter, I would inform my Honourable friend that when an excise like this is planned, the steps which will be necessary immediately the tax is announced are considered in advance, that the draft letters which will have to be issued are already ready at the very moment when I make the speech in this House and that they are despatched straightaway. The Political officers concerned realise the extreme urgency of taking the necessary steps with the States and therefore I have no reason to think that we shall not be able to conclude the necessary arrangements in time to prevent damage to the interests of the British Indian producer and trader.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That the Bill as amended be passed."

The Assembly then divided:

AYES—42.

Abdul Hamid, Khan Bahadur Sir.
Ahmad Nawaz Khan, Major Nawab Sir.
Apedkar, The Honourable Dr. B. R.
Ambegaonkar, Mr. K. G.
Benthall, The Honourable Sir Edward.
Bewoor, Sir Gurnath.
Chandavarkar, Sir Vithal N.
Chapman-Mortimer, Mr. T.
Dalal, Dr. Sir Ratanji Dinshaw.
Dalpat Singh, Sardar Bahadur Captain.
Ghiasuddin, Mr. M.
Gray, Mr. B. L.
Greenfield, Mr. H.
Haidar, Khan Bahadur Shamsuddin.
Imam, Mr. Saiyid Haidar.
Ismail Alikhan, Kunwer Hajee.
James, Sir F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.
Jehangir, Sir Cowasjee.
Kamaluddin Ahmad, Shamsul-Ulema.
Kushal Pal Singh, Raja Bahadur.
Lalljee, Mr. Hoosainbhoj A.

Lawson, Mr. C. P.
Mackeown, Mr. J. A.
Maxwell, The Honourable Sir Reginald.
Miller, Mr. C. C.
Muazzam Sahib Bahadur, Mr. Muhammad.
Pai, Mr. A. V.
Pillay, Mr. T. S.
Raisman, The Honourable Sir Jeremy.
Richardson, Sir Henry.
Shahban, Khan Bahadur Mian Ghulam
Kadir Muhammad.
Sheely, Sir John.
Spear, Dr. T. G. P.
Spence, Sir George.
Stokes, Mr. H. G.
Sultan Ahmed, The Honourable Sir.
Sundaresan, Mr. N.
Symons, Mr. N. V. H.
Thakur Singh, Major.
Trivedi, Mr. C. M.
Tyson, Mr. J. D.

NOES—23.

Abdul Ghani, Maulvi Muhammad.
Banerjea, Dr. P. N.
Bhutto, Mr. Nabi Baksh Illahi Baksh.
Chattopadhyaya, Mr. Amarendra Nath.
Choudhury, Maulvi Muhammad Hossain.
Dam, Mr. Ananga Mohan.
Deshmukh, Mr. Govind V.
Essak Sait, Mr. H. A. Sathar H.
Gupta, Mr. R. R.
Ismail Khan, Hajee Chowdhury Muham-
mad.
Joshi, Mr. N. M.

Kazmi, Qazi Muhammad Ahmad.
Krishnamachari, Mr. T. T.
Liaquat Ali Khan, Nawabzada Muhammad.
Mehta, Mr. Jamnadas M.
Murtuza Sahib Bahadur, Maulvi Syed.
Nauman, Mr. Muhammad.
Neogy, Mr. K. C.
Parma Nand, Bhai.
Siddique Ali Khan, Nawab.
Umar Aly Shah, Mr.
Yamin Khan, Sir Muhammad.
Yusuf Abdoola Haroon, Seth.

The motion was adopted.

THE VEGETABLE PRODUCT (EXCISE DUTY) BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I beg to move:

"That the Bill to provide for the imposition and collection of an excise duty on vegetable product be taken into consideration."

I would like to say just a few words about the history of this commodity. It was first introduced into India in 1925. At that time it was subject to import tariff of fifteen per cent. Later in 1931 the import duty was raised to 25 per cent. *ad valorem* and after that a concern was formed for the manufacture of vegetable products in India.

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban). What year?

The Honourable Sir Jeremy Raisman: I cannot give the exact year, but I think it was after the import tariff was raised from 15 per cent. to 25 per cent. I should say that it was some time within the last ten or twelve years.

Other manufacturers quickly followed, although the original producer is still the largest producer, in India.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Who was the first?

The Honourable Sir Jeremy Raisman: The first was the Hindustan Vanaspati Company Limited, Bombay, and I think, they are still the premier producers, I mean the leading producers.

Gradually the imports which at one time had been as high as 458 thousand cwt. that was in 1928-29, began to fall away until now they are practically negligible. The total production at the present time is estimated as approximately 100 thousand tons per annum. But there is a further potential capacity. There are some restrictions at the present time on the potentiality for expansion: there is the main difficulty of obtaining material for containers, especially metal containers and also of course difficulty of transportation and thirdly there has been some difficulty in obtaining plant which would be necessary for any considerable expansion of capacity. Since I referred to this tax in my Budget speech I may mention that it has been represented to me that I myself entertain some prejudice against the use of this commodity. I would like to take this opportunity of making it perfectly clear that I do not entertain such feelings. I quite recognize that this is a useful food product and that it is an element in the diet of the middle classes. The objections which have been raised against this tax are on the ground that it is an article of food. On the principle of giving a dog a bad name, it has been called a "kitchen tax". It is an unfortunate fact that in these days both in India and in most other countries "kitchen taxes" are common and since the tax payers have to make their contribution in this way, vegetable ghee cannot escape. If we were to accept the principle that articles of food should not be taxed we should have to give up the revenue on salt, on sugar and a dozen other articles of consumption. If we were in the fortunate position of being able to base our system of taxation entirely on direct taxes—taxes on income only, then we should, no doubt, be able to dispense with this kind of tax. Theoretical objections which are well known were indicated the other day when discussing the amendment relating to the salt tax in reply to my Honourable friend, Mr. Mehta. It is unfortunately impossible to base your system of taxation entirely on the direct taxation of incomes.

Apart from other reasons, I would point out that in India a very large

1 P.M. portion of the population, entirely regardless of its means, is exempt from income-tax. I refer, of course, to agricultural income. That portion of the population contributes to the central revenues only in so far as it is subjected to indirect taxation. But that is only an incidental aspect of the matter. I am quite satisfied myself from my long experience of this subject that it would not be possible to found a system of taxation in India on a basis which entirely excluded the taxation of articles of food. Now, in the present case there has been, particularly in the last few days, an intensification of opposition to this tax. I cannot refrain from observing that it is quite clearly due to the activities of the producers who though small in number are highly organised and have taken special steps to whip up opposition to this tax and to try and defeat its object. They have provided the critics with arguments.

[Sir Jeremy Raisman.]

based mainly, of course, on the hardships to the consumers. It is, therefore, exceedingly important to find out exactly how this tax is likely to work at the present moment. My Honourable friend, Mr. Lalchand Navalrai, when he was talking on this subject the other day gave some indication of the movement of prices of this commodity in recent years. I then intervened to ask him why he had made no observations on the subject when the producer and the middleman were reaping larger and larger profits and why his emotions were particularly aroused when I sought to recover a moderate proportion of the price for the benefit of the general revenue.

Mr. Lalchand Navalrai: Because it is an extra burden.

The Honourable Sir Jeremy Raisman: Since that time, I have been at some pains to examine the course of prices in recent months and particularly the course of prices since the tax was announced in this House. Here, I would again remind the House of something which I said a little while ago in regard to the Tobacco Bill. It is a case that whenever a tax is introduced in the Budget, whether it takes immediate effect or not, it is the practice of the trade concerned to increase the price of its product by the amount of taxation if it can. I have heard observations made on the ethics of that practice and it is possible to take two views on it, but I would say this in defence of the trade that on the rare occasions (very rare indeed, I regret to say in my unhappy life as a Finance and Revenue Officer) on the rare occasions when a tax is removed or reduced the consumer expects to get the benefit immediately and it is very difficult for the trade to refuse to give it to him even though the stocks which they may hold have paid the duty, and it is on the basis of that argument that the regular practice is justified of increasing the price as soon as the tax is announced.

Now, Sir, if that fact is realised, then when dealing with the effect of this tax on the consumer, we are not in the realm of conjecture, we are now in the realm of ascertained facts. The curious thing is that the movement of the price level of this commodity—and I have taken some care, I have before me the retail prices of some 20 or 25 brands of this commodity and I have exact prices as they stood in each month from October up to the present month of March—and the curious thing is that the price levels at the present moment are very little higher than they were in the month of December. At the beginning of March, that is, immediately after the announcement of the tax, there was a slight upward movement, but it did not correspond to the extent of the tax, not by a very long way, and I say that the levels of retail prices at this moment are almost identical with those which prevailed in December and January.

Sir Cowasjee Jehangir: But between December, 1942 and March, 1943, they fell.

The Honourable Sir Jeremy Raisman: No.

Sir Cowasjee Jehangir: I have got the figures here.

The Honourable Sir Jeremy Raisman: They are practically the same.

Sir Cowasjee Jehangir: My figures are: December 7·15 annas per lb., March 7·8 annas per lb.

The Honourable Sir Jeremy Raisman: I am talking now of the actual retail prices of this commodity as sold in tins of 35 lbs.

Sir Cowasjee Jehangir: So have I for those also.

The Honourable Sir Jeremy Raisman: These are prices as actually ascertained in the local market and also I have figures of weekly prices of one of the main brands for the past twelve months. Now, Sir, the importance of this fact will not escape the notice of this House. The position is that as my Honourable friend, Mr. Lalchand Navalrai, pointed out the prices of this commodity have been moving upward with some rapidity in the last twelve months and the margins of profit have been considerable. The price in fact

reached a point at which it was impossible for the trade to pass the duty on to the consumer. Certainly it was impossible at the beginning of this month for the trade to pass the whole of this duty on to the consumer. So, I come back to what I said to my Honourable friend, Mr. Lalchand Navalrai. Why all this time when the prices of this commodity were rising, he had nothing to say but that when I intervened in order to try and to secure some part for the relief of the general tax-payer he had a great deal to say. Although I did not know it at that time, my argument was really much stronger than I thought by virtue of the fact that it has actually been found that the greater part of this tax is now coming out of the profits of the trade and not from the consumer, for the simple reason

Sir Cowasjee Jehangir: Will the Honourable Member also tell the House what the raw material costs today because of the war?

The Honourable Sir Jeremy Raisman: I am not denying that there have been increases in price

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Who pays this increased price?

The Honourable Sir Jeremy Raisman: I am not denying that. It is a fact that prices have increased, but I doubt whether an increase from Rs. 32-6-5 per cwt. on the 7th April, 1942, up to a price of Rs. 63-11-2 today could be entirely justified on increased costs.

Sir Cowasjee Jehangir: Will the Honourable Member be surprised to hear that the cost of groundnut oil, which is the raw material, in January, 1940, was Rs. 300 per ton and in February, 1943, it was Rs. 830 per ton.

The Honourable Sir Jeremy Raisman: As I have already said I am aware that there have been increases in cost, but I do not think it can be said that the margins of profit in regard to this commodity have not distinctly widened. They have been widened more than was justifiable by movements in prices and that is the point of the argument which I am using at the present time. Although I use this argument, it is not the argument on which I base my case. I base my case on the unfortunate necessity of raising revenue and on the fact that you cannot make the omlette, which constitutes the Budget, without breaking some eggs. That is impossible. As I said the other day, it is impossible to devise a tax which will not hit the poor, nor the middle class, nor be detrimental to trade or industry in any category. That is impossible. When you levy a tax you do something, and in so far as you do something the effect must be felt by certain people. I am not prepared to say that this tax in no circumstances and at no time would fall on the consumer, but I do believe from such information as I have received that in the circumstances of the present moment the tax is not about to fall mainly on the consumer and that it is because of that that we have had such remarkably efficient organization of criticism and attack on this proposal. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to provide for the imposition and collection of an excise duty on vegetable product be taken into consideration."

Sardar Sant Singh (West Punjab: Sikh): Sir, I move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by 30th June, 1943."

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That the Bill be circulated for the purpose of eliciting opinion thereon by 30th June, 1943."

The Honourable Member, Sardar Sant Singh, may begin his speech after lunch.

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock Sir Cowasjee Jehangir (one of the Panel of Chairmen) in the Chair.

Sardar Sant Singh: Mr. Chairman, before we rose for lunch I moved my motion for the circulation of this Bill. I was apprehensive in the beginning whether the motion for the Bill would be regarded as a serious motion by the Treasury Benches. But now that I have heard the Honourable the Finance Member's reasons for asking this House to take this Bill into consideration, I am convinced that this motion of circulation of the Bill should be taken more seriously by the House. Sir, the Honourable the Finance Member seemed to have a perturbed mind when in the course of his speech he said that the industry which is going to be affected by the operation of this duty is an organized industry and has whipped up opposition to this Bill in this House. I hope that this observation does not involve any implications on Members of this House. I am glad that he has denied any implication from this observation. But at the same time I cannot help reminding him that the industry he represents is far more organized than any industry in the country and if he stands in need of the assistance of that organization in collecting facts and figures in order to make out a case for his imposition of this tax, the Members of this House do need assistance in order to make out a case against it. The Honourable the Finance Member has in this instance acted like a counsel who has a bad case who begins fighting with his opponent. Therefore, Sir, I will tell him that he has a bad case, for the imposition of duty on vegetable ghee, that his attempt to fight the opponent will give away the whole of his case in this matter.

Sir, the Honourable the Finance Member started by giving the history of this Vanaspati ghee. I only want to supplement that history by adding one or two more facts. When this product was first introduced into the country, the general prejudice of the masses against this produce was so great that there was active opposition from all quarters. The only use which the vegetable product could be made to serve in the country was considered to use it as an adulterant with the ghee, which meant to take away the purity of that article which is highly valued as an article of food by all classes of people in this country. Then again, Sir, the prejudice related to another point as well and that was that it was not a wholesome food, and it acted injuriously on the state of health when mixed with the pure ghee. These two prejudices were so great as to lead to public agitations, and public meetings. Thus an opinion was created in the country against the use of this vegetable product. Later on when Provincial Autonomy came into existence this prejudice found its way into those Legislatures as well and we find several Provincial Legislatures enacting measures to give a distinct colour to this product. Enactments came to form part of the Provincial Statute Book.

The second phase that this prejudice took was to enhance to the maximum the octroi and terminal taxes on the introduction of this product within the municipal area. But the industry grew and with the growth of the industry we find its value as a food-stuff, or we may say its nutritious value as a food, was tested by chemists who are experts in these matters, and they declared that the food value of the vegetable was good, it was wholesome food, and it was not injurious to health as it was believed before.

However, the industry had passed through those stages. We find, Sir, in Dr. Wright's report on the development of the cattle and dairy industries of India that he, even as late as 1937, when this report was published, he considered the use of this vegetable ghee to be nothing more than an adulterant with that of original ghee. He said:

"There are no figures available which provide any estimate of the average amounts of adulterant added to ghee. The chief fats used are banaspatine, charbini and certain pure vegetable oils such as groundnut oil, coconut oil, and cottonseed oil. A very rough estimate of the quantities of adulterants used may be obtained from figures relating to the quantities of these products available in India. Banaspatine is produced at five factories. (I understand that the number has increased to 13 or 14 now.). The production capacity of these factories is stated to be 33 000 tons per year but the present output probably does not exceed 25,000. (The Honourable the Finance Member has given us an estimate of indigenous

production of this article as 100,000 tons). In addition to this about 1,000 tons are imported from foreign sources. It is the opinion of some of the manufacturers that about 90 per cent, of the total supplies are used for the adulteration of ghee."

I need not deal with *charbini*. Then he says:

"The total amount of available adulterants, both *vanaspati* as well as *fats*, is just under 50,000 tons or 1,400,000 maunds; the annual production of ghee is estimated at 23,000,000 maunds; the amount of adulterants available would thus work out at just over 6 per cent, of the total output of ghee."

Now, may I submit that according to the calculations made, the percentage of adulterated ghee, if the full production of the *vanaspati* factories were to be utilised for the purpose of adulterating genuine ghee, would not go beyond 10 per cent. But the industry is not producing all this quantity for the purpose of adulterating the genuine ghee. The product is being used independently of adulteration as a food, and it is used as such by the poorer and the middle classes. The taxation which the Honourable the Finance Member wants to levy on this product, therefore, falls upon those classes who use this commodity. He is well aware that the price of ghee today has gone over Rs 100 a maund while it used to be Rs. 35 or Rs. 40 before in pre-war days. This scarcity of ghee, due to the rise in prices which in their turn are due to the large quantity of ghee being purchased for the defence forces, is responsible for diminishing the use of ghee by men of ordinary incomes. Today, we find that a man belonging to the middle class, with an earning capacity of Rs. 2,000 or Rs. 3,000 a year cannot afford to purchase ghee and consume it, where the family consists of four or five individuals. Therefore, naturally they will fall back upon the use of this commodity and use it in place of ghee. Now, it becomes obvious when we consider this aspect of the case, that the commodity is not viewed from that approach with which it started. It has taken a place side by side with ghee; and when the Government chooses to tax this commodity, they virtually tax an important necessity of life. My friend forgets that people cannot go without food: they can go on without a government. . . .

Mr. Jamnadas M. Mehta: That is also doubtful!

Sardar Sant Singh: They can; they have lived without governments for several centuries; history tells us so; but none has gone without food except during the Ramzan days or when people are keeping a fast. . .

An Honourable Member: That is only in day time.

Sardar Sant Singh: I am not concerned with abnormal matters. I am concerned with normal matters of life. . .

The Honourable Sir Jeremy Raisman: I think in the days when they did without a government, they almost managed to do without the *vanaspati*!

Sardar Sant Singh: Quite right, because they could get natural foodstuffs in the shape of fruits, vegetables and corn and milk; and ghee is a product which has come from time immemorial; when there were no governments, there was ghee. Therefore, what I want to impress is that when once we realise this fully, that food products which are so essential for the building up of the body are greater necessities than governments themselves, then we realise how evil it is to tax those articles. . .

Sir Abdul Halim Ghuznavi (Dacca *cum* Mymensingh: Muhammadan Rural): What about salt?

Sardar Sant Singh: I am coming to it; I am not ignoring it. My friend reminded and so did the Honourable Member that the question of not taxing foodstuffs in the country is rather belated to raise, because he tells us that salt, sugar and half a dozen other things of food value are being now taxed by the Government. Quite right. But have the people ever accepted this proposition? Every year the arguments are advanced from these Benches and refuted by the Treasury Benches that salt should not be taxed. But they say its incidence is so minor that it does not fall very heavily upon the poor. We are accustomed to hear these arguments: they are repeated

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ad nauseam; but what I would point out that the Opposition has not accepted their contention that the foodstuffs should be taxed. Therefore, when we come to this, that a food product like vanaspati ghee should be taxed anew, another item is added to the half a dozen items that have been taxed already, and we are perfectly entitled to say that this is not a right or virtuous method of raising taxation.

Another argument that has been put forward by the Honourable Member is this that the industry is making very heavy profit and when that is the case there is no reason why the industry should not contribute something towards the revenues of the country. May I ask if he agrees with me or not that vanaspati ghee is one item which is a necessary of life? If it is, and if he feels that the industry is making high profits, his duty as a Member of Government—not as Finance Member, because as Finance Member he looks to his pocket and how he can fill his purse at the expense of the taxpayer—but I ask him as a Member of the Government, is it not his duty to control the price of vanaspati, so that the poor may be helped thereby, instead of increasing the price by putting another burden upon the consumer? He has controlled wheat, he has controlled several other articles; why does he not control the price of vegetable ghee, so that the consumers may not suffer? That will be showing some practical sympathy. It is no argument because the industry is making profit, therefore, the Government may levy a contribution in the shape of taxes. He does that when he levies income-tax, when he levies super-tax, when he levies Excess Profits Tax. Government does get a contribution from the profits of the industry. But to tax it further, which tax is bound to fall upon the consumer, is to tax the poor consumer to whom this important part of his food is not available in the market because the original ghee has become so expensive. Again, I ask him this question: as genuine ghee is being used by the richer classes, why does he not tax it? He has not considered the taxation of ghee. Its value has gone up from Rs. 40 to Rs. 106 today in the market. . . .

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Even that is not paying to the cultivator!

Sardar Sant Singh: But he has not chosen to avail himself of this source of income to the State. He has not touched it.

Then in his enthusiasm to meet the criticism of this part of the House to-day he has given certain reasons which do not stand the test of scrutiny at all. He said that on the issue of this Bill after the Budget speech the prices went higher and then they went down. But he forgot the provision that he has made in this Bill. The general impression is that on the day the Honourable Member presents his Budget proposals, particularly taxation proposals,—people believe that they come into force then and there. Immediately the market is affected thereby. This was the impression about this Bill. To a factory at Lyallpur the excise inspector paid a visit on the morning of the 28th February, in pursuance of this Bill, and there he made this remark that the products will be subject to duty from now. Yet, with the exception of one or two factories, nobody raised the prices, but so soon as the copies of the Bill were available they discovered that the taxation was to come into effect from the 1st April, 1943. Therefore, those factories which had raised the prices believing that the taxation proposals had come into existence immediately, refunded the further rise, and other factories did not raise the prices at all. Looking at it from October to now, and at the prices of last December and to-day's prices there has been no rise in the price or there has been very little rise, the price has kept its level. How does it surprise him? The industry has not yet raised its prices. The industry has kept to the same level as it was before the taxation proposal came on the scheme. The Honourable Member's attempt to draw the inference, as I understood him, was that the incidence of taxation has fallen on the producer and not upon the consumer. I hope he will take into consideration this fact as well that the

prices have not risen because of the fact that the taxation proposal has not come into operation to-day.

The Honourable Sir Jeremy Raisman: I can assure my Honourable friend from my long experience that it makes no difference whether it comes into force immediately or whether it is coming into force on the 1st April; the prices are raised immediately the duty is announced.

Sardar Sant Singh: I am thankful to my Honourable friend for giving me another reason that the prices will go up because of the fact that taxation is going to be raised on a certain commodity. My Honourable friend is a better economist than myself; I am a layman; therefore, I won't enter into an argument with him so far as the principles of economics are concerned. But I will say this much. Has he any evidence in his possession to show me that the factories which have been producing this commodity have withheld this commodity from the consumer or from the dealer on account of this reason that by the end of this month taxation will come into force, in hope of making profit? Is there any evidence to show that the retail dealer has withheld the product from the market in the hope that it will fetch a higher price on account of the taxation proposal? I think I am not wrong. I am talking as a layman. I do not claim to be an expert but from the common sense point of view, what I say is this. Prices if they go higher, do so because either the producer or the retail dealer withholds this product from the market in the hope that after a month the prices will rise higher and he will consequently make more profit? There is no complaint in the market on that account; the factory owners are giving supplies to the same extent that they have been doing before. They have not stocked their supplies outside their factories in order to escape the excise inspector's scrutiny on the 1st April. No complaint has been received so far that the retail dealer is keeping back the product in order to make a profit on account of the taxation levied on the 1st April, 1943. Therefore, I would say that the attempt of my Honourable friend to draw this inference from the level of prices that it has not fallen on the consumer does not seem to be a fair inference from the transactions that are being carried on in the country. In the course of his speech the Honourable the Finance Member said, referring to Mr. Lalchand Navalrai's speech about this measure—that an Opposition Member—he took Mr. Lalchand Navalrai to be typical of every one of us sitting on the Opposition Benches—Mr. Lalchand Navalrai is not here. My Honourable friend said that we did not criticise when the prices were going higher for several months before this, but as soon as taxation is levied and part of that profit is being taken by the State, criticism has come in. That is probably what the Honourable Member meant by his argument. May I ask him whether he has taken into account the fact that the prices of other commodities of life were rising also. Mr. Chairman, you were perfectly right when you interrupted the Honourable Member when he was giving the figure that groundnut, the raw material from which this is produced, had risen in price from Rs. 300 odd per ton to Rs. 800 odd per ton, that is, about three times. What about other materials, chemical stores, containers, labour, wages, everything has gone up. If in sympathy with the rise in prices all round the price of this commodity has gone up, it does not mean that we should draw the inference from this that the profit of this goes into the pockets of the producer.

The Honourable Sir Jeremy Raisman: I did not say that the profits went into the pockets of the producer. I was talking about the trade generally, which includes middlemen and retailers.

Sardar Sant Singh: It is so. The argument is that the producer is making a large profit out of the trade, therefore, there is nothing wrong to get some portion for the revenues of the State. That was the inference which I understood he drew from this. If this be a fact, my submission is, the Finance Member has not taken into consideration the rise in prices of basic materials, the raw materials, as well as of containers, when the price of this commodity rises in

[Sardar Sant Singh.]

sympathy with that. These are the important points which I wanted to make in connection with this motion.

I will only draw the attention of the Honourable Member to one additional fact, and that is this. He has informed the House in his Budget speech that out of the 60 crores deficit in the Budget he proposes to raise 20 crores by taxation. Out of this 20 crores the portion which he expects to get from this industry is 140 lakhs. Out of a total budget of over 200 crores, this half a per cent. taxation on a necessity of such importance as vegetable ghee, will not be justifiable. The revenue which he estimates he will realise is not so great as to cause him

inconvenience, if he gives it up. I will speak on the amendments when I move them later on but I would say that the incidence of taxation that will fall upon the industry by the rate that he has suggested is very heavy. I do not propose to go into details at this stage because I shall deal with the incidence of taxation when I move my amendments, if he does not accept the circulation motion, which I am afraid, he will not accept willingly. It is for those who are interested in this industry, as producers, as consumers and as well as dealers to tell us how they will be affected by this heavy taxation upon food-stuffs. Therefore, I will say that the opinions of those who are affected by this duty should be called in. It may be said that the duty is to come into operation from the 1st of April and only ten or eleven days are left now. If he is agreeable, I would not mind bringing the date to the 30th April instead of the 30th June, so that the opinion of the public may be obtained on the measure and we shall then be in a better position to discuss both the benefits arising out of this as well as the evils arising from this taxation.

Meanwhile, I may point out one fact more and that is that the opposition to this measure has come from all quarters of this House, with the exception of my friends of the British Group, I will call them the British Group and not the European Group. (An Honourable Member: "What is the difference?") There is a good deal of difference between the two and, therefore, I refuse to call them the European Group. I understand that the associations of which they are the representatives have reviewed the situation in the light of the information they have received from their constituents. I would not be particular if they do not agree with the circulation motion but if they agree that this duty should be totally omitted or it should be reduced to a nominal extent, they will be doing a good service to the country at large.

Mr. R. B. Gupta (Cities of the United Provinces: Non-Muhamadan Urban): I rise to support the motion of my Honourable friend, Sardar Sant Singh, for circulating this Bill for the eliciting of public opinion. The Honourable the Finance Member has just informed us that it is the general nature of the trade that as soon as a tax is proposed they put up the prices to that extent and on the other hand he says that the incidence of this tax will not fall upon the consumers but on the industry. I am unable to agree with him in regard to this contradictory explanation. To my mind, the incidence of this tax will fall directly upon that strata of society in whose sympathy the Honourable the Finance Member's heart flowed when he was replying to the debate on the Indian Finance Bill in 1941. Speaking on the debate on the Indian Finance Bill, the Finance Member said:

"It seems to me that it would be extremely difficult to defend a sharp increase in the indirect taxation which must fall to be borne by the masses of the people rather than to insist on an increase in direct taxation."

In view of this statement, I do not understand on what principle the Government has decided to impose this excise duty on a vital necessity of life of the poor people. I am really not in a position to understand the policy or the principle governing the procedure of taxation by this Government. While imposing the excise duty on sugar, the Honourable Member in charge argued that the sugar industry owes its existence to the protection accorded to it by

the Government at a huge cost to the Indian exchequer. I would like to know what the Government has done to bring this industry into existence or to its growth or its expansion and if they have not done anything, then on what ground do they justify this excise duty on this vegetable product. I would like further to know what is the policy about this taxation. If the principle is that the Government must find the money by any means, then has the Government satisfied all the conditions pre-requisite to imposing a tax on a vital necessity of life to the poor people? Have they effected all the economy in the expenses on the war and other administrative departments? There is hardly a week when one does not see the creation of one or two new posts carrying a salary of Rs. 2,000 to 4,000. Has the Government tapped all the sources for finding money, before launching on this new form of taxation? There also, I am not satisfied. I think there is no reason why the Government should not expand its borrowing policy and take loans from the depreciation funds of the Railways and Posts and Telegraphs, etc. They have not done so. Had they done so, I am sure they would have got all the money they require to meet the deficit at least for this year. They would have also got the money immediately from those funds. Sir, this is the only Government, to my mind, in the world today which is trying to meet its war expenditure out of the current income of the Government. This war is not being fought in the interests of the present generation only. The coming generations will also get the benefit of it.

Mr. Chairman (Sir Cowasjee Jehangir): I must remind the Honourable Member that he must speak on the Bill. He is now going into the general discussion of the Budget. That is not right. He must confine his remarks to the Bill.

Mr. R. B. Gupta: I want to point out why the Government should find money from other sources and that they must change their policy of taxation and why this sort of taxation should not be imposed. This is what I am going to point out. So, I was going to say why they should not expand their programme of expenditure in such a way that it can be expanded for many years to come instead of adopting this sort of taxation. If I cannot impress upon the Government the necessity in the matter of their whole policy of taxation, at least for this small amount they can very well adopt the other course. They can very well afford to forego this excise duty which will not bring them more than one and a half crores of rupees. A Government which is spending a crore of rupees per day on war expenses can very well afford to forego this small amount.

Then, Sir, I would like to draw the attention of the House to another point also. The vegetable fat is the main diet of nutrition for Indians. In recent years the production of ghee could not keep pace with the increasing population of India and it is this vegetable product which has been filling up the gap between the production of ghee and the increased population. Now, who are the users of this vegetable product? They are those that cannot afford to buy pure ghee. That in itself is enough indication as to what class of society this tax is going to hit. According to the figures that I have seen in the Budget, the production of vegetable ghee will come to about two million cwts. per year. According to the latest figure which I have got from an economist, the consumption of ghee per head of the population of India is calculated to be only 4 lbs. per year. According to those figures, this 2 million cwts. of vegetable product will be eaten by 5 crores of people of India yearly. So it comes to this that by this tax you are going to tax the food of those 5 crores of people, who are already hard hit owing to the huge rise in the cost of living, especially the rise in the cost of those materials which are essential for the maintenance of the life of the people. Sir, I still hope against hope that the Honourable the Finance Member will see the advisability of withdrawing this measure, but in case it is not possible for him to do that knowing the weakness of the Opposition, then I will point out that the proposed duty at the rate of Rs. 7 per cwt. comes to about 14 per cent. over the pre-war rate for this vegetable

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product. To my mind, this is a very heavy percentage for this tax to start with. In any case, the Government will lose nothing if they agree to the motion for circulation. They will then be able to know the public opinion and also to find out how the people have received this measure. They will then be in a better position to form a correct opinion over this measure.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): Mr. Chairman, a taxation measure is always obnoxious and it is unjustifiable if its burden is to fall on those classes who are already finding the burden too heavy. In normal times a taxation measure of this kind would not be justifiable under any circumstances, but we are living in abnormal times. When India is engaged in a life and death struggle, it may be argued that every class of people must make sacrifices and in that way this proposal may be justifiable by the Govt. But when the people have no confidence in that Government, naturally they fight shy in placing any more money in their hands to use it in any way they like. I have dealt with this question at great length in my speech on the Finance Bill and I do not propose to repeat what I said on that occasion. Apart from that, what we find today in this House is that the Government is only interested in getting its measures passed by us, which are to tax people. It is not interested in anything else. It is unresponsive and unsympathetic. We had only this morning an exhibition of this on the adjournment motion, notice of which was given by my friend, Mr. Yusuf Abdoola Haroon, and the Government took objection to it under a technical clause which is in our Standing Orders. They did not give any reason. They know very well that in a House like this when it is so depleted it is difficult to get 25 Members. We also know that on other occasions they have not objected to motions of a similar kind and I think this action on their part was discriminatory. Therefore, we, the Members of the Muslim League, feel that the Government, as far as the Muslims are concerned, is most unsympathetic. It has different standards for different communities. When there is the question of a rebel belonging to another community, its attitude is different. So, Sir, we, the Members of the Muslim League Party, have decided that we will oppose every taxation measure, every measure that is to place burden on the people by the Government, irrespective of the merits of that measure.

Sir F. E. James (Madras: European): Sir, we have no particular objection to this Bill, but there are one or two questions that I should like to ask the Honourable the Finance Member and in doing so I speak as a consumer. When I made my last periodical account with the cook, I was horrified to find that I had been a consumer for many months of vanaspati and that the cook had taken the pure ghee that he had bought with my money for his own purposes. I think that is the case with a good many families. When the Honourable the Finance Member introduced his Budget, I noticed he skated over this tax very lightly almost as though he was skating on a thin layer of vanaspati ghee. There are his exact words which he used in his Budget speech:

"The proposed excise on vegetable product, sometimes known as vanaspati, raises no administrative difficulties."

Then he interposed admittedly an irrelevant remark—

"There has for a long time been public agitation against the frequent use of this product for adulterating natural ghee, but that is an aspect which is not directly relevant to our present purpose, which is to raise revenue. The rate proposed for the new tax is Rs. 7 per cwt. and the estimated yield is Rs. 140 lakhs."

That is all. There was no justification why he had chosen this particular commodity on which to impose a tax. It would be interesting to know why my Honourable friend did select vanaspati apart from the reason which he has given that in this case "there are no administrative difficulties". Is that the only point? If so, I might suggest to him, in private of course, but not on the floor of this House, a lot of other commodities which might be taxed and which similarly would not present any administrative difficulties in their collection. There must be some other reason. I should rather like to know what it is.

The second point I should like to make is whether this tax is in the Honourable the Finance Member's War taxation programme or is it to be a permanent addition to our fiscal policy. That is a matter of some importance. I know the Honourable Member cannot give any guarantee whether this tax will be removed at any time within his term of office or within the term of office of his successor. At the same time, there must be some general principle underlying the fiscal policy of the Government of India; and when all is said and done this is a tax on food. In abnormal times such as we are passing through a tax on food may be justified; but in normal times, it is only justified when its incidence is light and the article of food concerned is not an absolute necessity of life. Then I should like my Honourable friend to tell the House whether he considers the incidence of tax on the consumer at this rate is reasonably light. My Honourable friend Nawabzada Liaquat Ali has said just now that in war times it is the duty of all of us to protect the consumers. I am told, I do not know how far it is correct, that the incidence of this tax works out at one anna a pound.

(Interruptions.)

Mr. Chairman (Sir Cowasjee Jehangir): You cannot have conversation like that. Let the Honourable Member go on with his speech.

Sir F. E. James: I was saying that I have been told that the incidence of this tax works out to one anna a pound, and that the monthly consumption of this ghee in a family of four persons works out to about fifteen pounds. I am submitting the calculation which was given to me. In a family of six persons probably the monthly consumption would be in the range of 20 pounds. Well the incidence from our point of view might look remarkably light, but on the other hand from the point of view of a family whose income is in the nature of Rs. 250 or even 300 a month it is a serious consideration. Therefore, I would like to know whether this tax is in the nature of a wartime tax. I think my Honourable friend is a great classic scholar and teacher and will be able to tell who it was who said that "when lives and properties are in danger there were no such things as taxes". When danger to life and property is removed will the tax be removed, or will it continue when the emergency is passed.

My fourth question relates to the scope of the Bill. Here, I should like to attract the attention of the legal luminaries on the Government Benches. What is the meaning of human consumption. The word "consumption" if one looks in the dictionary might mean "wasting disease". In the Bill the definition of "vegetable product" is:

"any vegetable oil or fat which, whether by itself or in admixture with any other substance, has by hydrogenation or by another process been hardened for human consumption."

What does the Honourable the Finance Member mean by human consumption. If he tells, the House what he means, perhaps the Honourable the Law Member will be able to say whether this clause is the correct interpretation of his meaning. The meaning of "human consumption" here I assume to be "consumption by the mouth", but should like to be assured that that is the case by some legal authority.

The only other point which I would like to make is in regard to my Honourable friend, Sardar Sant Singh, who for the first time in whole of his political career is particularly anxious about the views of our constituencies.

Sardar Sant Singh: I know what your views are and what views you are going to talk about this matter.

Sir F. E. James: I can assure my Honourable friend that we attach great importance to any views to which he may give expression in this House. I cannot understand what he would have done, had there been no Government in this country. There would have been no Sardar Sant Singh. The political career of a man is largely made as a result of the presence of a Government which he can criticize. Generally speaking our constituents are in favour of this Bill. The Bombay Chamber of Commerce is very doubtful as to the principle underlying the Bill, because in their view it is a tax upon the poor man. Whether that view is correct we have to judge, but it would be unfair

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for me to speak on behalf of the Group without mentioning that point. At the same time, in the circumstances in which we are placed, we certainly support the Bill and have no hesitation in saying that in this instance there is ample justification for a measure which, though it may cause some hardship to the consumer, is a measure which the necessities of war dictate.

Sir Abdul Halim Ghuznavi: Mr. Chairman, I have taken three points into consideration in coming to a decision on this Bill. The first point which I took into consideration is this that vanaspati ghee was first an imported article and by levying an import duty on that article the general revenues were benefitted as the Honourable the Finance Member has just pointed out. That source of revenue is now lost, because we are able to manufacture vanaspati ghee here in India in very large quantities. Well, Sir, what is vanaspati ghee? It is a preparation which was formerly used for adulterating pure ghee. Ten years ago, I remember we were opposed to this vanaspati ghee coming to India because of its being used for adulteration of ghee and because it used to be sold at a price at which pure ghee was sold. Also on medical grounds, the *Hakims* and *Vaidas* were opposed to the use of vanaspati ghee. They said it did not give nourishment. Now, Sir, I agree with my Honourable friends that any taxation on food must be very distasteful to the people. Year in and year out, this House has agreed to the taxation of the poor man's salt. In spite of our protests, we have been forced to pay salt tax. That is really the poor man's tax. The poor man feels the tax most. In this instance, how can it be said that the poor man is taxed, when he does not take vanaspati ghee? This does not affect the poor man's food at all. Vanaspati ghee is taken by a man who can afford the use of ghee, but at a little cheaper price. They can afford under the circumstances to sacrifice something. The only point that requires consideration is whether a taxation of seven per cent. is a little too much or not. Otherwise, I believe the House will have no objection to the principle of this taxation. If the Honourable Member would take into consideration this rate of taxation, I think that would meet the point of every one, as thereby the tax will not so adversely affect or so seriously affect the middle-class man, as he would be when the tax is so high. Otherwise, I support the measure.

Bhai Parma Nand (West Punjab: Non-Muhammadan): Sir, the Honourable the Finance Member in his speech admitted that the tax on vanaspati is a tax on food. Ghee has been an article of food of a large number of our population. His argument for imposing this tax is, it would be impossible to levy any form of indirect taxation, if we exempt all articles of diet from it. Most of the articles which have to be indirectly taxed are articles of food.

I want to draw the attention of the Honourable the Finance Member to one simple fact. There are various degrees of necessity with regard to various articles of food. My Honourable friend, Sir Abdul Halim Ghuznavi referred to salt tax and said it was a tax on the poor. No doubt salt tax is a tax on the poor people, but what we have to see, is how much salt is consumed by a family in a month or even in a year. The quantity of salt required is quite small. Naturally the weight of tax on the consumer of salt is very slight. Now, take rice or wheat, if you tax rice or wheat, you will be levying a tax on the most prime necessity of life and on account of taxable quantity being very great, it would be most oppressive. Similarly when you tax ghee, you are practically taxing the most important article of food, next to wheat and rice, which is most essential for the nourishment and development of man. There are various other articles of food. There is sugar. You tax sugar. But sugar can be dispensed with by people and a substitute, such as *gur* or *shakkar* used instead.

Coming to vanaspati ghee, it has got a peculiar history behind it. When this vanaspati was first introduced into this country—I am talking of the Punjab—which is the greatest consumer of ghee—then most of the people hated this article. Motions were made in the Punjab Assembly that heavy tax should be levied on those who carried on trade in vanaspati. Then came a suggestion that vanaspati should be coloured in such a way that people ought to distinguish

it as being a vegetable product, so that they could abstain from using it. That was the underlying idea. The motion of colouring it was passed by the Punjab Assembly. But it was not found practicable to colour the vanaspati in such a way as to keeping it safe from becoming harmful. Then came another agitation. It was on the point of adulteration of pure ghee. The complaint was that the natural ghee was being adulterated in the villages and it was being sold in the adulterated form in towns. That was the chief complaint of the people, and Inspectors were appointed by the Punjab Government to find out whether there was any adulteration going on and a number of shopkeepers who sold this adulterated ghee were caught and fined.

Now, there is another agitation. The complaint is regarding the imposition of a heavy tax on vanaspati, that is now proposed by the Honourable the Finance Member. Formerly the people had so much prejudice against and dislike towards the vanaspati ghee that they did not want to use it. But now on account of war, owing to the price of all articles having risen very high, the price of ghee has gone up so high that the ghee which was formerly selling at about a rupee a seer, now sells at five *chataks* to a rupee—i.e., three rupees a seer. Thus it has become almost impossible for anybody to get pure ghee. Just as the price of wheat and every other article has risen, the price of ghee has also risen. As I already submitted, ghee is an article of food next only in importance to rice or wheat and so it is one of the most important necessities for man. It may be that the poor people do not use ghee. But the poor people use in its place oil. The price of oil also has gone up. If people give up the use of vanaspati, then they will have to use oil. Oil is used even now mostly in Bengal and in South India. Oil also has become very costly these days. It is moreover being adulterated. Vanaspati is oil in the shape of ghee.

Now, Sir, if the people begin to use oil instead of this vegetable product, the oil will become as much costly. Therefore, I say that vanaspati now has become an article of food which is of such importance that without it neither the higher nor the middle and even labour class can do. When you tax this vegetable product, you are taxing that portion of the diet which is most essential for the growth of man, woman and child. Already on the account of the war the prices of staple food—wheat and rice—have gone up so high that it is becoming very difficult for them to manage and by taxing another necessities of life, you are doubling that difficulty. First of all, people were using natural ghee, and as the price of natural ghee has become prohibitive; they gave it up and switched on to vegetable product, but now you are going to tax that also, the result would be that its price will also rise to such an extent that it will not be within the reach of an ordinary man to use it.

A tin containing 35 lb. of vanaspati used to sell at Rs. 9 in July, 1941; gradually as the price of natural ghee went on increasing more people started using vanaspati—and in July, 1942, the same tin was selling at Rs. 15, and, again, in December, 1942, at Rs. 21. As I have said, Sir, it is very unfair and hard on people to deprive them first from using natural food and again taxing the substitute which they were obliged to. It practically amounts to this that the Government do not want that the people should have any kind of food for their nourishment neither for themselves nor for their children. Therefore, I say that this taxation, if passed will hit the people very badly. I, therefore, support the motion moved by my Honourable friend, Sardar Sant Singh. If this amendment is passed by the House, the result will be that the price of this very necessary article of food will not rise very high and it will remain within reach of the lower middle-class and the labourer class, and also all other people will begin to use it. I would add that in cities like Lahore or Rawalpindi nobody can get natural ghee at all. Everybody is obliged to use vegetable ghee. Sir, I support the amendment moved by Sardar Sant Singh.

Mr. Jamnadas M. Mehta: Sir, I am sorry to find that in the speech of the Honourable the Finance Member expounding the merits of this Bill and the

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pros and cons of the various issues he was inclined to be somewhat uncharitable towards those who are opposing this Bill. He seems to think that those who are in the manufacturing trade of Vanaspati have no right to defend themselves when they are attacked; otherwise I could not understand the relevance of his saying that the manufacturers are organizing this opposition. He is almost complaining that when a man is attacked he should not defend himself. Coupled with this somewhat unfair remark that the manufacturers have no right to defend themselves when they are attacked, there was also some insinuation that others who are opposing the Bill might also be under their influence which, I am sorry to say, is far more uncharitable. I assure him that there are sufficiently independent men in this House who, apart from any manufacturers' protest, will examine the merits of any legislation and will take their stand on it solely on the merits of the Bill without regard to any considerations which may be urged from the right or from the left.

The second thing which I was somewhat shocked to hear was that it was not possible to devise any taxation in this country which did not impinge upon food. That is also a negation of the doctrine for which Bright and Cobden fought nearly one hundred years ago in Great Britain and established the doctrine of a free breakfast table. We are hundred years later told now by my Honourable friend that the doctrine for which the British public can justly be proud was a false doctrine, or, at any rate, it can have no application in this country.

The Honourable Sir Jeremy Raisman: What is the position in England today?

Mr. Jamnadas M. Mehta: To some extent I can understand my friend, but I do say, Sir, that the Honourable the Finance Member went much too deep when he said that he cannot conceive of a system of taxation in India in which food was not taxed. That, I dare say, is an extraordinary thing . . .

The Honourable Sir Jeremy Raisman: Sir, I think, I said "in which there were no indirect taxes", which is wider but includes food.

Mr. Jamnadas M. Mehta: You will read your transcript and you will find that this is the effect of what you said. But if it is not your view, I am happy. The food is taxed to a great extent and Government are piling taxation upon taxation on the other needs of the people, the necessities of the people, the very essential supplies of the people. To that extent we are concerned in opposing this Bill, particularly because this Bill, at any rate, is not so essential for balancing the Budget according to him, the amount that he will receive is a bagatelle compared to the amount that he needs and even if he left it uncovered the adjustments of the various items of income will without any further taxation or any further borrowing make it possible for him to have a balanced Budget after his other proposals are implemented. That is the position, I submit. Now, what is it that he does? Here I wish to read the opinion of a gentleman—Khan Bahadur Vazifdar, Acting Chemical Analyser to the Government of Bombay. He is a very eminent medical gentleman of Bombay, and I am not reading anything except the last paragraph of what he wrote on the 5th September, 1935.

"The energy value of the food unit of this product (i.e., *Vanaspati*) is the same as those of the original oil from which it is prepared and fully equal to those of natural ghee. It is, therefore, an article of high nutritional value manufactured in the latest and most hygienic conditions and can be recommended with confidence as a pure wholesome article of food."

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

This is the opinion of the Acting Chemical Analyser to the Government of Bombay, a gentleman of great distinction in the field of science and medicine.

The conditions under which it is prepared now are described by a high authority as being very hygienic and wholesome as an article of food and equal in nutritional value to a large extent, if not fully equal, to that of natural ghee. Now what you are doing is that you are taxing such an article and all that I want to say is first of all that it is not necessary for the

Budget; secondly, this is not the article which he should have selected; and thirdly I tell him, let him for once accept the attitude of this House on taxation on this year's Finance Bill. He has consistently resisted every attempt to improve his financial measures. Now, at any rate, if not for any particular reason, at least to show that he has some deference, some respect for the views of the Opposition, he might very well compromise by withdrawing this Bill, because democracy is described as a system of government by continuous compromise between opposing interests. Therefore, this is a very fit and proper occasion for him to compromise with the Opposition who have had nothing to show for their fight for the last three weeks. Not that on merits this is not a Bill which could be legitimately resisted. I can only appeal to him and to his sense of deference for this Honourable House.

Now, Sir, my Honourable friend, Bhai Parma Nand, has told you that the price of this vegetable ghee has risen by as much as 250 per cent. since the war began. It was somewhere in the neighbourhood of Rs. 8 and a few annas before the war started. In February, 1943, its price in Delhi is said to be Rs. 21-2-0 per a certain unit of weight which is called 36 or 35 lbs. On that the Honourable the Finance Member wishes to add a taxation of Rs. 7 per cwt.

The Honourable Sir Jeremy Raisman: Not on the figure that you mention.

Mr. Jamnadas M. Mehta: Already this price as it stands will give a burden of Rs. 7 per cwt.

The Honourable Sir Jeremy Raisman: That will be about Rs. 2-3-0 on the 35 pound tin.

Mr. Jamnadas M. Mehta: It will mean there will be one rupee in every sixteen pounds, and, therefore, one anna in every pound. That is the proposal of his taxation. Now let us take the poor people who have abandoned all hope of getting any ghee during this life—although they may hope to get it in the next—under the British Government at any rate—I do not know when the National Government will put ghee into their mouths. These people form the bulk of the population. I was somewhat shocked to hear that even in the Punjab, as my friend Bhai Parma Nand said—the home where dairy produce is much more used and much more accessible to the people on account of a bit higher standard they enjoy due to their better agricultural prosperity—a large number of people seem to be getting no ghee. Such a product is going to be taxed by the Honourable Member. Some people gave the history of this trade, which I am not going to do. The unpopularity of it was due not to any particular thing it contained, but because what was really Vanaspati was tried to be passed for as ghee, or by adulteration was attempted to pass off as the real ghee. I can tell you a very humorous story of an experience that I had when I was the Mayor of Bombay in 1936. A poor woman who was famine stricken and had brought some cattle from Kathiawar and elsewhere, was living on selling milk and ghee that she was able to make from the milk. She came to me and asked whether I would not buy this pure ghee from buffalo's milk. Looking at the woman and hearing her protestations I thought I might and I bought one tin. It appeared very good. As a matter of fact it was too good to be true and I sent it to the Municipal Analyst. He found that 95 per cent. of it was vegetable ghee and 5 per cent. genuine. I complained to the municipal authorities and they asked me the next time she came to call for them. She thought this Mayor of Bombay was a simpleton and she came and brought another tin and protested that this was better than the last one. I rang up the municipal authorities. They came, impounded the ghee, and found that while the last sample was 95 per cent. vegetable, this was 98. It was on account of the attempt to mix this thing and pass it off as ghee that it became hateful and was very unpopular. Otherwise there was nothing wrong in it. It was just an article of food as any oil, and we are dealing with it as such today. Forget its ancient history.

Now I wish to say that the other point against any addition to the taxation is that this is being taxed also by the various municipalities by way of octroi duty. Then that taxation will make it costlier by 33 per cent. of its pre-war

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price, which is a very high degree of taxation. That Government should impose a taxation on food which virtually makes it 33 per cent. more costly than the pre-war price is also a point whose seriousness Government might very well consider. The last point which I wish to make, Sir, is this, *viz.*, the extreme unwisdom of a Government, its unstatesmanship and also its inhumanity in depending, and relying, and existing on taxing the poor people for their needs of existence. It is really killing the goose which lays the golden egg. My friend yesterday said he did not want to do it, but I feel that the cumulative effect of these taxations on food is nothing but killing the goose which is laying golden eggs. He quoted the day before yesterday from his explanatory memorandum to prove to my satisfaction that the direct tax was now greater, but he did not succeed. Nowhere could he show to me that his direct taxation was larger than his indirect taxation. So the poor now are attacked from two sources.

The Honourable Sir Jeremy Raisman: May I know exactly how my Honourable friend does not find that direct taxation now exceeds indirect taxation?

Mr. Jamnadas M. Mehta: You will find that Rs. 154 crores is indirect taxation out of a total of Rs. 210 crores. What is there remaining of the taxation?

4 P.M. You can look at that page. I have at least satisfied myself that the indirect taxation is much larger still . . .

The Honourable Sir Jeremy Raisman: But the whole of the revenue from income-tax of various kinds is direct taxation.

Mr. Jamnadas M. Mehta: I do not deny that. But the whole of the income-tax is not from the rich; part of it is from the poor so you must take that also into account.

Sir Cowasjee Jahangir: Oh!

Mr. Jamnadas M. Mehta: I am proving that the poor are collectively taxed most. Sir Cowasjee Jehangir living in a marble palace can say "Oh!" That is not the point.

Sir Cowasjee Jahangir: Your point was that direct taxation was less than indirect taxation. Now you turn round and say that direct taxation does not fall on the rich only—it falls on the poor.

Mr. Jamnadas M. Mehta: I have not turned round; you may turn round. I say still that the indirect tax is larger. Let him read it. What I said was that even if the direct tax was heavy a part of it also is paid by the poor. I am not, therefore, turning round at all. I maintain what I say. Therefore, do not think you have scored something. I know you are going to do something—you have threatened me this morning that I am living in a glass house and should not, therefore, throw stones at the capitalists. It is true to some extent that I earn my living out of capitalists. That is true. You are going to say that and I may as well admit it now. I may even one day agree to become his servant also, but that will not change my views . . .

Sardar Sant Singh: Are you not a capitalist yourself?

Mr. Jamnadas M. Mehta: No; I am sorry I am not. But I would like to be one and then to put my fortune at the feet of the poor. I am not privileged to do that. But that is not the point I was making. I was simply reminding the Honourable Member that even the indirect taxation today was still the highest and fell largely on the poor. My main complaint is that the poor are taxed by the Government on the one hand and fleeced by the market on the other and between these two fires they were losing their vitality, they were losing their efficiency; the death rate will become larger; it is becoming larger in the city of Bombay, may I tell him. The incidence of sickness is increasing, and in the absence of medical drugs, the effect of this fresh taxation on the efficiency and vitality of the people is going to be so bad that I dread post-war events, as soon as some epidemic unhappily breaks out. You will remember in the last war 68 lakhs of people died of influenza. I hope that no such

calamity will befall us on this occasion; but if you go on sapping the vitality of the people by taxing one thing after another, leaving their incomes hardly proportionate to the increase of taxation—your taxation is higher than the increase of their income—the prices in the market are four times and you are putting such men under this additional weight of taxation, which is entirely against statesmanship; and no patriotic Indian sitting here can honestly support this measure. I, therefore, gladly support the motion for its circulation.

Sir Cowasjee Jehangir: Mr. President, I regret I was not able to follow the Honourable the Finance Member's reasoning. He tried to make out that the manufacturer will pay this tax and not the consumer.

The Honourable Sir Jeremy Raisman: The trade.

Sir Cowasjee Jehangir: That means that the manufacturer will not pay it.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhumamadan Urban): A most astonishing statement!

Sir Cowasjee Jehangir: Either the manufacturer pays it or the middleman pays it or the consumer pays it. I take it the consumer is not paying it?

The Honourable Sir Jeremy Raisman: Not the whole of it.

Sir Cowasjee Jehangir: And, therefore, the manufacturer and the middleman will share it. At any rate, let me point out the result of that argument. He admits that these manufacturers are making inflated profits. I presume he hopes to get some of the profits of the middleman. Well, then, if there are inflated profits in both these directions, I presume he hopes to get some Excess Profits Tax out of it. And if the consumer does not pay it, then it will come out from the top profits of these two classes, which will mean an increase in the Excess Profits Tax; surely he does not believe that he is putting a tax of 140 lakhs from which he expects to pay a good deal himself. No. Therefore, if that be not the argument, he must expect the consumer to pay.

The Honourable Sir Jeremy Raisman: I must point out to my Honourable friend that most of the shop-keepers who retail this sort of thing do not pay Excess Profits Tax.

Sir Cowasjee Jehangir: Then he believes that the middleman will pay it? I think he will be very much mistaken, because this is an organised trade, where the prices are well regulated and the trade sees that the consumer pays proper prices. It will be either the manufacturer or the consumer who will pay in this organised trade. I can understand his argument with other trades, but in an organized trade like this, so far as I can make out, it can only be either the manufacturer or the consumer. If it is the manufacturer, then I am sorry for my Honourable friend the Finance Member, for he will have to pay 66-1/3 per cent. of this tax. If it is the consumer, then the arguments of my Honourable friends must carry some weight. But let us look at this question on its merits. I personally believe the consumer will pay it.

The price of this commodity in June, 1939, just before the war—in Bombay was 5·2 annas per pound. It rose in December, 1942, to 7·15 annas. Honourable Members can calculate the rate of increase of this commodity. It was Rs 8 for 40 lbs. and rose to Rs. 19·8 in March, 1943.

The Honourable Sir Jeremy Raisman: Which prices are these?

Sir Cowasjee Jehangir: In Bombay—of vanaspati.

The Honourable Sir Jeremy Raisman: These are wholesale prices or retail prices?

Sir Cowasjee Jehangir: It is the retail price in Bombay city. I take it that these figures are fairly correct.

The Honourable Sir Jeremy Raisman: On the contrary they bear no relation whatever: Rs. 8 for what?

Sir Cowasjee Jehangir: For 40 lbs. in June, 1939.

The Honourable Sir Jeremy Raisman: I have not got those figures.

Sir Cowasjee Jehangir: I am giving you the figures before the war and just now. In June, 1939, it was Rs. 8 for 40 lbs. It rose in December, 1942, to Rs. 17-14, and in March, 1943, it was Rs. 19-8. These are my figures. The raw commodity from which this vanaspati is made is coconut oil. . .

The Honourable Sir Jeremy Raisman: Groundnut oil.

Sir Cowasjee Jehangir: Groundnut oil. The cost of that in January, 1940, was Rs. 300 a ton. In February, 1943, it rose to Rs. 830 a ton. Ordinary arithmetic will tell you that the raw commodity rose to a greater proportion than the manufactured article, to which must be added the higher costs of packing, labour and freight. . . .

The Honourable Sir Jeremy Raisman: I am afraid I cannot accept the second figure. The average price in February, 1943, for groundnut oil was Rs. 34-9 per cwt. which works out to Rs. 690 a ton. . . .

Sir Cowasjee Jehangir: The figure that has been given to me is Rs. 830 a ton. . . .

The Honourable Sir Jeremy Raisman: I do not accept that.

Sir Cowasjee Jehangir: In February, 1943. It was given to me by people at any rate who knew what they were talking about—it was people who had to pay for it; and I presume that the figure I give is correct. If it is not, I stand corrected. I give the authority from whom I got the figure—the people who actually paid for it. That shows that the cost of this commodity has not risen in proportion to the raw material, labour, freight and packing charges. If that is so, it shows that the profits could not be so enormous as my Honourable friend makes out. As my Honourable friend, Mr. Jamnadas Mehta, has told you, this article is also subjected to another tax, the octroi. I find in Delhi it is Rs. 1-8-0 per maund. In Bombay it is 1-14-0.

Mr. Jamnadas M. Mehta: Rs. 2-8-0 in some of the U. P. districts.

Sir Cowasjee Jehangir: In the Punjab, in Jullunder I am told that it is the highest. In the U. P. it is—I am afraid I cannot just find it. But the fact remains that the duty is from 12 to 13 per cent. on the present cost, it is 24 per cent. on the cost of this article last year, and it is 30 per cent. of the pre-war cost.

The Honourable Sir Jeremy Raisman: Which duty?

Sir Cowasjee Jehangir: The duty which you are putting on. I have given the figures; 12 to 13 per cent. on to-day's costs, 24 per cent. on last year's costs, and 30 per cent. on pre-war costs. That 12 per cent. on an article with its to-day's inflated cost is a fairly heavy duty cannot be denied. I do not desire to take up more time of this Honourable House. There are other figures which I have got, some of them have already been mentioned. I would earnestly appeal to the Honourable the Finance Member to take these things into consideration and see what he can do to meet the point of view of the Opposition.

The Honourable Sir Jeremy Raisman: I must oppose the motion for circulation because this is, in its nature, a simple measure, and essentially, a part of the Budget. There is, I submit, nothing to be gained by a prolonged study of the Bill. It is quite simple in character. Whether you like or not, you know exactly what it means. I would only deal very briefly with some of the points which had been raised. I am afraid, I cannot gratify the curiosity of my Honourable friend, Sir Frederick James, as to why I selected this commodity for a tax this time. But I would recommend to him the criteria which are generally accepted as criteria for a good tax. If he put himself in the position of the Finance Member, he would apply the various criteria and see which of the commodities come highest on his priority list. That is one way of doing it. Another thing he would have to do is to consider how much he was already taking on in the way of additional administrative burden as a result of any other tax which he was contemplating, and he would find that the criterion of simplicity, certainty and administrative ease might come pretty high.

Mr. Hoosainbhoy A. Laljee (Bombay Central Division: Muhammadan Rural): And very little cost.

The Honourable Sir Jeremy Raisman: I come to his second question. He asked me if it is only intended as a war tax or whether it will survive. Then he went on to admit that whatever I said would have no particular value. Whatever may be my merits or demerits as a Finance Member, there is one mistake which I hope I have never made, and that is I have never said. . .

Sardar Sant Singh: You never yield.

The Honourable Sir Jeremy Raisman: I never said that the tax was simply a war tax or an emergency tax. I know that a certain amount of taxation which has grown up in war time will, in due course, have to come under review. I trust that we may reach conditions in which it will not be necessary to pitch the demands of the State so high. But I would not be prepared to give any kind of guarantee on that subject and I would prefer to say nothing whatever about it. I will deal with his fourth point before I deal with the third. He asked me what was meant by human consumption. I am not a lawyer, but my impression is that in this context human consumption means what I may call internal use; that is to say, it means that the commodity is consumed in some way as an article of diet or food, and would, I should think, exclude any external use, such as, by way of soap. Now, I will deal with his other point, and at the same time I would like to make a brief reply to my Honourable friend, Mr. Jamnadas Mehta. The other point which Sir Frederick James raised was whether this was a reasonably light tax. At the time when it was an imported commodity, the incidence of the tax was 25 per cent. *ad valorem* and at that time there was never any objection on the ground that the tax was excessive although the additional duty must have gone on the price of the article to the consumer. Here I would like to clear a point. It was not my argument that it would not be a tax paid by the consumer. I never expected or intended when I proposed this tax that it would not be a tax to be paid by the consumer. My only argument this morning was that in the present conditions it had not been passed on fully to the consumer; that was all.

Dr. P. N. Banerjea: That is a very wrong view.

The Honourable Sir Jeremy Raisman: My Honourable friend, Dr. Banerjea, may think it is a wrong view, but it is a view based on ascertained facts at the present moment. What the causes may be opinions may differ about, but it is based on ascertained facts. Mr. Jamnadas Mehta made again certain general observations about the taxation of the poor and I understand him to have again charged me with taxing the poor even through direct taxation. By that I understood him to be repeating an allegation which he previously made, that the Government connived at the exploitation of the poor because of the share which they received by way of excess profits tax. I would like to take just two or three minutes to explain quite categorically what the Government feel about it, particularly because it has been prominently raised again in connection with the cotton textile industry. I want to tell the House that on several occasions I made it perfectly clear, as much as two years ago, to the cotton textile industry which had begun to use the words "senior partner", that, as far as I was concerned, nobody would be happier if not a single rupee of excess profits tax accrued to the Government from the operations of that industry. I made it perfectly clear to them in conferences in which the prices of their products were being discussed. I made it perfectly clear that, if they were content to trade upon a basis which left them nothing more than the standard profits, I would be very happy indeed. I said that not once but many times. Now, I find that my Honourable friends talk of me as the senior partner, it is their definite suggestion that the practice of the mills in charging higher prices for their products is pleasing to the Government because of the share it gives to the Government. I would repeat now that I do not want any share of profits gained in that way, and if that industry or any other industry will so organise itself as to provide its products to the poor on a basis which will yield no profit higher than that which they made in the standard period, I am quite content to make my Budget upon that basis. Now, Sir, I come back

[Sir Jeremy Raisman.]

to the question of the incidence of this tax on an article of food and here I would like both to shorten the proceedings of this House and also I must admit that I am touched by some remarks made by my Honourable friends about the responsiveness of the Government in present conditions. I have already said that the incidence of this tax which is only about 12½ per cent. is only half what it used to be when the source of the article was abroad, when it was an imported article.

Sir Cowasjee Jehangir: How much cheaper?

The Honourable Sir Jeremy Raisman: It may have been cheaper but the incidence is in relation to the value of the article.

Dr. P. N. Banerjee: The greater the price, the greater the addition.

The Honourable Sir Jeremy Raisman: Incidence is the fraction which a tax bears to the value of the article on which it is a tax and that is purely arithmetical. However, I was going to say this. I notice that my Honourable friend, Sardar Sant Singh, has put down several amendments relating to the rate of the tax and I regret that it would not be possible for me to accept any of these amendments but I am prepared, if the Chair would allow it, to accept an amendment to be moved reducing the rate of this tax to Rs. 5 per cwt. If such an amendment is moved, I would be prepared to accept that amendment.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 30th June, 1943."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill to provide for the imposition and collection of an excise duty on vegetable product be taken into consideration."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): The House will now deal with the Bill clause by clause. The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Mr. President (The Honourable Sir Abdur Rahim): Clause 3. There are a number of amendments to clause 3. I understand that the Finance Member is willing to accept amendment No. 5

The Honourable Sir Jeremy Raisman: No, Sir, I would be prepared to accept an amendment reducing the duty to Rs. 5, instead of seven rupees, mentioned in the Bill.

Mr. President (The Honourable Sir Abdur Rahim): Then, I take it that the other amendments are not going to be moved. The Honourable Member (Sardar Sant Singh) may move amendment No. 9 in the altered form.

Sardar Sant Singh: Very well, Sir. I shall not move the other amendments in my name. Sir, I move:

"That in clause 3 of the Bill for the words 'seven rupees' the words 'five rupees' be substituted."

Sir, I would not take much time of the House in moving this amendment.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member ought not to take any time.

Sardar Sant Singh: I want to keep to the agreement as far as possible. I will only say one word in reply to what the Finance Member said in replying to my circulation motion. The incidence of this taxation has been dealt exhaustively by Sir Cowasjee Jehangir and others. While examining the incidence of taxation upon the industry, the Honourable the Finance Member was pleased to say that at the time when the import duty of 25 per cent. was levied, the incidence of taxation was double what it is today, according to today's price. Have I understood him correctly?

The Honourable Sir Jeremy Raisman: Yes.

Sardar Sant Singh: At the same time, he went on to say that it is a purely arithmetical proposition and it has no other value. May I remind him that

in 1931, when the incidence of the tax was 25 per cent. on the imported goods, the public sentiment was with the Finance Member. At that time the vegetable ghee was the object of wrath by the masses. They hated it and public opinion wanted the Finance Member to tax this commodity as heavily as he could. The tax at that time was fixed with the help of the people. The Government responded to the wish of the people. The Government do not generally respond to the wishes of the people in this country but they readily respond if it fills their pocket and the wishes of the people are satisfied. The conditions are entirely changed now. This commodity is no longer one which is not required by the people. The people want it. War conditions have made it abundantly clear that the people need this food-stuff in order to maintain themselves. Therefore, the analogy of 1931 does not apply today. As my Honourable friend, Sir Cowasjee Jehangir, pointed out . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member need not repeat all that.

Sardar Sant Singh: Besides this 13 per cent. incidence of taxation, the industry bears a terminal tax duty to a very great extent. Therefore, the present attitude of the Government is not what the Opposition will like it to be. In proposing my amendment I tried to go as far as I possibly could to help the industry and that was not beyond Rs. 4. I am accepting Rs. 5 on the assurance given by the Honourable Member, otherwise my own idea was up to 50 per cent. of the duty which he proposes. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in clause 3 of the Bill for the words 'seven rupees' the words 'five rupees' be substituted."

The motion was adopted.

Clause 3, as amended, was added to the Bill.

Clauses 4 to 8 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Sir Jeremy Raisman: Sir, I move that the Bill, as amended, be passed.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

DEMANDS FOR SUPPLEMENTARY GRANTS.

DEMAND No. 3—TAXES ON INCOME INCLUDING CORPORATION TAX.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move:

"That a supplementary sum not exceeding Rs. 3,67,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Taxes on Income including Corporation Tax'."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 3,67,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Taxes on Income including Corporation Tax'."

The motion was adopted.

DEMAND No. 4—SALT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 7,82,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Salt'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That a supplementary sum not exceeding Rs. 7,82,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Salt'."

If any Honourable Member wishes to move his amendment, he ought to rise in his seat.

Mr. K. O. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, I have a very brief point to raise in this connection, which relates to one of the factors responsible for this particular demand. The House will remember that the

[Mr. K. C. Neogy.]

first item mentioned in the proceedings of the Standing Finance Committee relates to "the extraction and clearance of more salt at the Northern India salt sources as also the purchase of Dhrangadhra salt from the Dhrangadhra Chemical Salt Works Limited, for supply to the Eastern markets, necessitated by the present abnormal conditions resulting in curtailment of seaborne supplies". As the House is aware, the Eastern Provinces normally depend upon seaborne supplies of salt, mainly from Aden and other places. Due to the war and the dislocation of shipping, this source of salt was found to be rather precarious, and in reply to a question in September last the Honourable Member in charge pointed out that seaborne salt could not reach Calcutta in substantial quantities during the first seven months of this year and consequently stocks ran very low. The position gave rise to some public uneasiness. Here in the Standing Finance Committee statement, we find that this extra charge has been necessitated by the present abnormal conditions resulting in the curtailment of seaborne supplies. I should like to know whether the abnormal conditions mentioned by the Honourable Member as having prevailed in September, 1942, still continue and, if so, what is the present position of the stocks of salt available to the three Eastern Provinces at the present moment. The second question that I should like to ask is to what extent is it possible to expand the supply from the Northern salt sources of Government, as also acquire supplies from Western India for the purpose of making up any deficit that there may be at the present moment in the salt supplies of Eastern Provinces. One of the difficulties which the Honourable Member mentioned in September last as regards the supply of salt from the inland sources was the paucity of railway transport facilities. I should like to know from the Honourable Member whether the salt that is referred to in the memorandum of the Standing Finance Committee was transported by sea from Dhrangadhra, or it was carried by rail across the continent of India. In that connection, I should also like to know whether in the event of the sea route being not available, the normal requirements of these Eastern Provinces in regard to salt could be supplied from the inland sources, and whether adequate and prompt supply of railway transport facilities would be available? These are the various points on which I should like the Honourable Member in charge to make a statement.

Sir John Sheehy (Government of India: Nominated Official): Sir, the distribution of salt has now been handed over to the Food Department. As regards the Dhrangadhra salt, we had to buy it because we were running short of that variety of salt which we manufacture ourselves in Kharaghoda. The purchase was made not so much for the purpose of exporting that particular salt itself to Bengal and to the Eastern markets as to make up the deficiency that was caused in Sambhar and Kharaghoda due to the export of salt from those places to Bengal.

As regards imports by sea into Calcutta, I understand that the position is much more satisfactory now than it was before. According to recent arrangements, so far as I know, salt from Karachi has been going by rail to Bihar and most of the salt for Bengal has been going by sea, the War Transport Board providing the ships

Mr. K. C. Neogy: When the Honourable Member mentions Bengal, I take it he includes Assam.

Sir John Sheehy: Yes. If there was a complete failure of the sea route and the question arose whether salt could be supplied by rail, I daresay it could be done. There is plenty of salt in India and sufficient salt can be manufactured to supply the requirements of the whole population. There will be no shortage of salt. The only real difficulty is that people in Bengal require a peculiar kind of salt. They do not like the salt from Sambhar or Khewra or Kharaghoda; they want their own particular type of fine white salt.

Mr. K. C. Neogy: Wherefrom does it come now?

Sir John Sheehy: Now it comes from Karachi, Cutch, Okha and other ports in Western India and from Aden and Port Said. There is also a certain amount of fine salt coming from Sambhar.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a supplementary sum not exceeding Rs. 7,82,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Salt'."

The motion was adopted.

DEMAND No. 5—OPIMUM.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 1,97,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Opium'."

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a supplementary sum not exceeding Rs. 1,97,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Opium'."

The motion was adopted.

DEMAND No. 7—STAMPS.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 22,87,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Stamps'."

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a supplementary sum not exceeding Rs. 22,87,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Stamps'."

The motion was adopted.

DEMAND No. 10—INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 1,02,92,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Indian Posts and Telegraphs Department'."

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a supplementary sum not exceeding Rs. 1,02,92,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Indian Posts and Telegraphs Department'."

The motion was adopted.

DEMAND No. 12—EXECUTIVE COUNCIL.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 48,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Executive Council'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved: "That a supplementary sum not exceeding Rs. 48,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Executive Council'."

Expenses of two additional Saloons.

Mr. Muhammad Nauman (Patna and Chota Nagpur cum Orissa: Muhammadan): Sir, I beg to move:

"That the demand for a supplementary grant of sum not exceeding Rs. 48,000, in respect of 'Executive Council' be reduced by Rs. 100."

I must confess to a feeling of surprise and regret at an item of expenditure which appears under this demand. At a time when utmost economy is required to fight the war successfully, we notice that the Honourable Members of the Executive Council are indulging in a luxury in the matter of travelling and are still maintaining, rather trying to add more burden on the tax payers by additional requisition of saloons. This is, Sir, which really seems surprising. The tax payer's money, which is acquired by exorbitant methods of taxation and by all possible means that are possible in this country, should have been spent in this manner without the least idea of responsibility that they have on them, is a surprise. Instead of showing any sense of sacrifice in any matter Members

[Mr. Muhammad Nauman.]

of Viceroy's Executive Council are maintaining that bureaucracy even in the matter of travelling and they do not want to share accommodation with the travelling public even in the higher classes. I do not know what is their feeling while travelling in a saloon for themselves and by showing themselves in saloons to the general travelling public. I have not got much time to go into the details of that question, but I certainly feel that if they really have any feeling for fighting the war successfully they must show some practical sacrifice rather than indulge in this luxury which has been going on in normal times. With these few words I oppose this supplementary demand.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand for a supplementary grant of sum not exceeding Rs. 48,000, in respect of 'Executive Council' be reduced by Rs. 100."

The Honourable Sir Edward Benthall (Member for Railways and War Transport): Sir, I oppose this cut motion. The total amount involved on this item is Rs. 15,000—which is the interest on the capital of two additional saloons. When I say additional saloons this represents not the cost of two new saloons but the cost of converting two tourist cars into saloons for the use of Honourable Members.

An Honourable Member: What is difference in that?

The Honourable Sir Edward Benthall: The House is well aware that the number of Honourable Members has increased considerably and obviously additional provision had to be made for the convenience of Honourable Members while on tour. I may point out that the addition of these two saloons has been compensated by other saloons being given up, for instance, the Railway Board have given up five out of six of their saloons. So far as the use of these saloons is concerned Members of the Executive Council have been asked to use these saloons only when necessary. Some Members have given up saloons altogether and others have agreed to use them only when there is real need for the use of saloons on long journeys or when Members cannot carry out their duties efficiently without living in saloons.

Sir Vithal N. Chandavarkar (Bombay Millowners' Association: Indian Commerce): Sir, I had no desire to intervene in this debate. But the Government authorities always impress upon us that we should travel less, we should travel light and take up as little accommodation as possible. We are asked to take light packages. Personally I would like the Honourable Members of the Executive Council to travel in their saloons because if they do not do so, I understand they can requisition a four berthed compartment which means that I have to run the risk of having to travel on an upper berth if I have the fortune or the misfortune to travel with an Honourable Member on the same train. When the war is on we are told we must not be war profiteers. When we have listened yesterday and today to two sermons on war profiteers, does it look—I do not use the word "disgusting" which the Finance Member used on Wednesday—does it look very nice that the Executive Council Members should come forward and ask for the provision of two more saloons? If these two touring bogies which are proposed to be converted into saloons are converted into four berthed first class or second class compartments and put into service, there would have been more accommodation available for persons who have to travel on war duty and war work. Travelling now is not a pleasure. We travel only when we have to do so on duty. We avoid travelling as far as possible, for instance, going to hill stations and other places of health resort for recuperation and recreation is not undertaken now. It is not that the Honourable Members alone who travel when they must. The public also have to travel and they have also reduced it to the barest minimum, because travelling is not very comfortable nowadays. From that point of view, I should like the Government to look at this problem. You put yourself in the position of the public. What will the public think about people who are travelling in saloons when we are told that we will not even be guaranteed sleeping accommodation.

If we have to travel from Bombay to Ahmedabad even in second class compartments, passengers have to travel sitting up all the night. No sleeping accommodation is guaranteed. I am told that sometimes 10 or 12 people travel in a second class compartment right from Bombay to Ahmedabad sitting the whole night, because there is not sufficient accommodation and the public have got to put up with all these difficulties and inconvenience. Suppose an Honourable Member's saloon is attached to such a train, what will the travelling public think about the Honourable Member travelling all by himself in a saloon which has several compartments, a separate kitchen, a separate sleeping compartment, a separate servant's compartment and so on. I do not want my Honourable friends of the Executive Council to misunderstand me. I know they have to attend to enormous work even while they are travelling. I was always against the Congress Ministers travelling third class with files piled up all round them and attending to them.

An Honourable Member: What about England? Do they not do it there?

Sir Vithal N. Chandavarkar: The conditions in England and the conditions here are different. When Honourable Members undertake tour all over the country sometimes spending two days and nights at a stretch in the train they do want some comfort. But what I submit is that people who are giving us sermons and trying to tell us that war is on and that we should not profiteer and that we should show to the people that we have sympathy towards them should also set a good example and as far as possible not travel in saloons, but travel in ordinary compartments.

The Honourable Sir Jeremy Raisman: I have not done so.

Sir Vithal N. Chandavarkar: If the Honourable the Finance Member has not travelled, it does not mean that others have not travelled. Does it mean that others have done so? I do not want every Honourable Member on the Front Bench to get up and say whether he has done so or not. I am not casting any reflection on any individual Member. I am only saying that this is the time when everybody should show some self-sacrifice. We are often asked to sacrifice, we are prepared to sacrifice. But the Honourable Members who are His Majesty's Ministers in this country should set a good example and not ask for such amenities in war times.

The Honourable Sir Sultan Ahmed (Law Member): Sir, we have been asked to exercise a practical sense of self-sacrifice. My Honourable friend, Mr. Muhammad Nauman, suggested that and that has been repeated by my Honourable friend, Sir Vithal N. Chandavarkar. Sir, the first personal sacrifice that we did was when we accepted office after a voluntary cut of Rs. 1,100 a month. So, please do not run away with the idea that we have done nothing. When we came into office, we accepted a sum which in certain cases does not even meet our requirements. As regards saloons, there is a certain amount of misconception. We are not paid any travelling allowance, we are not paid halting allowance of any kind. The only thing that is given to us is that we are allowed to travel alone by ourselves. If we carry a passenger, he may be a relation, he may be a son or she may be the wife, then we have to pay extra for every one of the passengers so carried. In every case we have done so, we have saved the Government a certain amount of money. What would you like us to do? Supposing we have to go to Madras and we travel in an ordinary first class carriage in one berth.

An Honourable Member: Take a whole compartment.

The Honourable Sir Sultan Ahmed: Supposing we do take a compartment. Who is going to feed us on the way. What happens to our Secretary or to our files. Supposing we go to Madras or some other place, we stay in our own saloons. That is the reason why we are not paid any allowance of any kind. No amenities are provided to us. If we ask for halting allowance, you will say "you must show a certain amount of generosity and give up that demand". I am sure the Honourable Members of the House do not know all these things. Apart from the saloon, we are not given any allowance of any kind which is given to everybody else. An ordinary clerk, if he is transferred from one place to another and if he has to take his family, he gets his travelling allowance for

[Sir Sultan Ahmed.]

himself, his wife and children. Allowance and fares are paid for the whole family. Therefore, this little amenity that we are getting is not real amenity. If we do not travel in saloons, we will be out of pocket all the time. If we go to Bombay, unless it is on the generosity of my Honourable friends like Sir Cowasjee Jehangir or Sir Vithal N. Chandavarkar, we will have to be hopelessly out of pocket.

Mr. K. O. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, I entirely sympathise with the Honourable the Law Member when he wants us to appreciate the amount of self-sacrifice that acceptance of office on the part of some Indian Members of the Executive Council has entailed. I hope that the country will take due note of his observations and feel very grateful for that sacrifice. In season and out of season, the representative character of the Indian Members of the Executive Council is being dinned into our ears, mostly from across the seas. In order that the Indian Members may not lay themselves open to the charge, which I have heard made, that their representative character consists in trying to faithfully follow their Departmental Secretaries

Mr. President (The Honourable Sir Abdur Rahim): All that does not arise.

Mr. K. O. Neogy: I am supporting more tour expenses on the part of the Executive Council Members. I say they should try to keep in touch with the public opinion in the country and I for one would be prepared to support a larger amount of tour expenses, if I was sure that they would really keep themselves in touch with public opinion. It would be interesting to have, for instance, a statement made on the floor of the House showing details about tours undertaken by each individual Member.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is really going into political questions. All these do not arise now.

Mr. K. O. Neogy: That alone would enable us to judge as to whether tours have been justified, or whether in some cases they are not actually holiday excursions or whether some of these tours were not actually undertaken by some Honourable Members for visiting their home Province for looking after their own personal business. That is all I have to say.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the demand for a supplementary grant of sum not exceeding Rs. 48,000, in respect of 'Executive Council' be reduced by Rs. 100."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 48,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Executive Council'."

The motion was adopted.

DEMAND No. 15—HOME DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 92,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Home Department'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That a supplementary sum not exceeding Rs. 92,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Home Department'."

Honoraria paid.

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa Muhammadan): Sir, I move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 92,000, in respect of 'Home Department', be reduced by Rs. 100."

Mr. President (The Honourable Sir Abdur Rahim): Is it a new service?

Mr. Muhammad Nauman: It is a new item of expenditure which we notice in this Demand. I want to know from the Member in charge of the Department as to what are the new subjects for which honoraria has been paid and how it was necessitated. I do not suppose that at this stage when we want to use economy in all sorts of ways, any such thing should have been brought before this House. I do not want to make a long speech

in this connection, but I would just ask the Honourable Member to explain to the House the necessity for paying honoraria because the explanatory notes do not give any information on this point. With these few remarks, Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand for a supplementary grant of a sum not exceeding Rs. 92,000, in respect of 'Home Department', be reduced by Rs. 100."

The Honourable Sir Reginald Maxwell (Home Member): I can explain this point to the Honourable Member. He has apparently been misled by the title of the grant which is called "allowances, honoraria, etc." In fact, no honoraria whatever were paid. The item consists only of extra allowances due to certain staff who had to remain in Simla under the new arrangement. The item for "honoraria" is *nil*.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the demand for a supplementary grant of a sum not exceeding Rs. 92,000, in respect of 'Home Department', be reduced by Rs. 100."

The motion was negatived.

Additional Appointments and Continuation of I.C.S. Training.

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): Sir, I wish to move another cut motion on the question of necessity or otherwise of additional appointments and continuation of I. C. S. training.

Mr. President (The Honourable Sir Abdur Rahim): You are raising a question of policy?

Maulvi Muhammad Abdul Ghani: No, Sir. New appointments of Secretary and three Superintendents are going to be made and I submit that there is no necessity for that.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member may move his cut motion.

Maulvi Muhammad Abdul Ghani: Sir, I move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 92,000, in respect of 'Home Department', be reduced by Rs. 100."

The intention of moving this cut motion is that there is no necessity of appointing an Under-Secretary and three Superintendents. You know, Sir, from the very beginning say, since 1934 that there are Under-Secretaries and Superintendents to deal with the returns of communal composition of services and now they are doing nothing. They are sitting idle and therefore their services could be very well utilized for any increased work. We are not receiving such returns in time. I, therefore, thought it proper to move this amendment as we have a legitimate grievance that whenever new appointments are made, no heed is paid to the representation in services of the minority communities, particularly Mussalmans. This Department, being the custodian of the interests of minority communities in services, is failing in its duty. Therefore, I urge that there is no necessity of making additional appointments.

The second point about the continuation of the training, I submit that the recruitment of I. C. S. officers has altogether been stopped, and there is no necessity of continuing the training for any further period because no officers are going to be trained.

Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand for a supplementary grant of a sum not exceeding Rs. 92,000, in respect of 'Home Department', be reduced by Rs. 100."

The Honourable Sir Reginald Maxwell: Sir, I could not hear the Honourable Member very well, but so far as I could make out he did not raise any question regarding the need of the additional appointments, but only a question of the manner in which they were filled with regard to the claims for communal representation. I would submit that the question of communal representation is a matter of general policy and does not affect the propriety of this demand.

Maulvi Muhammad Abdul Ghani: I submitted that there are already persons working as Superintendents and Under-Secretaries who were dealing with the returns of communal composition of services, and as they are sitting idle, their services can be utilized

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already made one speech.

The question is:

"That the demand for a supplementary grant of a sum not exceeding Rs. 92,000, in respect of 'Home Department', be reduced by Rs. 100."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 92,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Home Department'."

The motion was adopted.

DEMAND No. 16—CIVIL DEFENCE DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 2,48,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Civil Defence Department'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That a supplementary sum not exceeding Rs. 2,48,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Civil Defence Department'."

Additional Appointments and Expansion.

Maulvi Muhammad Abdul Ghani: Sir, I beg to move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 2,48,000, in respect of 'Civil Defence Department', be reduced by Rs. 100."

Sir, lots of people have been appointed and the sanction

Mr. N. V. H. Symons (Government of India: Nominated Official): Sir, I cannot hear a word of what the Honourable Member is saying.

Maulvi Muhammad Abdul Ghani: I will raise my voice.

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member had better come nearer.

Maulvi Muhammad Abdul Ghani: Let me try to raise my voice, Sir.

The demand is for additional appointments under the Civil Defence Department. The other day, a question was put both in this House as well as in the Upper House that as many as 72 officers were appointed, outsiders were taken, and some of them had no proper qualifications for which they were appointed. Out of 72 persons already appointed, about 29 are Indians, of whom 3 only are Muslims.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot go into questions of policy now. He must not occupy the time of the House by raising questions which are not relevant to this motion.

Maulvi Muhammad Abdul Ghani: I am simply referring to the number, that out of 72, only 29 are Indians and all the rest are outsiders. In these days of war we find that instead of democracy, there is jobocracy; and perhaps the Government will be preparing some legislation of this kind in order to help the jobocracy. If this state of things is allowed to go on for some time more, after the war, I contend it will be very difficult for the inhabitants, the citizens of this country to have any job at all or to have any voice in the administration. All will be militarily minded persons and the administration of the country will suffer. This is the right time when we should sound a note of warning. With this view, I move my motion and I hope the authorities will take note of it.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand for a supplementary grant of a sum not exceeding Rs. 2,48,000, in respect of 'Civil Defence Department', be reduced by Rs. 100."

Mr. Muhammad Nauman: Sir, I just rise to support the motion before this House. I do not want to take any more time than is absolutely necessary for me. I merely want to impress upon the House that the administration of civil defence has been going on in a manner which is considered to be most unsatisfactory in the opinion of many people—particularly in the provinces of Bihar and Orissa.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot go into all that. The only question now is whether these additional appointments ought to have been made.

Mr. Muhammad Nauman: I just want to impress upon the House that these additional appointments are being made in order to have better and more adequate civil defence administration; and as such I beg to submit that this is not justified in view of the fact that the department is not doing what it ought to have done. We have felt that this is only a dumping ground for all sorts of people who might want a job here and there; and therefore these additional appointments that have been made do not meet with our favour. We, therefore, oppose it on that ground. With these words I support the cut motion.

Mr. N. V. H. Symons (Government of India: Nominated Official): Sir, I gather that the Honourable Member who moved this cut motion is not objecting to the expansion that took place but to the methods which were adopted to fill the posts. . .

Mr. Muhammad Nauman: Both to the manner and to the expansion—both.

Mr. N. V. H. Symons: In that case I consider that this cut motion should have been put down in the name of the Honourable Mr. Rip Van Winkle or The Sleeping Beauty or the Honourable Mr. Doormouse, because if you consider the position at the time of the expansion it is inconceivable that anybody could say that there was not tremendous need for a very large expansion of civil defence. The position that we were faced with was that on December the 7th there was the attack on Pearl Harbour and the American Navy, on December 10th the Prince of Wales and Repulse were sunk, on December 25th Hong Kong fell, on February 15th Singapore fell, on March 8th Rangoon fell, on March 9th Java fell, on March 27th the Andamans fell and so on; and India was faced with an imminent attack and there had to be this expansion. . . .

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Division: Muhammadan Rural): With all these falls.

Mr. N. V. H. Symons: As to not having appointed Indians, the fact was that India could not produce the people who had knowledge of the kind needed, they were brought in then and they are now being substituted by Indians; and if the same thing were to happen, we would do the same thing over again. I oppose the cut motion.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the demand for a supplementary grant of a sum not exceeding Rs. 2,48,000, in respect of 'Civil Defence Department', be reduced by Rs. 100."

The motion was negatived.

Sardar Sant Singh: On a point of order, Sir, it is already beyond 5 O'clock and the last speech shows that the Honourable Members are not in their balance of mind.

Mr. President (The Honourable Sir Abdur Rahim): That is not a point of order: I am trying to help the Members to give effect to the arrangement arrived at.

The question is:

"That a supplementary sum not exceeding Rs. 2,48,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Civil Defence Department'."

The motion was adopted.

DEMAND No. 17—DEPARTMENT OF INFORMATION AND BROADCASTING.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 3,18,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Department of Information and Broadcasting'."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 3,18,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Department of Information and Broadcasting'."

The motion was adopted.

DEMAND No. 18—LEGISLATIVE DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 36,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1948, in respect of the 'Legislative Department.'"

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 36,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1948, in respect of the 'Legislative Department.'"

The motion was adopted.

DEMAND No. 19—DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 73,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1948, in respect of the 'Department of Education, Health and Lands.'"

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That a supplementary sum not exceeding Rs. 73,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1948, in respect of the 'Department of Education, Health and Lands.'"

Increased Activity of the Central Advisory Board of Education.

Maulvi Muhammad Abdul Ghani: Sir, there is a Cut motion in my name. I beg to move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 73,000, in respect of 'Department of Education, Health and Lands' be reduced by Rs. 100."

My point is that the Central Advisory Board of Education was formed and money is going to be sanctioned for the increased activities of that Board. On reference to the proceedings of the Standing Finance Committee, dated the 31st March, 1942, page 2, I find this:

The activity of this Central Board of Education includes five items. (i) Recruitment, training, etc., of teachers, (ii) the recruitment of educational officers (iii) the present system of examinations, (iv) technical education, etc., (v) the education of the secondary school leaving certificates and matriculation examinations. I want to confine myself to the third item—the present system of examinations. This committee has been asked to give its opinion on the system of examinations prevailing in India. Under this head the system of examinations, particularly of those institutions which are contributed by the Central Government, deserves more consideration. There are two Universities here, the Aligarh University and the Benares University, which are getting about 6 lakhs as contribution from the central revenues. The system of examinations prevailing there is a novel one. Neither of these two universities provides any system of either compartmental or supplementary examinations for its students; and a student getting plucked in only one subject, say, the practical subject which sometimes carries 20 marks as aggregate, is never allowed to sit at the examination within a period of less than a year; even if he passes all the important subjects, he has to bear the hardship and the expenses in attending lectures for one full year more and then he shall have to sit at the examination. In other Universities, I say, for instance, in the Delhi University, in the Patna University, there is some system of examination under which these boys who have got plucked in certain subjects, say, technical subjects, are allowed to sit after a limited period, say, two or three months, and if they pass, they are declared passed, otherwise not. Now, in the Aligarh University, if a boy fails in the B.A. examination in the first year. . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member seems to be discussing the internal administration of these self-governing bodies, which is not allowed.

Maulvi Muhammad Abdul Ghani: I submit to the Chair that this Central Advisory Board is said to be a body to deal with the various systems of examinations, and I want to give suggestions to its Committee to take into consideration all these difficulties, because I do not happen to be a member either of the Central Advisory Board of Education or of the Expert Committee appointed

to deal with the examination systems prevalent in India. I have already finished my point. The point I was on is this. In the I.A. stages and M.A. stages, in the Aligarh University, if a boy gets plucked, he is allowed to sit as a private candidate, but not in B.A. or B.Sc. stage unless he gets plucked for two consecutive years; a novel system of examination. We pay that University a handsome amount. I hope Government will be pleased to draw the attention of the authorities of the university that they should put an end to these hardships which are wasting the energy and money of the students for nothing. I suggest that system of law examinations should be adopted and students getting plucked in any subject should be examined in that subject only. With these few words I move my Cut.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand for a supplementary grant of a sum not exceeding Rs. 73,000, in respect of 'Department of Education, Health and Lands' be reduced by Rs. 100."

Mr. J. D. Tyson (Secretary, Department of Education, Health and Lands): I think I know what my Honourable friend, Mr. Abdul Ghani, has in mind. If this Committee on the present system of examination is still sitting, a point about which I have no information, I will certainly undertake to convey to that Committee what my Honourable friend has just said. If the Committee is not still sitting: . . .

Dr. P. N. Banerjea: It is still sitting. I am a member.

Mr. J. D. Tyson: I will pass it to the University he has in mind. I hope that with that undertaking from me my Honourable friend will withdraw his cut motion.

Maulvi Muhammad Abdul Ghani: In view of what the Honourable Member has said, I beg leave to withdraw my cut motion.

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

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 73,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Department of Education, Health and Lands'."

The motion was adopted.

DEMAND NO. 20—DEPARTMENT OF INDIANS OVERSEAS.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 49,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Department of Indians Overseas'."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 49,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Department of Indians Overseas'."

The motion was adopted.

DEMAND NO. 21—FINANCE DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 87,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Finance Department'."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 87,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Finance Department'."

The motion was adopted.

DEMAND NO. 22—COMMERCE DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 87,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Commerce Department'."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 2,76,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Commerce Department'."

The motion was adopted.

DEMAND NO. 23—DEPARTMENT OF LABOUR.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 2,32,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Department of Labour'."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 2,32,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of 'Department of Labour'."

The motion was adopted.

DEMAND NO. 24A—WAR TRANSPORT DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 1,55,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'War Transport Department'."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 1,55,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'War Transport Department'."

The motion was adopted.

DEMAND NO. 24B—FOOD DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a supplementary sum not exceeding Rs. 2,18,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Food Department'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That a supplementary sum not exceeding Rs. 2,18,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Food Department'."

Complaints against the Price Control Administration.

Maulvi Muhammad Abdul Ghani: I beg to move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 2,18,000, in respect of 'Food Department' be reduced by Rs. 100."

As regards price control we are not at all satisfied with the way in which the officers appointed to deal with price control are behaving towards the public all over the country. There is a large complaint. When we came here, and also in the last Session we found that the officers here in charge of this department were not behaving properly. I have thought it fit to bring to the notice of the Department in order that they may investigate those complaints and see that the officers behave properly towards the public and that no discrimination and no harsh treatment is meted out to the public who go to them for their necessities. With these few observations I move my cut motion.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the demand for a supplementary grant of a sum not exceeding Rs. 2,18,000, in respect of 'Food Department' be reduced by Rs. 100."

The motion was negatived.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a supplementary sum not exceeding Rs. 2,18,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending on the 31st day of March, 1943, in respect of the 'Food Department'."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 23rd March, 1943.