

21st March , 1933

THE  
LEGISLATIVE ASSEMBLY DEBATES  
(Official Report)

1933

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FIFTH SESSION  
OF THE  
FOURTH LEGISLATIVE ASSEMBLY,  
1933



SIMLA  
GOVERNMENT OF INDIA PRESS

1933

M97LAD

# Legislative Assembly.

## *President :*

THE HONOURABLE SIR IBRAHIM RAHIMTOOLA, K.C.S.I., C.I.E. (Upto 7th March, 1933.)

THE HONOURABLE MR. R. K. SHANMUKHAM CHETTY. (From 14th March, 1933.)

## *Deputy President :*

MR. R. K. SHANMUKHAM CHETTY, M.L.A. (Upto 13th March, 1933.)

MR. ABDUL MATIN CHAUDHURY, M.L.A. (From 22nd March, 1933.)

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SIR ABDUR RAHIM, K.C.S.I., KT., M.L.A.

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MR. MUHAMMAD YAMIN KHAN, C.I.E., M.L.A.

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CAPTAIN HAJI SARDAR NUR AHMAD KHAN, M.C., I.O.M., I.A.

## *Committee on Public Petitions :*

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MR. ABDUL MATIN CHAUDHURY, M.L.A., *Chairman*. (From 22nd March, 1933.)

SIR LESLIE HUDSON, KT., M.L.A.

SIR ABDULLA-AL-MAMÜN SUHRAWARDY, KT., M.L.A.

MR. B. SITARAMARAJU, M.L.A.

MR. C. S. RANGA IYER, M.L.A.

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# CONTENTS.

## VOLUME III.—13th March to 30th March, 1933.

	PAGES.
MONDAY, 13TH MARCH, 1933—	
Questions and Answers ..	1933—66
Unstarred Questions and Answers	1966—73
Short Notice Question and Answer	1973—79
Motion for Adjournment <i>re</i> two Muslims shot down at Chittagong by the Military—Not moved	1979
Statements laid on the Table	1980—95
Election of the Standing Finance Committee .. ..	1995—2010
Election of the Public Accounts Committee .. ..	2011
The Cotton Textile Industry Protection (Amendment) Bill—	
Introduced .. ..	2011
The Indian Finance Bill—Discussion not concluded ..	2011—38
TUESDAY, 14TH MARCH, 1933—	
Statements laid on the Table	2039—44
Election of the President	2044, 2053—60
The Indian Finance Bill—Discussion not concluded ..	2045—52, 2060—92
Election of the Deputy President	2060
Appendix .. ..	2093
WEDNESDAY, 15TH MARCH, 1933—	
Statements laid on the Table	2095—96
The Indian Finance Bill—Discussion not concluded ..	2096—2145
THURSDAY, 16TH MARCH, 1933—	
The Indian Finance Bill—Discussion not concluded ..	2147—58, 2159—2203
The Indian Tariff (Ottawa Trade Agreement) Supplementary Amendment Bill—Introduced ..	2158
The Provincial Criminal Law Supplementing Bill—Introduced ..	2158
Statement of Business .. ..	2159

	PAGES.
MONDAY, 20TH MARCH, 1933—	
Questions and Answers ..	2205—31
Short Notice Question and Answer	2231—32
Election of the Deputy President	2232—34
Statements laid on the Table ..	2235
Election of the Standing Finance Committee for Railways ..	2236
Election of the Central Advisory Council for Railways ..	2236
Election of the Standing Committee on Roads .. ..	2237
Election of the Standing Finance Committee and the Public Accounts Committee ..	2237
The Salt Additional Import Duty (Extending) Bill—Introduced	2237—38
The Cotton Textile Industry Protection (Amendment) Bill—	
Passed .. ..	2238—78
TUESDAY, 21ST MARCH, 1933—	
Questions and Answers ..	2279—2303
Election of the Standing Finance Committee .. ..	2303—04
Election of the Public Accounts Committee .. ..	2304
Statement of Business .. ..	2304
Statements laid on the Table	2305—08
Election of the Deputy President ..	2308
Election of the Standing Committee on Emigration .. ..	2309
Election of the Standing Committee for the Department of Education, Health and Lands ..	2309
The Wheat Import Duty (Extending) Bill—Passed ..	2309—45
WEDNESDAY, 22ND MARCH, 1933—	
Questions and Answers ..	2347—59
Unstarred Questions and Answers	2359—68
Statements laid on the Table ..	2369
Message from His Excellency the Governor General .. ..	2370
The Indian Finance Bill—Discussion not concluded ..	2370—2413

	PAGES.		PAGES.
THURSDAY, 23RD MARCH, 1933—		FRIDAY, 24TH MARCH, 1933— <i>contd.</i>	
Questions and Answers ..	2415—44	The Nudity Exemption Bill—Introduced ..	2537
Statements laid on the Table ..	2444	The Removal of Doubts about the Application of the Doctrine of Representation, in case of Succession to Stridhan under the Dayabhad Bill—Introduced ..	2538
The Salt Additional Import Duty (Extending) Bill—Discussion not concluded ..	2444—65, 2467—87	The Indian Bar Councils (Amendment) Bill—Introduced ..	2538
Statement of Business ..	2466—67	The Indian Penal Code (Amendment) Bill—Introduced ..	2538
FRIDAY, 24TH MARCH, 1933—		The Imperial Bank of India (Amendment) Bill—Introduced ..	2538
Questions and Answers ..	2489—2503	The Abolition of Capital Punishment Bill—Introduced ..	2538
The Indian Railways (Amendment) Bill—(Amendment of section 51)—Presentation of the Report of the Select Committee ..	2504	The Code of Civil Procedure (Amendment) Bill—Introduced ..	2539
The Child Marriage Restraint (Amendment) Bill—Motion to circulate negatived ..	2504—24	The Hindu Temple Entry Disabilities Removal Bill—Discussion on the motion to circulate not concluded ..	2539—53
The Hindu Temple Entry Disabilities Removal Bill—Introduced ..	2525—32	SATURDAY, 25TH MARCH, 1933—	
The Child Marriage Restraint (Repealing) Bill—Introduced ..	2532	Member Sworn ..	2555
The Girls Protection Bill—Introduced ..	2533	Message from the Council of State ..	2555
The Untouchability Abolition Bill—Introduced ..	2533	Statements laid on the Table ..	2555—56
The Bengal State Prisoners Regulation (Repealing) Bill—Introduced ..	2533	The Salt Additional Import Duty (Extending) Bill—Passed ..	2557—64
The Indian Criminal Law Amendment Bill—Introduced ..	2534	The Indian Finance Bill—Discussion not concluded ..	2564—89, 2589—2606
The Child Marriage Restraint (Amendment) Bill—Introduced ..	2535	Statement of Business ..	2589
The Mussalman Wakf Validating (Amendment) Bill—Introduced ..	2535	MONDAY, 27TH MARCH, 1933—	
The Hindu Widows' Right of Maintenance Bill—Introduced ..	2535	Member Sworn ..	2607
The Code of Criminal Procedure (Amendment) Bill—Introduced ..	2535	Questions and Answers ..	2607—40
The Code of Civil Procedure (Amendment) Bill—Introduced ..	2536	Unstarred Questions and Answers ..	2640—51
The Child Marriage Restraint (Amendment) Bill—Introduced ..	2536	Short Notice Question and Answer ..	2651—52
The Hindu Widows Maintenance Bill—Introduced ..	2536	Motion for Adjournment <i>re</i> Lawlessness in Sind—Ruled out of Order ..	2653—56
The Ajmer-Merwara Juveniles Smoking Bill—Introduced ..	2536—37	The Indian Finance Bill—Discussion not concluded ..	2656—91
		Appendix ..	2692
		TUESDAY, 28TH MARCH, 1933—	
		Questions and Answers ..	2695—2723
		Election of Members to the Standing Committee on Emigration ..	2723
		The Indian Finance Bill—Passed as amended ..	2723—53
		Demands for Supplementary Grants ..	2753—67

	PAGES.		PAGES.
<b>WEDNESDAY, 29TH MARCH, 1933—</b>		<b>THURSDAY, 30TH MARCH, 1933—</b>	
Motion for Adjournment <i>re</i> Order of expulsion served on four Chet- tiyar bankers of Saigon by the Government of Indo-China—Post- poned till next day ..	2769—71	Unstarred Questions and Answers	2825—28
Election of Members to the Stand- ing Finance Committee for Rail- ways and the Standing Com- mittee on Roads .. ..	2772	Motion for Adjournment <i>re</i> Order of expulsion served on four Chettiyar bankers of Saigon by the Government of Indo-China— Withdrawn .. ..	2828, 2877—92
Statements laid on the Table	2773—74	Election of Members to the Central Advisory Council for Railways ..	2829
Proposals for Indian Constitutional Reform—Discussion not con- cluded .. ..	2774—2823	Election of Members to the Stand- ing Committee for the Depart- ment of Education, Health and Lands .. ..	2829
		Message from the Council of State	2829
		Proposal for Indian Constitutional Reform— <i>contd.</i> .. ..	2829—92

# LEGISLATIVE ASSEMBLY.

*Tuesday, 21st March, 1933.*

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Mr. R. K. Shanmukham Chetty) in the Chair.

## QUESTIONS AND ANSWERS.

### OFFICERS AND CLERKS IN THE MILITARY ENGINEERING SERVICE, WESTERN COMMAND, QUETTA.

809. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Has the attention of Government been drawn to the *Paisa Akhbar* of Lahore, dated the 23rd February, 1933, in which an article has appeared, showing various numbers of officers of all grades and clerks working in the Military Engineering Service, Western Command, Quetta?

(b) If so, are the figures as shown there correct?

(c) If the reply to part (b) above be in the negative, will Government be pleased to lay on the table a correct statement of figures?

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

(b) and (c). The information has been called for and will be laid on the table in due course.

### REPRESENTATION OF MUSLIMS IN THE CLERICAL STAFF OF THE MILITARY ENGINEERING SERVICE, WESTERN COMMAND, QUETTA.

810. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to state how many vacancies in the clerical staff occurred in the Military Engineering Service, Western Command, Quetta, during the years 1929 to 1932?

(b) How many of them were given to Muslims and how many to non-Muslims?

(c) If none was given to Muslims, was there a majority of Muslims in the department concerned that led the authorities to do so?

(d) Are Government prepared to issue orders for an adequate representation of Muslims in the above department?

**Mr. G. R. F. Tottenham:** (a), (b), (c) and (d). I have called for the information required by the Honourable Member and will lay an answer on the table when the necessary material has been received.

### NON-GRANT OF LEAVE TO MUSLIM POSTMEN OF DELHI FOR ID PRAYERS.

811. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Has the attention of Government been drawn to the article on page 3 of February, 1933 issue of *The Capital Postman*, the monthly journal of the postmen of Delhi?

(b) Is it a fact that Muslim postmen of Delhi were not allowed leave to say their Id prayers?

(c) Will Government be pleased to state whether the Postmaster's orders about leave and copies of Imam Sahib's letter were communicated to Inspectors and other officers concerned?

(d) Will Government be pleased to state the names of (i) Postmaster, Delivery Department, (ii) Head Clerk, Delivery Department, and (iii) Town Inspector on duty on the Id day?

(e) Will Government be pleased to state the circumstances for the departure from the long standing practice?

(f) What action do Government propose to take against the officials responsible for non-grant of leave to Muslim postmen for Id prayers and to avoid recurrence of the mistake?

**Sir Thomas Ryan:** (a) to (e). Government have seen the article in question, but have no information as to the correctness of the facts mentioned therein.

(f) The matter is within the competence of the Head of the Postal Circle concerned to whom a copy of the question is being sent.

### EXAMINATION FOR LOWER DIVISION POSTAL CLERKS HELD AT DELHI.

812. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Has the attention of Government been drawn to an article on page 4 of the February issue of *The Capital Postman*, the monthly journal of the Postmen Union, Delhi?

(b) Will Government be pleased to state whether the following statements about the procedure of examination for Lower Division clerks' posts adopted at Delhi are correct:

- (i) 105 candidates appeared for the examination,
- (ii) 20 candidates walked out as a protest against the irregular procedure and stiff examination,
- (iii) 85 candidates were examined in reading and translating Postal Guide and Manual in which 75 failed,
- (iv) Remaining 10 were examined in writing an essay on "Railway Journey" of which they were requested to write 40 lines (two pages) in half an hour,
- (v) These 10 were given four very lengthy questions in Arithmetic to solve in half an hour?

(c) Is it a fact that for the selection grade examination experienced clerks were required to write two pages of essay in three hours?

(d) Is it a fact that the examination held at Delhi on the 29th January, 1933, was irregular?

(e) Are Government prepared to treat the said examination as null and void and order fresh and regular examination of all candidates?

**Sir Thomas Ryan:** (a) to (e). Government have seen the article and are making enquiries. A reply will be placed on the table in due course.

**RECRUITMENT OF POSTAL CLERKS BY THE PRESIDENCY POSTMASTER, CALCUTTA.**

813. **\*Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to place on the table a copy of Memo. No. L-4-3/247, dated the 3rd December, 1932, issued by the Presidency Postmaster, Calcutta, appointing nine clerks of the Post Office in permanent capacity?

(b) Is it a fact that of the nine clerks so appointed only one is a Muslim and that all the remaining eight are Hindus?

(c) Is it a fact that the third vacancy rule has not been observed by the Postmaster, Calcutta?

(d) Will Government be pleased to state whether any other Muslims are on the waiting list of Reserve Clerks who could be provided for permanently as clerks at least in the third vacancies?

(e) Are Government prepared to right the wrong done?

**Sir Thomas Ryan:** (a) The document relates to certain changes of staff in the Calcutta General Post Office and its sub-offices, including the transfer of permanent clerks from the leave reserve to the operative cadre. Government see no need to place a copy on the table.

(b) Yes.

(c) No, the third vacancy rule is not applicable to the appointments in question as these were not first appointments in the Department.

(d) There are some Muslims in the list of reserve clerks. The second part does not arise in view of the reply given to part (a) above.

- (e) Does not arise.

**TENURE OF THE APPOINTMENT OF AN ASSISTANT POSTMASTER GENERAL.**

814. **\*Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Is it a fact that the Postmaster General, Central Circle, his Deputy and Assistant are all Hindus?

(b) Is it a fact that the tenure of the appointment of an Assistant Postmaster General is five years?



(c) How long have Messrs. J. N. Dar and S. W. Movlankar held the appointments as Assistant Postmaster General in the Central Circle, and why have they not been transferred on the completion of their term?

**Sir Thomas Ryan:** There has been no change in the position since the reply given to Mr. M. Maswood Ahmad's starred question No. 54 on the 2nd February last, to parts (a) to (d) of which the Honourable Member's attention is invited.

**COMMUNAL COMPOSITION OF THE CLERKS IN THE OFFICE OF THE SUPERINTENDENT OF POST OFFICES, RAILWAY MAIL SERVICE, "L" DIVISION, AND CERTAIN OTHER SUB-DIVISIONS.**

815. **\*Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to state the communal composition of the clerks working in the office of the Superintendent, Railway Mail Service, "L" Division and in the sub-record offices at Multan, Lodhran, Khanewal, Shorkot, Kundian, Duadkhel and Basal R. M. S.?

(b) Are Government prepared to issue orders for the transfer of such officials as have completed their term under the recent orders of the Director General, Posts and Telegraphs?

**The Honourable Sir Frank Noyce:** (a) Government are not in possession of detailed information as asked for by the Honourable Member but a statement containing the information in respect of the Railway Mail Service "L" Division as a whole is laid on the table.

(b) The only official among those mentioned in part (a) for whose periodical transfer orders exist is the Head Clerk, Railway Mail Service "L" Division but owing to existing financial conditions such orders have ordinarily been held in suspense for the time being.

*Statement showing the communal composition of the clerical staff of the Railway Mail Service, "L" Division on the 31st December, 1932.*

—	Hindus.	Muhammadans	Sikhs.	Other communities.	Total.
Upper Division and Higher grades.	299	97	62	..	458
Lower Division . .	1	1	..		2
Total .	300	98	62		460

**RECRUITMENT OF SIKHS IN THE RAILWAY MAIL SERVICE, "L" DIVISION.**

816. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Is it a fact that the present Sikh Superintendent of the Railway Mail Service, "L" Division, has ordered the recruitment only of Sikhs and so the Inspectors and others are recruiting only Sikhs?

(b) Will Government please state whether the Superintendent's orders are wrong and, if so, do Government propose to cancel the irregular orders?

(c) Is it a fact that one new post of a clerk was recently sanctioned for I. R. O., Multan and a Sikh has been posted there, although educated and qualified Muslims were available?

(d) Is it a fact that the Sikh Inspector, Amritsar Railway Mail Service, is there for the last seven years?

**The Honourable Sir Frank Noyce:** (a) to (d). Information has been called for and a reply will be placed on the table in due course.

**SHORTAGE OF RESIDENCES FOR GOVERNMENT OFFICIALS, ALLOWANCES TO POSTMEN AND ELECTRIC LIGHTS IN CERTAIN QUARTERS IN NEW DELHI.**

817. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to lay on the table copies of their decisions in the matters referred to in unstarred questions Nos. 58, 65 and 72 (regarding shortage of residences for Government officials in New Delhi, allowances to postmen in Delhi for delivery of foreign mail and electric lights in 'D' class quarters in New Delhi), answered on the 20th January, 1930?

(b) If no decision has been reached, what is the reason for the delay?

**The Honourable Sir Frank Noyce:** (a) and (b). I lay on the table a note indicating the decisions in the matters referred to in the three unstarred questions which were answered on the 20th January, 1930.

No. 53.—The 36 class 'B' orthodox quarters for clerks have since been constructed. The general question of providing additional residential accommodation in New Delhi was also examined in the years 1929—31 and, as a result, a comprehensive scheme was prepared. In view, however, of the existing financial stringency, it has been decided that nothing should be done at present in the direction of providing any additional residential accommodation in New Delhi.

No. 65.—Arrangements for the special delivery of inward foreign mails at the Delhi head post office were discontinued in April 1931 and in consequence there is no longer any question of the grant of overtime allowances to postmen.

No. 72.—Government intend that these additional electric light points should be given in all clerks quarters (not only D class) when funds are available for the purpose.

**OFFICE HOURS IN THE SECRETARIAT.**

818. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to state if Lord Curzon's ruling about office hours referred to in starred question No. 197, answered on the 29th January, 1930, has since been traced? If so, will Government kindly lay a copy of the same on the table?

(b) If the reply to the first part of (a) above be in the negative, will Government be pleased to state if there is any possibility of its being traced and, if not, do Government propose to issue a fresh order on the same lines?

**The Honourable Sir Harry Haig:** (a) No.

(b) In view of my predecessor's reply to question No. 197, dated the 29th January, 1930, Government do not consider that the issue of any such instructions is necessary.

#### INSANITARY CONDITION OF "TALAB SHAHJI" NEAR AJMERI GATE, DELHI.

819. **\*Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to state whether there is any bathing or swimming pond in New Delhi and, if not, why not?

(b) Are Government aware that there is a pond known as "Talab Shahji" near Ajmeri Gate, Delhi?

(c) Who is in charge of the pond referred to above?

(d) Are Government aware that the pond referred to in part (b) above is full of filth and dirt?

**Mr. G. S. Bajpai:** (a) There are no bathing or swimming ponds in New Delhi.

(b) Yes.

(c) and (d). The pond is situated on Nazul land which is in charge of the Deputy Commissioner, Delhi. The question of improving the sanitation of the pond is under consideration.

**Mr. M. Maswood Ahmad:** Is it a fact that the condition of the pond is such that it is injurious to health and in fact very unhealthy?

**Mr. G. S. Bajpai:** That is why I have said that the question of improving its sanitation is being considered.

**Lieut.-Colonel Sir Henry Gidney:** Will the Honourable Member kindly inform this House whether Government are prepared to establish a mixed bathing place in New Delhi.

**Mr. G. S. Bajpai:** That is left to private enterprise,—and my Honourable friend can very well initiate it.

#### LOCATION OF THE GOVERNMENT OFFICES PERMANENTLY IN DELHI.

820. **\*Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): Will Government be pleased to lay on the table a copy of the information referred to in reply to parts (a) to (d) of unstarred question No. 174, dated the 11th February, 1931, regarding location of the Government offices permanently in Delhi?

**The Honourable Sir Harry Haig:** I lay on the table a statement giving the desired information.

*Statement.*

	Rs.
(a) Total expenditure on two moves of the Government of India in 1930-31 . . . . .	7,99,632
(b) Total amount of house rent including rent on furniture for December 1930 realised from the migratory officers and staffs of the Government of India for the quarters allotted to them at Delhi . . . . .	63,041
(c) Total amount paid for December 1930 to the Government of India establishments under each of the undermentioned allowances :	
(i) Separation allowance at Delhi . . . . .	14,730
(ii) Conveyance allowance at Delhi . . . . .	9,195
(iii) House rent allowance at Delhi . . . . .	1,777
(d) Total house rent allowance paid to the Government of India staff during the Simla season of 1930 . . . . .	2,83,677

NUMBER OF MUSLIM CLERKS IN CERTAIN POSTAL CIRCLES.

821. **\*Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): Will Government be pleased to lay on the table a copy of the information collected *vide* reply to starred question No. 705, dated the 22nd September, 1931, regarding the number of Muslim clerks in certain postal circles?

**Sir Thomas Ryan:** The Honourable Member is referred to the statement laid on the table on the 14th September, 1932.

SAFEGUARDING THE INTERESTS OF MUSLIMS IN THE UPPER DIVISION AND SUPERINTENDENT'S GRADE IN THE GOVERNMENT OF INDIA DEPARTMENTS.

822. **\*Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): Will Government be pleased to lay on the table a copy of the information collected, *vide* reply to starred question No. 282, dated the 10th September, 1929, regarding safeguarding of Muslims' interest in the Upper Division and Superintendent's grade in the Government of India Departments?

**The Honourable Sir Harry Haig:** The information asked for is laid on the table.



**RECRUITMENT AND PROMOTION OF MUSLIMS IN THE SECRETARIAT AND ATTACHED OFFICES.**

823. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): Will Government be pleased to lay on the table a copy of the information referred to in reply to starred question No. 1018, dated the 28th September, 1931, regarding recruitment and promotion of Muslims in the Secretariat and Attached Offices?

**The Honourable Sir Harry Haig:** The information asked for is laid on the table.

\*1018. (a) The information readily available shows that on the 30th August, 1930, there were 8 such Muslims in the First Division, 17 in the Second Division and 6 in the Third Division.

(b) Eight in the First Division, 12 in the Second Division and 104 in the Third Division.

(c) and (d). The statement below gives the required information :

Passed in Division.		Posts offered in					
		1st Division.		2nd Division.		3rd Division.	
		Secre- tariat.	Attache d Offices.	Secre- tariat.	Attached Offices.	Secre- tariat.	Attached Offices.
Muslims.	I (4)	2	2	..	..	..	..
	II (2)	..	..	1	1	..	..
	III (8)*	..	..	..	..	..	†7
Non-Muslims.	I (4)	2	2	..	..	..	..
	II (10)	..	..	5	5	..	..
	III (104)	..	..	..	..	2	63

(e) None in the First and Second Divisions. Thirty-seven in the Third Division, i.e., 4 which were offered but not finally accepted at that time and 33 (6 Muslims, 4 other minority communities and 23 lady clerks) for which passed candidates were not available.

\* One candidate asked for an appointment in a moving office which was not available.

† Includes one who was subsequently found inefficient and discharged.

**CLERICAL ESTABLISHMENT OF THE RAILWAY BOARD.**

824. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): Will Government be pleased to lay on the table a copy of the statement referred to in reply to starred question No. 1023, dated the 28th September, 1931, regarding the clerical establishment of the Railway Board?

**Mr. P. E. Rau:** I lay on the table two statements giving the information required.

## A

Statement showing strength of clerical establishment of the Railway Board's office at the end of March of each year from 1927 to 1931.

	31st March, 1927.			31st March, 1928.			31st March, 1929.			31st March, 1930.			31st March, 1931.		
	I Dn.	II Dn.	III Dn.	I Dn.	II Dn.	III Dn.	I Dn.	II Dn.	III Dn.	I Dn.	II Dn.	III Dn.	I Dn.	II Dn.	III Dn.
<i>Permanent.</i>															
(i) Total No. of employees in each Division.	30	43	32	30	43	32	29	43	32	31	44	33	33	45	30
(ii) No. of Muslim employees in each Division.	..	5	5	..	5	5	1	5	5	1	5	5	1	5	5
<i>Temporary.</i>															
(i) Total No. of employees in each Division.	..	..	..	..	1	2	..	1	12	1	2	13	1	1	8
(ii) No. of Muslim employees in each Division.	..	..	..	..	..	..	..	..	3	..	..	3	..	..	1

B.

Statement showing vacancies occurred and filled in the clerical establishment of the Railway Board during the years 1926-27, 1927-28, 1928-29, 1929-30 and 1930-31.

	1926-27.			1927-28.			1928-29.			1929-30.*			1930-31.		
	I Dn.	II Dn.	III Dn.	I Dn.	II Dn.	III Dn.	I Dn.	II Dn.	III Dn.	I Dn.	II Dn.	III Dn.	I Dn.	II Dn.	III Dn.
<i>Permanent.</i>															
(i) Total No. of vacancies occurred in each Division . . . .	..	2	..	2	1	1	1	..	1	3	2	..	5	3	..
(ii) No. of vacancies filled by Muslims in each Division . . . .	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..
<i>Temporary.</i>															
(i) Total No. of vacancies occurred in each Division . . . .	..	..	..	..	2	7	..	..	11	..	2	20	2	3	23
(ii) No. of vacancies filled in by Muslims .	..	..	..	..	1	1	..	..	3	..	..	6	..	1	8

\*During the years 1929-30 and 1930-31 no permanent vacancies were filled.



NUMBER OF MUSLIMS EMPLOYED IN THE LOWER SIND AND PERSIAN GULF  
POSTAL DIVISIONS.

825. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): Will Government be pleased to lay on the table a copy of the information collected *vide* reply to starred question No. 690, dated the 22nd September, 1931, regarding the number of Muslims employed in the Lower Sind and Persian Gulf Postal Division?

**Sir Thomas Ryan:** A statement containing the information required, which was supplied to the Honourable Member by Sir Hubert Sams on the 3rd November, 1931, is laid on the table.

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*Numbers of Muslims employed in the Lower Sind and Persian Gulf Postal  
Division.*

\*680. (a) 143.

(b) Muslims 42, Non-Muslims 101.

(c) 173.

(d) 90.

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CONFIRMATION OF CERTAIN CLERKS ON THE NORTH WESTERN RAILWAY.

826. \***Mr. M. Maswood Ahmad** (on behalf of Seth Haji Abdoola Haroon): (a) Will Government be pleased to state if it is a fact that in July, 1931, orders were issued by the Government of India stopping confirmations of staff?

(b) Is it a fact that the Agent, North Western Railway, issued similar orders to the officers subordinate to him?

(c) Is it a fact that subsequent to the issue of these orders by the Agent, the D. C. Os., Moghalpura, confirmed certain clerks in his office without obtaining the Agent's sanction? If so, what action was taken against the persons responsible for the irregularity?

(d) Are Government aware that these confirmations were made in a most unusual manner by holding an examination in dictation?

(e) Is it a fact that in ordering these confirmations claims of some senior and well qualified Muslims were ignored? If so, are Government prepared to have the matter investigated and the grievances of Muslims redressed?

(f) Are Government aware that certain Hindu Third Division Matriculates were confirmed contrary to the Agent's orders and that some Second Division Muslims who were fully qualified according to the Agent's orders were turned out? If so, do Government propose to reinstate the Muslims wrongly discharged and remove the non-Muslims wrongly confirmed?

(g) Is it a fact that the names of some Muslim members of the staff discharged by the D. C. Os., Moghalpura, have not been advised to the Labour Exchange for employment in future vacancies in preference to outsiders? If so, are Government prepared to pass orders to rectify the mistake at once?

**Mr. P. R. Rau:** I have called for certain information and will lay a reply on the table in due course.

POSTINGS OF INDIAN FOREST SERVICE OFFICERS.

827. \***Mr. M. Maswood Ahmad** (on behalf of Mr. S. C. Mitra): (a) Is it a fact that two officers were appointed by the Secretary of State for India to the Indian Forest Service in November last on completion of their probation at Dehra Dun?

(b) Is it a fact that one of them has been posted to Assam and the other to the United Provinces?

(c) Is it true that the United Provinces Government applied to the Government of India asking for a Muslim to be posted to the United Provinces?

(d) If the answer to part (c) be in the affirmative, will Government please state whether such a request has ever been made before by any Provincial Government in the matter of posting of All-India officers?

(e) If not, why did the United Provinces Government do so now and why did the Government of India allow such a request?

(f) Do Government contemplate or have they ever contemplated introducing communal representation province by province in the All-India Services, apart from communal representation in a particular service as a whole for India?

(g) If so, did the Government of India take note of the fact that of the Indian Forest Service officers in Assam there is not a single Muslim, whereas in the United Provinces there is at least one fairly senior Muslim Indian Forest Service officer?

**Mr. G. S. Bajpai:** (a) to (c). Yes, the facts are as stated.

(d) Yes.

(e) This part of the question does not arise.

(f) No, but the communal composition of the population of each province cannot be disregarded in making allotments.

(g) Government arrived at the decision after taking into consideration all relevant facts.

POSTINGS OF INDIAN FOREST SERVICE OFFICERS.

828. \***Mr. M. Maswood Ahmad** (on behalf of Mr. S. C. Mitra): (a) Is it true that officers in the Imperial Services are generally given their postings according to their preferences regarding provinces in the order of merit, and that this general rule was followed in the case of posting of Indian Forest Service probationers from Dehra Dun in all past years?

(b) If so, what specific reasons had the Government of India to depart from this general principle this year?

(c) Is it not a fact that both the candidates had given the United Provinces as the province of their choice, and yet the candidate who obtained the first rank in Dehra Dun and in the open competitive examination at Delhi, through which they were recruited to the service, was posted to Assam and the other candidate who was originally only nominated to the service for communal reasons was posted to the United Provinces?

(d) Are the Government of India prepared to reconsider their decision in the matter of this posting and re-post accordingly the officers concerned?

**Mr. G. S. Bajpai:** (a) The general principle is that while the wishes of probationers in All-India Services in regard to their postings are taken into consideration, the actual allotment is made with due regard to the exigencies of public service, and for this reason the rules make it clear that no guarantee can be given that the choice of a probationer will be adhered to.

(b) There has been no departure from the general principle stated in answer to part (a) of this question.

(c) The facts are as stated.

(d) No.

**REFUSAL OF THE CEYLON STATE COUNCIL TO GRANT PREFERENCES ON CERTAIN ARTICLES CONTAINED IN SCHEDULE E OF THE OTTAWA AGREEMENT.**

829. **\*Mr. H. P. Mody** (on behalf of Mr. F. E. James): (a) Has the attention of the Government of India been drawn to the action of the Ceylon State Council in January last, in refusing to grant preferences on certain articles contained in Schedule E of the Ottawa Agreement (including cotton textiles, iron and steel, coffee, coriander seed) and in reducing the margin of preference on others?

(b) In view of the reciprocal nature of the Ottawa Agreement and of the situation created by the action of the State Council, are the Government of India prepared to reconsider the scale and scope of the preferences granted to Ceylon under Schedule H of the Ottawa Agreement?

**The Honourable Sir Joseph Bhoré:** (a) Yes.

(b) The Government of India have taken the matter up with His Majesty's Government in the United Kingdom through the Secretary of State for India.

**REFLOORING OF CLERKS' QUARTERS IN NEW DELHI.**

830. **\*Mr. B. Das:** (a) Will Government be pleased to state if it is a fact that the New Delhi Central Public Works Department has been unusually busy during the last fortnight in reflooring the clerks' quarters?

(b) When was the decision to refloor these quarters taken?

(c) What is the reason for this activity at the end of the financial year? Is it due to the desire not to allow any grant under this head to lapse?

(d) What was the total amount spent for reflooring of clerks' quarters during the three months ending on 31st March, 1932?

(e) Is it a fact that the reflooring is being done in almost every room in clerks' quarters whether there is necessity for it or not?

(f) In view of the need for economy, are Government prepared to consider the advisability of postponing the reflooring work to better times and confining it this year to the absolute minimum requirements?

**The Honourable Sir Frank Noyce:** (a) and (c). There has been no abnormal activities in this respect, and the work was undertaken because the floor was in a state of disrepair.

(b) The estimate was sanctioned at the end of August last and, after the disposal of tenders, work was commenced in October.

(d) No re-flooring was carried out during the three months ending on the 31st March, 1932.

(e) No. There is no basis for the Honourable Member's suggestion.

(f) Does not arise.

**Dr. Ziauddin Ahmad:** May I ask whether the item will be included in the Budget of 1933-34 or will be laid in the form of a supplementary grant?

**The Honourable Sir Frank Noyce:** There is no question of the inclusion of any item in the Budget for 1933-34. We are dealing with 1932-33. The work has been completed, and I presume there was budget provision for it.

**APPOINTMENT OF MR. WILLIAMS AS AN OFFICER ON SPECIAL DUTY TO WRITE THE ANNUAL REVIEW OF EVENTS IN INDIA.**

831. **\*Mr. Lalchand Navalrai** (on behalf of Mr. Gaya Prasad Singh): Will Government kindly state if Mr. Williams, an I. C. S. officer from Madras, has been, or is about to be placed on special duty in the office of the Director of Public Information, for the purpose of writing the annual review of events in India? If so, will Government state why Mr. Stephens, Director of the Information Bureau, or the Deputy Director, is not given the work?

**The Honourable Sir Harry Haig:** Mr. Williams has been placed on special duty for the preparation of the Report in close consultation with the Director of Public Information. The reason for this arrangement is the necessity of affording assistance to the Director and the Deputy Director in view of the present pressure of work in the Bureau and in particular of the fact that during the period January to October, 1932, the Bureau had to carry on with only one officer for nearly seven months. The Report will finally be checked by Mr. Stephens and issued under the authority of the Bureau.

**Mr. Lalchand Navalrai:** Will the Honourable Member be pleased to state why Mr. Williams has been selected from Madras, and none from Bombay or other places?

**The Honourable Sir Harry Haig:** The reason, Sir, is that Mr. Williams has been selected to be Under Secretary in the Home Department and we were able to secure his services for about a couple of months before he joined.

**PREFERENCE FOR GOVERNMENT APPOINTMENTS TO THOSE WHO RENDERED ACTIVE SERVICE DURING THE GREAT WAR.**

832. **\*Mr. Gaya Prasad Singh:** Will Government be pleased to state whether it was the intention of paragraph 4 of the Home Department Resolution, No. 1099-Establishments, dated the 8th August, 1919, to give preference in the matter of Government employment to all those who had rendered active service during the war irrespective of the fact that they did not possess the necessary educational, professional or technical qualifications, but were otherwise competent to perform the duties of the posts to which they were to be appointed? If not, what was the intention?

**The Honourable Sir Harry Haig:** The intention of the orders in the paragraph referred to is to exempt from the prescribed educational, professional or technical qualifications, not all those who rendered such service but only such of them as were prevented by war service from acquiring these qualifications.

#### APPOINTMENTS TO THE THIRD DIVISION OF THE GOVERNMENT OF INDIA SECRETARIAT.

**833. \*Mr. Gaya Prasad Singh:** (a) Is it a fact that for appointment to the third division of the Government of India, Civil Secretariat (e.g., Home, Finance Departments) it is necessary for a candidate to pass an examination of the Public Service Commission?

(b) If the reply to part (a) be in the affirmative, will Government be pleased to state under which of the three categories, *viz.*, "educational, professional or technical qualifications" the passing of the Public Service Commission examination referred to above falls?

**The Honourable Sir Harry Haig:** (a) Ordinarily the position is as stated by the Honourable Member.

(b) The examination is intended to test the candidates' general intelligence as well as their proficiency in typing.

#### PERMANENT APPOINTMENTS IN THE GOVERNMENT OF INDIA OFFICES GIVEN TO THOSE WHO RENDERED ACTIVE SERVICE DURING THE GREAT WAR.

**834. \*Mr. Gaya Prasad Singh:** (a) Will Government be pleased to state whether they have given permanent appointment to any persons in the Government of India offices under the terms of the Home Department Resolution, No. 1099-Establishments, dated the 8th August, 1919?

(b) If the reply to part (a) be in the affirmative, will Government kindly state what the circumstances of those cases were, and what particular terms of the above-mentioned Resolution were applied to those cases?

(c) If the reply to part (a) above be in the negative, will Government be pleased to state whether no one claimed for this concession since the above-mentioned resolution was issued or whether Government did not give effect to it at all?

**The Honourable Sir Harry Haig:** (a) The information is not readily available and Government consider that the expenditure of time and labour that would be involved in trying to collect it would not be justifiable.

(b) and (c). Do not arise. As regards part (c) however I may inform the Honourable Member that I am aware of a few cases in which persons claimed the concession referred to but as Government were not satisfied that the applicants were prevented by war service from obtaining the necessary qualifications to secure employment under Government their requests were not granted.

**SUPPLY OF MILK PRODUCTS OF THE MILITARY DAIRY FARM, JUTOGH.**

835. **\*Mr. Gaya Prasad Singh:** (a) With reference to my starred question No. 76 of the 7th September, 1932, regarding the supply of milk products of the Military Dairy Farm, Jutogh, is it not a fact that Keventers Dairy have made several representations urging that the Military Dairy Farm should not be allowed to compete with private enterprise, as admitted by the Army Secretary, in his letter to me, dated the 9th September, 1932?

(b) Are Government aware that Keventers Dairy is an English firm; and have Government or the military authorities received any representations from any Indian dairy farms suggesting that the supply of milk products of the Military Dairy Farm, Jutogh, should be restricted only to Government officials? If such representations have been received, will Government kindly place them in the Library, or at least state from whom such representations have been received, and when?

(c) If no such representations have been received, have the military authorities restricted the supply of products of the Jutogh Dairy Farm solely for the benefit of Keventers' Dairy?

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

(b) I understand that Mr. Edward Keventer the founder of the private company known as E. Keventer Ltd. is a naturalised British subject of Swedish birth and origin. A joint protest against Government trading in dairy produce was received at Army Headquarters from the following firms on the 2nd November last:

- (1) The Simla Dairy Farm, Simla and Lahore.
- (2) Messrs. Edward Keventer, Ltd.
- (3) The Montgomery Dairy Farm, Lahore.
- (4) The Dalhousie Dairy, Lahore.
- (5) The Krishna Dairy, Lahore.
- (6) The Punjab and Sind Dairy Farm, Lahore.
- (7) The Indian Dairy and Bakery.

I understand that some of these firms are Indian.

(c) This part of the question hardly arises, but I may state that the restrictions have been imposed in accordance with the considered policy of Government, which has, I think, commended itself strongly to Indian opinion. Government do not consider that it would be justifiable to depart from that policy on racial grounds.

**Mr. Lalchand Navalrai:** Will the Honourable Member please state how many protests are from Indian and how many from European firms?

**Mr. G. R. F. Tottenham:** I do not know exactly how many; but I have the representation here and most of the signatures are those of Indians. I think at least four are Indian firms out of the seven.

**PENSION OF CERTAIN MILITARY MEN INCREASED BY RE-EMPLOYMENT DURING THE GREAT WAR.**

836. **\*Mr. Gaya Prasad Singh:** (a) Will Government please refer to paragraph 1031 (ix) of the Army Regulations (India), Volume I, (1915) edition, and state their reasons for disallowing enhanced rates of pension

admissible in that paragraph for pensioners re-enrolled during the War by imposing upon the re-enrolled persons a fresh condition in 1921 to the effect that enhanced rates of pension sanctioned as a result of the post war cost of living in A. I. I. 805 of 1920 will only be granted to the re-enrolled pensioners, if the re-employed service was, in the opinion of the Officer Commanding, quite satisfactory and that no pension was drawn during the period of re-employment?

(b) Are Government aware that many claims of pre-war Indian officers and non-commissioned officers, on account of their re-enrolment as in part (a) above, have been disallowed simply because the Officers Commanding expressed their inability to find any record by which it can be said that the service rendered during the period of re-enrolment was satisfactory?

(c) Are Government aware that the imposition of the fresh condition as in part (a) above is in contravention of the old rules of 1915? Has not this imposition tightened the hands of the unit commanders in granting certificates for the satisfactory service even in cases where there is no record to show that the services rendered during the time of re-employment were unsatisfactory?

(d) What records are necessary to prove satisfactory re-employed service during the War? What particular records were maintained during the War against the contingency of the new conditions referred to in part (a) above? Who is responsible for the lack of such records?

(e) Are Government aware that for re-assessment of pensions as in part (a) above, there are claims which were filed in time, but remained outstanding for a long period and that now the same are being rejected for want of records to show the re-employed service to be satisfactory?

(f) Are Government aware that the scope of claims of the category mentioned in part (a) above was further restricted by the interpretation of the new phrase "paid military service" used in A. I. I. 171 of 1921 as made by A. I. I. 1064 of 1923 whereby "paid military service" in Labour Corps was considered ineligible for the enhanced rates of pension so much so that all notification of enhanced pensions made prior to the introduction of A. I. I. 1064 of 1923, under the previous rules had to be cancelled?

(g) Are Government prepared to re-assess the pension of the re-enrolled pensioners, during the War, in accordance with the principle of paragraph 1031 (ix) A. R. I. referred to in part (a) above on the pre-war period, waiving the new condition imposed under A. I. I. 171 of 1921, at least in case where there is no record to show the re-employed service to be unsatisfactory?

(h) Will Government please state if, for the purposes of enhanced rates of pension referred to in part (a) above, the old or the new rules impose that a certain period of re-employed service must be rendered before the re-employed service can be taken to be satisfactory? If not, what is the reason for presuming the period of four months' service put in by Subedar Mamraj to be unsatisfactory as per answer of Government to question No. 283 (a), (b) and (c) of the 29th March, 1932, given on the 15th September, 1932?

(i) Was it not for the Pension Controller to take the initiative for the re-assessment of pensions in accordance with the rules in force?

**Mr. G. R. F. Tottenham:** With your permission, Sir, I will answer questions Nos. 886, 887 and 888 together.

The points raised by the Honourable Member are being examined and a reply will be laid on the table in due course.

#### DISABILITY PENSION TO DISCHARGED MILITARY MEN.

†837. **\*Mr. Gaya Prasad Singh:** (a) Will Government please refer to the answer to starred question No. 1543 (b) and state what they mean by the term "pensionable disability contracted on field or foreign service"?

(b) Are Government aware that the term "pensionable disability" did neither occur in 1915 Regulations, paras. 1052 to 1058, dealing with wound, injury and disability pension, nor in A. I. I. 1956 of 1922?

#### DISABILITY PENSION TO DISCHARGED MILITARY MEN.

†838. **\*Mr. Gaya Prasad Singh:** With reference to the answer of the Government to starred question No. 1544 (f), dated the 5th December, 1932, will Government please refer to the claim of Subedar Molar I of 10th Jats, who has been corresponding since the date of his discharge (25th June, 1919), and yet has not been granted any disability pension? Is it a fact that he submitted his complaint about the non-grant to the Deputy Controller of Military Pensions enclosing all the original casualty forms and hospital cards but the same was returned, *vide* D. C. M. P. letter No. G.-3/5516, dated the 3rd August, 1932? Is it a fact that he submitted his papers to the Government of India, Indian Soldiers Board and the same were returned by the Adjutant General, *vide* his letter No. B.-14360/A. G.-14, and that he submitted his claim to the O. C., 10th Bn., 4/9th Regiment, Bareilly, but to no effect? Is it a fact that the case has taken over twelve years and there is no settlement as yet?

#### INSTRUCTIONS ISSUED BY GOVERNMENT *RE* PAYMENTS ON CERTAIN CURRENCY NOTES.

839. **\*Pandit Satyendra Nath Sen:** (a) Is it a fact that instructions have been issued by Government to all Treasury Officers and Agents of Branches of the Imperial Bank of India to refuse payments on notes of the denominations exceeding Rs. 10 on which either number has been divided by cutting and to pay only half value if the number of one half is intact?

(b) What is the immediate cause of this innovation?

(c) Is it a fact that instructions have been issued to send the tenderers of such notes to the nearest currency office?

(d) Will such tenderers receive full value of their notes there?

(e) If so, in which cases and under what conditions?

**The Honourable Sir George Schuster:** (a) A Press communiqué to this effect was published on the 4th August, 1932.

(b) Because it was found that the rules promulgated in 1927 were not being strictly observed in all cases.

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†For answer to this question, see answer to question No. 836.



(c) This is the procedure which has to be followed in all cases of claims made on defective notes.

(d) and (e). Payment will be made subject to the rules contained in Government of India, Finance Department Notification No. F.-4(XV)-F.-27, dated the 19th May, 1927.

**Pandit Satyendra Nath Sen:** What is the expected income to Government by this indirect method, viz., by refusing to give full payments?

**The Honourable Sir George Schuster:** It is impossible to give an accurate answer. If my Honourable friend will put down a question on the point, I will see if there are any statistics available to show how many notes have not been presented for payment in the past, but it will be very difficult to supply information.

**MECHANICAL EX-APPRENTICES OF THE EAST INDIAN RAILWAY WORKSHOP,  
LILLOOAH.**

**840. \*Pandit Satyendra Nath Sen:** Will Government please state how many mechanical ex-apprentices of the East Indian Railway Workshop, Lillooah, who are on the waiting list, are likely to be provided with posts this year, in the East Indian Railway establishment (such as in the Mechanical Department, Stores, under Divisional Superintendents)?

**Mr. P. R. Rau:** With your permission, Sir, I propose to reply to questions Nos. 840 to 844 together. I have called for information and will lay replies on the table in due course.

**MECHANICAL EX-APPRENTICES OF THE EAST INDIAN RAILWAY WORKSHOP,  
LILLOOAH.**

**†841. \*Pandit Satyendra Nath Sen:** (a) Is it a fact that arrangements have been made to provide some apprentices (who were appointed in 1928) who will complete their apprenticeship training this year in the East Indian Railway Workshop, Lillooah, ignoring the claims of senior ex-apprentices who are waiting?

(b) If the answer to part (a) above be in the affirmative, are Government prepared to take steps to stop such practice without delay and appoint ex-apprentices from the waiting list? If not, why not?

**MECHANICAL EX-APPRENTICES OF THE EAST INDIAN RAILWAY WORKSHOP,  
LILLOOAH.**

**†842. \*Pandit Satyendra Nath Sen:** Will Government please supply the names of the mechanical apprentices who completed their training in 1932 and also of those who will complete in 1933 of the East Indian Railway Workshop, Lillooah, with the following: (i) date of admission, (ii) particulars of training, and (iii) result of Technical School (division placed in the final examination)?

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† For answer to this question, see answer to question No. 840.

**STOPPAGE OF RECRUITMENT OF APPRENTICE TRAIN EXAMINERS FOR THE OPERATING DEPARTMENT, EAST INDIAN RAILWAY.**

†843. \*Pandit Satyendra Nath Sen: Will Government please state whether they propose to stop further recruitment of Apprentice Train Examiners for the Operating Department in the East Indian Railway while several *ex*-apprentices of the Lillooah Workshop are waiting? If not, why not?

**APPOINTMENT OF TRAINED *EX*-APPRENTICES IN THE EAST INDIAN RAILWAY WORKSHOPS, LILLOOAH.**

†844. \*Pandit Satyendra Nath Sen: Will Government please state:

- (a) whether it is a fact that some outsiders who had no mechanical training have been appointed as mechanics in the East Indian Railway Workshop, Lillooah;
- (b) whether it is a fact that one Anglo-Indian, who completed his training from the Electrical Department, is now working as a mechanic in "F" shop (saw mills) in the East Indian Railway Workshop, Lillooah;
- (c) whether it is a fact that two Europeans or Anglo-Indians who were first appointed as Apprentice Train Examiners in the East Indian Railway Workshop (C. and W.), Lillooah, and on the merit of their training for few months only were taken in, after the abolition of that system as mechanics in "A" and "H" shops in the same establishment; and
- (d) if the answers to parts (a), (b) and (c) above, be in the affirmative, whether Government are prepared to take steps to replace them by trained *ex*-apprentices who are waiting?

**PROMOTION OF CLERKS IN THE EAST INDIAN RAILWAY ACCOUNTS DEPARTMENT.**

845. \*Pandit Satyendra Nath Sen: (a) Is it a fact that promotion to the grade of clerks Class I, in the Railway Accounts Department is restricted only to those who pass Appendix 'C' Examination or were over 40 years of age on the 1st January, 1929, or were actually officiating in Class I on 1st April, 1929?

(b) Is it a fact that during the general fixation of staff in the year 1929, in the East Indian Railway Accounts Department, employees who did not satisfy any one of the above conditions were promoted to Class I?

(c) Is it also a fact that in January, 1931, Mr. T. R. V. Sarma, the then Deputy Chief Accounts Officer, East Indian Railway, passed orders for the reversion of those who were thus irregularly promoted?

(d) If so, will Government be pleased to state (i) the number of persons who were thus irregularly promoted, and (ii) the number of persons who were reverted in compliance with Mr. Sarma's orders?

(e) Do Government propose to regularise the matter now?

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†For answer to this question, see answer to question No. 840.

**Mr. P. R. Rau:** (a) I would refer my Honourable friend to the rules for recruitment and promotion of subordinate establishments in the Railway Accounts Department published in Railway Board's letter No. 5565-F. of the 31st July, 1929, copies of which are in the Library of the House.

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

#### RECRUITMENT OF QUALIFIED CLERKS AS ACCOUNTANTS IN THE EAST INDIAN RAILWAY ACCOUNTS DEPARTMENT.

**846. \*Pandit Satyendra Nath Sen:** (a) With reference to Government's reply to starred question No. 945, put in the Legislative Assembly on the 8th November, 1932, will Government be pleased to state:

(i) the number of vacancies in the sub-head's grade, whether permanent, officiating or temporary, that occurred in the East Indian Railway Accounts Department, from August, 1932, up till now; and

(ii) the number of such vacancies that were filled up by promotion of qualified clerks?

(b) Is it a fact that nearly all the vacancies in the sub-head's grade in the East Indian Railway Accounts Department, are being offered to men who had once officiated in that grade, but were reverted since then?

(c) If so, are Government aware that such preferential treatment to reverted sub-heads has practically nullified the concession, which the Controller of Railway Account's letter No. 77-E./31/C. R. A./III, dated the 20th July, 1932, sought to confer on qualified clerks who had passed the highest departmental examination?

(d) Do Government propose to instruct the Chief Accounts Officer, East Indian Railway, to adhere strictly to the provisions of the letter cited above? If not, why not?

**Mr. P. R. Rau:** (a) to (c). I am collecting the required information and will lay a reply on the table in due course.

(d) Government have no reason to believe that the Chief Accounts Officer, East Indian Railway, does not adhere strictly to the instructions issued to him.

#### TARIFF VALUES OF RAW HIDES AND SKINS EXPORTED FROM BURMA.

**847. \*Mr. M. Maswood Ahmad:** Will Government be pleased to state whether the tariff values of raw hides and skins if exported from Burma is as follows:

(1) Arsenicated and air-dried hides:			
(a) Cows (including calf skins)	lb.	0	2 9
(b) Buffaloes (including calf skins)	..	0	1 9
(2) Dry salted hides:			
(a) Cows (including calf skins)	..	0	2 6
(b) Buffaloes (including calf skins)	..	0	2 0
(3) Wet salted hides:			
(a) Cows (including calf skins)	..	0	1 6
(b) Buffaloes (including calf skins)	..	0	1 3
(4) Goat and kid skins	Piece	0	7 6
(5) Sheep skins	..	0	5 0 9

**The Honourable Sir Joseph Bhore:** With your permission, Sir, I will answer questions Nos. 847 and 848 together. The answer is in the affirmative.

**TARIFF VALUES OF RAW HIDES AND SKINS EXPORTED FROM BRITISH INDIA, EXCLUDING BURMA.**

†848. **\*Mr. M. Maswood Ahmad:** Will Government be pleased to state whether the tariff values of raw hides and skins if exported from any place in British India other than Burma is as follows:

**(1) Arsenicated and air-dried hides :**

(a) Cows (including calf skins)	Framed . lb.	0	5	6
	Unframed. „	0	3	6
(b) Buffaloes (including calf skins)	Framed „	0	4	0
	Unframed . „	0	2	6

**(2) Dry salted hides :**

(a) Cows (including calf skins) . . . .	„	0	4	0
(b) Buffaloes (including calf skins) . . . .	„	0	2	3

**(3) Wet salted hides :**

(a) Cows (including calf skins) . . . .	„	0	2	6
(b) Buffaloes (including calf skins) . . . .	„	0	2	0

**(4) Goat and kid skins . . . . . Piece** 1 0 0

**(5) Sheep skins . . . . . „** 0 8 0 ?

**TARIFF VALUES OF RAW HIDES AND SKINS EXPORTED FROM BRITISH INDIA, EXCLUDING BURMA.**

‡849. **\*Mr. M. Maswood Ahmad:** Will Government be pleased to state whether the tariff values of raw hides and skins if exported from any place in British India other than Burma is higher than if exported from Burma?

(b) Will Government be pleased to state the reasons for this differential treatment?

**The Honourable Sir Joseph Bhoré:** (a) The reply to the first part is in the affirmative.

(b) Tariff values represent as near as possible average market values. The hides and skins produced in Burma are inferior in quality and grading compared with those produced in India and consequently command a lower market value.

**Mr. M. Maswood Ahmad:** Is it a fact that a few hides and skins of India and Burma were sent to an expert to find out as to which of them were superior?

**The Honourable Sir Joseph Bhoré:** I am not aware of that.

**Mr. M. Maswood Ahmad:** What is the source of information of Government when they say that the Burma hides and skins are inferior to the hides and skins of India? How have Government come to this conclusion?

†For answer to this question, see answer to question No. 847.

**The Honourable Sir Joseph Bhoré:** Because, as I said, it was a question of market values, and the Government of India have taken merely the market values.

**Mr. B. Das:** May I inquire, Sir, whether the Burma hides and skins and the Indian hides and skins fetch different prices in the foreign market?

**The Honourable Sir Joseph Bhoré:** Sir, I have already explained that what we have to go upon is the market value.

**Mr. B. Das:** In India or outside India?

**The Honourable Sir Joseph Bhoré:** The market value, I think, in India.

**Mr. M. Maswood Ahmad:** Will Government inquire the market value outside India of the hides and skins of Burma and India as a whole before they come to any decision on the tariff value of hides and skins for export duty?

**The Honourable Sir Joseph Bhoré:** I do not know whether we can get that information, but I shall make inquiries.

**Dr. Ziauddin Ahmad:** The question of the market value in India is very risky, because in some places the trade in hides and skins may be very brisk. Therefore, the market value in buying countries like Germany and the United Kingdom should also be taken into consideration.

**The Honourable Sir Joseph Bhoré:** I am grateful to the Honourable Member for that information.

#### DISCHARGE OF INSOLVENT EMPLOYEES FROM GOVERNMENT SERVICE.

850. **\*Mr. Lalchand Navalrai:** Will Government be pleased to state if there exist any Government Servants' Conduct Rules requiring discharge from service of servants who are adjudged insolvents, and, if so, whether such rules are being observed in practice?

**The Honourable Sir Harry Haig:** I invite the attention of the Honourable Member to Rule 16 of the Government Servants' Conduct Rules. This rule does not require dismissal, but lays down liability to dismissal in certain circumstances.

**Mr. Lalchand Navalrai:** My question was with regard to the Railway Department. Will the Honourable the Railway Member kindly inform me if there is such a rule of conduct for dismissal or keeping the subordinates liable to dismissal in the Railway Department?

**The Honourable Sir Joseph Bhoré:** I must have notice of that question.

**RECRUITMENT IN THE OFFICE OF THE DEPUTY ACCOUNTANT GENERAL,  
POSTS AND TELEGRAPHS.**

851. **\*Pandit Ram Krishna Jha:** (a) Is it a fact that the Accountant General, Central Revenues, New Delhi, held a competitive examination in February, 1931, and the Deputy Accountant General, Posts and Telegraphs, promised to engage those passed hands in his own office, whenever any vacancy occurred?

(b) If so, how many of them have been engaged in the office of the Deputy Accountant General, Posts and Telegraphs, in the vacancies which occurred in February, 1932?

(c) If the reply to part (b) above be in the negative, will Government be pleased to state:

(i) the number of unqualified hands recruited, and

(ii) under what circumstances they were given preference to the qualified hands?

(d) Are Government prepared to provide the qualified hands in the next vacancies that may occur?

**The Honourable Sir George Schuster:** The information has been called for and will be laid on the table in due course.

**EMPLOYMENT OF CERTAIN MEN ON THE ABOLITION OF CERTAIN POSTS IN THE  
RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.**

852. **\*Pandit Ram Krishna Jha:** (a) With reference to starred question No. 542, dated the 27th February, 1933, will Government be pleased to state, whether it is a fact that the men referred to in the question quoted above were taken in the Rates Experiment, but not in the Railway Clearing Accounts Office?

(b) If the reply to the above be in the affirmative, will Government be pleased to state why they were placed against the regular strength of the Railway Clearing Accounts Office?

**Mr. P. R. Rau:** I am informed that four of these men were first appointed in the Rates experiment and, on reduction of staff in that branch, were transferred to the Clearing Accounts Office as they were considered particularly useful.

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**ELECTION OF THE STANDING FINANCE COMMITTEE.**

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Order order. I have to inform the Assembly that the following Members have been elected to the Standing Finance Committee:

1. Mr. G. Morgan,
2. Major Nawab Ahmad Nawaz Khan,
3. Hony. Captain Rao Bahadur Chaudhri Lal Chand,
4. Diwan Bahadur Harbilas Sarda,
5. Mr. Badri Lal Rastogi,

[Mr. President.]

6. Lala Rameshwar Prasad Bagla,
  7. Rai Bahadur S. C. Mukherjee,
  8. Mr. B. Sitaramaraju,
  9. Mr. J. Ramsay Scott,
  10. Mr. Muhammad Muazzam Sahib Bahadur.
  11. Dr. Ziauddin Ahmad,
  12. Mr. Lalchand Navalrai,
  13. Mr. B. V. Jadhav, and
  14. Sirdar Harbans Singh Brar.
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#### ELECTION OF THE PUBLIC ACCOUNTS COMMITTEE.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): I have to inform the Assembly that the following Members have been elected to the Committee on Public Accounts:

1. Mr. K. P. Thampan,
  2. Mr. B. Das,
  3. Mr. Muhammad Anwar-ul-Azim, and
  4. Mr. A. H. Ghuznavi.
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#### STATEMENT OF BUSINESS.

**The Honourable Sir Brojendra Mitter** (Leader of the House). Mr. President, Government wish to give time next week for the discussion of the White Paper. After consulting the Party Leaders, I propose that Monday, Tuesday and Wednesday of next week should be devoted to this important matter; but I must impress on the House that this arrangement is provisional on the conclusion this week of the Finance Bill, the Wheat Bill and the Salt Bill. As I mentioned in my statement last Thursday, I may have to ask you to direct that the House shall sit on Saturday in order to finish these Bills.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): With regard to the question whether it is necessary for the House to sit on Saturday, the Chair would suggest to the Honourable the Leader of the House that he might make the request on Thursday after seeing the progress of the business up till that day.

# STATEMENTS LAID ON THE TABLE.

**The Honourable Sir Harry Haig** (Home Member): Sir, I lay on the table the information promised in reply to starred questions Nos. 1694 and 1695 asked by Mr. N. R. Gunjal on the 14th December, 1932.

## COMPLAINTS OF THE PUBLIC OF DELHI CITY ABOUT THE CORRUPTION IN CERTAIN DEPARTMENTS.

\*1694. (a) No such complaint is known to Government nor do enquiries disclose its existence.

(b) and (c). I have no information whether any such rules are in force in every province in India; nor would such transfers be feasible in every instance in the case of Delhi.

## RESIDENCE AND PERIOD OF STAY IN DELHI OF CERTAIN OFFICIALS OF THE DELHI PROVINCE.

\*1695. (a) A statement containing the information required, except in respect of the Public Works Department, is enclosed. Officers and members of the staff of the Public Works Department with one or two exceptions, are no longer seconded from other provinces and the question of reverting them to their provinces does not arise.

(b) In view of the reply given to part (a) of question No. 1694, the question of taking action does not arise.

Name of Officer. (1)	Designation. (2)	Date of appointment to Delhi. (3)	Home Province. (4)
Deputy Commissioner's Department— (a) <i>Magistracy</i> .			
1. A. H. Layard, Esqr., I.C.S.	Deputy Commissioner.	March 1932 .	Central Provinces.
2. F. B. Pool, Esq., M.B.E., P.C.S.	Additional District Magistrate.	April 1929 .	Punjab.
3. A. Isar, Esq., M.B.F., P.C.S.	City Magistrate .	December 1928.	„
4. R. S. Bakhshi Pindi Das, P.C.S.	Revenue Assistant, Excise Officer and Nazul Officer.	March 1929 .	„
5. S. Abdul Samad Khan, P.C.S.	General Assistant .	November 1928.	„
6. Ch. Baldeo Singh, P.C.S.	Treasury Officer .	May 1932 .	„
7. Lt. O. C. B. St. John, Poll. Probationer.	Poll. Pro. under training.	November 1932.	„



Name of Officer.	Designation.	Date of appointment to Delhi.	Home Province.
(1)	(2)	(3)	(4)
<i>(b) Tehsil.</i>			
1. K. S. S. Mohd. Hasnain.	Tehsildar . . .	January 1926	U. P. (Punjab cadre).
2. L. Kali Ram . . .	Naib Tehsildar. . .	November 1930.	Punjab.
3. S. Abdul Aziz Khan .	Naib Tehsildar. . .	July 1930 . . .	„
<i>(c) Nazul Office.</i>			
1. R. S. Bakhshi Pindi Das, P.C.S.	Nazul Officer [See also (a) 4 above].	March 1929 .	Punjab.
2. Syed Munazir Ali . .	Tehsildar, Nazul . .	January 1926	Delhi (Punjab cadre).
3. Vacant at present . .	Superintendent, Nazul	..	..
4. Pt. Khairati Lal . . .	Head Clerk . . .	December 1932.	Delhi.
<i>(d) Industrial Surveyor's Office.</i>			
1. S. S. Mehtab Singh . .	Industrial Surveyor .	April 1925 .	Punjab.
2. B. G. C. Mukerji . . .	Technical Assistant to Industrial Surveyor.	August 1928.	Bengal, recruited but in Delhi.
<i>(e) Excise Office.</i>			
1. R. S. Bakhshi Pindi Das, P. C. S.	Excise Officer [See also (a) 4 above].	March 1929 .	Punjab.
2. Sh. Turab Ali . . .	Excise Inspector . .	April 1927 .	„
3. Pt. Manmohan Nath Kaul.	Excise Sub-Inspector	June 1927 .	„
4. L. Madan Mohan . . .	Excise Sub-Inspector	January 1929	Delhi (Punjab cadre).
5. Rao Suleman Khan . .	Excise Sub-Inspector	April 1930 .	Punjab.
6. Ch. Mukhram Singh . .	Excise Sub-Inspector	August 1928	„

Name of Officer.	Designation.	Date of appointment to Delhi.	Home Province.
(1)	(2)	(3)	(4)
<i>(f) Deputy Commissioner's Office.*</i>			
1. M. Abul Hassan Khan, P. C. S. (Retired).	Sub-Registrar and Honorary Magistrate, 1st Class.	May 1931 .	Delhi.
2. C. O. Liddell, Esqr. .	Superintendent. .	July 1917 .	"
3. L. Sham Sunder Lal .	Head Clerk, English Office.	Decr. 1932 .	"
4. Pt. Kashmere Lal .	Head Clerk, Vernacular Office.	Nov. 1925 .	"
5. L. Mithan Lal .	Head Clerk, Treasury Office.	Nov. 1932 .	"
6. M. Maudud Ali .	Manager, Court of Wards.	June 1919 .	"
7. L. Harnam Das .	District Nazir .	Nov. 1921 .	Punjab (but recruited in Delhi).
8. Syed Bashir Uddin .	Copying Agent .	Decr. 1925 .	Delhi.

**Mr. G. S. Bajpai** (Secretary, Department of Education, Health and Lands): Sir, I lay on the table:

(i) the information promised in reply to starred questions Nos. 1570 and 1571, asked by Maulvi Sayyid Murtuza Saheb Bahadur on the 5th December, 1932; and

(ii) the information promised in reply to starred questions Nos. 588 and 589, asked by Mr. M. Maswood Ahmad on the 27th February, 1933.

#### COMPLAINTS AGAINST THE EDUCATION DEPARTMENT, AJMER-MERWARA.

\*1570 (e) and (f) (iii) and \*1571 (a), (b), (c) and (f). Enquiries were made into the allegations made by Mr. B. Anand of Ajmer regarding educational affairs in Ajmer-Merwara and they were found to contain very little substance. As regards his allegation about the issue of false admission cards for appearing at the examination of the Board of High School and Intermediate Education for Rajputana, Central India and Gwalior, and of counterfeit certificates of passing the Board's examination, only one such card and one certificate were discovered. The matter was entrusted to the police authorities for investigation, who subsequently reported that the suspect, who was being watched in this connexion, had left Ajmer for some unknown place. As the culprit could not be traced no action could be taken against him. The Board has, however, taken the necessary steps to prevent recurrence of such cases in future.

### ALLEGED LACK OF ADMINISTRATION AND SUPERVISION OF THE SUPERINTENDENT OF EDUCATION, DELHI.

\*588. (c) A day or two before the inspection of a local high school by the Inspection Committee appointed by the Board of Secondary Education, Delhi, an anonymous complaint was received by the Superintendent of Education, Delhi, stating that the Headmaster of the school concerned had been suspected of participation in the activities of an undesirable Association. On inquiry it was found that he had left the service of a school in Ambala because he was suspected of participation in non-co-operation activities but that since he joined the Ramjas School, he had taken no part in any anti-Government movement and was also ready to promise that he would have no connection with any such movement in future. The Inspection Committee felt that in the circumstances, there was no reason to withhold recognition from the Ramjas School.

### HIGH SCHOOLS RECOGNISED BY THE SECONDARY EDUCATION BOARD, DELHI.

\*589. (a) There were two such schools, viz., the Ramjas High School No. 3 and the Kshatriya Upkarak High School. The former is maintained by the Ramjas Trust Society and the latter by the Khatri community. These were the only two schools which had applied for recognition after the appointment of the present Superintendent of Education, Delhi.

(b) (1) & (3). Yes.

(2) The Superintendent of Education has a nominee on the Inspection Committee, but the District Inspector of Schools was not nominated by him to either of the Committees appointed to inspect the two schools mentioned in the reply to part (a) above.

(c), (e) and (f). A reference is invited to the reply to part (c) of the Honourable Member's question No. 588 which has been placed on the table of the house to-day.

(d) Yes. As the correspondence is of a confidential nature, it cannot be made public.

### ELECTION OF THE DEPUTY PRESIDENT.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The House will now proceed to elect the Deputy President. Since my announcement of yesterday, Sardar Sant Singh, Sir Abdulla-al-Māmūn Suhrawardy, Rao Bahadur M. C. Rajah, Mr. S. G. Jog and Mr. N. R. Gunjal have intimated that they have withdrawn their candidature. The election by ballot is thus limited to two candidates, Mr. Abdul Matin Chaudhury and Mr. Muhammad Yamin Khan.

The rules regulating the manner in which the ballot shall be held have already been circulated to Honourable Members.

Honourable Members will now come up to the table and receive the ballot papers in the order in which the Secretary will call their names. After receiving the ballot paper each Member will record his vote at the table behind the President's Chair, and hand it to the Secretary.

(The Ballot was then taken.)

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The result of the voting is that Mr. Abdul Matin Chaudhury has secured 64 votes and Mr. Muhammad Yamin Khan 56 votes. (Loud Applause.)

I, therefore, declare, under Standing Order 5(3) of the Legislative Assembly Standing Orders, Mr. Abdul Matin Chaudhury to be duly elected Deputy President by the Assembly. (Loud Applause.)

By Statute this election requires His Excellency the Governor General's approval, which will be sought and announced to the House in due course.

## ELECTION OF THE STANDING COMMITTEE ON EMIGRATION.

**Mr. G. S. Bajpai** (Secretary, Department of Education, Health and Lands): Sir, I move:

"That this Assembly do proceed to elect in such manner as the Honourable the President may direct, eight Non-Official Members to serve on the Standing Committee on Emigration".

The motion was adopted.

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## ELECTION OF THE STANDING COMMITTEE FOR THE DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

**Mr. G. S. Bajpai** (Secretary, Department of Education, Health and Lands): Sir, I 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, other than 'Indians Overseas—Emigration' and 'Haj Pilgrimage' dealt with in the Department of Education, Health and Lands".

The motion was adopted.

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**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): I may inform Honourable Members that nomination for the purpose of election of Members to the Standing Committee on Emigration and Standing Committee for the Department of Education, Health and Lands will be received in the Assembly Office up to 12 noon on Friday, the 24th March, 1933. The election, if necessary, for the Standing Committee on Emigration will take place in this Chamber on Tuesday, the 28th March, while the election for the Standing Committee for the Department of Education, Health and Lands will be held on Thursday, the 30th March, 1933. The elections will be conducted in accordance with the principle of proportional representation by means of the single transferable vote.

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## THE WHEAT IMPORT DUTY (EXTENDING) BILL.

**The Honourable Sir Joseph Bhoré** (Member for Commerce and Railways): Sir, I move:

"That the Bill to extend the operation of the Wheat (Import Duty) Act, 1931, be taken into consideration".

This measure, Sir, I might describe in botanical language as an annual. It needs therefore less elaborate descriptive treatment than it would normally do. It is, however, necessary for me to explain the wheat position as it stands today in order to justify the measure which I have placed before the House. There are two factors, Sir, which seem to me to dominate that position today,—factors which render it necessary to take the action that we are taking in this Bill. Firstly, Sir, as far as information is available, there is today a larger exportable surplus of wheat in non-Indian areas than there was this time last year. That is the first thing. The second factor is that the world price of wheat is far below

[Sir Joseph Bhore.]

the price of wheat in India at the present moment. The price of Australian wheat in London stood in January of this year at Rs. 2-10-8 a maund as against Rs. 3-2-6 a maund in January last year and as against Rs. 3-4-0 in March last year. On the 18th February this year, the price at Lyallpur was Rs. 3-4-6. When compared with the London price of Rs. 2-10-8, it will be seen that Indian wheat is entirely out of parity with world prices. Incidentally, Sir, the figures I have given would show that even if Lyallpur wheat were carried for nothing to London, it could not possibly compete there at present prices with Australian wheat.

**Diwan Bahadur A. Ramaswami Mudaliar** (Madras City: Non-Muhammadan Urban): Has the Honourable Member got the figures of Australian wheat in Australia?

**The Honourable Sir Joseph Bhore:** No, Sir. I have not. I ought also, I think, to add that though this year we do not expect any appreciable surplus of Indian wheat, the Indian production is likely to meet the Indian demand.

**Diwan Bahadur A. Ramaswami Mudaliar:** How many million tons?

**The Honourable Sir Joseph Bhore:** The forecast is very uncertain at the present moment, but I should say it was in the neighbourhood of about nine million tons. That is a very speculative figure at the present moment.

Now, Sir, what follows from the operation of these factors to which I have referred, namely, first, the fact that there is a larger exportable surplus of wheat in non-Indian exporting countries than there was in the past year and, secondly, that the world price of wheat is far below the price at the present moment obtaining in this country. It seems to me that the conclusion is irresistible that foreign wheat would swamp the Indian market at a price which would be wholly unremunerative to the Indian producer if the import duty were removed or appreciably reduced. Now, Sir, obviously there are conflicting interests in this case. Obviously, the interests of the consumer are at variance with those of the agriculturist, the primary producer. I will say at once that so far as I personally am concerned, I do not like the principle of this wheat import duty, but I like still less the prospect of seeing the Indian cultivator squeezed out of cultivation by a competition which in certain cases is subsidized and in all cases uneconomic. Now, Sir, in deciding whether there is any justification for this measure, I have asked myself two questions. Firstly, whether the heavy duty we have imposed in the past has really unduly penalised the consumer of wheat in this country and, secondly, whether any safeguards exist to prevent the Indian consumer from being charged unreasonably high prices. Let me take the first of these two points. I have had prepared a statement of the wholesale prices of wheat per maund in Calcutta for the last 10 years, that is, since 1923, and I find that the prices today are very definitely lower than the prices which obtained at any time between the years 1923 and 1930. Now, Sir, I admit that prices generally have fallen and we must take into account the reduced purchasing power of the people. But, even taking these factors into consideration, I submit that, on the evidence of the figures I have, it cannot be contended that the consumer has been unreasonably treated in comparison with the burden he had to bear before the import duty

years. The second question, namely, whether safeguards exist in order to prevent an unreasonable rise of prices at any time is of particular importance this year when we are not likely to have any appreciable surplus of wheat grown in the country. My reply, Sir, to this question must be, I think, in the affirmative. There is, in the first place, what I would call an automatic safeguard, the safeguard afforded by the much lower world price of wheat. Within the last few weeks we have seen that automatic safeguard in operation and it has functioned effectively and satisfactorily. Now, let us see how that automatic safeguard has operated. Under the shelter of the import duty, Lyallpur prices were steadily raised until they stood at Rs. 3 per maund in November last, at Rs. 3-3-0 at the end of December and at Rs. 3-4-6 on the 18th February. Now, this rise at once provoked foreign competition and, within the last few weeks, we had imported into this country something like 32,000 tons of foreign wheat. The immediate result was the bringing down of the price to Rs. 3-3-6 on the 25th February and to Rs. 3-2-6 on the 4th March. I regret that I have not got later prices to give to the House. I was expecting them this morning, but the information has not yet reached me.

**Sardar Sant Singh** (West Punjab: Sikh): May I inform the Honourable Member that on the 18th March the price was Rs. 2-14-0 at Lyallpur?

**The Honourable Sir Joseph Bhore:** These are the prices that I have got from my officers and I am afraid that I must adhere to the accuracy of the figures I am giving to the House so far as they go. I merely mention these figures to show the effectiveness of this automatic safeguard and it is a safeguard which functions without the intervention of the Governor General. Then, Sir, there is another safeguard, namely, the power given in the Act itself to remove or to lower the duty in case we find it necessary to do so in the interests of the consumer. Now, I want to make it perfectly clear that we consider that an effective instrument and we propose to use that instrument if we find that it is essential in the consumer's interests. I do not propose to say very much more at this stage except to refer to one very important matter. It has become quite clear that the artificial raising of the price in this country has very seriously affected our export trade in flour to destinations outside this country. That is a very serious matter and it requires immediate attention. We cannot, I submit, with equanimity contemplate the further shrinkage of our already attenuated export trade and we are considering means by which we shall be able to give relief at the earliest possible opportunity to this particular export trade. I am not in a position today to outline the measures that I propose to take, but I can assure the House that these measures will be taken at the earliest possible opportunity. Sir, at the present moment there is nothing more that I would like to say and I make my motion for consideration.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): Motion moved:

"That the Bill to extend the operation of the Wheat (Import Duty) Act, 1931, be taken into consideration."

**Mr. G. Morgan** (Bengal: European): Sir, I have listened with great attention to what the Honourable Member said in moving this motion before the House, but I am sorry to say that I must oppose the motion. For the last two years, we have been going very carefully into this ques-

[Mr. G. Morgan.]

tion of the duty on wheat, and arguments for and against have been freely placed before this House. On the 11th February, 1931, in answer to a question which was asked in this House, the Honourable Member for Education, Health and Lands replied, after giving various figures :

" In these circumstances the Government consider that the prohibition of import would have no effect on the internal prices of wheat and would not, therefore, have assisted agriculture."

Now, Sir, I contend, and the Honourable Member has also stated, that we can take it there is no exportable surplus this year. Even in 1931, Sir George Rainy, who was the then Commerce Member, said that he was doubtful, or at any rate he had no data to substantiate the contention put forward that there was a large surplus of wheat. I think, Sir, if the position is gone into carefully from March, 1931, it has been definitely proved that that exportable surplus was not in existence. And now what is the position? It is agreed on all sides that there is no surplus wheat in India today. It is also agreed that stocks are very low. It is also agreed that the acreage is four per cent. less this year than last, and last year there was just sufficient wheat for consumption. The question is really one affecting the mill suppliers of flour and the consumers who get their flour from Karachi, Bombay and Calcutta. I am not talking about export trade to which my Honourable friend, the Commerce Member, referred. As regards consumers in India, supplied by those three ports, there is no doubt that today there is a burden on the consumer. The prices today for Australian wheat landed at Karachi is, I understand, Rs. 2-10-0 per maund or Rs. 2-11-0 per maund, and freight to Lyallpur from Karachi is Rs. 0-11-4 or 0-11-6 pies; so, if there was an exportable surplus, Lyallpur would have to sell at Rs. 1-15-4 per maund. The price today, I say today, because my Honourable friend, Sardar Sant Singh, has given the price for the 18th March, is Rs. 2-14-0 per maund, the price quoted by the Honourable the Commerce Member was perfectly correct for the date for which he gave it—viz., 4th March, Rs. 3-3-6. Since then, whether there is an idea that there will be a lower duty and the speculators are getting frightened, or whether the position is, as my Honourable friend, Dr. Ziauddin Ahmad, always says, that the moment the harvest begins to come into the market and the agriculturist is more or less forced to get rid of a very large percentage of his produce, the prices immediately begin to go down, ultimately to be raised, and on a statistical position such as we have,—to be raised by the middleman.

**The Honourable Sir Joseph Bhore:** I do not want to interrupt my Honourable friend, but is it his case that the new harvest has come into the market already?

**Mr. G. Morgan:** I did not mean to convey that the new wheat was coming in, but anticipating that the new harvest would not be very long in coming in, speculators are always in advance of markets if they want to make a profit. Sir, I still maintain that so far as the ports are concerned, a case for the consumer has been made out. We gain no advantage in the ports from our geographical position. We would only import even if we were going to use entirely Australian wheat for the mills,—we would only import something like 4·8 per cent. and in the arguments which were put forward . . .

**Diwan Bahadur A. Ramaswami Mudaliar:** 4·3 per cent. of what?

**Mr. G. Morgan:** It is estimated that the production of wheat in India is about 9 million tons, and the consumption of the mills at the ports would be approximately 4·3 per cent. of that amount. As the shortage in acreage this year is given as four per cent., we may calculate that even if the mills of these three ports were allowed to import what they required for their production, free of duty, it would only fill up the gap. I must say I cannot follow the arguments put forward by the Honourable the Commerce Member with regard to the consumer's position. We know that, so far as Bengal and Assam are concerned, there is a considerable consumption of wheat, but unfortunately that has been steadily going down. It is now estimated to be 25 to 33 per cent. less than what it was last year. We also know from the statement made by the Honourable the Finance Member for the Government of Bengal that the purchasing power of Bengal is, about, 60 per cent. lower. The value of the crops—jute and rice has fallen by approximately 122 crores—that is the loss in value of those two crops alone. Therefore, we may take it that the purchasing power of the Bengal agriculturist has considerably decreased. If the peoples' purchasing power has decreased and they are accustomed to consume a certain quantity of grain food which has gone up a 100 per cent., while other grains have not increased,—some of them have decreased—they are thrown on to a different class of food which we know is not so sustaining as wheat. I understand that it is the desire of people in India to have as much wheat consumed as possible owing to its particular qualities. Sir, I doubt whether my Honourable friend, the Commerce Member, will agree with me when I say that the consumers' case is a very strong one, but leaving out the internal markets of the wheat growing districts where they can buy their wheat at the local prices, Karachi, Bombay and Calcutta have to buy their wheat up-country *plus* railway freight. That immediately puts a very large amount on to the cost of production. Now, suppose those three ports were able to buy their Australian wheat at Rs. 2-8-0 to 2-10-0 per maund: they could only use it locally for the production of their flour, because up to a point the railway freight would kill it going up just as much as it kills it going down. So that I must say I hold that the ports are entitled to consideration in this matter. We have a geographical position, and the Railway Board made great stress over the geographical position of the Punjab and the United Provinces; we have a geographical position which is perfectly useless to us. In fact it is a handicap, because we are not allowed to utilise the port of these three places to bring in the raw material which is necessary for the mills at those ports. We are compelled to bring it from up-country at a very high cost. In opposing this motion, I would mention that in Bengal we feel this class of legislation very deeply. It was only yesterday that my Honourable friend, who has brought forward this motion, deplored certain inter-provincial feelings which were aroused. I can only tell Government that it is this class of legislation which rouses the strongest inter-provincial feeling. We in Bengal unfortunately have got more to feel in that way than any other province. We have got this wheat duty, we are presumably going to have a salt duty, we have a corrugated iron sheet duty and we are not allowed to touch our own money in the way of the jute export tax.

**Sir Cowasji Jehangir** (Bombay City: Non-Muhammadan Urban): Are you the only people who use corrugated iron, etc.?



**Mr. G. Morgan:** Yes, practically so. We are the largest users of corrugated iron.

**Sir Cowasji Jehangir :** And are you the only people who eat wheat in India?

**Mr. G. Morgan:** I am only saying that we use wheat and we have got to pay more for it than it is necessary. Who else uses it has nothing to do with me; they can speak for themselves. We certainly feel that this export duty should now be taken off. And I can find nothing to justify the continuation of this duty. A great stress was made in 1931 that if there was no surplus, and there was a hardship on the consumer, there was no justification for this tax. With all due deference to my Honourable friend, the Commerce Member, the points which he has put forward for the continuation of his tax do not weigh with me. I, therefore, oppose the motion.

**Sirdar Harbans Singh Brar (East Punjab: Sikh):** Sir, I rise to support the motion of the Honourable the Commerce Member. He has, in a few minutes' speech, quite well explained that the agriculturists are in a bad plight and that until and unless this duty on foreign wheat is maintained, the prices are likely to go down very materially which will affect the agriculturist in meeting his liabilities. And I personally think that he will not be able to pay even the Government dues like land revenue and water rates until and unless we come to his rescue as we have done during the last two years. As far as figures are concerned, my Honourable friend, Dr. Ziauddin, will give you enough for your consumption; I can tell just a few bare facts. I have had recently occasion to go round different centres in my constituency which is purely agricultural and is about 250 miles in length and 150 miles in breadth. In many parts of it people do not get as the price of their total produce, even  $\frac{1}{4}$ th of what they have to pay to Government as land revenue, I mean the part from which my Honourable friend, Captain Lal Chand, comes. We have been reading recently regarding a famine in Hissar and the adjoining portions thereof where Government had to spend many lakhs of rupees during the present year to provide the people with the necessary help so that they may continue their farming and their occupation of agriculture, and providing them with fodder for their cattle, and by giving better facilities regarding water, and so on. I personally have experience of three districts where I own land, and get farming done. They are far distant from each other and in different parts of the Punjab. In two of them, my experience, during the last three years, has been that I have to pay the major portion of the land revenue and water rates from my own pockets and I do not get enough from the land to pay even the land revenue and the water rates. These districts are Hissar and Shahpur. In Hissar it is due mostly to less produce and in Shahpur to very high water rates and land revenue. In the Central Punjab, where I come from, i.e., Ferozepur, there also it is due to this duty on the importation of wheat which has brought the level of prices to something barely enough to bring us an income at the rate at which wheat is sold when we market our produce to meet Government liabilities. The indebtedness in agricultural areas has, I think, gone up about two or three times than what it was before, because all their personal needs are to be provided for by incurring debts. Govern-

ment are very stiff in collecting their land revenue and water rates. They put people in jail if they do not pay within a specified period and so what the agriculturist does is that, as soon as he reaps the harvest, he takes it to the market and sells it to pay Government dues.

**An Honourable Member:** What about their gold?

**Sirdar Harbans Singh Brar:** I do not know wherefrom my Honourable friend, the Finance Member, gets the idea that so much gold is lying with the agricultural people. At least from my personal experience I claim to know it much more than the Finance Member, because, in his official position, he does not get any opportunity of acquainting himself with the condition of the masses. I am perfectly sure, Sir, that there is no gold left—what to say of the poor people—even with the middle classes. There may be gold and perhaps platinum and diamonds with my Honourable friends, millowners from Bombay or Calcutta, or perhaps with the city bankers, but, as far as the peasants are concerned, I do not feel any doubt in my mind, having come in contact with them during the last three years so intimately, that there is absolutely no reserve of gold at the present moment left with them. They have all pawned it with the money-lender and the money-lender in turn has sent it to Calcutta and Calcutta has sent it to Bombay for export to foreign countries and all the gold which found place in other countries as exported gold from India is what is called the distress gold. So, I think that it is highly essential that in these present times we should come to the rescue of the peasant at the proper moment and do not lead him to any acts of desperation. We have known, Sir, that the King has made Lords and he can still make them, but the peasantry once destroyed can never be made. India being mostly an agricultural country and agriculture being its greatest means of providing food to the peasantry to live on, it is necessary much more, even than the key industries as they are called in other countries, that it should receive adequate protection, and if we do not help them now, then the people will give up agriculture altogether. Industries are still in their infancy and, if we do not help agriculture, we will be in another financial plight. England, which is highly industrialist, feels that by giving up agriculture she made a mistake as will be found from the Land and the Nation schemes of Mr. Lloyd George. India, whose industries are still in infancy, still in an unfinished stage, cannot afford herself to give up agriculture at the present moment in any case, and we must do even more than what the Government suggest at the moment, if we can, by way of increasing the rate of duty, because we must now provide the peasant not only with enough resources, by way of marketing his grain, to pay the Governmental duties, but for himself also, he having incurred heavy debts which he has been unable to pay due to the lowering of prices of his produce, his credit is absolutely finished. He cannot get money from the money-lender, because he has not been able to pay interest on it for the last three or four years. He cannot get money from the co-operative banks, because their resources are depleted and the Provincial Governments are not in a position to advance money to the co-operative banks at present due to their own financial plight. So, the agriculturist has nowhere to go to meet his dire necessities of life, what to say, of entering into luxury. Therefore, I would request the Honourable the Commerce Member, if he could see his way, to accede to the

[Sirdar Harbans Singh Brar.]

reasonable amendment of my Honourable friend, Sardar Sant Singh, which I hope he will move in due course. But in any case, I would press on the Honourable Members of this House not to be misled by the views put forward by Mr. Morgan and accept his amendment. I think if we accept Mr. Morgan's amendment, we will ruin the agriculturist altogether. The only course open to us would be when we and the Government are agreed in helping the agriculturists to support the motion of my Honourable friend, the Commerce Member. With these few remarks, Sir, I commend the Bill for the acceptance of the House.

**Dr. Ziauddin Ahmad** (United Provinces Southern Divisions: Muhammadan Rural): Sir, I thank Mr. Morgan for his kindness in bringing forward for the first time the interest of the consumers. Whenever he spoke on previous occasions, he brought forward the interest of industries and the interest of commerce, but today I am glad that he has changed his mind and he has brought forward the case of a poor consumer like myself, so that we may get wheat rather cheap. As in the case of the textile and other industries, so in the case of wheat we should take the broader interest, that is, the interest of the agriculturists who form more than 80 per cent. of the population. It is an admitted fact,—Mr. Morgan knows it—that prices of the agricultural products have gone down to a larger extent than the prices of the finished articles. Sir, it is an established fact, and the Honourable Sir George Schuster has also emphasised, at the Ottawa Conference and, again, on the floor of this House, that the price level of these agricultural products has gone down very low and it is the root cause of many troubles that are before us, and it is very desirable that the price level ought to be raised and then stabilised at a higher level. Now, I would ask the Honourable the Finance Member what steps he proposes to take to raise the prices of agricultural products? Here is one step that is definitely proposed by my Honourable friend, the Commerce Member, i.e., by putting this wheat duty we are going at least to stop cheap wheat from other countries coming to India and the price level which is already low will not get lower still. This Bill, which is now before us, though indispensable and necessary for raising the price level, is not sufficient. We want something more and that thing is very desirable to be done. In this connection Sir Zulfiqar Ali Khan gave notice of a Resolution. The Resolution runs as follows:

"This Assembly recommends to the Governor General in Council to appoint a Committee to investigate and report on:

- (a) the measures to be adopted to raise the price level of wheat in harvest time so that agriculturists may be benefited by it,
- (b) the manner of maintaining fair proportion between the price of wheat at harvest time and the price of wheat at other times of the year,
- (c) the method to be adopted for lowering the cost of production.
- (d) the facilities of movement of wheat from Upper India to ports and to non-wheat growing regions."

Now, this Resolution unfortunately could not be discussed on the floor of the House as it was unfortunately placed far below the list. But I hope the Government would take action for raising the price level of the agricultural products, and, though the passing of the Bill is a necessary

condition for raising the price level, I am afraid it is not sufficient. We want some action in order to raise and stabilise price level. My friend, Sirdar Harbans Singh Brar, says that the price of the wheat at the harvest time is much higher than the price of it at other times of the year. In the case of the United Provinces it was 23 seers per rupee at the harvest time. Now, it is 12 seers per rupee. Now, in the case of Lyallpur, my friend, Sardar Sant Singh, will quote figures and there also prices were raised as soon as the harvest sales were over. What is the reason of this great divergence in the price level at two times of the year? Here also my Honourable friend, Sirdar Harbans Singh, said that it is due to two considerations: one is that the agriculturists are compelled to sell their products at whatever price they can fetch in order to pay the land revenue, and the second is that they have also to pay to the local bankers on account of the interest charges and to pay off the loan which they took for the purchase of seeds. For the purpose of meeting immediate payment, agriculturists practically had to sell their wheat at any price that merchants were willing to offer. He lives for the rest of the year by borrowing. There is no doubt that, on account of these borrowing difficulties, many persons have parted with the small saving which they had in the shape of gold ornaments. My Honourable friend, the Finance

**I. P. M.** Member, has given the total amount of gold exported from this country, but he is not prepared to admit that the amount which has been drawn for export has mostly been drawn from places which depend entirely upon agricultural income. I think it is very desirable to take a census about the provinces from which the gold has been drawn for export purposes and I believe that gold has been mostly drawn from the provinces which really depend to a large extent upon the agricultural products and they had to sell it in order to pay the land revenue and to meet the ordinary requirements of their daily life.

Now, coming to stabilisation of price level, at all times of the year, we should have facilities of movement. The freight from one place to another is very heavy, and the local tradesmen practically control the entire market. They purchase the wheat at harvest time at very low prices, as the agriculturists have to part with their wheat in order to pay land revenue: and, as soon as the whole of the commodity has been purchased, the local tradesmen practically demand whatever they can, and the only possible check is the free movement of wheat from place to place. So, unless the Railway Board comes forward and reduces the freight for easy movement from one place to another, it will be exceedingly difficult to keep up the price level at different times of the year in the same district. In this connection may I just draw attention to the suggestion about the economic survey in particular districts? I think if we take economic statistics in selected areas—say a place like Lyallpur in the Punjab which is the centre of the wheat growing districts, and a small place in the United Provinces like Etawah and calculate exactly the amount of wheat that is grown there, the amount of consumption in that particular district and the movement from place to place within the district itself and between one district and other districts.—if these statistics are collected even for two districts, one in the Punjab and one in the United Provinces, then we may be able to draw a fair inference as to the steps we ought to take in order to stabilise prices at different times of the year. This I commend to my friend, Mr. Morgan, the benefactor of the consumers, and I

[Dr Ziauddin Ahmad.]

would be very pleased if I could purchase wheat at uniform prices at all times of the year. At present what happens is this: that the agriculturists are not benefited by the higher price level at other times of the year, but only the local tradesmen are benefited by it. In old days when India was exporting wheat to an appreciable extent, the prices at harvest time were determined by the export purchasers. In old days, that is, in pre-war days, India contributed 7·7 per cent. of the entire export trade. But now the share of India in the export is practically infinitesimal. She has ceased to be an exporting country so far as wheat is concerned, and the reasons are not far to seek; because we find from the figures given out, that the price of Indian wheat in London is Rs. 2-11-2 per maund, and the price of Argentine wheat is Rs. 2-6-5 a maund and of Russian wheat Rs. 2-4-1 a maund. While we were discussing the Ottawa Agreement, I pointed out on that occasion that the preference of 2s. which we have already got is really no good to us, because even with this preference it is impossible for India to compete in the world market or to capture it to any appreciable extent. In order to capture the world market, we should be selling wheat in Lyallpur at 28½ seers to a rupee, which is really impossible for any agriculturist to sell with any chance of profit. India no doubts is an agricultural country, but the method of agriculture here is very different from the method adopted in other countries. In the first place we have got a very large population, and, if we begin to use machinery, then a large number of these village workmen will go out of employment; and they will have no work to do. Therefore the introduction of machinery is not really an unmixed blessing as far as India is concerned. The second thing is that the land here is divided into such small holdings that it is impossible to use machinery with any great advantage or economy. It is the experience of a large number of the zamindars, that I know of, that whenever they attempted to open farms and to introduce machinery recommended by the Agricultural Department, they became bankrupt and I would like to be told of any instance to the contrary, where a landlord, by using the so-called improved methods of the Agricultural Department, made any profit. The reasons are not far to seek. The Agricultural Department carries on these experiments not under economic conditions. They are really concerned with only one thing and that is with showing good crops and good seeds, but they are not concerned about the cost: that thing is left out of consideration. Another thing is that the machinery is such that it cannot be repaired by the local carpenter or blacksmith because, in the case of the ordinary implements, the local carpenters can always repair them, whereas, in the case of the machinery imported from Europe, it is impossible for these men to repair them. I remember a very good story: one of the officers of the Agricultural Department went to a landlord and asked him to introduce improved forms of machinery; and he replied as follows: first of all come and teach our carpenters how to repair the machinery and, afterwards, we will consider whether we should introduce it or not. The moment the officer heard this reply, he said that it was a hopeless task and that landlord at least was no good to him. This is the case of the Agricultural Department; I think they are committing two sins: in the first place, they are wasting large sums of public money collected from poor tax-payers, and the second sin they are committing is that they are trying to teach certain methods of agriculture which are

most unsuited to the Indian conditions, and thus ruin them. If we are to follow those methods rather than our own methods of agriculture, it is impossible for us to compete on economic conditions with the countries which have got large fields and expensive manual labour and which must necessarily depend upon the use of machinery; and we, who have to support our own people in the shape of employment of labour, who have not got very large amount of lands in one particular place, it is impossible for us to compete with them. Therefore, I think the idea will have to be given up for ever, or at least for the time being, that India could export wheat and be able to regain the position she once acquired before other countries came into the field.

Coming to export, I find that at one time—we exported 12,971 tons of wheat in 1929-30: 196,505 tons in the following year: and 20,215 in 1931-32; and this year, during the last ten months, we could only export 1,990 tons. That is all that we could export, and I think the chances for exports in the near future are very remote.

Coming to imports, I find that we had been importing very large quantities of wheat before the Import Duty Act came into operation. Our import in the year 1929-30 was 367,036 tons, in the following year it was 332,034 tons and next year it came down to 111,269 tons, and, during the last ten months, we have not imported even one grain of wheat into India, and I am told,—I have not got the figures before me,—that we have imported a small quantity in the months of February and March this year, but even this small quantity is really not necessary for us, because we have got more wheat than we can possibly consume. My friend, Mr. Morgan, has stated that the probable estimate of production in the coming year is nine million tons. Our average is  $9\frac{1}{2}$  million. At present the people are not growing wheat, because there is no market for it. We can grow as much as  $10\frac{1}{2}$  million tons, but assuming nine million tons to be the probable estimate of our production, our consumption is only about  $8\frac{1}{2}$  million tons. I do not agree with the figure given by Mr. Morgan when he gave nine million tons. I think if he will take the figures for the last few years, he will find that nowadays people are consuming slightly more wheat than they did before as there was no market for it and they did not want to waste it. We have at present more wheat than we could possibly consume, and, therefore, it is very desirable that the first step we should take in order to raise the price level, in order to save the agriculturists from ruin, is that we should stop the import of wheat altogether, and if the import is beginning to come in from the month of February, as my distinguished friend says, then there is every justification to raise the import duty instead of lowering it. This step, as I said, is very necessary, but that alone is not sufficient. We have to take other steps as well in order to find a market for our wheat in different parts of India, and also to stabilise the price levels at different times of the year. A thorough enquiry on the lines suggested by Sir Zulfikar Ali Khan is essential to meet the situation.

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, Mr. President (The Honourable Mr. R. K. Shanmukham Chetty) in the Chair.

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**Sardar Sant Singh:** During yesterday's discussion on the Cotton Textile Industry (Protection) Bill, my Honourable friend, Mr. Ghuznavi, and my other friends from Bengal complained that the Punjab had become one of the favourites of Government along with Bombay and that the Government had been bestowing more attention on the Punjab and Bombay than on any other province. This was the first time that I heard of the Punjab having become a favourite of the Government of India. As a matter of fact, our complaint has all along been that the Punjab agriculturist has not received that attention from the Government which he has a right to expect. My own view is that the poor agriculturist belonging as he does to that section of the people which is least vocal in its demand or in expressing its grievances is neglected whilst vocal interests, both industrial and commercial, have big organisations behind them with the result that the press, the platform and this House listens to them more than to the poor agriculturist. Even today during the course of the debate on this measure I find that the press gallery is almost vacant, the visitors' gallery is deserted and this House is so very thin . . .

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The Honourable Member should not make any reference to the press gallery or to the visitors' gallery at all.

**Sardar Sant Singh:** I beg to withdraw that remark, Sir. The reason is that the poor agriculturist is less vocal in his demand and in asking for the redress of his grievances.

In the economic sphere of a country, Sir, agriculture occupies a high place. It will be admitted on all sides that the prosperity of the agriculturists leads to the prosperity of all interests. There can be no better illustration of this fact than what we have been witnessing during the last three or four years. The trade depression which has come on the country began with the distress of the agriculturist, and it continued, is continuing and will probably continue till the agriculturist is protected from adverse influences and brought to a higher level of life than he is at present enjoying. By referring to the statistics we find that, so far as wheat is concerned, 50,000 tons of wheat were imported in India in the year 1927-28. This figure went up ten times—it became 500,000 tons in 1928-29. In 1929-30, it fell to 350,000 tons, but still seven times the import of 1927-28. I have not got the figures for 1930-31, but the imports for that year too will be found to be somewhere near that figure. It is difficult to understand in a country like India which mainly depends upon agriculture why agricultural produce should be imported from outside. Lyallpur, the town to which I have the honour to belong, is known to be the granary of the Punjab, it is the chief wheat producing single district in the whole of India. Probably it may have to yield its place to certain districts in Sind when the Sukkur Barrage scheme is in full working order. I remember during one of those years wheat was actually imported in the Lyallpur mandal. We saw Australian wheat being sold in the Lyallpur market. It was then high time that Government should have taken steps to check the menace that faced the agriculturist. But Government took no notice of this menace for a long time. Even on the 11th February, 1931, when a question

was put regarding the grant of protection for Indian wheat from the Australian wheat competition, the reply that was given was that an import duty on wheat would not affect the cultivator. Later on we find that an import duty of Rs. two per cwt. was levied upon the import of wheat from Australia with the result that the wheat imports appreciably fell during the time that the Wheat Import Duty Act has been in force. A reference to the Sea-Borne Trade and Navigation of British India for January, 1923, page 47, will show that while wheat was imported to the extent of 26,105 tons in the month of January, 1931, it was not imported at all in the month of January, 1932, and also none in the month of January, 1933. Similarly, the import of wheat in the ten months from 1st April to 31st January in 1930-31 was 1,24,293 tons; in 1931-32, it was 1,11,269; and in 1932-33, it was *nil*. So, to say that the import duty has not affected the import of Australian wheat into India is not correct. In the same period we find that the export of wheat during these ten months of 1930-31 was 1,95,262 tons, in 1931-32, it was 19,650, and in 1932-33, it fell to 1,990 tons. That is to say, during these years, the export trade in wheat almost vanished, while import was stopped on account of this import duty, with the result that the prices that were prevailing at the time when this wheat import duty came into force went up from something like Rs. 1-12-0 per maund to about Rs. 2-6-0 per maund in the early days and it touched the high level of Rs. 3-4-0 per maund. As soon as it touches this level of Rs. 3-4-0, at once came the threat of import from Australia into the port towns of India, with the result that the price level stood somewhere near Rs. 3-2-0. Of course I am quoting prices of the Lyallpur Mandi for wheat. Later on, it fell again and, on the 18th March, the price stood at Rs. 2-14-0 per maund. The quotation for the months of June and July, when the agriculturist markets his produce, is Rs. 2-7-0.

Now, these prices fell, because there were reported to be certain bargains with the mills in the port towns and that affected the market immediately. There is another factor which is acting in reducing the price level and that is the uncertainty of the quantity of wheat that will be produced in Sind. This is the first year that wheat has been sown and probably they will harvest it very soon and this uncertain factor is affecting the price level at Lyallpur. We have to see that the highest price level which this import duty can maintain is Rs. 3-4-0 per maund in India. No sooner the price begins to rise higher, the threat of Australian competition keeps the prices down. We have to consider whether this rate of wheat meets the cost of production of the agriculturist. What is the margin of profit left to him. The House is aware that during the last three years not only the Government of the Punjab but also the Government of the United Provinces and probably other provinces too had to remit a part of the land revenue so that the cultivator may be able to meet the Government demand from the produce of land. But the cultivator was unable to meet the Government demands from the produce of his land. The result was that he had to sell his ornaments, his reserves, and even his utensils to pay up land revenue. Today we find that the agriculturist is in a very deplorable state. If I had been told a few years back that a rich district like Lyallpur was going to be so adversely affected by the low level of prices, I would have laughed at such a false prophecy, but I now behold the spectacle that the Lyallpur agriculturist cannot afford to travel by train. They have not money enough to pay the railway fare to come to the Lyallpur town, and famine conditions are setting in in a place which was once a prosperous colony. Not only the agriculturists



[Sardar Sant Singh.]

credit has been affected by the low level of prices. As I said in the beginning of my speech, the prosperity of the agriculturist is the prosperity of all the other interests in India. It has affected the other interests as well. Trade and commerce and mills are suffering and in consequence the Government commercial departments, such as the Railways and Posts are suffering. Even the coal industry, though it may be a far cry from the Punjab to Bengal, will be affected if steps are not taken to increase the purchasing power of the agriculturist. At present he is merely existing and if the advice that comes from Bengal is accepted by the Government, I fail to understand how the Government are going to run their normal administration. There are two ways by which the cost of production can be reduced. One way is to reduce the Government demand. Land revenue has still to be paid in rupees. Irrigation charges have still to be paid in rupees. The interest on the debts of the agriculturist has got to be paid in rupees and so is rent to the landlord.

**Mr. O. C. Biswas** (Calcutta: Non-Muhammadan Urban): What about the speculative middleman?

**Sardar Sant Singh:** I shall just come to that. The value of the rupee has appreciated a good deal with the result that prices have gone down and the agriculturist is unable to meet these demands. The Government are, of course, at liberty to listen to and act upon the advice so disinterestedly tendered by our Bengal friends. We will make no complaint. But Government will have to revise the whole system of land revenue and irrigation charges and reduce them appreciably. We, in the Punjab, will welcome such a course. We will certainly like the administration to be less expensive, which result is bound to follow with lesser receipts from agriculturists. But if it be not possible to follow this course and extend relief to the agriculturist by reducing the cost of production, the only feasible alternative is to raise the price level. That other course is a common course which has been adopted throughout the world to meet the present depression in prices. There is no reason why it should not be done in the case of the Indian agriculturist. Now, my friend asks: "What about the profits of the middleman?" No doubt it is a very relevant question and a very serious question. I am at one with him that middleman's profits require to be brought down to the minimum. But the question is, how should it be done. The agriculturist has got no reserve behind him, with the result that, in order to meet the Government demand in cash, he must convert his produce to cash. As he has no reserve to fall back upon, the profits must go to the middlemen. If the condition of the agriculturist is improved and he is permitted to have some reserve, he will be in a position to store his produce for some time till the prices rise, thus eliminating, to some extent, the middleman's profits.

An objection has been raised that by introducing this measure the interests of the consumer are being sacrificed for the sake of the agriculturist. I would respectfully ask such critics a simple question: "Who are these consumers whose interests you are trying to protect?" In the present case, producers are mainly the consumers of wheat. Eighty-five per cent of the population is engaged in agriculture, they are the chief consumers of this article. Surely, Sir, you do not want to sacrifice the interests of 85 per cent for the sake of the remaining 15 per cent who are

living in towns or who are dependent upon other activities like trade, commerce and industry. As a matter of fact, the consumer and the producer in this case are one and the same body. The interests of the consumer are the same as the interests of the producer.

**Mr. S. C. Mitra** (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): In the Punjab.

**Sardar Sant Singh:** Everywhere, Sir. Either the agriculturist produces wheat or any other commodity which is eatable.

**An Honourable Member:** What about the paddy?

**Sardar Sant Singh:** As regards the paddy, or any other such commodity, I will welcome any measure, if you can devise one, which aims at securing the protection of their interests. If you seek protection for those interests . . . .

**Mr. S. C. Mitra:** We do require Government to help us to raise the price level of paddy and jute,—but the Government are sleeping; they are not helping us. They are anxious merely to help you in Northern India!

**Sardar Sant Singh:** In order, Sir, to safeguard the interests of the 15 per cent of the population, I would not sacrifice the interests of 85 per cent producers of primary products. The remedy suggested by my friend that this Bill should not be passed is not the right sort of remedy. What they should insist upon is the reduction of the railway freight. What is the railway freight? Wheat is being sold at about Rs. 2-14-0 at Lyallpur? The railway freight from Lyallpur to Karachi is about 11 annas,—that is to say, 25 per cent. of the selling price of wheat. Well, that is too high a proportion. Similarly, the railway freight from Lyallpur to Calcutta comes to something like Rs. 1-2-10. That means that the percentage of the freight to the selling price of wheat is very high. If the consumer wants any relief, he should turn his attention towards this aspect of the case, namely, that the railway freight should be reduced so that the distribution of wheat in the consuming circles may be cheaper and more uniform.

**Mr. N. M. Joshi** (Nominated Non-Official): Who will pay for the railway losses?

**Sardar Sant Singh:** As regards the railway losses, well, I am not an expert in that branch, but I, as a layman, can suggest this, that so many wagons are uselessly lying in side tracks. It will not be a bad business for the Railway Department if they are fully employed in the distribution of foodstuffs to the different parts of the country, so that if the freight rates are reduced, probably the railway will be amply compensated by larger returns. Sir, recently some railway employees visited Lyallpur and wanted the advice of merchants as to how to increase the profits of the railways. They were asked how it was that when the railways used to charge 0-6-9 freight for the Punjab wheat from Lyallpur to Karachi, they were making huge profits, while when the Railway raised the rate to 0-11-0, the

[Sardar Sant Singh.]

Railway is running at a loss. Sir, it is for the Railway Department to examine the figures and to find out whether the reduction of the railway freight, especially on foodstuffs, will do good both to the country as well as to the railways or not. Sir, I was submitting to this House one fact for their consideration and that was whether this price of wheat at or near about Rs. 3 leaves any margin of profit for the agriculturist in the Punjab. Recently I made some calculations as to the return agriculturists get for their labour on land. I will particularly invite the attention of my friend, Mr. Joshi, the indefatigable advocate of industrial labour in order to awaken his interest in agricultural labour. If the wheat be sold for 2-3-0 per maund, then, after meeting Government demands, the margin left for the cultivator is one pice per head per day for labour. This high wage is left when allowance for clothes and other necessities of life is restricted to one turban, one shirt and one pair of trousers alone. (A Voice. "Per day, or per month?") This scale of allowance for clothes is for six months. May I ask, Sir, is it a living wage for any human being? Let us be a little more generous as my Honourable friend, Mr. Joshi, can afford for the wage-earners. We can only be doing some justice to the cultivator if we make an effort to raise the price level to at least Rs. 3-0-0 per maund in order to leave some bare subsistence for the family engaged in agriculture. This was the reason which prompted me to propose the enhancement of duty to Rs. 2-8-0. I want that the minimum price of wheat should range somewhere between Rs. 3-6-0 or Rs. 3-7-0. But I understand that my request for sanction of His Excellency has not been acceded to and, therefore, I shall not be able to move that amendment. However, I submit that the present Bill requires to be passed, and I support this Bill in the interests of my constituency.

**Mr. Nabakumar Sing Dudhoria** (Calcutta Suburbs: Non-Muhammadian Urban): Sir, I rise to oppose this Bill. Coming as I do from a Calcutta constituency, I cannot but oppose the continuance of the import duty on wheat any longer. It will be in the memory of many of the Honourable Members that at the commencement of 1930-31, the total Indian wheat crop was estimated at between 10 to 11 million tons. At the beginning of 1931, it was given out in some quarters, I should now say, interested quarters, that the surplus stock of wheat in India amounted to one million tons. It was also held out by those people that it was essential that that surplus stock should find a market in the very interests of the wheat-growers of the Punjab and Upper India. Such was the propaganda over that imaginary surplus that, although people interested in the industry held otherwise, by reason of the price-position then prevailing, all contrary opinions were hushed, and in spite of the arguments put forward by those who were engaged in the flour-milling industry in Bengal and the lower provinces, and although there were no precise data to go upon, this Assembly, with a view to checking the coming of foreign wheat, introduced, for the first time in 1931, a duty of Rs. 2 per cwt., on imported wheat from Australia, because such a supply had then proved a veritable rival of the Punjab produce by reason of the former's cheapness and plentiful supply in the Calcutta market. More or less for a similar reason that duty was continued in 1932, although Sir George Rainy, the then Commerce Member, opined, while continuing that duty, that a smaller duty—a duty of Re. 1 per cwt.—would meet the purpose this year, the original rate, viz., Rs. 2, is proposed to be continued also this year by this Bill.

Whatever may have been the effect of the duty on the consumers in the upper provinces, the result thereof has been quite disappointing to us in the lower provinces. Although wheat may not be the principal item of food with the masses in those places, yet when we take into account the large number of upcountry people, who have either migrated into the lower provinces for either business, or living or service, or have made them their permanent home, I cannot but feel sure that we have done them here a great wrong by becoming a party to the imposition of the duty. Sir, whatever may be the price upcountry, wheat-flour is selling at 7 to 7½ seers a rupee in the Calcutta market, where 67 per cent. of the population is non-Bengalee and wheat-consuming. You can now easily understand what that uneconomical rate for such a staple-food as flour means for the general run of consumers in Calcutta and neighbouring places.

The wheat import duty of 1931 was imposed primarily to ease the situation of the Punjab wheat, especially of the so-called surplus stock in the teeth of opposition from and on behalf of people, who were being helped by a plentiful supply of wheat from abroad. Sir, I am not aware what effect the duty really had on the mythical surplus, but what I do find from experience is that, as a result of the duty, the Punjab surplus stock, instead of affording any relief by its cheapness to the Bengal consumers, has become more and more restricted and costly so far as its supply to Bengal is concerned. Of late, the restricted supply of the Punjab wheat has actually compelled us to live upon almost the famine price in Bengal. Such a state of things has come about, because the importers of Australian wheat, which was being landed in sufficient quantities in the Calcutta port for the consumption of the people of Bengal and the neighbouring provinces and which was sold comparatively cheaper, felt a great discouragement in the import duty and gradually restricted their requisition from abroad. The result of this has been that, whilst wheat from abroad has stopped coming, the Punjab supply has evidently failed to meet the demand of Bengal adequately, it may be for deterrent freight charges from the Punjab to Calcutta, with the consequence that the price of wheat there is kept above world-parity and has been selling dearer and dearer every day. Whether it is due to cornering or entire wiping off of the mythical surplus-stock is more than I can divine.

Sir, if the purpose of the duty is to raise a revenue, that is quite another matter. But if the real purpose thereof is to protect the indigenous production with a view to creating for it a ready market, the purpose has been well served. But what has been gain to a few only is loss to a great many, as a large section of consumers has been very hard hit by the rise in the price. Sir, when the earning capacity of the general run of the people in Bengal has gone down so low by reason of our primary products, rice and jute, failing to find any market anywhere—when the general economic condition of the whole province is deteriorating from day to day on account of commodity prices getting lower and lower—there is absolutely no justification for us to allow such a pressure of a duty to burden the consumers any longer.

Wider considerations than the above should also weigh with us in this connection. The stoppage of wheat from abroad has not only prejudicially affected our Customs revenue, but has also affected our jute trade, as there is no more demand for Bengal jute bags by Australia. It is for all these considerations that I strongly oppose the proposal for a

[Mr. Nabakumar Sing Dudhoria.]

further continuance of the import duty on wheat and would urge upon all my friends from Bengal, Bihar and Orissa to make common cause with me.

**Mr. C. C. Biswas:** Sir, it seems, age cannot wither nor custom stale the infinite variety of the ways of my Honourable friends sitting on the Treasury Benches. When, two years ago, the wheat import duty was brought on for the first time, we had then an elaborate apologia from the then Commerce Member, Sir George Rainy. The reason which was then put forward was that there was a huge surplus of wheat stocks in Northern India, and that it was essential to secure the home market for such stocks. Today, Sir, we hear a different tale from the present Commerce Member. What became of this huge surplus we do not know. Whether the surplus was a myth or not, that, again, is a matter on which different people have different views. But the Honourable Sir Joseph Bhore assured us today that the justification for the present Bill extending the duration of the duty lies in the fact that there is no surplus in the Punjab and that the estimated yield of this year is likely just to be equal to the demand. The position, therefore, comes to this. If there is a surplus, you must have to levy a duty.

**Mr. Lalchand Navalrai** (Sind: Non-Muhammadan Rural): Is that what the Honourable the Commerce Member said?

**The Honourable Sir Joseph Bhore:** No, Sir; it was not.

**Mr. C. C. Biswas:** Sir, I am sorry I did not correctly apprehend my Honourable friend. But, I believe he will not challenge me if I state that according to him there is not likely to be any available surplus this year. That statement is quite enough for my purposes. The position comes to this, as I was saying. If there is a surplus, there must be a duty. If there is to be no surplus, there must yet be the duty. We are left wondering if the time will at all come when the duty will be taken off. My friend, the Honourable Sir Joseph Bhore, in the course of his remarks referred to certain safeguards which were there in the present Act, safeguards for the consumers. He referred, I believe, to section 5 of the Act which authorises the Governor General either to remove the duty altogether or to reduce it, if in his opinion circumstances came into existence which justified such action. I should like to know if the Government made any inquiries since the duty was imposed to find out whether there had been any change in the circumstances which would justify some reduction of the duty, if not the total removal of it. Sir, the figures which the Honourable the Commerce Member gave.—I am sorry I could not take down all of them as he gave them,—but they show that things have not remained stationary. There have been fluctuations; there have been upward tendencies and there have been downward tendencies. Do I understand, Sir, that there never arose any occasion when the Government might have lightened the burden to some extent on the consumer? Then, Sir, the Honourable the Commerce Member has not been good enough to explain to us how it is that the conditions today are just the same as they were in the year 1931 when this duty was imposed for the first time. It is not necessary for me to remind him

what his predecessor had said. A duty on foodstuffs represented a departure from an accepted policy of the Government. Such a duty could be imposed and its continuance could be supported only if there were exceptional circumstances, and it could be maintained only as long as such exceptional circumstances existed. Sir, I ask, where are the facts from which we may judge whether there has or has not been a change in the position today since 1931? That is a most material consideration, and I venture to submit with all deference that the position today is not what it was two years ago. My friends representing the Punjab and Upper India interests bewailed in moving terms the lot of the poor agriculturist. I believe there is not a single Member in this House, whether on this side or on the other, whose sympathies do not go out to the agriculturist in his dire distress in these days of economic depression. But, Sir, the agriculturist of one province is just as much entitled to the consideration of Honourable Members of this House as the agriculturist of another. There is no reason why you should rob Peter to pay Paul. My friends refer to conditions in the Punjab. What about Bengal, I ask? Is the consumer there in a much stronger position today than he was two years ago? Is his purchasing power greater? Is his power of resistance higher? Can he find means to pay for his necessities of life more than the agriculturist in other parts of India? Sir, I do not wish to excite inter-provincial animosities, but at the same time when the matter has been referred to, it is just as well that I place a few facts to show how the different provinces compare with one another,—not all the provinces of India, but I will take the Punjab and Bengal. Sir, if you take the value of total production of the principal crops in Bengal and in the Punjab, you find that the percentage of decrease from 1928-29 to 1931-32 is 54.1 per cent. in Bengal, whereas the percentage for the Punjab is 51.2. Summarising the position, I find in the "Review of Certain Main Items of Foreign Trade during 1932", which was circulated along with the Budget papers, this is what is stated:

*"It will be seen that the largest decrease in the agricultural income occurs in the case of Bengal and amounts to over 54 per cent. in 1931-32 as compared with 1928-29. Since the close of the agricultural year 1932, the prices of jute have fallen still further and the percentage decrease would be even greater than those figures show. Burma shows a decline almost as great as Bengal and this is chiefly due to the disastrous fall in rice prices."*

Then, referring to the Punjab, it says:

*"In the case of the Punjab the fall is a little over 51 per cent."*

So, Sir, I submit that the condition of the agriculturist in Bengal deserves as much sympathy from my Honourable friends here as that of the agriculturist in the Punjab.

**Dr. Ziauddin Ahmad:** How can we help you?

**Mr. C. O. Biswas:** My friend asks how he can help me. At any rate he can help me by agreeing to the abolition of this duty and agreeing to the abolition of the additional duty on salt. I will just read another sentence:

*"As the bulk of the population in India lives on agriculture, this has a very important bearing on the purchasing power and the economic welfare of India as a whole."*

That is the position; and I venture to say that this import duty on wheat has seriously contributed to the economic decline of Bengal, and it has put a burden on the consumer in Bengal heavier than he can

[Mr. C. C. Biswas.]

sustain in these days of depression with his earning power reduced to disastrous limits. Sir, we have got to consider to what extent really we are helping the agriculturist in the Punjab by means of this duty. When this duty was imposed, it was claimed that there was a huge and substantial surplus in the Punjab. But it was pointed out by me and others at the time that if you wanted to give real relief to the producer there, you should have to find some means for the outlet of this surplus; in other words, you have got to make it easy for this quantity to be exported abroad to other countries as far as possible. Because, after all, the consumption in the home market would only cover a very small proportion of these stocks which were then supposed to be lying in the Punjab. But no action was taken by Government in that direction. If it is a question of reducing the railway freights, the Commerce Member who happens also to be the Railway Member would at once jump up and say that they cannot afford to lose their railway revenue, and that must be maintained.

**The Honourable Sir Joseph Bhore:** Sir, may I bring it to the notice of my Honourable friend that railway freights were reduced?

**Mr. C. C. Biswas:** I was going to say, and I did say on that occasion also, that railway freights were reduced to some extent. But that was not enough: it did not help in the movement of these crops to the extent one would desire. My grievance is that Government are not prepared to sacrifice their railway revenue to the extent to which they should, if they really want to help the agriculturists. It is bad policy as it is bad economics to try to help the agriculturist of one province at the expense of the agriculturist of another: and that is the position I maintain. Sir, the effect of this duty has been that it has not only kept the price of wheat in India above world parity, but it has kept it above its fair economic level in India. I have not got all the details here, but I think I am not far wrong in saying that as an effect of the duty the prices of Lyallpur wheat have gone up nearly 100 per cent. as compared with the prices before the duty was imposed.

This is the statement I have in hand which gives the prices of Lyallpur wheat as follows:

	Rs.	A.	P.
1931.			
15th June . . . . .	1	10	0
16th July . . . . .	1	8	0
30th July . . . . .	1	14	0
13th August . . . . .	1	14	6
1932.			
2nd June . . . . .	2	3	6
23rd June . . . . .	2	3	0
7th July . . . . .	2	8	0
28th July . . . . .	2	9	0
18th August . . . . .	2	12	9
15th September . . . . .	2	15	3
22nd September . . . . .	3	0	0
6th October . . . . .	3	1	0
27th October . . . . .	3	0	9
10th November . . . . .	2	14	6
24th November . . . . .	3	0	0
8th December . . . . .	2	15	6
29th December . . . . .	3	3	0

	1933.	Rs.	A.	P.
5th January	. . . . .	3	1	6
12th January	. . . . .	3	1	9
19th January	. . . . .	3	3	6

These figures are taken from the *Indian Trade Journal*. Judging from these figures, I believe it is fairly clear that the price of Lyallpur wheat has risen by nearly 100 per cent. since July, 1931. Now, that is the position, Sir. If that is so, I ask, if the prices have not risen sufficiently high to justify your taking off the duty. Sir, you will find, when the Bill was moved by Sir George Rainy, that he pointed out that the object was to make the duty effective; in other words, to ensure as the result of the duty that the prices would rise, and when prices had attained a particular level, then of course the time was ripe to consider whether the burden could not be rendered lighter. I submit that having regard to the actual figures which price levels have reached, the time has come when Government should seriously consider whether or not they should lighten the consumer's burden. I will just read to you one sentence from Sir George Rainy's speech:

"The other point I should like to explain now is about clause 4. It is obvious that once the surplus is absorbed and the duty becomes fully effective in raising the prices of wheat, then a question must arise which Government are bound to consider as to whether a duty as heavy as the duty which this Bill seeks to impose would not be too severe upon the consumer. That is a point that will have to be considered. Now, if we knew accurately what the surplus of wheat in Northern India is today, and if we could estimate accurately what the consumption of wheat was likely to be, then with these precise data before us, we might have been able to adjust the amount of the duty so as to avoid the need for any special provision"—

—but as I have pointed out, again in his own words—

"but as we cannot get these data,—and there are no means by which we can get them—it seemed necessary to take power for the Governor General in Council to reduce the duty if necessary, if it appeared . . . . . that the duty was becoming a serious burden upon the consumer."

Sir, my case is that the time has now come when these conditions have come into existence that we should seriously consider the question of lowering the duty, if not repealing it altogether. Last year, when Sir George Rainy was moving the extension of the Act for another year, he had definitely thrown out a suggestion that the duty might possibly be reduced to Re. 1 per cwt. instead of Rs. 2 per cwt. I might just as well place that passage before you:

"In fixing the amount of the duty at Rs. 2 per cwt. last year, Government proceeded on the basis that it must be at such a level that there could be no doubt that, so far as securing the market for the Indian producer was concerned, it would be fully effective. It has fulfilled that object and I am not prepared to say that conditions may not be such during the coming year that a smaller duty—a duty of one rupee per cwt., for example, as recommended by my Honourable friend—would not be fully effective."

I expected that the Government themselves would propose in this Bill a duty of Re. 1 and not Rs. 2. Unfortunately, that does not appear to be the case, and, therefore, there is nothing left for us except to voice once more our protest against this policy of penalising the consumer and the consuming provinces in the interests of vocal groups. My friend, Sardar Sant Singh, said that the agriculturist was not vocal, and, therefore, he was down trodden. Sir, I hope he was speaking for the agriculturist and



[Mr. C. C. Biswas.]

not for the speculator. If that is not so, and I to understand that the vocal groups here are groups of speculators? I will not take that view. On the other hand, I will prefer to believe that my friends here are speaking on behalf of the agriculturists. Sir, I oppose this Bill.

**Nawab Major Malik Talib Mehdi Khan** (North Punjab: Muhammadan): Sir, as I understand, the position is that this import duty is not to be levied for removing the surplus from this place to another, but to give relief to the poor person who has got some stock to sell. From that point of view we must look at the problem and see whether it is justified or not. The zamindar at the present moment is badly off. The productive power of his land has been reduced and he has got no capital to improve his soil or method of cultivation. His means of transportation in a rural area are, if anything, very poor, and the railway freights, although they have been recently reduced, are still high as compared with steamer charges and do not give him adequate relief.

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

Moreover, he has to pay the Government demand. He has been doing his best to meet it by selling off his jewellery, his cattle, and everything he has, but he did not fail in his duty. It is argued that as he has met this demand, why should he grumble of his poverty. Well, I may liken his condition to that of a person who has got a slight rise of temperature, say, 99°. He can move about, and do his ordinary business. It will carry him on for, say, a couple of years, or three or four, but eventually his life will be in danger. The zamindar's power of resistance is gone, and I fear that he has reached the stage of the proverbial last straw to break his back. I live in a village and know his method of work. I find that he has taken to keep more cattle at the sacrifice of his crops. Why? Because he finds that by selling ghee and other such stuff he can make both ends meet. Ghee is a commodity which readily changes hands at the local market and he can raise some money by it. But wheat, cotton and other valuable crops are exported and we want some relief for him where his exportable stock is concerned. I must point out that this relief, namely, the imposition of import duty is not enough to put him on his legs; and I would request my friends from Bengal that they should not grudge it. We are ready and more than ready to come to their help if they come with any proposal which ameliorates the condition of our brothers in Bengal; but we should not fight among ourselves. Let us have this import duty until we come to better times. Propose something and we will be failing in our duty if we do not help. With these remarks. I support the motion of the Honourable the Member for Commerce.

**Sir Muhammad Yakub** (Rohilkund and Kumaon Divisions: Muhammadan Rural): Sir, I was not at all surprised to find my Honourable friend, Mr. Morgan, opposing the motion on this Bill, because we know it very well that the Europeans in India are here not only to help their own brethren in England, but also their cousins and nephews in Australia. (Laughter.) But I am really surprised at the attitude taken by my friends from Bengal. The other day we saw them trying to snatch

the beggar's bowl from the hands of the Bombay millowners (Interruption)—I say trying—they had not the courage to do so, they could not do it—and now I find that the *Bhooka* Bengali as we call it in our colloquial language—the hungry Bengali . . . .

**Mr. Amar Nath Dutt:** I protest against such insulting epithets directed against my race.

**Sir Muhammad Yakub:** There is no disrespect meant: this is a term for favouritism: I assure my brother that the phrase *Bhooka* Bengali, which we generally use, does not convey anything derogatory to the people of Bengal. I find that they have joined their heads together and want to pounce upon the wheat crop of Northern India like locusts. (Interruption.) I concede that the import duty which is imposed on the foreign wheat is not sufficient to raise the price of wheat in this country. But it has certainly helped to keep it where it was before. There is a tendency towards the raising of prices and, at any rate, on account of this duty the price of wheat in Northern India has not gone down still more. This is how this duty has helped us. We know that wheat is considered as a standard of price for all sorts of crop, at least in Northern India. If the price of wheat rises, the price of other crops also rises, while if the price of wheat falls, the prices of other agricultural products also fall . . . .

**Mr. A. H. Ghuznavi** (Dacca cum Mymensingh: Muhammadan Rural): Wheat has risen, but the price of paddy has not risen; that is the trouble.

**Sir Muhammad Yakub:** That is my friend's misfortune if the price of paddy has not risen. If Government impose or can help paddy prices by imposing any other duty, I think we from Northern India will not grudge it: we will not oppose such a Bill. We are ready to help and to protect the agriculturist in India as much as we can. In fact Bengal is not the only place where they grow paddy. In my own province, the United Provinces, we also grow paddy to a very large extent, and I may add that the paddy which we grow in the U. P. is much better and much superior in quality to the rice you get in Bengal. Therefore, I am not in any way opposed to any protection being given to paddy. What I wanted to say is that if this small duty, which helps the keeping of the price of wheat a little higher than it was two years ago, is removed, it will create a great trouble in the United Provinces and in the Punjab. Before this duty was levied, we knew that the price of wheat in certain parts of the Punjab was two rupees a maund, and the cultivator could not recover even to the extent of the labour which he had to spend from the produce of his field. It was impossible for him to pay anything to his landlord and for the landlord to pay anything to the Government. Now, what the cultivators generally do, in Northern India, is that they utilise their wheat crop, and sugar cane crop, for paying the dues of the landlord, while, for the sake of their own consumption, they keep the other produce of their fields, for instance, bajra and maize and gram and all these things. So I say that the price of wheat is the standard of price for all kinds of agricultural produce, and if this slight duty which is imposed is taken away, not only the price of wheat, but the price of all agricultural products in Northern India will fall down and it is difficult to see what would be the result of it. My friend, Mr. Biswas, has said something about the fall in the price of paddy and

[Sir Muhammad Yakub.]

jute in Bengal and Burma. I sincerely sympathise with my friends and I repeat what I have said, that any measure which is brought forward in this House to help these products. I think we will heartily support it; but really I cannot understand that, by removing this wheat duty, the price of paddy or jute in Bengal would rise in any way. I consider this course of action adopted by my friends from Bengal is like the policy of the dog in the manger. If they cannot get anything themselves, they think that the people in Northern India should also starve. Then the other thing is this: that Bengal is not really a province where wheat is consumed by the inhabitants of that province. We know that in Bengal the chief article of food is rice and fish. This is the staple food of the people of Bengal. If they want to abolish the duty on wheat, it is not because they want wheat for their own consumption, but because they want to import cheap wheat from Australia in order to put it in their mills and to export it to Northern India at a high price. This is all that they want. It is not in order to help the poor people of Bengal that this objection has been raised, but it is in order to help the millowners of Bengal that this plea has been put forward. I do not think, Sir, I need take any more time of the House, because there are so many Members who are anxious to speak on this Bill, and, with these remarks, I support the motion before the House.

**Diwan Bahadur A. Ramaswami Mudaliar:** Mr. Chairman. I should like to examine this Bill from three points of view; first whether in principle it is wrong to levy an import duty on foodstuffs, secondly, whether the duty suggested is on the one hand excessive or on the other hand very much under what is required for the purpose in view; and, thirdly, whether there is any particular interest, province or group of people who are specifically and prejudicially affected by the measure proposed. Let me take the first question, whether it is proper in a country like India to levy an import duty on foodstuffs. There has been a great deal said about the policy of taxing food stuffs, and those who have a memory of the riots that took place in England over such duties are often found to suggest that it is wrong to tax foodstuffs. This afternoon we had my friend, Mr. Biswas, from Bengal, repeating the same argument that foodstuffs should not be taxed. Now, the considerations that apply to England and countries similarly situated are entirely different from the considerations which ought to apply to a country like India . . .

**Mr. C. C. Biswas:** I pointed out that that was Government's own policy.

**Diwan Bahadur A. Ramaswami Mudaliar:** In Great Britain foodstuffs have to come from outside. The country cannot produce in sufficient quantity all the food that is required for that country, and, therefore, a taxation on the foodstuffs, by way of an import duty, necessarily means penalising the consumer. In India, on the other hand, we are in a position to produce as much as is required for internal consumption . . .

**Mr. A. H. Ghuznavi:** Not wheat.

**Diwan Bahadur A. Ramaswami Mudaliar:** In wheat itself we are able to produce all that is necessary. If my friends from Bengal would care to look into the records, they would find that it was not many years ago that

we were exporting a very large surplus. In 1925, we exported a surplus of over one million tons. We produce on an average between nine and ten million tons, and as the wheat growing area is expanding year after year, particularly in the United Provinces, not taking into account the Sukkur Barrage scheme which is going to bring a large acreage of wheat cultivation into existence, I say that for a long time to come, India will be in a position to produce all the wheat that will be required by her growing and increasing population. Therefore, if that fundamental is established that India can produce all her requirements for internal consumption, then the theoretical objection about levying a tax on foodstuffs by way of import duty disappears altogether. That is my first proposition, Mr. Chairman.

Then, again, the question arises whether the import duty that was levied in 1931 and which has continued during the last two years is sufficient in itself. My friend, Sardar Sant Singh, suggests that it should be increased, and other Honourable Members from the Punjab like my friend, Mr. Brar, suggest the same thing, but I think that, if they had examined the trade statistics, they would have found that they were making suggestions which were absolutely unnecessary. As a result of the imposition of the duty, barring what the Honourable the Commerce Member has said about what has happened during the last four or five weeks, we have not been able to import even Rs. 200 worth of wheat during the last 10 months of the year in 1932. The import for the ten months of the year 1932-33 comes to a few rupees, Mr. Chairman. It has been absolutely stopped. On the other hand, my friend, Mr. Morgan, wants to reduce the import duty that has been levied. What is the purpose of levying this duty? It is not either to raise the internal prices or to prevent mere dumping into the country. I think my friends have essentially misconceived the purpose of this Bill. The real purpose of this Bill is to find a market for the wheat produced internally, to make it consumable in the country. While we are not in a position to regain our external market owing to world conditions, we want to preserve at least the internal markets for the internal production. Therefore, Sir, there is no purpose in lowering the duty in such a way as to induce imports to come in, though perhaps at less prices than now. What I mean to suggest is, if the purpose of this Bill is to enable the United Provinces wheat and the Punjab wheat to be consumed elsewhere in the country, then it stands to reason that your import duty must be such that it can effectively prevent the coming into the country of any other wheat. That has been achieved by this Bill. From the point of view of my friend, Sardar Sant Singh, I say there is no need to increase the duty, because none has come during the last ten months of the year, and from the point of view of my friend, Mr. Morgan, I say that the lowering of the duty defeats the very purpose of the Bill, because the purpose of the Bill is to prevent external wheat coming into this country. Therefore, I think I should stand for the position which has been taken up by the Government and which has been vindicated for the last 23 months of trade conditions by actual experience and, therefore, is good for the country as a whole.

Let me now come to my friends from Bengal. I wish to point out to them in the first place that they have been making a great grievance of the fact that their consumers are specially affected. Let me point out to them, particularly to my friend, Mr. Ghuznavi, that this is a new taste they have developed for Australian wheat. They were not consuming Australian wheat before; they were consuming internal wheat to the extent that they could.

**Sir Muhammad Yakub:** Very little wheat they consume.

**Diwan Bahadur A. Ramaswami Mudaliar:** Only within the last few years when some enterprising merchant in Calcutta got into touch with another enterprising producer in Australia and began to import Australian wheat into Bengal, my friends from Bengal acquired a taste for Australian wheat. I do not want to do them injustice; and I want to tell them what Bengal was consuming during the last few years . . .

**Sir Muhammad Yakub:** They were consuming mostly coal.

**Diwan Bahadur A. Ramaswami Mudaliar:** In 1923, the total quantity of wheat imported into India from all countries was about 19,000 tons roughly. In 1924, it was 12,000 tons; in 1925, it was 4,000 tons. Then, from 1926, comes a crescendo of increasing quantities of wheat imported into this country. In 1924-25, the 12,000 tons of wheat, and the 4,000 tons imported into the country came from Iraq, and not from Australia, and the share of Bengal in these two years was eight tons, which was consumed by my friend, Mr. Ghuznavi, in the year 1924, and two tons in 1925. These were the quantities consumed by Bengal in two successive years. Then came the era of Australian import into Calcutta. In 1926, the total quantity imported into this country from all countries and mainly from the Commonwealth of Australia was 35,000 tons, of which Bengal consumed 16,000 tons. In 1927, it was 40,000 of which Bengal consumed 35,000 tons. In 1928, it was 69,000, of which Bengal consumed 25,000; and in 1929, it was 561,000 tons, of which Bengal consumed 343,000 tons. In 1930, it was 357,000 tons, of which Bengal consumed 186,000. Then came the process of gradual reduction as the import duty was levied. What is the inference that I draw from that? Not that Bengal is suffering because this import duty has been levied, but that a particular vested interest established in Calcutta or nearabouts which was interested in importing Australian wheat into this country has had to close its business. It is not that the Bengal people suffer on account of the import duty. It is not that my Honourable friends have a special grievance with reference to this matter. It is only that a few vested interests, the grinders of wheat and the producers of flour have suffered. I admit that frankly. I remember two years ago the anxiety which my Honourable friend, Sir Cowasji Jehangir, showed over this Bill, because men who had entered into forward contracts would have been seriously affected if the original Bill had been passed. We sympathised with that position. We made exceptions with reference to certain forward contracts. We relieved the millowners who, without knowing that the duty was to be levied, had entered into such forward contracts. If you come forward with a grievance of that sort, we should be the first to sympathise with that grievance and do everything possible to relieve you of that grievance. But today that is not the position. Why do you want to take to western Australian wheat, why do you want to import a commodity which you can produce in this country?

**Mr. A. H. Ghuznavi:** I do not want to pay Rs. four a maund for buying your wheat when I can get that wheat at Rs. 2-9-0 a maund in Calcutta.

**Diwan Bahadur A. Ramaswami Mudaliar:** I will come to that point. I can understand my Honourable friend's objection with reference to salt. They have accustomed themselves to that particular kind of salt. I do not promise them my support when the Bill comes on day after tomorrow.

(Laughter), but I say I can understand their difficulty. But with reference to wheat, it seems to me, it is the same thing practically whether it is Indian wheat or Australian wheat, and before your palate is so developed that you want Australian wheat and not Indian wheat, I would request you to stop that tendency and to take to Indian wheat and be good patriots as you have always been.

**Mr. G. Morgan:** It is the price we want.

**Diwan Bahadur A. Ramaswami Mudaliar:** Now, let us take the price. My Honourable friend said that on an average 3·4 per cent. of wheat came into this country. He was rather shaky about his arithmetic. If you take the figures, you will find that except in the year 1925 when about five per cent. of wheat came into this country and in the year 1919 when about four per cent. of wheat came into this country, the average for the last twelve years has been somewhere between one and two per cent. of the total production . . . . .

**Mr. G. Morgan:** I did not mean that. I said if the total maximum consumption of the mills in Karachi and Bombay and Calcutta was Australian wheat only, it would represent about 4·3 per cent of nine million tons of production in India.

**Diwan Bahadur A. Ramaswami Mudaliar:** And that is exactly what I am controverting. I am taking the total figures and not the figures for Bengal. I said the total imports of wheat in the year 1924 was 12 000 tons. If I take the production of the country at about 10 millions, the ratio is 12 per cent. In 1925, it was 4,000, it is 0·4 per cent. In 1926, it was 35,000 out of 10 million tons, which is 35 per cent. It is only in 1925, as I said, that, it was five per cent.; in the following year, it was 3·5 per cent.; in 1931, it was 2·32 per cent., and, in 1932, it was 1·11 per cent. My Honourable friend may be perfectly certain that those are the correct percentages of the wheat that has come in. If I am right on that theory, and I can have the arbitration of my Honourable friend, Dr. Ziauddin Ahmad, for the purpose, if necessary (Laughter)—if I am correct on that basis, I ask my Honourable friend whether he seriously thinks as a business man that two per cent. import into this country is going to have any vital effect on the prices or the price level of the whole quantity that is produced in this country? If you can import about 250,000 tons of wheat, and it is the average normal import during the last ten years, may I ask my Honourable friend how he expects that that 250,000 tons will have any appreciable effect in settling the price level of ten million tons of wheat produced in this country?

**Mr. G. Morgan:** Did I say that?

**Diwan Bahadur A. Ramaswami Mudaliar:** Therefore it comes to this. If it cannot have any effect on the price level of ten million tons, then the price level is automatically adjusted by internal conditions, and by the necessity for consumption in various parts of the country, and, therefore, the imported quantity has no effect. What will have an effect is an unrestricted import which may go up to one or two million tons, which will destroy the whole of the agricultural population of this country. And if my Honourable friends from Bengal seriously want that to happen, if

[Diwan Bahadur A. Ramaswami Mudaliar.]

they want that about two to three million tons of Australian and Canadian wheat should be imported into this country, so that agriculture may go out of existence, they have only to put forward that proposal and ask this House to consider how far that is reasonable. I was coming to the question of the real trouble with reference to these things. I said that during the last few years, before at least the slump began, we were able to export a good quantity of wheat, on an average at least 500,000 tons, and sometimes we reached the peak figure of over a million tons. We were exporting large quantities to the United Kingdom. I was expecting the Honourable the Commerce Member to tell us why that export has been stopped, and, as I expected, in his speech he said that the price level in England was such that it was impossible for Indian wheat to be sold there. I should like to know further what the price in Australia is and how far shipping companies are responsible for the low cost at which this can be sold in England and other places. These are considerations which must weigh with us in finding out what are the real remedies that should be applied by the wheat producer, the rice producer or producer of any other raw material to find a sale in other countries. Yesterday in another debate I said that the salvation of the country lies in selling our raw products outside, in finding a market for our home commodities in foreign countries and neither the wheat price level nor the price level of any other commodity will go up unless we are able to capture foreign markets. I was very much interested in the remark that my Honourable friend, the Commerce Member, made that he was considering this question and had some proposals in view which he would elaborate at a later stage. I do not know what those proposals are, but the problem with reference to all raw products in this country, whether it is wheat, or whether it is cotton, is the problem of finding external markets for those commodities. I do not know in how many places we have Trade Commissioners and what duties they have to perform and how they keep in touch with foreign markets and find a market for our commodities. Those are directions in which, in addition to the Bill which the Commerce Member has introduced for some slight protection to this commodity, I should expect the Government to move so that as much for wheat as for other products we may be able to find external markets. From what I have said it will be clear that I am unable to support on the one hand Sardar Sant Singh's amendment to increase the duty even if he had been permitted by His Excellency the Viceroy, and I do not see why he should not have been permitted by His Excellency so that the common sense of the House may assert itself on questions like this, and on the other hand I am unable to accept the amendment of my Honourable friend, Mr. Morgan, which will destroy the very purpose of this Bill.

**Mr. Lalchand Navalrai:** Sir, coming as I do from Sind, I feel that it is necessary for me to intervene in this debate. Sind is a wheat growing country and you all know that a big barrage has been built in Sind on the great Sind river. That barrage has been built with the main object of increasing the cultivation of wheat and cotton in Sind. This undertaking has cost 21 crores of rupees and the question before me is a question, in that connection, of the interests of both the producer and the consumer. I think Sind will satisfy the claims and the demands of both the producer and the consumer. The consumer must be a little patient and the producer must be helped in the first instance. In Sind,

at present the condition of the producer is pitiable. He has got to pay heavy assessment and, after this barrage, the assessment is likely to be increased. The producer, therefore, is already in straitened circumstances and he wants help to be given. And if encouragement in the shape of tariffs and other facilities in freights is not given to the producer, I have

4 P.M. no doubt that the barrage will fail. Therefore, it is very necessary that I should look at this question from that point of view.

Now, much of the waste land has been used for the growing of wheat with the help of the perennial canals and it is, therefore, expected that there will be a large produce from the Sind Barrage areas and it is very necessary to see that there is a market for that produce. Unless there is a market, there will be a surplus and there will be dumping and the producer will go to the wall. At present what the producer requires is that some protection should be given to him. Even at present there is some excess production in Sind, but after the barrage has fructified, there will be keen internal competition between the Punjab and Sind and, by that competition, the result will be that the consumer will certainly get a lower price. Therefore, if you are protecting the producer, you are protecting the consumer too and you have only to wait and see. At present some figures have been quoted by the Honourable the Commerce Member which go to show that there is a change in the price of wheat and, after this large quantity of wheat is produced in Sind, it will certainly be a great factor in reducing the price for the consumer.

For the last two or three days we have been discussing questions in such a way that I feel sorry. We had the import duty on salt and the import duty on textiles and we have now the wheat protection duty, and I see that a fight which usually takes place between this side of the House and the Treasury Benches has now started amongst ourselves. It is really a regrettable feature. I see that Bengal wants to have the whole advantage to themselves. There was a time when Bengal was considered to have a sense of patriotism and even now we take it to be so; but I am sorry to hear from Bengal that, because some of their brethren in other parts of India are being benefited, they come forward and object to that benefit being enjoyed by no Bengalees. In this connection I am reminded of a story of two friends. They were very intimate friends. They went to school and had to sit for a certain examination. One passed and the other did not. The one who failed said: "I don't mind my failure. I am not sorry for it but why should the other pass? I am only sorry that my friend passed". It is something like that which we have here. That is the vicious lesson which Bengal has now learnt. These are times when we should help each other. They claim that they suffer a great disadvantage. This I do not admit. I think it is only an exaggeration. If they want our help, we are ready to give them in every legitimate manner. So far as the present situation is concerned, Bengal should think of increasing the growth of wheat in their country, but if they are not able to do so, they should ask for protection for jute and other products which require some support. To say that the present import duty should not be imposed is wholly wrong. With regard to this import duty, it is quite plain that wheat in Australia and other countries is so abundantly grown that without this duty it could be introduced into this country in such large quantities that the market here cannot possibly compete with them. It is for such reasons that we find surpluses of wheat in India. Otherwise we could export our wheat and it can have a market outside, in which case we will not require this import duty as a tariff wall, but the point is that when there is no



[Mr. Lalchand Navalrai.]

market outside and no protection here, the Indian produce will absolutely suffer. Therefore, I submit, that it is no use wasting time over this question. The Government have given protection after full consideration and I submit that I would be very willing and happy to help Government on this motion.

It will be fair on my part to say that I do know that the flour mills of Karachi have no market for their flour export. I have received a telegram from the Sind Flour Mills and the Karachi Flour Mills and they tell me that, on account of the artificially high price of wheat, they are losing all their flour business. I am not going to repeat what has already been said and so eloquently said by Diwan Bahadur Mudaliar with regard to the vested interests of other countries, but I must tell the people in Karachi that in the interests of the barrage they should wait and see how the barrage fructifies. They must wait and see if the barrage produces so much that they can have their own flour and send it outside. I was glad to hear the reference made by the Honourable the Commerce Member with regard to this question of the flour export when he said that he was considering that question. I must, therefore, tell the owners of these mills at Karachi to wait to see what happens. With these words, I support this motion.

[At this stage Mr. President (The Honourable Mr. R. K. Shanmukham Chetty) resumed the Chair.]

**Mr. A. H. Ghuznavi:** Sir, human memory is short, and the public man's memory is shorter still, particularly that of the Members of this Assembly. When this Bill was introduced in March, 1931, in this House, what did the Commerce Member say then? He said: "I move that the Bill to impose a temporary duty, etc., etc." So a temporary duty was imposed on the importation of wheat, because at Lyallpur at that time they had no less than 10,469,000 tons of wheat unsold—and these figures have been supplied by the Government of Bengal, and I say this for the simple reason that it may not be said that they are my coal figures (Laughter)—10,469,000 tons of wheat then at Lyallpur unsold, and the prices were still going down! That was the reason why an import duty had to be imposed for getting that huge quantity sold. What was the position? How did the imposition of that duty help the selling of that stock?

Sir, the price of Indian wheat at Lyallpur, when the duty was imposed in 1931, was just under two rupees a maund. After the duty was imposed, the prices continued to fall and reached their lowest level of Rs. 1-8-0 a maund in July, 1931. Since then the price has risen and now it stands at about Rs. 3-3-6 a maund. That has been verified by the Honourable the Commerce Member. He said that the price on the 4th of March was Rs. 3-2-6 per maund. Well, Sir, the world prices of wheat are today at about the same figure as they were in 1931. What we say is this. Why should we in Bengal be penalized in order to support the wheat position in the Punjab? Sir, we can have wheat in Bengal and in the Calcutta port at Rs. 2-9-0 a maund. What is the effect of this duty now? The effect of this duty is this, that we shall have to pay Rs. 4-4-0 to get the same wheat which we can get at Rs. 2-9-0. Even at Rs. 4-0-0 we cannot get the Lyallpur wheat. I shall presently show that. Sir, the price today

stands at Lyallpur at Rs. 3-3-6, or even taking the figure my Honourable friend, Sardar Sant Singh, has obtained, today's price is Rs. 2-14-0. Add to that the freight of Rs. 1-2-0 and the price comes up to Rs. 4. Now, why should we pay Rs. 4 for the wheat that we can have in Calcutta at Rs. 2-9-0? Where is the justification for putting that duty on now when the prices have gone up by about 150 per cent.? Sir, the price in 1931 was about Rs. 1-8-0. That price has gone up to Rs. 3-6-6. Yet why should that duty continue now? Why should we in Bengal have to buy wheat at Rs. 4 instead of at the price at which we can get wheat, which is very much lower? Why should we be penalized in Bengal?

**Hony. Captain Rao Bahadur Chaudhri Lal Chand** (Nominated Non-Official): Why Bengal? Even the Lyallpur *Bania* who does not produce wheat is also penalized.

**Mr. A. H. Ghuznavi**: But the Lyallpur *Bania* can get at the original price; he has not got to pay the railway freight.

**Hony. Captain Rao Bahadur Chaudhri Lal Chand**: Well, if everybody thinks for himself, it will of course come to that.

**Mr. A. H. Ghuznavi**: Now, Sir, let us see what is the production of wheat in India. The production in 1928-29 was 85,91,000 tons. In 1929-30, it was 104,69,000. These are not my coal figures. (Laughter.) In 1930-31, the production of wheat was Rs. 93,05,000 and, in 1931-32, 90,26,000 tons. Very well, the wheat forecast for 1932-33 indicates that the crop will be smaller than 1931-32, because the forecast shows that the area is four per cent. less than that sown in 1931-32. Therefore, the prices will not only go up higher, but you have not got sufficient wheat in India to meet the requirements. Now, Sir, the world prices of wheat today are at about the same figure as they were in 1931. But when this Bill was introduced, there was practically no demand at all for the Lyallpur wheat, and, therefore, Government wanted to stop the importation of wheat from Australia or anywhere else. Now, you have got a very fair price for Indian wheat. If so, why do you want to impose this duty which affects so adversely Bengal and Bengal alone. That is the reason why we do not want that this duty should be continued. Sir, it must be borne in mind that what the Commerce Member said when he introduced this Bill was that it was only a temporary measure, and that as soon as the prices would go up, they would discontinue the duty and not only that; he contemplated that very likely it might not be necessary to continue this Bill even for a year, and in fact that was the reason why he took the powers into his hand of reducing the rate whenever he found that that position had arrived.

**Sardar Sant Singh**: May I be excused for reminding my Honourable friend that of course if there were to be no import duty on wheat, then wheat might have to be used as coal and thus your coal would suffer. Then, wheat will be used as coal, as did happen in the United States market, and then your coal trade would suffer.

**Mr. A. H. Ghuznavi**: When it comes to that, then you can come with your beggar's bowl and then we can put on a duty again. Sir, as my Honourable friend, Mr. Biswas, said, a duty of Rs. 2 per ton was imposed when the price was Rs. 2 a maund; that was the rate at Lyallpur in 1931 when this duty was imposed. The price today is Rs. 3-2-6 according to my Honourable friend, the Commerce Member. Why should it not be reduced,

[Mr. A. H. Ghuznavi.]

if, however, the duty cannot be abolished, from Rs. 2 to at least one rupee? What prevents you from doing that? That will be more than sufficient, so far as the Punjab wheat is concerned, to give them protection. Therefore, Sir, as the Government are not willing to consider the reduction of the duty, we in Bengal must oppose the Bill *in toto*.

**Some Honourable Members:** I move that the question be now put.

**Mr. S. C. Mitra:** Mr. President, I am not for helping Government in passing any legislation where the prices of necessities of life are likely to be increased and I should like to examine this particular piece of legislation from that standpoint.

The question has been thoroughly threshed out by my friend, Mr. Ramaswami Mudaliar, who has given us figures, but I do not agree with his inferences. Firstly, he said that the condition of affairs here in India was different from the condition of affairs obtaining in England as regards taxes on foodstuffs. He said that if the country can be expected to produce its own foodstuffs, then the conditions are quite different from those in England. But I think he forgot that in considering whether a country can produce sufficient quantity of foodstuff, special attention should be paid to the cost at which it can be produced. It must be found out whether it is at all economical for a country to produce those articles, before we can come to any conclusion on this issue. If strict logical conclusions are to be drawn of Mr. Mudaliar's argument then all importation should be prohibited.

I know that the Government of India is not even guided by the generally accepted principle of having raw material, foodstuff or the machinery for industry, without any import duty. They do not accept even those universally accepted principles of economics. Speaking particularly of wheat, we must see that if the consumers in this country can get it at an economic price, they should prefer their own wheat. Of course, I agree with my friend that, so far as Bengal is concerned, wheat is not our principal foodstuff. What I mean to say is that wheat is not the staple food of the Bengalees, but there are some classes even in Bengal who take wheat at least once a day and my friend, Dr. Dalal, will perhaps advise that it has greater caloric value and, as such, it is a most substantial food and that, therefore, we should take more of it. I have full sympathy with my friends from the Punjab and the United Provinces as regards their claim for protection, but protection should not be given by raising the duty. That is not the only means by which they can provide Bengal with wheat from the Punjab or the United Provinces.

It has been argued by my friends that their complaint is more against the water rates and Government demands of revenue and even the high railway freight. If they could manage to get remedies in these matters, then they would not have made any demands for special protection against imported wheat. It seems that the Government of India have only one remedy for all evils. Whenever any protection is wanted either for an industry or for agriculture, their one panacea is to raise the import duty as if that is the only remedy known to the civilized world. Attempts are being made throughout the world to raise the level of price of all commodities and anybody who reads the daily press knows that President Roosevelt, as soon as he came to occupy his position, passed Ordinances

after Ordinances to raise the level of prices in the United States of America. I would like to make this point clear, because our colleagues on this side might think that when we oppose such legislation we are against their interests. We agree with them that steps should be taken not only by the Commerce Department, but by the Department of my Honourable friend, Mr. Bajpai, so that the agriculturists may get throughout India an economic price which may be sufficient at least to enable them to live upon agriculture. My friend, Sir Muhammad Yakub, styled the Bengalees as *Bhuka* Bengalees. I agree with him and that is the reason why a hungry man cannot be sympathetic towards his brethren. My Honourable friend, Diwan Bahadur Mudaliar, said that wheat from Iraq and Australia had better taste for Bengalees. It is not the taste of the wheat, but the taste of the price that has attracted consumers in Bengal for the imported wheat. I think he should realise that the agriculturists are in such straitened circumstances that they cannot afford to buy anything even the price of which is slightly greater than the normal rate. The price of wheat was Rs. 1-14-0 before the wheat duty; it is now Rs. 3-4-6 per maund. That is the reason why Bengalees prefer the imported wheat,—because it is cheaper, and not because they are unpatriotic. Many measures have been suggested by this House by which a serious attempt can be made to raise the price level of all commodities. I think Members after Members spoke against the exodus of gold and also explained how, by putting some embargo on gold, the price of precious metals might be lowered and, inversely with the price of precious metals, the price of all foodstuffs and other commodities would be raised. On this matter Government have no answer. They only rush in for an import duty whenever there is a question of protection, because it gives them some money and it also provides them with a field for some clashes between different groups and interests in this House. My friend, Sir Muhammad Yakub, seems to have now understood the European Group. But I say that it is Indians like Sir Muhammad Yakub who always help Government in carrying out measures which are mostly anti-national. He cannot complain of the European Group if for any reasons they find that on this point their interests as well as the interests of the consumers coincide. Sir, I would like to make it clear that we have no grievance against the wheat producing agricultural provinces. All that I wish to say is that Government should take steps that they can get proper price for their produce. On behalf of Bengal I would say that if the wheat producing provinces want the price level to be raised, let them alone pay for it, and unless some steps are taken for raising the price of our own foodgrains like paddy or large produce like jute, we cannot be a party in making the cost of production of the necessities of our people more costly. We know that any opposition here will not help us. We have no Sir Fazl-i-Hussain to bring in legislation for the advantage of the Punjab or the United Provinces, but we think it our duty to place on record our views about the interests of the consumers in these matters.

**Mr. Muhammad Yamin Khan** (Agra Division: Muhammadan Rural): Sir, it has been suggested by some Honourable Members that protection was given temporarily when the duty was imposed. My Honourable friend, Mr. Ghuznavi, said that Honourable Members in this House have got short memory. I think it is true. He has got a short memory. He knows what were the circumstances in which this protection was given; and he knows also what is the effect of this protection today in India. We had thousands and thousands of people here starving; although they had

[Mr. Muhammad Yamin Khan.]

grain, they had no money. Why? Because they could only sell their produce for such a small sum that they had to spend that money very soon and they could not get their requirements later on when the time came for them to purchase their necessities of life. If a producer produces wheat at a cost of Rs. 3-2-0 per maund and he has to sell it at the rate of Rs. 1-6-0 per maund, then it can be very well judged how long this industry will continue in India. If this industry does not continue and if the people stop growing wheat, the effect will be that these millions of people who are living in the villages will be left without any work and without any wages and they will have nothing to live upon. So it is in the interest of the country as a whole. It is not a question of the Punjab or of the U. P. or of Bengal, but it is a question of India as a whole. If we take the question of India as a whole, we cannot tolerate the idea of having millions of people without work and starving in the villages. Therefore, it means that some kind of protection should be given so that their cost of production may be equal to the selling value. Their commodities must be sold in the market at the same price at which they produce it; and the cost of production will be the price of seed, the canal dues, land revenue and the wages of the people who have to live from hand to mouth. At least we must give one meal a day to the field labourer. If that is to be done, the price must go up to something like Rs. 3-2-0 per maund everywhere. When the question of protection for some industry comes up, my Honourable friends say, why should we import these cotton piece-goods from outside India? We must supply some labour and we must have these things produced here and not have dumping from Japan. That is quite right, but I should like to ask them, if that is the argument, will that be your argument also when it is the question of wheat on which you live, or will you import it for your consumption from Australia or Russia and other places?

Then, the only point which remains is this, that if you cannot stop your wheat growing industry, if you have to bring it to some level, what is the level at which you have to bring it and in what manner? The answer is that we cannot tolerate, for the sake of a few people who have got mill industries in Bombay or Calcutta, and who want to import their wheat flour from outside India, the going down of this industry and the consequential fall in the price of every other commodity. That cannot be done in the interest of India. So we have to give this protection and it is this protection which is required and I think anything less than Rs. 2 per hundred-weight will not be suitable. I should like that no wheat should be imported into this country from outside India and that can only be done when the protection is so high that people who want to import wheat at Bombay or Calcutta find it disadvantageous to do so. We had a lengthy discussion on this question during the Ottawa debate in this House and it was brought to the notice of Honourable Members that we have got surplus wheat in the country; we can grow surplus wheat in this country and there is a likelihood of growing it to the extent of two million tons more. If there is a possibility of producing two million tons more, then some kind of temptation must be given to the poor agriculturist who is engaged in this industry rather than throwing him away, so that he may only cultivate this wheat in places where it is full of irrigation and not elsewhere. With these words, I

think this Bill should be supported and I give my full support to this motion.

**Several Honourable Members:** The question may now be put.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): I accept the closure. The question is that the question be now put.

The motion was adopted.

**The Honourable Sir Joseph Shore:** Sir, this is one of those rare and happy occasions when a Government Member can relax somewhat and allow his battles to be fought by the opposition or some section of it. That battle has been fought so effectively by Members on the opposite side who have supported this case that they have left me very little to answer. At the same time, Sir, it is very evident that the case which I put forward this morning was not clearly understood by certain Honourable Members in this House. From what fell from my Honourable friend, Mr. Biswas, I think he entirely misunderstood the points which I was making when I put forward this Bill for consideration. Let me recapitulate them very shortly.

I said firstly that there were two dominant factors in the wheat position of the world today, factors which were not in existence last year. Firstly I pointed out that, as far as information was available, there was a much larger exportable surplus in the exporting areas of the world today than there was last year. And, secondly I pointed out that the world price of wheat was far lower this year than it was last year. I also pointed out that prices here were far above world prices and I asked the House to deduce from those conditions what seemed to me to be the inevitable result. I suggested, Sir, that in view of those conditions the inevitable result would be that foreign wheat would flood the Indian market at a price which would be wholly unremunerative to the home producer if this import duty were removed or materially reduced. I submit, Sir, that that position has not been controverted by any Honourable Member in this House. I do not for a moment deny that the consumer will have to pay a little more by reason of this import duty than he would have had to pay had no such import duty existed.

**Mr. S. C. Mitra:** May I ask one question? What was the price of wheat just before this import duty was placed in 1931?

**The Honourable Sir Joseph Shore:** I will come to that presently, Sir. My point is really this that, having regard to prices which have prevailed for a large number of years, we are not asking the consumer today by reason of this import duty to bear an unreasonable burden. In regard to a comparison of prices I shall quote figures over ten years, if the House will permit me, when we are considering the actual amendment for the reduction of the import duty. I would only point out to my Honourable friend, Mr. Mitra, that it is entirely unfair to compare the price today with what the price was two years ago when we were forced initially to take these measures. It was definitely in order to counteract those calamitous circumstances which had resulted in those abnormally low prices, that the present measures were initiated.

Now, Sir, there are only one or two other questions which I think I need refer to at this time. My Honourable friend, Mr. Mitra, found the panacea for all these wheat afflictions in the lowering of railway rates. I will not say a panacea for all the evils; I will correct myself. At any

[Sir Joseph Bhore.]

rate he thought that our present trouble in regard to wheat could be very much reduced by lowering railway freights. Honourable Members must be aware that we have greatly reduced those freights. In fact we made an experiment last year in reducing these freights to such a level for wheat that, within a few months, if my recollection serves me correctly, we lost something like sixteen lakhs of rupees on that one commodity alone.

Then, Sir, there is one other point of very great importance to which my Honourable friend, Mr. Lalchand Navalrai, referred. He was perfectly right when he said that the extension of the wheat producing areas in this country would ultimately solve the question of prices. I have no doubt, Sir, the time will come when, with the extension of those areas and the larger production of wheat in this country, the factor of internal competition will begin to operate in favour of the consumer. I do not think, Sir, that at the moment I need say anything more. There are certain figures which I would like to give to the House and I propose to give them when dealing with the amendment for reduction.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

"That the Bill to extend the operation of the Wheat (Import Duty) Act, 1931, be taken into consideration."

The motion was adopted.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The question is that clause 2 stand part of the Bill.

**Mr. C. C. Biswas:** Sir without making any speech I move the amendment that stands in my name:

"That after clause 2 of the Bill, the following new clause be added:

'3. In section 2 of the Wheat (Import Duty) Act, 1931, for the words 'Two rupees per hundred-weight' the words 'one rupee per hundred-weight' shall be substituted'."

**The Honourable Sir Joseph Bhore:** I need only set myself two questions to answer in this connection. The first is this. Has the existing duty really inflicted a harsh burden upon the Calcutta consumer? Now, let me give to the House the figures, which I have collected over a period of ten years. The figures relate to the wholesale prices of wheat in Calcutta per maund. At the end of December, 1923, the price of wheat per maund was Rs. 5-2-0.

In 1924, it was Rs. 6 per maund.

In 1925, it was Rs. 6-14-0 per maund.

In 1926, it was Rs. 5-10-0 per maund.

In 1927, it was Rs. 5-7-6 per maund.

In 1928 (I have not the figures for December, but in September the price was Rs. 6-4-0 per maund).

In 1929, the price was Rs. 5-12-0.

In December, 1932, the price was Rs. 3-14-6.

Now, Sir, I have always admitted that due regard must be paid to the fall in the general level of prices and also to the reduced purchasing power of the people. But I venture to submit that the import duty,

even at its present level, is not today imposing a harsh and unreasonable burden compared with the burden that has been borne in the years for which I have ventured to give figures to the House.

The other question is whether we are giving the producer too high a price through this duty. Now, Sir, here again let me give to the House comparative figures over a number of years, ten years, of the prices of wheat at Lyallpur, f.o.r. These are the prices per maund.

At the end of December, 1923, the price was Rs. 3-13-0.

At the end of December, 1924, the price was Rs. 5-3-0.

At the end of December, 1925, the price was Rs. 5-15-6.

At the end of December, 1926, the price was Rs. 4-7-0.

At the end of December, 1927, the price was Rs. 4-9-0.

At the end of December, 1928, the price was Rs. 5-14-0.

At the end of December, 1929, the price was Rs. 4-5-0.

At the end of December, 1932, the price was Rs. 3-3-0.

On these figures, Sir, I venture to submit that you cannot accuse us of securing for the producer of wheat an unreasonably high price. Those are the two questions which I set myself to answer and I hope, Sir, the House will agree that I have given a satisfactory reply to both.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

“That after clause 2 of the Bill, the following new clause be added:

‘3. In section 2 of the Wheat (Import Duty) Act, 1931, for the words ‘Two rupees per hundred-weight’ the words ‘one rupee per hundred-weight’ shall be substituted’.”

The motion was negatived.

**Mr. President** (The Honourable Mr. R. K. Shanmukham Chetty): The next amendment that stands in the name of Sardar Sant Singh seeks to increase the duty for which sanction of the Governor General is required, and the Chair understands that sanction has been refused.

As regards the next amendment by Sirdar Harbans Singh Brar, the same remarks apply, but the Honourable Member did not apply for sanction.

The question is that clause 2 stand part of the Bill.

The motion was adopted.

Clause 2 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 Joseph Bhoré:** Sir, I move that the Bill be passed.

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 22nd March, 1933.