

*Monday,
25th March, 1912*

ABSTRACT OF THE PROCEEDINGS
OF THE
Council of the Governor General of India,
LAWS AND REGULATIONS

Vol. L

April 1911 - March 1912

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OF
THE COUNCIL OF THE GOVERNOR GENERAL OF INDIA
ASSEMBLED FOR THE PURPOSE OF MAKING
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GOVERNMENT OF INDIA.
LEGISLATIVE DEPARTMENT.

PROCEEDINGS OF THE COUNCIL OF THE GOVERNOR GENERAL OF INDIA,
ASSEMBLED FOR THE PURPOSE OF MAKING LAWS AND REGULATIONS
UNDER THE PROVISIONS OF THE INDIAN COUNCILS ACTS, 1861 TO
1909 (24 & 25 VICT., c. 67, 55 & 56 VICT., c. 14, AND 9 EDW. VII, c. 4).

The Council met at Government House, Calcutta, on Monday, the 25th
March 1912.

PRESENT :

His Excellency BARON HARDINGE OF PENSHURST, P.C., G.C.B., G.C.M.G., G.C.V.O.,
G.M.S.I., G.M.I.E., Viceroy and Governor General of India, *presiding*,
and 59 Members, of whom 51 were Additional Members.

QUESTIONS AND ANSWERS.

The Hon'ble Raja of Dighapatia asked :

"Is it a fact that the *Pioneer* till very recently charged double its ordinary rates for all official advertisements ? If so, how long since has this arrangement been discontinued ?"

The Hon'ble Sir Reginald Craddock replied :

"The rate charged by the *Pioneer* for Government advertisements is 8 annas per line, and no change has recently been made in this respect. It is understood that the rates charged by the same newspaper for private casual advertisements vary between 4 annas and 9 annas per line according to the position in the paper in which the advertisements are inserted."

The Hon'ble Raja of Dighapatia asked :

"Is it the intention of the Government to appoint qualified Indians in the work of scientific investigation of tropical diseases now being carried on by the Central Research Institutes at Kasauli and in other similar institutes in the country ?"

The Hon'ble Sir Harcourt Butler replied :

"The Government of India will always employ the best man available for any inquiry of a scientific nature, no matter what his race or creed may be. Dr. Korke, who is an Indian, has recently been appointed to inquire into Kala-azar."

[*Raja of Dighapatia ; Sir Harcourt Butler ; Raja Pratab Bahadur Singh ; Sir Robert Carlyle ; Sir Gangadhar Rao Chitnavis ; Mr. Syed Ali Imam.*] [25TH MARCH 1912.]

The Hon'ble Raja of Dighapatia asked :

"Does the Government propose to publish annually a statement showing in each Province the mortality under different heads and the measures taken to improve the several sanitary conditions of each Province?"

The Hon'ble Sir Harcourt Butler replied :

"The Hon'ble Member is referred to the statements appended to sections III and VII of the Report of the Sanitary Commissioner with the Government of India, and to the annual reports of the Provincial Sanitary Commissioners, in which he will find the information he requires."

The Hon'ble Raja Pratab Bahadur Singh asked :

"(a) Will the Government be pleased to state how much area in each reserved forest is open for pasturage of cattle?"

"(b) Are Government aware that there are pressing demands for pasture lands?"

"(c) If so, do Government propose to increase the pasturable area free or on receipt of fee per head of cattle grazing in the said area?"

"(d) Do Government propose to encourage the reservation of land in each village for pasturage of cattle and not assess revenue upon it?"

The Hon'ble Sir Robert Carlyle replied :

"(a) Figures are not available for each reserved forest, but I lay a statement* on the table giving some details by Provinces.

"(b) The Government of India are aware that there are tracts in which it would be very desirable, if possible, to increase the pasturable area.

"(c) The question of increasing the pasturable area where this is practicable and desirable is essentially one for Local Governments to deal with, and the Government of India can lay down no general rules in the matter.

"(d) Steps are already taken in several Provinces to provide grazing grounds free of assessment for village cattle, but the introduction of such arrangements and the manner in which they should be carried out are questions primarily for the consideration of Local Governments. It may be noticed that the Government of India have recently sanctioned an experiment proposed by the Government of the United Provinces by which revenue on 80,000 acres of waste-land in Oudh has been remitted on the condition that this area was maintained for the grazing of migratory herds of cattle."

The Hon'ble Sir Gangadhar Rao Chitnavis asked :

"Do the Government intend to have settlements for thirty years or for longer terms in the Central Provinces, especially in the fully developed districts?"

The Hon'ble Sir Robert Carlyle replied :

"The Government of India do not consider that any districts in the Central Provinces are at present so developed as to justify the extension of the term of settlement in them for a longer period than twenty years."

BENGAL, BIHAR AND ASSAM LAWS BILL.

The Hon'ble Mr. Syed Ali Imam : "My Lord, I beg to move for leave to introduce a Bill to make certain provisions regarding the application of the

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law in force in the Presidency of Fort William in Bengal, the Province of Bihar and Orissa and the Province of Assam.

"The Proclamations which appeared in the *Gazette of India Extraordinary* last Saturday relate to important re-distributions of territories which at present constitute the Provinces of Bengal and Eastern Bengal and Assam. As these territorial re-distributions have to take effect from the 1st of April next, it has become a matter of extreme urgency to provide for the adaptation and application of the laws in force in those territories. Under the provisions of the Indian Councils Acts, the existing laws continue to remain in force in the newly created Provinces so long as they are not repealed or altered. With a view to make these very laws applicable to the changed conditions created by the said Proclamations, some modifications are necessary merely for the exercise of powers that exist under the different laws in force. The Bill which I am now moving for leave to introduce provides for this and is framed on the lines of the Bengal and Assam Laws Act of 1905. It continues the laws in force in the territories affected by the Proclamations and merely provides for their administration by the new authorities which will come into existence next Monday. The Bill aims at the application of the existing law without making any amendment or alteration of substance. It is obvious that a measure of this kind must receive the sanction of the Legislature before the Proclamations take effect. Under the circumstances, should the motion before the Council be adopted, I shall ask for the provisions of the Bill to be at once taken into consideration with a view to its being passed at to-day's sitting. It is of a purely formal and non-controversial character. In fact, I have excluded, even at the risk of some possible temporary inconvenience, all matters which might lead to controversy and have left them to be dealt with by future legislation. It will be seen therefore that with two small exceptions, to which I will presently call attention, the Bill is no more than a draftsman's Bill.

"Clause 4 of the Bill constitutes a Board of Revenue for the Province of Behar and Orissa. It does no more than place the territories of the new Province on the same footing on which they stand at present under the Bengal Board of Revenue for the purposes of this branch of the administration.

"Clause 7 taken with Schedule E makes certain amendments in Acts which confer immunities or vest functions in authorities now existing in the Province of Bengal. A glance at the Schedules will show that they are so obviously appropriate that I need not take up the time of the Council in explaining or justifying them further.

"The Bill otherwise makes no change in the existing law."

The motion was put and agreed to.

The Hon'ble Mr. Syed Ali Imam introduced the Bill.

The Hon'ble Mr. Syed Ali Imam moved the President to suspend the rules of business to admit of the Bill being taken into consideration.

The President declared the rules to be suspended.

The Hon'ble Mr. Syed Ali Imam moved that the Bill be taken into consideration.

The Hon'ble Babu Bhupendranath Basu: "My Lord, with reference to the Bill which has just now been placed before us, there is one question which strikes me. Under clause 4, a new Board of Revenue is going to be created for the Province of Bihar and Orissa, and clause 6 provides that all proceedings which at the commencement of this Act are pending in respect of any territory mentioned in the Schedule shall not be affected by the provisions of the Bill. I take it that the learned Law Member is aware that the entire revenue-administration of the Province of Bihar and Orissa is at the present moment under the control of the Board of Revenue, which is exercising jurisdiction over the old Province of Bengal, and that many matters affecting Bihar, Orissa and Chota Nagpur are pending for final decision before the Board here in respect of which some proceedings have been taken, and there are matters which have been partly heard. Do I understand that section 6 will

[Babu Bhupendranath Basu; Mr. Syed Ali Imam; [25TH MARCH 1912.]
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protect these proceedings being taken *de novo* before the new Board of Revenue that is going to be created in Bihar, or will they be allowed to be heard by the Board before which they are pending?"

The Hon'ble Mr. Syed Ali Imam: "My Lord, section 6 of the Bill provides for this, that any such proceedings as have been referred to, will continue to remain unaffected by this Act, if this Bill is passed into law. And the answer to that question is that there will be no change in respect of those proceedings. Section 4 provides for the creation of a new Board of Revenue for Bihar and Orissa and stands on a separate footing altogether from section 6."

The motion was put and agreed to.

The Hon'ble Mr. Syed Ali Imam moved that the Bill be passed.

The motion was put and agreed to.

BUDGET FOR 1912-13.

The Hon'ble Mr. Gokhale: "My Lord, I propose to make a few observations to-day on the general state of our finances, but, before doing that, I would like, with Your Lordship's permission, to make one or two references of a personal nature. My Lord, this is the last time when my Hon'ble friend, Sir James Meston, will sit in this Council, at any rate as Financial Secretary, and I would like to take this opportunity to thank him publicly, and in Your Excellency's presence, for all the valuable assistance which he has uniformly given to non-official members during the last three years. Ever accessible, ever courteous, ever helpful, the Hon'ble Member has enabled many of us to perform our duty in this Council better than we could otherwise have done. He has believed whole-heartedly in the new order inaugurated by the recent reforms; and he has also believed in the capacity of non-official members to rise equal to their new responsibilities. And if this Council has not wholly disappointed expectations, the result, at any rate on the financial side of our discussions, is in no small measure due to the sympathetic and generous attitude of the Hon'ble Member towards us. My Lord, our best wishes accompany Sir James Meston in his new and exalted sphere, and I earnestly trust that, when his five years of office are over, he will return again to this Council as Finance Minister. I think, my Lord, there is a great deal to be said in favour of the view that membership of the Government of India should be the last rung of the official ladder in this country, and that those members of the Civil Service who are marked out for Lieutenant-Governorships should complete their tenure of office as heads of Provinces before they come and join the Viceroy's Executive Council.

"My Lord, I would next like to say a word about my Hon'ble friend, Sir Guy Fleetwood Wilson. We have all heard that he proposes shortly to go on six months' leave to recruit his health, and we all fervently hope that he will come back at the end of that period with his health fully restored and that he will continue to preside over his Department for the full period of his appointment. My Lord, the *personnel* of this Council on its non-official side will have undergone considerable changes before the Hon'ble Member's return, because in the interval there will be a new election, and, while some of us may possibly not want to come back, the constituencies may not want to send some others back, and therefore it would not be inappropriate if we, non-official members, seek to give brief expression on the present occasion to the great admiration and the very high regard in which we hold Sir Guy Fleetwood Wilson. My Lord, with his mind saturated with the best traditions of English public life of which he was a close observer for many years, the Hon'ble Member's presence in this Council has been simply invaluable to us at a time when our own tradition is slowly evolving here. We have never found Sir Guy Wilson wrapped up in official reserve. He has often presented new points of view to us and he has himself been always anxious to enter into our feelings and our thoughts. And his delightful and

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high-minded courtesy has made it a pleasure to have anything to do with him. His great familiarity with the principles of Western finance has enabled him to manage our finances wisely and skilfully, and his attachment to the Gladstonian tradition of economy has left its impress on the administration of this country. In regard to our general affairs too, it is well-known that Sir Guy Fleetwood Wilson's influence has been strongly on the side of popular progress. My Lord, the country needs men of his type in the Government—men of warm sympathies, of sturdy independence, and deep devotion to its truest and best interests; and once again I earnestly express the hope that Sir Guy will come back fully restored to health and will continue his services to India to the furthest limit of time to which they can be stretched.

"My last word, my Lord, will be about this great and beautiful city. Speaking at the Calcutta Club the other day, Your Lordship expressed the great regret with which you viewed the prospect of this city soon ceasing to be your winter head-quarters in future. May we non-official members of this Council ask to be permitted to respectfully join in that regret! I say nothing on this occasion about the great, the momentous, changes which were announced by His Imperial Majesty the King-Emperor at Delhi. Looking into the future with the eye of faith and of hope, I do believe that these changes, whatever temporary inconvenience or dislocation they may occasion, will do good in the end both to the Province of Bengal and to the country taken as a whole. But, whatever the future may hold in its womb, the thought that this Council, which has grown from the smallest beginnings to its present dimensions in this city, meets here to-day for the last time, is a thought that must make the heart heavy. My Lord, it is not merely the infinite kindness and hospitality which we members, coming from other Provinces, have always received from the people of Calcutta, it is not merely the friends that we have made here, that we shall miss; it is the entire influence of Calcutta and all that Calcutta stands for that will now be lost to us. Some of us, my Lord, have been coming to this city now for many years,—I for one have come here continuously now for eleven years,—and we have learnt to feel the same enthusiasm for this wonderful land which the people of Bengal feel. Its waving fields, its noble streams, its rich and wonderful vegetation of every kind, throw on us now the same spell that the people of this Province experience, and the warm-heartedness of its society, its culture, its spiritual outlook on life, and the intensity of its national aspiration have produced a deep and abiding impression upon our lives. My Lord, we bid adieu to this city with profound regret, and with every good wish for its continued prosperity that the heart of man can frame. And we fervently trust that, great as has been its past, its future will be even greater.

"My Lord, I will now say a few words on the general state of our finances. We are, as everybody who knows anything about our finances knows, on the eve of a very considerable disturbance in our accepted standards both of revenue and expenditure. There is no question whatever that the financial position of the country, taken as a whole, is both sound and strong; but the fact that we are on the eve of this disturbance makes it necessary that there should be a careful and comprehensive examination of the whole position. On the one side, my Lord, our opium-revenue will soon be extinguished; on the other side, heavy and continuously increasing additions will be necessary to our expenditure, on certain services, specially education and sanitation. Then, my Lord, I hope, I most earnestly hope, that our military expenditure, the burden of which we have so long borne patiently, and which is really far beyond our capacity to bear, will be materially lightened as a result of the labour on which Sir William Nicholson and his Committee will soon enter. I therefore suggest that this is just the juncture when a comprehensive inquiry into the whole financial position may be undertaken by a strong Royal Commission. There are three outstanding features of the position. A top-heavy administration, much too costly for our resources, a crushing weight of military burdens, and a scheme of taxation which, though not much more

burdensome in its total incidence than in other countries, presses much more heavily on the poorer than on the middle and the upper classes of the community. These are the outstanding features of our financial position. India, it must always be borne in mind, is a very poor country and the largest revenue that we can possibly raise must be small, judged by the standards of the West. The question, therefore, as to how to adjust our revenue to our growing requirements in certain directions is one of prime importance. My Lord, I, for one, shall be glad when our opium-revenue disappears; not only because I feel it to be a stain on us, but also because its presence in an uncertain state is very inconvenient from the standpoint of economy. The uncertainty that invests it is a great disturbing factor in our budget, and the large surpluses which it brings to the Government, however convenient they may be for certain purposes, cannot but be demoralizing in their effect on economy, because the strongest Finance Minister, with the utmost insistence that he can lay on rigid economy, cannot resist a certain amount of wasteful expenditure in the presence of such large surpluses. When the opium-revenue disappears—and I understand that it will not take long now before it disappears—we shall be in a position to know where exactly we stand, and then it is that certain questions will require to be taken into serious and careful consideration, so that a definite financial policy may be laid down for the country which should be adhered to in all essentials, independently of the particular views or inclinations of individual Finance Members. The questions that require specially to be considered are how to readjust our old taxation so that its incidence should press less severely on certain classes—the poorest classes of the country; how to widen, if necessary, the present basis of taxation so that more money may be found for education, sanitation, and similar services; in what directions expenditure must be kept down, and in what directions expenditure must be increased. We want an enquiry into these things by a strong Commission so that the future may be shaped in accordance with a definite policy laid down, after taking a comprehensive view of the whole question. For instance, my Lord, I hold that we can raise much larger revenue than we do at present from our Customs without its proving burdensome to any section of the community. The possibility of raising revenue from certain sources, which at present yield nothing, must also be publicly examined. Then there is the question of reducing the State demand on land, especially in raiyatwari tracts, and the extension of the permanent settlement to areas where it does not at present exist, subject to the condition that agricultural incomes above a certain minimum should be liable to pay the income-tax. There is also the question as to how larger recurring grants for local bodies may be provided so that they should be better able than at present to perform their duties satisfactorily, and how provision may be made for steadily expanding allotments to education, sanitation and medical relief. I therefore urge that when the opium-revenue is about to disappear, the occasion should be utilized to appoint a strong Royal Commission to consider the whole subject of the basis of our taxation and the probable future course of our expenditure. One important reason why such an inquiry is necessary is the extreme rapidity with which the *personnel* of the Government changes in this country. A Finance Minister, or any other member of Government, holds office for only five years; he takes some time to make himself acquainted with the problems of his department or the state of things in the country, and by the time he is in a position to handle important questions well, the time also comes for him to think of leaving. If members of Government were to remain in this country after their retirement, the knowledge and experience which they acquired in their respective offices would still be available to us. What happens at present is that every successor has to begin not where his predecessor ended but his predecessor also began, and thus a large amount of most useful and necessary knowledge is repeatedly lost and has to be repeatedly acquired over and over again, with the result that we seem to be living more or less from hand to mouth, and without a large settled policy adopted as a result of wide and thorough knowledge and ample discussion.

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"I, therefore urge, my Lord, that when the opium-revenue is about to be extinguished, as we understand it will soon be, the Government should take steps to appoint a Royal Commission so that the whole financial position of the country may be carefully examined."

The Hon'ble Mr. Dadabhoy: "My Lord, a 'No-change' budget, as the Finance Minister characterises the one under review, does not call for much comment. Two observations made by the Finance Minister in introducing it on the 1st March current are, however, important. The necessity of the recent addition to taxation is apparently problematical, but it is confidently stated that 'time will justify' the taxes, 'when our opium-revenue ultimately dwindles and our other resources are strained by the growing demand for more schools and healthier homes.' It is perhaps claiming too much for them that, besides recouping the complete loss of the opium-revenue, they would place adequate funds at the disposal of Government for meeting the educational and sanitary needs of the country. But one thing is clear. The prospective loss of the opium-revenue is a dark cloud on our horizon, and the necessity for an appeal to the Home Government for a substantial contribution is as acute as ever. We have moved this Government more than once on the subject, and we would have been glad to have from them a pronouncement as to the course they intend to pursue.

"The other proposition of the Finance Minister that in India the line between plenty and want is very narrow and 'the need for caution in our forecasts and for economy in our expenditure' is incessant, true as it is, is hardly compatible with the expenditure in connection with the expedition against the Abors and the friendly mission to the Mishmi country. According to the map given in the *Imperial Gazetteer*, both the Abors and the Mishmis live beyond India and their country is included in Tibet. The policy perhaps we are not free to discuss in this Council, but we certainly can complain of the cost. If the expedition and the mission be for the protection of Imperial interests, as they must be, in fairness the expenditure should be charged to the Home Government. Then, a full and clear explanation regarding the 2½ lakhs of rupees spent out of Indian revenues in meeting a part of 'the cost of sending a regiment to strengthen the consular guards in Southern Persia' and the expenditure of 18 lakhs during the year in 'the arms traffic operations,' is necessary. These latter operations have so far cost India a little over 51 lakhs of rupees. A part of the operations would appear to have been carried on in the Persian Gulf. If the above amount includes any part of the cost of it, the justification of the expenditure is not clear.

"Heretical though the view may be, in my humble opinion, a modification of the principle of 'lapse' in accounts would appear to be desirable in India. Schemes of improvement, large and small, are awaiting execution, and the progress, in the generality of cases, is only limited by the funds which the Government finds it convenient to allot. It also happens at times that the amount sanctioned in any particular year is not fully spent through the supervention of adventitious circumstances. The unspent balance, according to the rules, lapses at the end of the year, and goes either to swell the surplus or to reduce the deficit. The next year's sanction depends upon a host of considerations unconnected with the closing year's history, and allowance is not made for the lapsed grant. This is hardly satisfactory. No doubt, according to article 293 of the Civil Account Code, Volume I, the grant so lapsed could be revived by specific sanction; but this is rarely done. In the Military Department, the usual practice, I understand, is for the subsequent year's allotment to be proportionately increased without a specific revival of the lapsed grant. A similar relaxation of the rules would be welcome in the other departments. Progress would be accelerated in that way.

"My Lord, administration of impartial justice is one of the bulwarks of British rule in India. Government cannot be over-careful in that line. But with the growth of judicial work with time quickness in disposal has naturally come to animate the policy of the department. Complaints from the litigant public of quality being sacrificed to quantity are not unusual, and the grievance

is felt the more in that second appeals are restricted. The ideal ought to be, and is, to combine despatch with patient hearing. This can be done by increasing the strength of the judicial service. During the 51 years between 1856 and 1907, civil litigation increased nearly 256 per cent., the total number of suits in the latter year being 1,867,995 against 730,000 in the former. But there has not been a proportionate increase in the strength of the service. This is a direction in which improvement is desirable.

"The appointment of trained and practising lawyers as District and Sessions Judges is also a necessity which is becoming more clamant with greater diffusion of knowledge among the people of the systems of recruitment prevalent in the advanced countries of the West. The time has gone by when, owing to political reasons and the absence of trained lawyers, the superior ranks of the Judicial Service had to be reserved for the members of the Imperial Civil Service. Simultaneously with the success of Indian lawyers in the highest judicial posts the office of the District and Sessions Judge has lost much of its charm for the Civil Service, and it is patent to all that the best men of that service do not evince any particular desire to adopt the judicial career. Three years ago, in January 1909, in reply to a question of mine in Council, Government were pleased to announce their preparedness to appoint trained lawyers as Judicial Commissioners and Additional Judicial Commissioners as occasion arose. Such appointments were subsequently made in Oudh and elsewhere. It was further understood that the question of the appointment of trained and practising lawyers as District and Sessions Judges would be considered afterwards. I understand the subject is receiving the attention of Government. My only point now is that any correspondence which may pass on the subject between this Government and the Secretary of State should be placed on the table, with the object of enabling Hon'ble Members to submit their views on the issues raised, as also on the particular reform proposed by Government.

"My Lord, in order to relieve the congestion of judicial business on the civil side the suggestion has been now and again made that honorary village munsifs should be appointed for the disposal of suits of small value in the same way as honorary magistrates. The experiment might be tried, if retired judicial officers and lawyers can be induced to take up the work. The honorary magistracy has developed remarkably with a total strength of 3,000 incumbents in 1910 as against an honorary magistrate here or there fifty years previously. Honorary village munsifs might not be unpopular with the safeguard suggested above. Provision might also be made for the submission by them to stipendiary judicial officers of questions of law for opinion.

"But, in my opinion, the establishment of Arbitration Courts, composed of honorary Judges, would be far more satisfactory. At first reference to them of pending suits might be left optional with the parties, and afterwards, when the people come to have confidence in them, such reference might be made at the discretion of the regular Courts. The personnel of the Arbitration Courts may be settled in consultation with the people. The office can with advantage be made elective.

"The development of the elective system in the country demands the creation of Election Courts for the speedy disposal of election disputes, with powers similar to those enjoyed by Courts of that class in England. It is now open to an aggrieved candidate to seek his remedy in the Civil Court under the Specific Relief Act, but the lengthy procedure of the ordinary Civil Court makes the remedy unreal. I humbly submit a special Court for the trial of election disputes will be far more effective and will inspire greater confidence among the people. There should also be a more stringent law regarding elections generally on the same lines as the English law.

"Last year, my Lord, I invited the attention of Government to the congestion of work in the Judicial Commissioner's Court at Nagpur, in consequence of the provision in the amended Central Provinces Civil Courts Act for the hearing of appeals of over Rs. 10,000 in value by benches of two Judges as in High Courts and Chief Courts, and to the necessity of the appoint-

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ment of a fourth Judge. The subject has not received at the hands of Government the favourable consideration it deserves. No provision has been made for the creation of the post. Meanwhile the congestion continues. A reference to the Local Government will show this. May I express the hope that Government will be pleased to provide for the appointment of a third Additional Judicial Commissioner for the Central Provinces in the course of the next year?

"My Lord, the efforts of the Government to meet the educational needs of the country are fully appreciated, and the announcement made by Your Excellency at the last Convocation of the Calcutta University that 'the Government of India have decided to make a solid advance in the direction of teaching and residential universities' has filled us with hope. We in the Central Provinces feel the want of such a university. As a humble representative of the Province, I beg to move the Government for the establishment at an early date of a teaching university at Nagpur.

"The intellectual improvement of the Indian youth is a great object which the Government has very properly set in the forefront of its reforming programme. The reclamation of misguided young offenders is an equally noble object. On a recent occasion I had to refer to the successful efforts made in the West in this behalf. I submit, my Lord, the time has come when this Government should make an equally earnest attempt at reclamation by 'specialisation and individualisation' such as underlie the Borstal system of prison discipline. The chief merit of that system is that the youth is not treated as a criminal, and it seeks to—

'combine strict discipline with moral and religious training, and generous rewards for growth in self-control and progress in handicrafts, physical exercise and education.'

"The cost is much larger than in the ordinary prison, it is true, but it is a good investment from the national point of view. It has been remarked by high authorities that 'the danger is greater in Indian prisons of moral contamination due to the lack of special accommodation.' The necessity of special treatment is thus all the greater here. Reformatories exist, no doubt; but how many young offenders pass through them? It must be admitted that reclamation is attempted in the West in a highly scientific way which provides an object-lesson for us. The Borstal system, according to expert opinion, can be very easily applied to India provided special accommodation and funds are available.

"My Lord, the dissemination of up-to-date knowledge in the industrial arts is another direction which provides ample scope for Government activity. Government must be alive to its necessity. The Indian has now to seek the special knowledge abroad, but there too, owing to the nervousness and exclusiveness of the Western manufacturers, facilities are few. The correspondence between this Government and the Secretary of State on the subject of instruction in glass-making must have impressed Government with the necessity of making suitable arrangements in India for the technical and industrial training of the people. The letter to the Secretary of State of the London Board of Education, of 27th January 1911, exposes the difficulties of the present position. The Board point out:—

'No English manufacturers would think of admitting Indian students temporarily to their works . . . The Educational Adviser to Indian students has suggested to the Board that German firms are sometimes willing to admit Indian students on condition that the students when they return to India act as agents in that country for the goods of the firm concerned.'

"The inquiry is legitimate as to the Government decision on the Board's suggestion that the appointment of

'competent instructors under suitable conditions of service, either from this country, from the Continent, or from the United States of America . . . will prove a better way of developing the glass-making industry in India.'

"In this connection it is gratifying to learn that the Punjab Government has decided to help the Ambala Glass Works with annual subventions for a

period of five years. It is not so much for the particular industry supported as for the departure the action marks in the policy of Government that the occasion is important. I earnestly hope the Government of India will be pleased to systematise advances and subsidies to well-managed Indian manufacturing concerns which may be languishing for financial support. The money will be well spent.

"Equally reassuring is the news that an expert has been deputed to the United Provinces for investigating into the condition of the local sugar industry. This is a right move and full of great possibilities. The Indian sugar industry requires nursing. The people should now respond cordially to the Government effort.

"My Lord, I have before now drawn the attention of this Government to the existence of heavy import-duties upon Indian manufactures in the United States of America. To take two instances. An *ad valorem* duty of 15 per cent. is charged upon tanned or dressed goat and sheep skins imported from India, while raw hides are imported free. Upon Indian carpets and rugs the duty is 50 per cent. *ad valorem*! Such heavy duties are clearly protective. And yet we have to keep our doors open. I understand the whole question of American import-duties at present forms the subject of diplomatic discussion between the United Kingdom and the United States of America. I humbly submit the occasion should be availed of to secure an adequate reduction in the duties upon Indian manufactures.

"I will now advert to a deficiency in the management of the great State industry—the Railways. The Hon'ble the Finance Minister remarks: 'The passenger traffic has grown exceedingly.' But in the Budget estimate of 1912-1913, according to his statement,

'Provision for working expenses has also been put a little higher on account of necessary renewals of permanent-way, rolling-stock and strengthening of bridges.'

"On 8th instant the Hon'ble Sir T. Wynne, ever ready to meet the wishes of the people, informed us that a sum of 475 lakhs, set aside for rolling-stock, 'will provide 182 locomotives and 6,100 goods wagons.' An adequate number of additional carriages is apparently not provided. Indian passengers, especially the lower class passengers who contribute the largest amount to the railway income; justly claim a more liberal provision in this respect. Their comfort must be looked to by the railway authorities.

"The most refreshing part of the Financial Statement is the record of the progress in Irrigation. The allotments made in next year's budget for the execution of all the three projects—the Tendula, Mahanadi and Wainganga Canals—afford genuine cause for satisfaction to the people of the Central Provinces.

"My Lord, according to the testimony of independent witnesses, the Punjab Canal Colonies have amply justified the expectations of Government. Government might well be congratulated upon the scheme. Quite a million men have been removed from congested areas to two millions acres of irrigated land, and that within the brief space of 12 years. The plan, in my humble opinion, should be extended to the other Provinces. There is need for this sort of activity in the Central Provinces.

"My Lord, we have now come to a turning-point in British Indian history; to-day we come to the end of a chapter in British Indian history, the close of a brilliant record of steady expansion, of slow evolution and of sustained effort at consolidation. After 150 years of vigorous government India emerges unified, compact and strong, yearning after new life, throbbing with the pulsations of new thought and new aspirations. She stands purified, with the touch of her lord. Hope is written large on her horizon. Anarchy and sedition, disorder and turbulence have skulked before the Royal Presence. Their Imperial Majesties' Visit has stirred to its inmost depths the great heart of the nation, and has communicated a soothing and dynamic force to discontented and dull India. The Durbar boons, thanks to Your Excellency's wise counsel and statesman-like perception of the needs of the situation, have conciliated educated India. Now begins an era of peace and concord, of intellectual and moral progress, of healthy co-operation between the rulers and the ruled.

[25TH MARCH 1912.] [Mr. Dadabhoi ; Sir Vithaldas D. Thackersey.]

"I wish to say, my Lord, before I resume my seat, that I associate myself with the Hon'ble Mr. Gokhale in what he said with reference to the Hon'ble the Finance Minister."

The Hon'ble Sir Vithaldas D. Thackersey : "My Lord, I cordially endorse every word that has been said by my Hon'ble friend Mr. Gokhale in appreciation of the excellent services rendered by our friend the Hon'ble Sir James Meston to this Council. We all wish him Godspeed and a great success in his new position.

"Coming to the Budget, I beg to congratulate the Hon'ble the Finance Member on the very satisfactory Financial Statement which he has presented to us. We are obliged to him for his kind reference in his speech, while presenting the Financial Statement, to our friend the Hon'ble Mr. Gokhale and for the terms in which he has officially appreciated the valuable work done by him in this Council during the long period of his membership. We, the non-official members, take this as a great compliment paid to all non-official members of Your Lordship's Council. The Hon'ble Mr. Gokhale has served in this Council for continuously over 12 years, and I am sure everyone of us here present, official and non-official, will agree with me when I say that in the success—the great admitted success—of the working of this expanded Council during the last three years, no small share has been contributed by the Hon'ble Mr. Gokhale who is respected alike by the officials and non-officials. The breadth of mind shown by the Hon'ble Sir Guy Fleetwood Wilson reminds me of the liberal-mindedness which we see so often in the House of Commons when Ministers on the Government bench appreciate in official documents the services of the members sitting on the opposite bench. I join in the hope expressed by the Hon'ble Mr. Gokhale that after his holiday the Hon'ble Sir Guy Fleetwood Wilson will return to this Council with renewed vigour and take up his portfolio which he has filled with such ability to the entire satisfaction of all concerned.

"As to the Budget, I must admit that the Hon'ble the Finance Member has shown great judgment in distributing a substantial portion of last year's surplus among several useful objects. While I appreciate what has been done for us in this direction, I once more beg to raise my voice against the policy adopted by the Hon'ble Member two years ago of taxing the people more than the circumstances would justify. In March 1910, we, the non-official members, strongly protested against the levying of new taxes and proved by facts and figures that the revenue budget for 1910-11 was under-estimated. The time that has since elapsed has established the absolute correctness of our contention. I maintain, my Lord, that the additional taxes then imposed were not necessary, and even the budget of 1912-13, in spite of the liberal extra grants to Provincial Governments, might have been framed without a deficit, in the absence of additional taxes. I hope, my Lord, that this will serve as a lesson for the future, and though we have had to pay dearly for it, it will have been usefully learnt, if it prevents a recurrence of similar action on the part of Government. After all, the views of those who are of the people and move among them and have practical experience of the daily life of the country are entitled to receive greater consideration in such matters than was shown on that occasion.

"My Lord, I do not wish to speak at any great length to-day, but there is one subject to which I wish to invite the attention of this Council, namely, the method of assessing factories for the purposes of income-tax in the different Provinces and the injustice involved in it. In reply to a question by my Hon'ble friend Sir Sassoon David last year, Government was pleased to lay before this Council a statement showing the percentage allowed in different Provinces for depreciation on machinery and buildings in ascertaining the net profits of factories for income-tax purposes, and the method by which the capital cost is estimated in each case. This statement, as I will presently proceed to show, places the factories of one Province at a disadvantage compared with those of another Province. In Bengal and East Bengal and Assam, a deduction of five per cent. is allowed both on machinery and buildings, while in Bombay a deduction of five per cent. is allowed only on machinery, and that too after deducting the allowance made in previous years, and no deduction is allowed on buildings,

although the Bombay Millowners' Association often protested against this invidious treatment. But since this statement was laid on the table and a respectful protest was made to the Government of India, the Government of India, in their letter dated the 18th January last, only two months ago, intimated to the Bombay Millowners' Association that in future the Local Government would have no objection to allowing a deduction of $2\frac{1}{2}$ per cent. on the value of buildings properly defined. They further intimated in their said letter that the Government of India did not think it advisable to standardise the method of income-tax assessment in view of the varying local circumstances obtaining in each Province. My Lord, this is a most unsatisfactory reply to a very reasonable request of the Bombay Millowners' Association contained in their letter of the 9th May 1911, that whatever the system of assessment is ultimately adopted by the Government of India, it should be standardised throughout India, if not for all kinds of factories, at least all textile factories. I am afraid the Government of India have not seriously considered the consequences and the injustice that are entailed by this want of uniformity. All factories in India are governed by the same law and in these days of keen competition, when the profits of the industry are low and sometimes there is an actual loss, any favour shown to the industries of one Province places the industries of the other Provinces at a disadvantage in the consuming market. My Lord, what justification can the Government of India show for the anomalies contained in the statement I have referred to? Owing to the value of land being high, the mills in Bombay are built two, three, and four-storeys high, while the factories in Calcutta are mostly shed buildings of only the ground floor. Would it be reasonable to suppose that the four-storeyed buildings of the mills of Bombay, having heavy machinery working on the upper floors, often of wood, would last double the number of years that the ground floor buildings of Calcutta factories would last? And yet in the Government of India letter we are asked to accept as reasonable half the amount allowed to the Calcutta millowners. Again, in Bombay, for machinery depreciation, allowances for previous years are taken into account in the calculation, while in all other Provinces they are not. Here again the Government of India in reply said that they did not see any injustice in that method of calculation. Would it be reasonable to suppose that the machinery working in Bombay, the greater portion of which is worked on upper floors where the liability to wear and tear is necessarily greater owing to the impossibility of preventing vibration on these floors, would last longer than the machinery worked on the solid ground floor of Calcutta mills? And yet this is what it comes to, if you accept the existing method of fixing the basis for income-tax purposes in Bombay and Bengal. In Madras a maximum of 10 per cent. on the value of machinery is allowed to be deducted. Surely the life of machinery in Bombay cannot be said to be double that of the same kind of machinery working in Madras. The factory owners of the United Provinces, our friends, the Cawnpore millowners, are certainly very happy people, because there, the statement says, that though as a general rule five per cent. on the cost of machinery is allowed, that rule is not invariably followed, meaning perhaps that extra deductions over five per cent. are made when millowners properly approach the department concerned. There, too, the peculiar method of taking into account the depreciation allowances of previous years, which is in vogue in Bombay, is not at all followed. My Lord, I hope I have clearly proved to this Council that the present practice is most unjust to the factory owners of certain Provinces, inasmuch as it hands them over, in the absence of a definite Imperial policy, to the mercy of assessing officers. In reply to the letter of the Bombay Millowners' Association dated the 20th February 1912 (only a month ago), again requesting the Government of India to standardise throughout the country whatever system of assessment is ultimately adopted, the Government of India said, as recently as the 12th of this month, that the millowners should address the Local Government concerned. May I ask the Hon'ble Member in charge of the Department, how the Local Government can standardise the method of assessment throughout India?

"My Lord, for years past the millowners of Bombay Presidency have been suffering under this disadvantage in competition with our friends in the other

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Provinces; and every opportunity has been taken advantage of to put our grievances before the proper authorities. We have written to the Income-tax Collector, have waited upon him in deputation, have respectfully represented our grievances to the Local Government, we have petitioned the Government of India in the past, and the last occasion on which we addressed them was on the 20th February of this year; and to-day, at the special request of the Bombay Millowners' Association, I, as their representative, bring forward this grievance before this Council, the highest deliberative assembly in the land. The only step that now remains to be taken is to bring forward a Resolution on this subject in this Council, and I propose to bring forward such a Resolution on a future occasion unless our grievance is set right in the interval.

"My Lord, before I conclude, I should like to express our sense of deep gratitude to Your Lordship for the care which has been taken in consulting our convenience, in arranging the sessions of this Council this year. We have gone through a large amount of work during this cold weather with a minimum of inconvenience to the members coming here from long distances. The present arrangement, while it has met with the unanimous approval of those of us who have other avocations of life but are at the same time willing to serve their country, has also I believe met with the approval of members like my friend the Hon'ble Mr. Gokhale, whose sole laudable ambition is to serve the country at any sacrifice. The details of the arrangement have been excellently carried out by the Legislative Department, for which great credit is due to it."

The Maharajadhiraja Bahadur of Burdwan : "My Lord, it is a prosperity Budget that we have to deal with to-day, and I offer to my esteemed friend, Sir Guy Fleetwood Wilson, my heartiest congratulations for having had such a windfall in a year of abnormal expenditure like 1911, during which the long looked-for Royal Visit came off so successfully. While on the subject of the Royal Visit, permit me, as one of the inhabitants of Bengal, to offer to Your Lordship the heartfelt gratitude of myself and my fellow-inhabitants in this Province for the unique favour granted to us by the Royal Presence of the King-Emperor and Queen-Empress in Calcutta. The great and good effect of the Royal Visit to India I need not dilate upon, as it has been appreciated all over the country by every section of the community; but I take this opportunity of congratulating Your Lordship on the success of the great Durbar at Delhi and the Royal Visit to Calcutta, and I am sure that along with the name of our beloved Sovereign King-Emperor George V, Your Excellency's name will also go down to posterity for having organized this visit which has already had far-reaching beneficial results. Considering the grand and unique occasion of the Royal Delhi Durbar of 1911, it was most satisfactory to learn from the Hon'ble the Finance Minister the other day that the expenditure had been kept well within the estimated figures.

"Now, my Lord, I shall make some observations on certain items of expenditure in the Budget, also on the objects for which they are to be spent. First and foremost in the present Budget, we find the large educational grants which to all of us interested in the advancement of India have been most welcome. The handsome grants towards the spread of primary education are most praiseworthy, but I hope, Sir, that this money will be spent with a certain amount of caution, and that there may not be a repetition of the fact that was brought to light in some parts of Bengal, namely, that large sums were spent on school buildings in rural areas, but that those buildings have either been left unfinished or unused for the want of teachers or students to fill them. As I have already said on the Hon'ble Mr. Gokhale's Primary Education Bill, which I had unfortunately to oppose and which was thrown out by this Council only a few days ago, India is not yet ready for compulsory primary education, nor is it a wise policy to force education among the illiterate masses in a manner that might seem to them not only unnecessary but arbitrary, and might be further misconstrued as being an uncalled-for solicitude on the part of the Government. They have got to be educated: but let that education come as a beacon-

light and not as an overpowering glare confusing the very minds we wish to enlighten. The Hon'ble Member for Education, while speaking in the second stage of the Budget, mentioned the amount of the provision he had made for the proposed university at Dacca. A good deal of bitter criticism has been offered towards the formation of the Dacca University, and I believe that the way it was necessary for the scheme to see the light of day opened the door for such comments; but I must admit that many of the arguments put forward in the Press against this scheme have struck me as being very much off the mark. I have nothing to say against the proposed Dacca University scheme, but I hope that as hitherto we have been accustomed to have degree-giving universities and not teaching universities, and as it is the intention of the Government to multiply the number of universities in India and to make them less cumbersome than they are at present, and to make the new universities really educating institutions, and as we have, as citizens of the Indian Empire, a right to be consulted by the Government before they push on a new policy which, I frankly admit, has a great deal in its favour, the Government will see the necessity of inviting public discussion on the subject of the utility and importance of teaching universities generally. The present policy of having a large number of universities was foreshadowed by Lord Curzon when he presided over the Educational Conference at Simla some years ago now, as well as on the 2nd November 1903, when the Universities Bill was introduced in the Legislative Council and the Viceroy in the course of the debate said, 'to show the way by which our universities, which are now merely examining boards, can ultimately be converted into teaching universities, in fact to convert higher education in India into a reality instead of a sham.' Those weighty words of Lord Curzon are now being translated into action by Your Lordship's Government. But while welcoming this movement, I feel that the Government should convince the general public that the time has come to crystallize the ideas set forth in the Universities Reform Scheme of 1904.

"Now I turn towards the provisions made in the Budget for medical relief and sanitation. I listened to the Hon'ble Surgeon General Sir Pardy Lukis's speech in Council the other day with the greatest interest, and it is most gratifying to know that the Government intend to combat malaria in right earnest, and that experiments how best to fight our obnoxious friend, the mosquito, who is also present in the Imperial Council, will be thought and carried out at no distant date. A word of thanks, my Lord, for granting Calcutta a Tropical School of Medicine, and I hope that in the next year's budget Bengal will be given large grants for tuberculosis hospitals, as that disease is increasing every year.

"My Lord, I next turn to the large amount we are going to spend in building the new seat of the Imperial Government at Delhi. Delhi has hereto meant to most of us a phantasmagoria of past glories of a doubtful character. But now it will mean something serious to us, something substantial to us; for, on the advice of Your Lordship's Government and the Secretary of State for India, our Sovereign has declared that Delhi should henceforth be the Imperial capital. Sir Louis Dane, on the day of the laying of the foundation-stone of new Delhi by the King-Emperor, said words to this effect, that Delhi had regained what she had lost, alluding to the fact of its having been made the capital of India again. We know that Delhi has gained, but I hope not in the sense that the Lieutenant-Governor of the Punjab meant. Let us not lay too much stress on the fact of Delhi's having been the past capital of India, for it was never the capital of India in the sense that we, under British rule, have begun to realize what India means. It is true some sort of Delhi was the capital of the Kauravas and the Pandavas; it is true, round about Delhi, Hindu kings, whose jurisdictions were limited, had their capitals; it is true that the capital of the most bigoted Moghul Emperor Aurangzeb and his weak-minded successors was Delhi; but may I ask, is it not equally true that the Moghul Empire in India never extended to the limits that British India extends? For the above reasons I say, let us brush aside the allusions to these past capitals of sombre associations, and let us rather advocate the fact that since, according to the Government of India

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despatch, Calcutta has become 'geographically unsuited' to be any longer the capital of British India, and since the Government of India feel that it is prejudicial for a Provincial Governor and a Viceroy to live side by side in Calcutta, and since our King-Emperor has ordained that Delhi is to be the new capital of British India, it has become imperative to rear up an Imperial capital in every sense of the term, wiping away and uprooting the demoralizing atmosphere of the latter-day Moghul Delhi, of the Delhi of the Mutiny days, and establish a new city reproducing within its walls the best principles of British rule, fostering healthy public opinion in it (for, unsurrounded by such opinion, the Government of India will be in a very perilous position), and showing in every possible way that the change is good for the British rule in India, which is our mainstay. When all this is accomplished, the Government will have amply justified the expenditure it is now incurring on building new Delhi and deserved the approbation of all, even of those who have withheld their support.

"My Lord, although it is rather out of place in the Budget debate, yet I cannot help saying something on the changes announced at Delhi so far as Bengal is concerned, especially the creation of a Governor in Council for the Bengal Presidency; but before I allude to this, I feel that I must say a few words regarding the necessity of evicting the Punjab Government from Simla. In the despatch of August 25th, 1911, the Government of India say: 'It is essential that the Supreme Government should not be associated with any particular Provincial Government. It is generally recognised that the capital of a great Central Government should be separate and independent.' As this is the view of the Government of India, I am simply asking them to be consistent. I would say most emphatically that as Simla is the summer capital of the Government of India as well as of the Punjab, the Punjab Government should not, for the reasons laid down in the despatch, be at Simla for nearly seven months in the year, at a time when the Government of India is also there for the same period. Although I am the descendant of a Punjabi family myself, yet I feel that in all fairness to the other Provinces, as well as for the sake of consistency, the Government of India should remove the summer seat of the Punjab Government from Simla.

"Now, my Lord, I come to the creation of a Governor in Council for Bengal which I have welcomed, and for which I will now briefly give my reasons. My Lord, it is true that I supported Lord Curzon's Partition scheme, and it is equally true that I sincerely regret that it has had to be undone; but with awakened China on our North-Eastern Frontier and an awakening Behar on the West, and considering that we are going to have a Governor in Council, I say let us cheerfully accept the new arrangement. My Lord, if the removal of the Viceregal presence from Calcutta connotes the development of the autonomy of Bengal, it will mean a great deal. The appointment of Lord Carmichael as our first Governor is an event that we in Bengal cannot pass over silently, and we are very grateful to Your Lordship for having given us such a tried and experienced servant of the Crown to be the first Governor of new Bengal. Madras's loss is Bengal's gain, and while we sympathise with our Madras friends at losing Lord Carmichael, we welcome His Lordship here; for we feel sure that we shall have a tried statesman at the head of affairs, and one who has already endeared himself to Indians within the short period of his rule in Madras. My Lord, while on this subject, I cannot help saying that the Government of India, now that they have, from their standpoint, done what they have thought best and most beneficial to Bengal, will I hope be pleased to remember that in this Presidency we want always as rulers the best and most trustworthy servants of the Crown, and not merely party politicians; and if this is borne in mind and carried into action, as in the appointment of Lord Carmichael, I am sure that time will justify Your Lordship's repartition of Bengal, although some of us may resent it just now.

"An Executive Council for Behar strikes me as being an extravagant luxury, for the present at any rate, but all the same I congratulate my Behari friends on having scored best in the Delhi Boons, and sincerely wish them all success in the new Province and under the new régime. Doubts have been expressed

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as to the wisdom of the addition of Orissa and Chota Nagpur to Behar, particularly Orissa, and I admit I share those doubts myself. But I trust that the interests of the people of these parts will be properly safeguarded in the new Province, and I hope that the new Province with its four agrarian codes and heterogeneous population will administratively be the success which it is expected to be.

"In conclusion, my Lord, as you will be leaving Calcutta before long, never again to reside here permanently, as a citizen of Calcutta, as well as a representative of the landholders of Bengal, I beg, in bidding you good-bye, to assure Your Lordship, on behalf of the community I represent, our deep-felt loyalty to the Crown, and I hope that Your Excellency will not forget the zamindars in this Province, who, although few in number and in the minority, deserve encouragement and preservation, and who, if given proper facilities, will not belie the trust hitherto reposed in them by the Imperial Government.

"A few more words and I am done. My Lord, this is the last session of the Imperial Council in Calcutta, and as a Bengal member I share the keen regret that we feel at realizing that we shall henceforth be deprived of having in our midst the high officials of the Government of India and the representatives of British India. I also take this opportunity of thanking the Hon'ble Mr. Gokhale for his kind words about Calcutta. My Lord, I know the changes have been made with the best of intentions, and although we in Bengal feel we have paid a big price for our Governorship, yet, if our loss means a gain to the rest of India, it is our patriotic duty to bear the sacrifice; and from the bottom of my heart I wish Your Lordship Godspeed in the great and bold experiment, and hope its success will mean the dawn of a new era of prosperity to the motherland so very dear to us all."

The Hon'ble Mr. Subba Rao: "My Lord, I may be permitted to say that the Hon'ble Mr. Gokhale has well and truly and without the slightest exaggeration voiced our feelings when he expressed our warm appreciation of the sympathetic and friendly attitude of the Hon'ble Sir James Meston and the Hon'ble Sir Guy Fleetwood Wilson towards the non-official members of this Council.

"I take this opportunity of expressing our satisfaction that the Hon'ble the Finance Minister has been able to see his way to abolish, though gradually, the proprietary estates, village service cess in Madras which my Hon'ble friend, the Raja of Kurupam, and myself urged on the Government in the very first session of the Council.

"My Lord, in introducing the Financial Statement, the Hon'ble Finance Minister referred in appropriate terms to the Royal Visit just concluded and also to the estimated expenditure and the savings effected in that connection. In our view, my Lord, the value of the Royal Visit cannot be estimated in lakhs or crores of rupees. As described by Your Lordship so truly and aptly, it is 'a priceless incident in the history of India.' The message sent through Your Lordship by the princes and the people of India to the people of England testifies to the profound impression made on the people of this country by the King-Emperor and shows how deeply they appreciate the recognition by His Majesty of their status as his equal subjects with the British. Never, before, my Lord, was the enthusiasm of the people stirred to such depths and the bonds that unite England and India drawn closer than on this occasion. They are touched by the abiding solicitude evinced by His Majesty for the welfare of all classes of people in this country; They cherish with reverence the gracious message of hope and harmony which he delivered for the future development of this land. They treasure with affection the words of His Gracious Majesty—

"It is my wish, too, that the homes of my Indian subjects may be brightened and their labour sweetened by the spread of knowledge with what follows in its train, a higher level of thought, of comfort and of health."

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"Next to the Great Proclamation of 1858, this historic event marks an important era in the annals of this ancient land. It is associated with important administrative changes planned with great foresight and courageous statesmanship. As a sequence of these changes, 'the greatest blunder since the battle of Plassey,' in the words of Lord Macdonnell, has been rectified, and the great wrong done to the people of Bengal righted.

"My Lord, the intelligent public had long been asking that the Government of India should lay down before them a definite goal in the government of the country, instead of pursuing a shifting policy of drift, and hoped that the advent of the King-Emperor would be associated with such an announcement. The people at large have therefore welcomed the policy intimately associated with the change of capital from Calcutta, notwithstanding the clamour of vested interests. As a first and necessary step in the onward path of self-government, they have welcomed the announcement contained in the despatch of Your Lordship's Government in which they point out that—

'It is certain that in course of time the just demands of Indians for a larger share in the government of the country will have to be satisfied, and the question will be, how this devolution of power can be conceded without impairing the authority of the Governor General in Council. The only possible solution of the difficulty would appear to be gradually to give the Provinces a larger measure of self-government, until at last India would consist of a number of Administrations autonomous in all Provincial affairs, with the Government of India above them all, and possessing power to interfere in cases of misgovernment, but ordinarily restricting their functions to matters of Imperial concern. In order that this consummation may be attained, it is essential that the Supreme Government should not be associated with any particular Provincial Government. The removal of the Government of India is, therefore, a measure which will, in our opinion, materially facilitate the growth of local self-government on sound and safe lines.'

"There is absolutely no ground, my Lord, for apprehension that the result of this policy 'can only be to lead through disruption to disaster,' as prophesied by Lord Curzon. The connection of Britain is so beneficial and necessary to this country that it is the ambition of India to grow under theegis of Britain to a self-governing member of the British Empire, like the colonies. There is absolutely no cause to attempt to wriggle out this position so clearly defined. This is but a bare minimum of the immediate requirements of the country for its healthy and progressive development in the future.

"It is because this first step in the direction of popular autonomy is courageously laid down by the Government of India that the transfer to Delhi, however disadvantageous and however costly, is welcomed by the intelligent public in all parts of the country, even by distant Madras, which is now further removed from the new capital. We hope, my Lord, that this policy will be steadily and courageously pursued by the Government of India.

"Already, my Lord, attempts are made in some Provinces not to bring some of the items in the Provincial Budget under the scrutiny of Provincial Legislative Councils and carry out the intentions of the Government of India, who point out in the Resolution of the 15th November 1909 that 'members will in future take a real and active part in shaping the financial proposals of the year.' Thus some items are not allowed to be examined by the Legislative Council, as in Madras, when the Finance Committee meets or when the Financial Statement is discussed, on the ground that they are under correspondence with the Government of India or the Secretary of State. So also items entered in the revised budget estimates escape the scrutiny of the Council. Similarly, the details of the expenditure of the large sums of money placed at the disposal of Provincial Governments under the head of Education and Sanitation do not pass under the review of the Legislative Council. I urge that these sums should not be handed over to Provincial Governments until definite proposals approved by local Legislative Councils are placed before the Education Department. I submit, my Lord, that opportunity should be taken, when revising the regulations and rules under the Councils Act, to remove all doubts, so that Legislative Councils may have full powers to deal with all the items in the Budget.

"I shall now turn to that large and important department of the State, the Army, which costs us something like thirty crores of rupees, and over which

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His Excellency Sir O'Moore Creagh presides with such distinction. I may take the liberty to mention that, in connection with the Royal Visit, we fondly hoped also that an announcement would be made, throwing open in some measure commissions in the Army to qualified Indians, especially after the Proclamation of the late King-Emperor in November 1908 recognising 'the valour and fidelity of my Indian troops' and expressing his 'high appreciation of their martial instincts, their splendid discipline and their faithful readiness for service.' My Lord, the martial talent in the country finds no scope under the present arrangements of the Government, who seem to consider so far that their duty is confined only to the intellectual and economic development of the people. They are absolutely excluded from all positions of trust and responsibility in the Army, and the highest places to which they can hope to rise are those of Subadar-Major and Risaldar-Major. Without referring to the military opinion on the subject, I may say that even Mr. Chirol, the author of *Indian Unrest*, favours a cautious scheme for opening careers to Indian in the Army. He says:--

'It is a strange anomaly that at a time when we have no hesitation in introducing Indians into our Executive Councils, those who serve the King-Emperor in the Indian Army can only rise to quite subordinate rank. Under the present conditions the Indian Army does not offer a career that can attract Indians of good position, though it is just among the landed aristocracy and gentry of India that military traditions are continued with the strongest traditions of loyalty.... Some of the best military opinion in India favours, I believe, an experimental scheme for the gradual promotion of Native officers, carefully selected and trained, to field rank in a certain number of regiments which would ultimately be entirely officered by Indians just in the same way as a certain number of regiments in the Egyptian Army have always been wholly officered by Egyptians.'

"My Lord, the question has been hanging fire since the time when His Royal Highness the Duke of Connaught was in command in this country. An Imperial Cadet Corps was established during the time of Lord Curzon and a training school started at Dehra Dun for the purpose. But so far, no steps have been taken to utilise the military talent in the country and give Indians commissions in the country. I trust that during the term of His Excellency the Commander-in-Chief, who has been identified with India during the past forty years, we shall have the privilege of associating his name with this much-needed and long-delayed reform."

The Hon'ble Raja of Partabgarh : "My Lord, the year that is drawing to a close has been exceptionally fortunate for India and its teeming millions. It has been rendered auspicious and important by reason of the most gracious visit of our Sovereign and the Queen-Emress and the Coronation Durbar held at Delhi. This epoch-making event has evoked demonstrations of loyalty and devotion which stand unparalleled in the annals of this land. The impression which the Royal Visit has left upon the country will largely conduce to the social and material progress of its people. The generous announcements made at the grand Durbar have touched to the quick the heart of India and had the effect of further strengthening our ties of loyalty to the British throne. My Lord, we are fully cognizant of the manifold blessings which our country enjoys under the British rule, and our sense of devotion to the person of our King is inborn.

"The transfer of the capital to Delhi will be beneficial and advantageous to the public interest, and will facilitate to a very high degree inter-communications between the Imperial and Provincial Governments.

"We had bounteous crops and good rains and can safely hope for a bright future.

"My Lord, it is a happy sign of the times that our attention is now being turned to industries other than agriculture. There is no doubt that agriculture has been our chief industry and will remain so, but depending, as we do, on the mercy of the monsoons in matters agricultural, the development of other industries will save millions of our poor countrymen from starvation in the years of bad monsoons.

"Education and sanitation are receiving our fullest attention and are chiefly the most crying needs at the present time. No country in the British Empire stands in greater need of sanitary reforms and progress than

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India. While other countries have adopted improved methods of sanitation, we have lagged behind. In the meantime several forces are at work which are decimating our population. There are, of course, clear indications that the Government of India have come to realize the gravity of the situation and have applied their serious thought to the solution of this problem. The creation of a Bacteriological Department, the inauguration of an Indian Research Fund and the holding of Sanitary Conferences—all point to the desire on the part of the Government to combat the evil. The allotment of 85 lakhs of rupees, of which 10 lakhs are earmarked for the Central Research Institute for works in public hygiene and for the establishment of a school of tropical medicine in Calcutta, is a practical proof of such desire. The money spent on research work is no doubt well spent. India is already so sorely smitten by plague and malaria that the appearance of a new disease such as yellow fever or kala-azar would indeed be a terrible misfortune. But above all we want a well-organised and properly trained sanitary staff. I would also venture to submit that in order to achieve more satisfactory results the people themselves should be made to realize the importance of domestic sanitation and hygiene, and a scheme should be discussed for the removal of the utter ignorance of sanitary laws which pervade the masses.

"My Lord, Your Excellency's weighty pronouncement at the last Convocation of the Calcutta University in regard to the future policy of the Government in the matter of education, the liberal grant of 50 lakhs for truly popular education announced at the Royal Durbar, and the assurance to supplement the same in future years on a generous scale, are the surest guarantee of our national progress and are clear indications of the fact that some day, distant though it may be, ignorance and darkness in the country will give place to knowledge and light. Your Lordship's recent visits to Calcutta hostels with those of last year have been immensely appreciated and admired as showing Your Excellency's deep interest in the welfare of our rising generation. We can but express our profound gratitude for the enormous good to our land within the short space Your Lordship has been the controller of our destinies.

"My Lord, dealing with the Provincial interest, I beg to submit that the United Provinces want the protecting help of the Supreme Government in the matter of the development of their natural resources. They want a more liberal grant of money for irrigation works to protect areas which are liable to drought. But above all they want what is their due—a liberal grant of a fair share of their income to be spent on education and sanitation. Both these schemes which tend to the intellectual and physical development of the people have suffered for want of funds. The Government and the people both are unanimous in their demand of a just apportionment of land-revenue raised in those Provinces to bring them on a level of equality with the sister Provinces. I trust the Government of India will give their due consideration to the claims of the United Provinces.

"My Lord, on behalf of the Talukdars of Oudh, whose suffrages I have the honour to represent, I beg to express my sincere gratification and warm gratitude for Your Lordship's assurance to respect their rights and maintain their privileges, and I, as their spokesman, beg to assure Your Excellency that in future, as in the past, they will continue to co-operate with the Government in all measures calculated to promote the well-being of the country.

"My Lord this year marks the close of the first triennial term for which this Council was constituted under the new scheme, and it is our special pride to look back to-day upon past years during which a new era has dawned upon the country due to the policy of harmony and conciliation enunciated by the Government of India. In conclusion I beg to congratulate the Hon'ble Finance Minister on the caution and foresight displayed by him in dealing with the financial problems of this country and on the surpluses he has been able to announce. The policy of economy which he has inaugurated must result in a substantial saving which can be well utilized

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in the realization to a full measure of Your Lordship's cherished desire, namely, the improvement of education and sanitation.

"Last but not the least I beg to express my sincere appreciation of the super-excellent services done to the finance of India by the Hon'ble Sir James Meston, whose richly deserved elevation to the Lieutenant-Governorship of the United Provinces has been hailed with feelings of unbounded joy all over the country by the Press and the public alike.

"My Lord, since it is the last sitting of the Council in this old capital of ours, I cannot help offering my sincere wishes for the growth and development of Calcutta under the fostering care of its new Governor, and at the same time hope that our new capital which has been created by the Royal Command at Delhi will very soon expand into a city worthy of the Imperial seat in India."

The Hon'ble Pandit Madan Mohan Malaviya : "My Lord, I cordially join the Hon'ble Mr. Gokhale in expressing our high appreciation of, and gratitude to, the Hon'ble Sir James Meston for all the assistance we have received from him in doing our work in this Council. If I may add anything to what has been said by him, it is only to give expression to the great satisfaction with which the appointment of the Hon'ble Member has been hailed in the United Provinces and the deep gratitude the people there feel to Your Excellency's Government for having given us so able, sympathetic and broad-minded a Lieutenant-Governor as the Hon'ble Member. We all join, my Lord, with the Hon'ble Mr. Gokhale in the hope that, after serving the full term of Lieutenant-Governorship in the United Provinces, Sir James Meston will come back to the Government of India as Finance Member to help forward the scheme of financial improvement on which he has laboured so long and so well. I also join in expressing our gratitude to the Hon'ble Sir Guy Fleetwood Wilson for all the assistance he has given us, and I trust that he will come back to us fully restored to health to promote the interests of India for the full term of his office.

"My Lord, the proposal that has been put forward by the Hon'ble Mr. Gokhale regarding the appointment of a Royal Commission to make a comprehensive examination of our financial position and to recommend a definite financial policy is one which deserves the earnest consideration and support of the Government. My Lord, I hope it will have that support, and that a Royal Commission will in due time be appointed to deal with the fundamental questions of finance which Mr. Gokhale has suggested. But even before that is done, and in the immediate present, there is one pressing financial reform to which I would invite Your Lordship's attention. Last year both the Hon'ble Mr. Gokhale and myself urged the necessity of revising the financial arrangements which exist between the Imperial and the Provincial Governments, and of putting them on a sound basis. It is undeniable that the unitary system which has prevailed so long has proved to be unsatisfactory in so far as the development of the Provinces is concerned. Under this system the Government of India have commanded the resources of the entire country. They have made allotments in such measure as they have thought proper to the various Local Governments to meet Provincial needs. The allotments have been made on no principle. The result is that four-sevenths of the total revenues of the country are being spent on Imperial purposes and about three-sevenths only for Provincial purposes. Thus the Army Department and other objects which have been considered Imperial have received all the financial support which they have asked for, and have flourished; the needs of the people in matters which directly affect their welfare have not received half as much support as they deserved. This has sadly stood in the way of ameliorating the condition of the people. And so long as this system lasts, it will not be possible to do full justice to the most pressing popular requirements. The time has therefore come, I submit, when the Government of India should replace this unitary system by a federal system of Provincial finance. A great deal has been done to pave the way for this reform in the principles which have been laid down by the Government of India

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India to regulate financial settlements between the Government of India and the Local Governments. The first of these principles, as it was stated before the Royal Commission by the Secretary to the Government of India, is—

'that the Government of India shall retain certain administrative services which it is inexpedient to hand over to Provincial Governments, and that they shall reserve the revenue from those services and such a share of the other public revenues as shall be adequate to the expenditure falling upon them.'

"Now, my Lord, the expenditure falling upon the Government of India is principally confined to the army and to a few services which are directly under it. This expenditure has reached such a high limit that it cannot require large additions from year to year. To meet this expenditure the Government of India might reserve to itself the revenue which is derived from what are called the Imperial heads, and to meet the expenditure, which would not be met in this manner, require the various Provincial Governments to make a rateable contribution based on a definite and reasonable principle. Having secured this, it should leave the whole income from heads which are at present shared to the Provincial Governments. Under the existing system, the Government of India has at its disposal an unduly large share of growing revenues, and the Provinces have consequently an inadequate share of such revenues at their command. The result is that after meeting Imperial expenditure the Government of India is in the unsatisfactory position of having large surpluses on its hands and of finding it necessary to distribute them to the various Provinces. And this it does without any definite principle. The result of this has been that some of the Provinces have received a larger measure of support from the Government of India than other Provinces. My Province unfortunately has suffered most under this system, and I submit that, not only in the interest of the United Provinces, but in the interests of all the Provinces of India as a whole, it is necessary that the system should be altered. Not until this is done, my Lord, will there be sufficient funds available to Provincial Governments to devote to the systematic improvement of the condition of the people, and that condition loudly calls for more attention. We are all deeply thankful to Your Lordship's Government for the grants that have been made for education and sanitation. It has given us great satisfaction to know, my Lord, that these subjects are dear to Your Excellency's heart, and while we feel grateful to Your Lordship for what has been done in this direction, we hope and trust that more and more will be done as time goes on. But it is my conviction, my Lord, that, until the present system of financial arrangement is altered in the way suggested above, it will not be possible to secure adequate and continuous support to the cause of education and sanitation for all the various Provinces of India. The grants that have been made are large, and, being so, they have called forth much gratitude. But the needs of education and sanitation are very much larger. That the Government of India is fully alive to this fact is clear in all the utterances that have been made on its behalf, notably in the important utterance made by the Hon'ble Member for Education. He has said that the Government of India are profoundly dissatisfied with the present rate of the progress of education, and desire that that rate should be greatly accelerated; that they are determined to combat ignorance and to extend the blessing of education through the length and breadth of this ancient land; but this can only be done if adequate provision is made for funds to do so, and that provision will not be possible unless Local Governments are put in charge permanently of larger shares of growing revenues to be specially devoted to the purposes of education and sanitation. My Lord, I need not dwell upon the great need of doing more in both these directions. The progress that has been made and the progress which we hope will be made with the grants made for the purpose, is as nothing compared to what remains to be done. The people are sunk in ignorance, and they are exposed therefore to the evils of ignorance and its concomitants—poverty, misery and suffering. In the field of sanitation there is even a greater deal to be done, and we should not hope to see it done merely with the help of non-recurring grants made when a surplus in the hands of the Government of India make it possible for it to make such grants. No, my Lord, if the situation is to

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be materially improved, what is needed is that larger shares of growing revenues should be allotted to Provincial Governments, to spend regularly from year to year and independently of whether the Government of India may or may not have any surplus in their hands in any particular year. There is only one other suggestion which I beg to lay before Your Excellency and the Council to-day for ameliorating the condition of the people, and that is that the Government should strengthen the people a little to fight their own economic and social battles. As I have said before, it is no doubt a matter of deep thankfulness that the Government of India are finding more funds to help them to do so, and we hope that as time goes on the Government will find more and more funds for the purpose. But, my Lord, no amount of funds which may be found will bring about the desired result unless the co-operation of the people is enlisted in the cause both of education and sanitation. In order that this might be done, I beg to suggest the formation of village-panchayats throughout the country. That is a measure the importance of which cannot be exaggerated. At the present moment the people are in a very sorry plight. In numerous places they are exposed to malaria; in numerous villages they do not get even good water to drink; in all but a few places there is no system of drainage worth speaking of. It is not at all surprising that, living as they do, the people fall easy victims to plague, cholera and other devastating diseases, that they die so largely from preventable deaths. When we look at Calcutta, when we look at the head-quarters of Government in the different Provinces, and compare their sanitary condition with the condition of the villages around them in which the great bulk of the people dwell, we may well be reminded of the great duty we owe to the people to secure to them the elementary benefits of sanitation. It is high time that more should be done in that direction than is being done. I submit, my Lord, that one great effectual step which can be taken towards this end is to create village-panchayats, to give them some initiative, and to place some funds in their power and thus to help and encourage them to combat the evils of ignorance and insanitation. My Lord, the Government has been labouring in many directions to help the people; the Government has started Agricultural Banks; it has helped to organise Co-operative Credit Societies for the benefit of the agricultural classes, and much good has resulted from these societies. But the ignorance of the people proves to be a great difficulty at every step. If malaria is to be fought, if quinine is to be distributed, difficulty is experienced in doing it because of the ignorance of the people. The most elementary measures of sanitation are sometimes viewed with suspicion and distrust. All this will be avoided if there are constituted regular village-panchayats to which the elders of the village, men in whom the people of the village have confidence, should be appointed. It should be their duty to explain to the people the advantages of the measures which the Government may introduce for their benefit, and also to represent to the Government the needs of the people, and to adopt and carry out with the consent of the people such measures as may be needed to protect them from disease and to promote their welfare.

"My Lord, I beg to lay this humble suggestion for the consideration of the Government. I hope it will be considered and adopted to the great benefit of the people and the great advantage of good government."

The Hon'ble Raja of Kurupam said: "My Lord, it is my pleasant duty to congratulate the Hon'ble Finance Member and Your Excellency's Government on the very satisfactory Budget that he has placed before this Council. It records a year of phenomenal progress and prosperity. It shows that the revenue for the year was better by nearly 3½ millions, that the expenditure has decreased by about 1½ millions, leaving a surplus of over 2½ millions. This is a result which, as the Hon'ble Finance Member points out in his very interesting speech, could not have been attained, but for the dramatic change in the seasonal outlook in the closing months of the past year, as if nature herself had resolved to make the year of the Royal visit one of unalloyed happiness for the rejoicing millions of this continent."

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"It is my next duty to express for myself and on behalf of my constituency our deep thankfulness to the Government for the abolition of the proprietary village service cess. The discontinuance of this cess at this time is all the more gratifying to us in that it has been effected at a time when, according to the Hon'ble Finance Member, the position of the Government is not such as to justify any important remission of taxes. During the last five years, both in the local Council and in this Council, I have pointed out the unjustifiableness of continuing this cess; and I have no doubt that its abolition will be felt as a special boon by the zamindari raiyat and all those interested in his well-being.

"It is a matter for sincere gratification that the Government have been able to effect considerable economies in all directions, in pursuance of the assurance given by them when the Hon'ble Mr. Gokhale brought forward his resolution about retrenchment in public expenditure; and the Government is to be congratulated on their having taken the Council into their confidence by giving an account of what they have been doing in this direction till now.

"The next remark I wish to make is about the very judicious way in which the Government have utilised the year's large surpluses. Education, medical and sanitary services, agriculture, have all received proper recognition. It is the policy definitely put forward by the Government with regard to the first of these, that is, education, which, I believe, will be most appreciated and approved by the country. It is a matter for sincere rejoicing that the Government have committed themselves to a policy of extending popular education. They have set apart the very handsome amount of 125 lakhs for next year for educational service. The public are really thankful to the Government for their liberality in this respect, though, of course, great headway has yet to be made in this direction. It is to be earnestly hoped that the Local Governments will make vigorous efforts to utilise the large sums placed at their disposal by carrying out a definite programme of educational and sanitary reform without needless delay. I cannot leave this subject without thanking the Hon'ble Finance Member for the very handsome compliment which he paid the other day to our much respected countryman, the Hon'ble Mr. Gokhale, for his invaluable services in the cause of popular education. It is to be devoutly hoped that the vigorous extension of elementary education among the masses will speedily pave the way for the attainment of the object which my friend, the Hon'ble Mr. Gokhale, has so much at heart, by showing the benefits of education to the masses and thereby creating in them a real desire for it, by bringing into existence the kind of vernacular literature which will be most suitable to them, and by the creation of an adequate supply of trained teachers fitted for the responsible work of instructing the popular mind. I venture to add that the money which the Madras Government has proposed to spend on the establishment of Government model schools in our Presidency may be far more usefully spent on elementary education, in view of the extreme disfavour with which that scheme has been received by a large mass of enlightened opinion in the Presidency. It is very widely believed that the change in the educational policy of the Government, indicated by the establishment of expensive Government model schools, would be highly detrimental to indigenous educational endeavour.

"In this connection I cannot help bringing to the notice of the Government the very wide dissatisfaction prevalent in regard to the existing grant-in-aid code. I earnestly hope that nothing will be done to discourage private effort in education, and that, in respect of grants, the Government will adopt a more liberal policy. The mention of my Presidency leads me to make just one more remark in regard to the favour which the Government have shown to that Presidency in the present Budget. I am sure that the substantial grant of 25 lakhs in aid of the Madras water and drainage works, though but a third of what the Madras Corporation applied for, will go far to allay the feeling which has grown up among us that the claims of our Presidency do not receive the same recognition from the Government of India as those of other Provinces. I venture to express the hope that this grievance of the Southern Presidency

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will not long remain unredressed, that the needs and claims of its people, whose level headedness and steadfast loyalty have been so conspicuously displayed in the troubled times now happily past, will be more and more recognised, and that greater encouragement and better opportunities of advancement will be given to those who are bearing the burden of the administration in the Province.

"The announcement of the methods by which the cost of the new capital at Delhi is to be met, that is, partly from loans and partly from surplus revenues, has evoked some severe criticism both in and out of the Council. It has been said that the effect would be to conceal the real cost of the construction of the capital from the public. While it is difficult to understand how this concealment can be successfully effected, I fail to see how the method proposed can be otherwise than suitable and beneficial, as it will best enable the Government to adjust means to ends without serious interference with the normal course of expenditure in other directions. And I venture to add that, in my humble opinion, the idea that the future generations should alone be saddled with the cost of the new capital is, to say the least of it, not a very commendable one.

"My Lord, probably the most important legislative measure of the present session is the Co-operative Societies Bill which became law the other day. The alterations embodied in the new Act, such as the abolition of the statutory distinction between urban and rural societies, and the relaxation of certain restrictions imposed by the old Act, will largely facilitate the rapid spread of Co-operative Credit Societies, with the result of perceptibly raising the condition of the vast numbers of agriculturists and artisans of limited means throughout the country.

"My Lord, one word more and I have done. Dealing with the Budget Estimate for 1912-1913, the Hon'ble the Finance Member has told us that our prospects to-day are excellent and that we have every hope that the brightness of our outlook will continue. I am sure that every one in the Council will join in the hope that the coming year will fulfil these expectations, and that the next year's Budget will be as good a record of progress and prosperity as this year's has been."

The Hon'ble Mr. Mudholkar : "My Lord, this is the second year since the constitution of the enlarged Legislative Councils on the new basis that this Council has the satisfaction of congratulating the Government and the Hon'ble the Finance Member on a prosperity budget. We have not only the opium windfall a second time due to unprecedentedly high prices obtained on restricted sales, but an improvement in revenue almost all round accompanied by substantial reductions in expenditure in very many directions. During the discussion on the Financial Statement I tendered my acknowledgments to Government for the efforts which are being made by the several departments to cut down unnecessary items. The emphatic and reassuring declaration made by Your Lordship in your speech of last year is bearing fruit.

"At the same time, my Lord, it is not superfluous to point out that while we have to be thankful for what has been accomplished, we must not forget that much still remains to be done and that we can never afford to relax our vigilance.

The close watch, scrutiny and control of the Head of the Government and of the Finance Department are as needed as ever, and the serious responsibility which lies on the members of this Council has ever to be borne in mind by them. With all the vigilant guard which was kept by the Hon'ble the Finance Member and his able and gifted lieutenant, whose well deserved elevation to the chiefship of a Province has given unalloyed pleasure to all his colleagues in this Council, the natural tendency of expenditure to increase and of waste and irregular payments to creep in could not be completely repressed. The Explanatory Memorandum and the Appropriation Report issued the other day afford some curious instances. The expenditure under the head 'General Administration in India,' which stood at 201 lakhs in 1908-09, now stands at 233 lakhs. The increase to 211 lakhs in 1910-11 is explained on

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the ground that additional expenditure was necessitated by the new Council schemes and the formation of a new Department of Education. Passing over 1911-12, when a crore and 20 lakhs were required, most of it in connection with the Royal visit, the Delhi Durbar and the Coronation celebrations, we find that the Budget for the coming year estimates these charges at 233 lakhs, that is, 22 lakhs more than the actuals of 1910-11. The greater part of it is explained, but still there remains a portion which seems avoidable expenditure. There would seem to be too frequent a resort to putting officers on special duty. The necessity of the propriety of many of these special appointments are not obvious to the uninitiated. I can understand the appointments made in connection with the Prices Inquiry; but very many of the others both in the Imperial Secretariat and in the Provinces stand in need of justification. Let us bear in mind how greatly strengthened our Secretariats have been. Not to go very far back; the expenditure under this head stood at 186 lakhs in 1906-07, that is, after the 'strengthening' operations of the period of efficiency 1890 to 1905. In 1909-10 it advanced further by 13 lakhs. In 1910-11 came the formation of a new Department; and 1912-13 will see the creation of a new Province. With the great increase in the permanent staff which has taken place, appointments on special duty seem hardly to be called for. My Lord, there is a belief that some of these appointments are made simply to enable an officer to mark time till a suitable post is available for him. The matter is one which would I hope receive close examination from the Finance Department.

"Another quarter to which I might be permitted to direct the attention of the Council is the heading 'Cost of Collection.' The expenditure debitable to land-revenue has risen from 548 lakhs in 1908-09 to 595 lakhs in 1912-13—an increase of 47 lakhs. The land-revenue has increased from 3,080 lakhs to 3,344 lakhs. The proportion of the increase of expenditure is higher than that of the revenue. The increase in the coming year over last year would be a little less than 24 lakhs.

"Similarly, in the Police charges there is an increase of 60 lakhs. I bear in mind the explanation given in the memorandum of the Hon'ble Sir James Meston. But with the improvement that has taken place in the state of the country there is room for considerable reduction, especially in the strength of the Criminal Intelligence Department.

"My Lord, considerable saving in every department can be effected without impairing efficiency by a larger employment of indigenous agency. In the statement which was placed on the table of the Council on the 10th of January last we find that the number of Europeans and Eurasians in receipt of salaries of Rs. 500 a month and over was 4,466 in 1910, while there were only 924 Hindus and Muhammadans. With the great spread of education that has taken place a far larger number than 924 can certainly be found capable of holding those higher appointments.

"In connection with this matter, my Lord, I might be permitted to mention that the country hoped that on the occasion of the Royal Visit steps would be taken for throwing open the posts of commissioned officers in the army to Indians of loyalty, position and merit. I had advanced a similar request in the speech which I made at the time of the Budget discussion in 1902. This is a reform which has been long talked of. When His Royal Highness the Duke of Connaught was in this country at the head of the Bombay Army, His Royal Highness suggested the establishment of an Indian Sandhurst. Nearly a quarter of a century has passed since then, and Indians are, so far as their position in the army is concerned, practically where they were then. The admission of selected Indians to higher posts in the army is demanded as much in the interest of economy as on the grounds of justice and high policy.

"There is one more subject to which I would with Your Lordship's permission briefly refer. The question of railway finance and railway working has of late attracted considerable attention from the commercial community and publicists. Last year I submitted some considerations to the Council on the subject. Since then, and especially during the last three months, railway

matters have been very much to the front. This is a healthy sign. Railways occupy a most important place in our social economy. The capital liability on account of State railways at the end of March 1911 was something like 482 crores. The interest charges alone came to about 8½ crores, and little less than 5 crores were paid yearly in the shape of annuities for the purchase values of the company-made lines taken over by the State. Their value in affording protection from famine and in the development of interprovincial and outside trade is admitted to be of the utmost degree. Their expansion and improvement are recognised as eminently necessary by all thoughtful people. At the same time it is clearly perceived that expansion can in the first place safely proceed on a scale which is not beyond the capacity of the country, and that secondly it must be based on business principles and proceed on the reasonable certitude of the outlay proving remunerative in the not distant future. My Lord, it has become necessary to state these truisms because of the attempts that are being made by some outside commercial and financial magnates to accelerate construction without sufficient reference to the financial capabilities of the country and the remunerative character of the projects. In view of the pressure which is brought to bear upon Government, it is incumbent upon the non-official members of this Council as representing the interest of the permanent residents of the country to scrutinise every project from that point of view. The main lines have already been constructed. The expansion that is required is more in the direction of branch lines and feeder lines and of increasing the capacities of the arterial railways. The present traffic congestion emphasizes the immediate necessity of the last.

"While on one hand we have to guard ourselves against being hustled by outside pressure, we have on the other to meet the claims of various inland tracts and districts for being brought within easy reach of railway communications and of having their natural resources developed. The object can best be achieved by offering more liberal terms than the present to private enterprise, and encouraging the formation of companies with rupee capital. The claims of tracts exposed to visitations of famine can be adequately met from the funds available for protective railways out of the famine insurance grant.

"Irrespective of the branch and feeder lines for which private companies have received concessions and of the extensions which are being carried on on existing lines, there were more than 170 railways and tramways projected up to the end of December 1910. The remunerative capacity of some of these is open to question and of the rest varies greatly. Indeed, there are some big projects about which serious misgivings are entertained. If these projects were to be carried out by private companies on their own responsibility, Government might well trust them to take care of themselves. But for many of the larger projects the entire responsibility will fall on the State sooner or later if not from the beginning, and in regard to the majority of the rest some liability will have to be incurred. The determination of the railway programme is in the competence of Government; but it will be good for all if an opportunity is provided for the various interests in the country to urge their views in regard to the same.

"The necessity of a thorough discussion of the existing railway policy between the men of the people and the Government has become obvious in other directions also. Though the State owns the trunk lines, and the liability for their cost and maintenance is upon the country, it does not receive many of the advantages which results from unity of ownership. The Companies to whom the privilege of working the greater number of these lines is granted are in their desire to promote their individual interests—a natural enough procedure—carrying on competition in such a way as to nullify the main objects of State ownership. In the Resolution in regard to railway freights my friend the Hon'ble Sir Vithaldas Thackersey and I pointed out the hardships and the loss to which interprovincial trade and indigenous industries were subjected by the traffic arrangements of the rival way. I would here indicate merely some of the financial disadvantages resulting from the system.

"In the movement of goods it is not the shortest and most convenient route by which a Company where traffic originates despatches a consignment. It adopts that which would give it the longest lead, though this might be a

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circuitous one when a more direct and shorter route over another railway was available. Thus the most direct and shortest route for the coal of Raniganj or Jheria to Lahore is by the Oudh and Rohilkhand Railway *via* Mogalsorai and Saharanpur. But the East Indian Railway adopts the route *via* Allahabad and Delhi, which means an addition of 35 miles, and the Bengal-Nagpur Railway adopts the Bilaspur-Katni route though this involves transit over 380 additional miles. This means an additional haulage charge which is Rs. 2-2 per mile for a goods-train on the East Indian Railway and Rs. 2-5 on the Bengal-Nagpur Railway. In addition to this extra burden which falls on the country there is an unnecessary longer employment of goods wagons on the East Indian Railway. One day for going and one for returning are lost in the case of each truck ; on the Bengal-Nagpur Railway 18 to 19 days for the two journeys. There is a favourite complaint about the deficiency of the rolling stock, and here we have one of the causes which bring about shortage of waggons.

"Each Company regards itself as a separate unit and budgets for its requirement without reference to the fact that the rolling stock being the property of the State ought to constitute the common property of all. Crores have been spent in recent years in making additions to the rolling stock—the allotment in 1909-10 was 6½ crores, in 1910-11 466 lakhs. There is here a considerable scope for economy if we keep ever present before us the fact that the State is the owner of these railways.

"There are several other matters connected with railway finance and the more economic working of our railways which, though very important, cannot be satisfactorily treated without dealing with the general question of railway policy ; and into this question it would not be convenient to go in a discussion on the Budget. I have left them out for a more suitable opportunity.

"Well, I have pointed out some of the shortcomings ; but I must again give my testimony to the excellent work which has been done by the Railway Department of the Government."

The Hon'ble Maung Mye : "My Lord, this is the first session of the Imperial Legislative Council which I have had the honour of attending, and I do not want to take up much of the Council's time ; but I have a few remarks to make on financial and educational matters connected with the Province which I have the good fortune to represent. Burma is a backward Province. It cries out for development. We have often heard people say that capitalists are unwilling to invest their capital in Burma for want of better communications and transport facilities, and in consequence the natural resources of the Province remain undeveloped. Burma has a very unfavourable financial settlement, and the grant of 20 lakhs for roads, though we are grateful for it, is a trifle compared to what we have lost on the financial settlement and is wholly inadequate for our requirements.

"The Government of India has given 60 lakhs of recurring grants and 65 lakhs of non-recurring grants for education and 85 lakhs for sanitation, agriculture and research—210 lakhs in all. Out of this we only get about 11 and Bengal about 56 lakhs.

"Money does not go so far in Burma as in India. If grants are distributed merely in proportion to population, we do not get enough. My people pay heavy taxes. We pay Rs. 5-4 per head of population ; the United Provinces Rs. 2 and the two Bengals and Behar pay only Re. 1-4 per head of population. We are paying more per head and should get more per head in return.

"Now I come to educational matters. We are anxious that a university should be established in Burma. We want this done particularly now that Calcutta is becoming a mere Provincial town. The Government of India is going away and the Beharis and Oorias are going to Patna. Then the Dacca University will take away the Eastern Bengalis. So only a very small number of Bengalis will be left to manage the Calcutta University.

"It is not proper that Burma should be under Calcutta any longer. We are a separate people and we want to develop on our own lines. It is true there are not many colleges in Burma, but there were only two colleges in

[*Maung Mye ; Nawab Saiyid Muhammad ; Raja* [25TH MARCH 1912.]
of *Dighapatia*.]

Bombay when a university was started there. Local interest in higher education would grow very fast if we had a university of our own.

"There is a growing feeling in Burma that we do not come much under the notice of the Government of India and Burma suffers much from her geographical misfortune. Perhaps if the members of the Government visited Burma, they would understand the state of affairs better.

"We had hoped that the Royal boons would have done something for us, and while the Government of India is giving away lakhs of rupees to the other Provinces, it is only right and proper that Burma should also get a Royal boon of recurring and non-recurring grants for a university. Burma came late under the British Government. She wants more care and attention from the Government of India."

The Hon'ble Nawab Saiyid Muhammad : "My Lord, I congratulate the Hon'ble the Finance Minister for the excellent Budget he has presented to the Council, and also for the sympathetic tone which pervades his statements. The Budget is, if I may say so, in keeping with the spirit of the year, and it is a singular coincidence that the prosperity has been attained simultaneously with the august visit of Their Imperial Majesties, in India. My Lord, it is matter of immense pleasure and satisfaction that the unique and historical event which it was India's good fortune to witness at Delhi, I mean Their Imperial Majesties' Coronation Durbar, was a great success. The people of this country rejoice that they had an opportunity of manifesting their loyalty to their beloved Sovereign in person, and they feel sure that His Majesty has carried with him happy recollections and the gratitude of his Indian subjects.

"My Lord, since the Financial Statement has emerged from the committee stage, Field Marshal Sir William Nicholson's Committee has started for India to inquire into the Army expenditure of this country. I trust the Government of India will see the absolute necessity of allowing a wider scope to this Committee and afford all facilities for the thorough and exhaustive investigation into the finances of the Indian Army. Already great forces are at work against any possible reduction, but I sincerely hope that Your Excellency's Government will find the Nicholson Committee helpful in readjusting the military finances of this country.

"The next point, my Lord, is the congestion with railways. This has no doubt been very prejudicial to the trade as appears from the published proceedings both of the Bengal and Bombay Chambers of Commerce. Some have urged to bring out a traffic expert, while others want more money. The former seems a very reasonable request, and there is enough scope for a real expert on our railway systems. As for more funds, the Railway Budget showed a substantial lapse in the current year's allotments and no less than Rs. 152.24 lakhs is expected to lapse under the head 'Provision for the purchase of stores in England.' I have no doubt that the Hon'ble Member for the Commerce and Industry Department will be able to satisfy us on this point; but nevertheless it is clear that the Railway Board have not fully utilised the funds placed at their disposal."

"My Lord, I take this opportunity to acknowledge, on behalf of my Presidency, the educational and sanitary policies of Your Excellency's Government which has met with widespread approbation all over the country. It is our fervent hope that this policy will develop gradually and Your Excellency's name will be handed down to posterity as the promoter of an era of new life in India in which education and sanitation are destined to play a most important part."

The Hon'ble Raja of Dighapatia : "My Lord, before offering any remarks on the Budget, I beg respectfully to observe that the visit of Their Imperial Majesties to their Indian Empire has opened a new era for the people of this country and has practically driven away sedition and unrest from the soil. The memory of Their Imperial Majesties' visit to this city of ours will for ever be treasured up in the hearts of all men, women and children of this Province.

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"Now turning to the Budget, I beg to offer my heartiest congratulations to the Finance Minister for the cheerful Budget he has been able to present before the Council this year. He very modestly calls it a 'no-change Budget,' but we look upon it as a Budget of benevolence, reflecting very great credit and thoughtfulness on the part of those who are responsible for it.

"No doubt we were looking forward to the remission of at least some of the taxes that were imposed the year before last in anticipation of the opium deficit—preferably that on petroleum, which affects the poorest in the land; yet we have nothing to complain of, nay, we are grateful to the Government of India for the manner in which the surplus from opium windfall has been distributed, and also for the large grants made for education out of the ordinary surplus.

"It will be noted with very great satisfaction that ever since the Hon'ble Sir Guy Fleetwood Wilson has taken charge of the portfolio of the Finance Department, military expenditure is steadily going down every year, while grants to education and sanitation are mounting up by leaps and bounds, and we have every reason to hope that they will go up still higher, as we have been assured by the Finance Minister himself that the amelioration of sanitation and the wide and comprehensive diffusion of education would form the chief feature of Your Excellency's Viceroyalty.

"I hope it will be possible for the Government of Bengal to devote a considerable portion of the money allotted for sanitation towards the improvement of the waterways and the supply of pure drinking water, wherever it may be necessary.

"Last year I mentioned about the necessity of constructing a railway line connecting Nattore, Rajshaye and Godagari. I must confess I am disappointed to find no provision for this railway has been made in the present Budget, though I have reasons to believe that this line is not altogether outside the programme. I would therefore urge the Government to include it at least in next year's Budget. I had occasion to point out in my Budget speeches of previous years that this line is an urgent necessity as far as Northern Bengal is concerned.

"In spite of the difficulties in the way, I would beg the Government of India to reconsider the question of the construction of the line between Dacca and Archa (a place opposite to Goalundo). As Dacca is going to be the second capital of the new Presidency of Bengal and the seat of the Provincial Government for about two months in the year, it would be easily seen how very necessary this line will be in near future, specially when river navigation is getting more and more difficult at least in some parts of the year.

"It was widely expected that something would be done at the last Durbar to inaugurate the policy of granting commissions in the Indian Army to qualified scions of Indian Chiefs and Nobles, and naturally it came as a disappointment when no such announcement was made. I, therefore, venture to hope that, with a view to further retrenchment in the military expenditure without in any way materially impairing efficiency, something might be done in this direction.

"As one coming from Bengal, I cannot help feeling the deepest sorrow at the thought that this should be the last meeting of the Imperial Council in this historic chamber and in this historic city, which is intimately associated with the foundations of the British Empire in India, and without meaning any disrespect to any one I deplore the necessity for the change of capital."

The Hon'ble Sir Gangadhar Rao Chitnavis: "My Lord, the moral effect of Their Imperial Majesties' visit has far exceeded my anticipations of last year, thanks to Your Excellency's thoughtful and excellent arrangements at Delhi and elsewhere. The Royal Presence evoked an enthusiasm throughout the land which proved once for all that the heart of the nation was sound, and that the abnormal developments of the past six years were but passing phases of an artificial movement wholly foreign to the genius of the people. We owe it to our beloved Sovereign that seditious troubles are at an end, and we cheerfully and thankfully lay to our heart the message of hope which His Imperial Majesty

has so considerably communicated to us. The boons announced at Delhi, and the substantial grant for the promotion of education and the annual stipends to scholars, so characteristic of the King-Emperor, give point to that message; they lay solid foundations for the intellectual and moral progress of the people.

"My Lord, from the Hon'ble Sir Harcourt Butler's reply to the Hon'ble Mr. Gokhal's question about the details of the Durbar grant of 50 lakhs for the support of education, it appears that, out of the 45 lakhs proposed to be distributed at once, technical education and industrial education have between them only 2 lakhs, or less than 4½ per cent. Even in this small grant the share of industrial education must be the lesser of the two. I am convinced more than ever that small industrial schools suited to local needs and conditions are of paramount importance to our material advancement. Through the operation of causes which we need not examine here, our village industries and the small industries of towns are prostrated; there is a general movement of the people from the villages to the towns for employment. Towns are bound to grow; concentration of population in towns is perhaps a necessary concomitant of modern civilisation. But the decadence of the villages and of village industries is an economic evil, especially in an agricultural country like India, which it is only meet Government should make an earnest effort to remedy. There is a pithy Indian saying, 'the stomach was made before the mind.' The indigenous industrial arts should be revived and developed as a solution of the difficulty of the empty stomach. I beg to acknowledge with thanks that a systematic effort is now being made in the Central Provinces to revive the cottage industries, and a sympathetic and energetic Director of Industries has been appointed. But Local Governments must necessarily depend to a large extent upon the Central Government for liberal subventions.

"My Lord, notwithstanding the strong pronouncement of policy made in Parliament by the Under Secretary of State on the occasion of the last discussion of the Indian Budget, we cannot abandon our faith in the efficacy and the absolute necessity of tariff protection for India. We must place before the Government our view of the case, and with my sense of British justice and Britain's genuine desire to consult the wishes of the Indian people in matters of policy also, I cannot believe that our prayers will always be unheeded by the Home Government, and that the future will not bring us the relief we so earnestly seek. In this connection I respectfully request Government to reconsider their decision about the maintenance of the excise-duty upon cotton-goods made in India. The duty should be suspended at least in seasons of stress.

"Speaking of agriculture, in view of the high price of agricultural cattle and their preservation, I beg to repeat my suggestion that the question demands consideration. Government sometime ago undertook a cattle survey as a preliminary to the consideration of this question; but we would like to know where the matter now stands.

"My Lord, irrigation has done much for agriculture. I am glad to note Government do not mean to slacken their pace in this direction. Light feeder railways which the Government is encouraging in certain parts have become popular in some Provinces and are likely to prove useful to the country in three ways. They help railway expansion, train the people in railway management, and attract their small savings for which they provide an excellent investment. In view of this consideration, I would request Government that better terms of guarantee will help this sort of enterprise still further.

"My Lord, I beg to thank Your Lordship for the recommendation you have made for the Legislative Council for our Province, and now I beg to associate myself with the appeal which the Hon'ble Mr. Dadabhai has made to-day for the establishment of a teaching and residential university at Nagpur and the appointment of a fourth Judge in the Judicial Commissioner's Court. A teaching university will go a great way to ensure the intellectual progress of the Provincial people. The Indian

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public cordially echo the hope expressed by Your Excellency at the last Convocation of the Calcutta University 'that teaching and residential universities may be multiplied throughout India.' I have heard complaints of congestion of business in the Judicial Commissioner's Court, and it is desirable to have another Judge to work it off.

"My Lord, in the investigation which the Government proposes to make into the financial condition of the local bodies, I hope Government will be pleased to consider the advisability of sanctioning a longer term than is allowed at present for repayment of advances for sanitary improvement. Much could be done to help progress by the suggested change in the maximum period. The special grants for the Central Research Institute for work in public hygiene and a School of Tropical Medicine supply incontrovertible proof of the anxiety of this Government for the suppression of plague, malaria and other epidemics; but it must be frankly admitted that the bulk of the work in connection with sanitary improvement must be done by the local bodies. In this view the necessity of the change will be evident.

"My Lord, I cannot conclude without expressing the sorrow I feel on this occasion of our last meeting in this hall so full of historic memories. I happen to be the oldest Member of the Council, and the break in all our past associations here causes me pain. At the same time the severance of the direct connection of the Imperial Government with Calcutta is synchronous with the introduction of large reforms for which Bengal has clamoured long. The change in the status of the Provincial Government and the annulment of the Partition ought to placate public opinion in Bengal. Thanks are due to Your Excellency for pacifying public opinion in the matter. Lastly, my Lord, I beg to associate myself with what my friend the Hon'ble Mr. Gokhale has said about Calcutta, the Hon'ble Sir James Meston and the Hon'ble Sir Guy Fleetwood Wilson."

The Hon'ble Babu Bhupendranath Basu: "My Lord, in congratulating the Hon'ble the Finance Minister on his Budget, I do not pay a merely customary tribute: we have had a large surplus and our revenues are being devoted in a much larger measure than before to purposes which will be fruitful of good to the people of India. I have neither the skill nor the ability to pursue my friend through the bewildering maze of figures, but the thread he has furnished in his introductory speech gives a clue which even a layman like myself may follow. It will be a matter of deep regret to me and to the people of Bengal that we shall miss in future his genial presence in our midst and cease to listen to a voice which will persuade us even against our better understanding.

"My Lord, I acknowledge with gratitude the large and liberal grants on education and sanitation, for they are both all-important. I shall not go into the enormous and appalling figures which represent the preventable death-rate of our country: very recently I had occasion to refer to the question, but surely in a population of 300 millions and in a continent extending from the Persian Gulf to the borders of China 4,129 hospitals and dispensaries, public and private, to meet the requirements of the civil and military population are none too many. Much remains to be done in the cause of sanitation, and though I sympathize to a very large extent with my friend Surgeon General Sir Charles Lukis in his despair to fight against mosquitos whose naibies are more terrible than their sting, I respectfully submit it ought not to be beyond the resources of science and civilization to wage a successful war with those insects on whose wings follow malaria, yellow fever, plague, sleeping sickness and kala-azar.

"In the brief space of time allotted to us for discussion on this occasion I pass on to a subject which to-day, now that we are meeting for the last time in this Council Chamber, is pressing on my mind. My Lord, only two years ago I was prevented in this very Council chamber from discussing the question of the partition of Bengal; but though I was silenced,

the voice of my countrymen outside was not silenced, and the sense of injury and wrong rankled in their minds. The outward manifestation of public feeling was naturally growing less, but, what was worse, a deep seated sense of unredressed wrong was spreading. We felt that the Government of the day had failed to understand the problem: Would India have some ruler who would have the insight to feel and the courage to act? That was the question. My Lord, in our ancient mythology there is a story of a saintly woman being petrified for the sin which she committed unconsciously, and when she pleaded against the curse, it was said to her that she must wait until deliverance came from somebody who would be born hereafter. We, my Lord, like this petrified saintly woman of old, had to wait for that deliverance of ours. Then came Your Excellency's administration. We had at the head of affairs in India a fresh mind unaffected by bias and untinted by prejudice. There were difficulties in the way, difficulties created by lapse of time, and behind them all loomed the question of prestige. Then followed the announcement that His Imperial Majesty would hold the Coronation Durbar in India. We in India have always connected the celebration of such a great and auspicious event with some generous measure of public beneficence, and we felt a sort of vague hope that our King-Emperor, who had witnessed the distress in Bengal as the Prince of Wales, might do something to restore peace to our unhappy Province. It is no longer a secret, my Lord, that for the realisation of this hope I undertook last year a journey to England, impelled, may be, by the same unreasoning longing which in our country attracts from distant parts weary pilgrims seeking deliverance from fatal illness for a dear relative to some sacred shrine reputed to possess life-giving properties, a deliverance which, alas! the silent image seldom grants. My Lord, I do not for a moment profess that my visit has had any affect on the policy of Government; but it is some satisfaction to me and our people that I was able to place before the highest authority, so far as India is concerned, a presentment of the case from our point of view. My Lord, I am not one of those who would feel any exultation in the modification of the partition of Bengal, even if it had not been accompanied by measures which will have a far-reaching consequence on the destiny of my Province; but we Hindus of Bengal truly rejoice at the opportunities which will be again afforded to us to advance arm in arm with our Moslem brethren as fellow-workers and comrades, helping each other forward and onward. My Lord, in Your Excellency's presence, I feel some natural embarrassment in giving expression to the deep sense of gratitude we feel towards Your Lordship in having had the courage to undo what was an undoubted wrong. In doing so, Your Lordship has not only conferred a lasting benefit upon the Indian people, but has demonstrated to the world at large the greatness and might of British rule in India, that in the interests of justice it can rise above all petty considerations of prestige and even of settled facts. You have shown that British rule in India is compatible with the sentiment of self-respect in the people, and that it is not founded on the shifting foundations of power but on the solid bedrock of justice, and as time goes on and your great act comes to be viewed in its true perspective, your countrymen and ours will all alike honour a ruler who had taken such a prominent part in welding together the different parts of the Empire in bonds which will grow with time and not break under the strain of diverging interests. To quote the words of the Hon'ble Mr. Montagu: 'At last, and not too soon, a Viceroy has had the courage to state the trend of British policy in India and the lines on which England proposes to advance.'

"My Lord, I cannot pass from this question of the readjustment of the boundaries of my Province without referring to some incidental matters connected with it. It has been said that Your Excellency's scheme about the proposed Dacca University will be likely to reproduce conditions against which the people of Bengal fought with such desperate and passionate energy. I am glad to see Your Lordship shaking your head against that proposition. It would be a pity indeed if it did so. My Lord, I hope I betray no confidence when I say that Your Excellency has been pleased to give us the assurance that no such thing shall happen, that the fear of a dialectic difference in

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Bengal being created need not be entertained and that the proposed university at Dacca would only embrace colleges within its municipal limits ; that it will only be a teaching university ; and that in matter of Provincial appointments to the public service, no question will arise either in East or West Bengal as between the claims of Dacca and the Calcutta Universities. These assurances of Your Excellency when widely known will dissipate the fears that were entertained at one time, and the latest pronouncement that nothing will be done until the Government of Bengal has been consulted will remove any lingering doubts that still hover round the appointment of a separate educational officer. My Lord, I do not grudge to my friends of Bihar and Orissa their good fortune getting a full fledged Provincial Government with an Executive Council. I am afraid my friends of Bihar resented the reference made to them by my Hon'ble friend the Maharajadhiraja Bahadur of Burdwan, and they were telling me just now that my friend the Maharajadhiraja Bahadur owes his seat in this Council principally to the votes of the Bihar zamindars. That may be true or may not be correct. I do not know. But, my Lord, my friends of Bihar will no longer be voters in my Province. I may remind my friends of the story of the discarded wife which we had at one time heard in the eastern part of my Province. I will remind them of a poem which I learnt in my youth ;

“ No more thou comest with a lover's speed,
My once beloved bride to see,
Be she alive, or be she dead,
I think her worth all the same to me.”

“ And now that Bihar has gone from us and her votes do not count, I believe my friends occupy pretty much the position that the girl did in this ballad. But I believe I shall not offend my brethren of Bihar if I say that this good fortune of theirs is due to their association with Bengal. Bihar was making rapid progress during the last ten years, and my belief is that her progress would have been surer and quicker if that association had lasted a little longer.

The Hon'ble Mr. Mazharul Haque : “ No.”

The Hon'ble Babu Bhupendranath Basu :—“ My friend says ‘ No ’, but I do not wish to raise a controversy. If he is pleased, we have no reason to complain. We Bengalis wish them all success in their new career.

“ But, my Lord, if we do not grudge to Bihar her good fortune, we may certainly grieve that, in the redistribution of Bengal that has followed the Royal announcement, the deep and abiding sentiment of Bengal that all the Bengali-speaking tracts should be placed under one Government has not been given effect to. I believe in the hurry in which the scheme had necessarily to be worked out, this could not be done, and I feel sure that under Your Excellency's administration, after things have settled down, this question will be taken up and our legitimate grievances on this score removed. And now, my Lord as I am coming to a close, it will be idle to conceal that a feeling of great sadness comes over me. For I shall be the last member for Bengal to address this Council from the capital of my Province. Who knows, my Lord, what the future may have in store for us? Associations extending over a hundred and fifty years or more are not easily broken, and though no material harm may come to us, as I hope it will not, the people of Bengal will not cease to mourn, for many a long day, the loss of the diadem which was set upon the fair forehead of their beloved city. It has grown from a hamlet into the position of being the second city in the British Empire, and from its banks have spread the blessings of peace and prosperity over the British dominion in the East. Amidst the many losses that the change of capital will entail upon us none will be greater, none sadder, none more keenly felt than that we shall cease to welcome in our midst the representatives of the wealth and culture of all

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India, as members of this Imperial Council ; for their presence even for a short time serves to extend the boundaries of our horizon and lift us out of the narrow limits of a Provincial life. It is with no light heart that we shall regard the loss of this invaluable privilege of coming into contact with the best minds in the Indian Empire. We shall also lose, my Lord, the beneficent presence of the Government of India ; we shall lose the inestimable benefit which flows from personal contact with His Majesty's first representative in India, and for the moment, my Lord, we shall lose one whom we have come to regard as the greatest benefactor of our people. You are going, my Lord, to a seat redolent of memories of ancient greatness to which Calcutta can lay no claim. But, my Lord, we the people of Bengal shall always cling with love to our city enbosomed in the Ganges, whose water flows in their ceaseless task of pure ablutions round her radiant shores and nestled among foliage unrivalled even in India.

"I bid your Lordship, the members of your executive Council and my colleagues, official and non-official members of this Council, good bye and God-speed ; and may British rule in India be as glorious and as brilliant in the future amidst its new surrounding as it has been in the past in this now historic city of ours.

"My Lord, I can say no more, and wish no better for the Government which has done for us so much in the past and from which, God willing, we expect much more in the future."

The Hon'ble Mr. Mazharul Haque : "My Lord, I have no desire to make a speech, but I would be failing in my duty if I did not express the grateful thanks of the people of Bihar for the great privilege which has been bestowed upon them. Your Excellency has restored to us our forgotten individuality, raised our status and given us a new life. The name of Hardinge is not only being blessed by us of the present generation, but it will be remembered and blessed by our children and our children's children. It has now become possible for us to develop and work our own salvation on our own lines.

"My Lord, the temptation to follow my Hon'ble friend the Maharajadhiraja Bahadur of Burdwan in his sarcastic references to my Province is great, but for once I shall resist it. I can quite understand his bitter disappointment, as henceforth it will not be possible for any one but a Bihari to exploit the new Province, and the determining factor in questions affecting Bihar will be the voice of her own people without any officious interference from unsympathetic people who have no scruples to take her votes but when the time comes refuse to help her. I should like to know what the landholders of Bihar will have to say to-morrow about the speech of my Hon'ble friend. Well, it does not matter ; we are very well able to take care of ourselves. My Hon'ble friend has characterised the grant of an Executive Council to Bihar as an extravagant luxury. Well, everything which is a necessity for Bengal becomes a luxury when given to some other Province. Jealousy and conceit could go no further.

"My Lord, once more I thank Your Lordship for the great boon you have conferred upon the people of Bihar."

The Hon'ble Mr. Sachchidananda Sinha : "My Lord, under the rules in force for the discussion of the Financial Statement, the important points involved in it are discussed in the earlier stages, and they have already been so discussed this year. This last day's debate is now utilised for making some general observations, and for many years now the privilege has been extended to members to place before Government such views as cannot be urged by means of Resolutions. Naturally therefore a discussion of this kind is apt to be more or less rambling, but I trust that the same latitude will be conceded to me as to my colleagues to make a few general observations, especially with reference to the remarks of my friend, the Hon'ble Maharajadhiraja Bahadur of Burdwan, whose speech, if I may say so without impertinence, was the most

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rambling that I have ever heard in my life. It had a great deal to do with things absolutely irrelevant and not at all germane to the Budget, or to the financial policy of the Government of India. It was, on the other hand, a curious compound and an extraordinary jumble of bad history, perverse geography, ill-assorted ethnography, and confused topography—coupled with a distorted outlook on current political problems. Speaking seriously, I think his speech will cause profound disappointment to the people of Bihar, especially to the landholders of that Province, who had voted for him as their representative in this Council. My esteemed friend, the Hon'ble Mr. Haque, has already replied very pertinently to his absolutely uncalled-for remarks about the Bihar Executive Council. The Hon'ble Maharaja Bahadur has evidently forgotten that Bihar has had an Executive Council since the inauguration of that institution in the Lower Provinces about eighteen months ago, and to have taken away that privilege from the Biharis would have inflicted a very grievous wrong upon them. The Maharaja Bahadur seems also to have failed to realise the fact that it is in the Executive Councils as now constituted that scope is given to such little talent as the zamindars possess, by their being appointed as members of these bodies. I therefore think that he should have welcomed this institution for Bihar instead of condemning it.

"One more remark, my Lord, which I desire to make is this. The Maharaja-dhiraja Bahadur has declared himself to be a strong supporter of the now totally discredited scheme of partition effected by Lord Curzon six years ago. I wish I could honestly congratulate the Maharaja upon his support to Lord Curzon, but I am sorry I cannot. That partition as effected constituted two divisions of Bengal, and Bihar and Orissa into one Province. The Maharaja seems to think that the new Province as now constituted is heterogeneous, but I would like to know if it is any more heterogeneous as it stands to-day than it was with the two Bengal divisions thrown in? But that is the way how the Maharaja with his clear vision looks at this question. I shall pass on now, my Lord, to associating myself with the Hon'ble Mr. Haque in offering to Your Excellency and to Your Excellency's Government the very best and sincerest thanks of the people of Bihar for what is really a Royal boon to them in the truest sense of the term. I think I echo the views of the Biharis in saying that no people are really so happy and glad as those of Bihar are, on account of the separation of their Province from Bengal, and for which they had been crying aloud for many years; but unfortunately the Government of Lord Curzon did not see their way to accept what was the only ideal scheme for the partition of the Lower Provinces. This has now been accepted by Your Lordship's Government, and my friend the Hon'ble Mr. Haque, therefore, has rightly said that Your Lordship's name will go down to posterity as the best benefactor of not only Bihar but of the whole country, for having brought about the memorable administrative changes announced by our King-Emperor.

"My Lord, one word on the question of our finances. As the Hon'ble Mr. Gokhale has pointed out, our financial condition at present requires very careful consideration, on account of the fact that very soon the opium-revenue will have disappeared from our resources. It is therefore, especially in view of the demands now being made, the very proper demands, which the Government have to some extent conceded, for education and sanitation, absolutely necessary that our finances should be properly husbanded and that so far as possible all such economy should be effected as can be done, without in any way diminishing the efficiency of our administration. For this purpose, my Lord, my humble submission is that two things are absolutely expedient: the wider employment of Indians in the public services and a careful handling of our military expenses and charges. In regard to the wider employment of my countrymen, I gave notices of two or three Resolutions to be moved in this Council. I was given to understand, however, that the Government of India were in communication with the Secretary of State on these subjects, and I therefore withdrew them. I do hope that, in due course, the Government will be able to inaugurate a policy which will be conducive to the much larger employment of Indians.

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It seems to me that the time has come when the Government of India should have a Royal Commission appointed to go into the whole question. The Public Service Commission made its recommendations nearly 25 years ago ; and these, unfortunately, were far from satisfactory. We have taken long strides since then, in almost all departments of human activity, and I think, my Lord, that the time is come when the Government of India may very properly ask the Government at home to institute a Royal Commission to go into the whole question of the larger employment of Indians, including that of the recruitment of the judiciary from the legal profession.

" Similarly, my Lord, in regard to the Army charges, the subject has been discussed in this Council time after time, and by none more ably than by our great leader Mr. Gokhale. It is well known that the large additions made to the cost of the Indian Army in 1885-86 were certainly due to the fear of a Russian invasion at the time. Now, thanks to the Anglo-Russian Convention, which was mainly brought about due to Your Lordship's influence, and for which we are all very grateful to Your Excellency, this fear of a Russian invasion of the country has certainly disappeared. In view, therefore, of our many necessary requirements now, and the larger demands for education and sanitation, I request the Government of India to consider favourably the question of, at any rate, reducing the cost of the Army to the extent of the additions made in 1885-86, which will I think result in a saving of some 3 crores. And in this connection I would like to say that last year I gave notice of a Resolution to be moved in this Council that the commissioned ranks in the Army should be thrown open to Indians. I was then informed that the matter was under the consideration of Government, and that it was likely His Majesty the King-Emperor would himself make an announcement at the Durbar on the subject, and it was in that view that I withdrew my Resolution. Well, my Lord, expression has been given to-day to the view of the non-official members on this subject by the Raja of Dighapatia, and I may frankly say that great disappointment has been caused in the country on account of that boon not having been announced at the Durbar. I do sincerely hope that it will not be long before Your Lordship's Government will be able to make that long-looked for announcement.

" My Lord, one word about this being the last meeting of the session in Calcutta. I fear I am not so enthusiastic an admirer of Calcutta and of Bengal as my friend Mr. Gokhale. I follow him generally so implicitly that to me it is a real pleasure to find myself in disagreement with him on at least one question. He has pronounced this morning a glowing panegyric on this so-called beautiful city and on the scenery of Bengal. He said he had been for eleven winters in Bengal, and evidently he has come under the spell of this province and its metropolis—the city of palaces and of huts! He thinks so very highly of Bengal scenery, possibly because the Hon'ble Member comes from a part of the country which is very arid and very treeless—I mean the Dekkhan. Mr. Gokhale this morning blessed the administrative changes announced at the Durbar, on the ground that he thought they would be ultimately beneficial to the country as a whole, so far as he could foresee with the eye of faith and hope. It struck me that he must have surveyed the scenery of Bengal with the eye of faith also, or he could not have persuaded himself to speak as he did! But although I do not quite appreciate Bengal scenery to the extent Mr. Gokhale does, I think I may join him in saying that we are all sorry to go away from Calcutta, especially we of Bihar, who have been connected with it since 1765—a long association that—and we are certainly sorry to part with our Bengali friends. I fully reciprocate the sentiments of my friend the Hon'ble Mr. Basu and I assure him that we are all sorry to part with Bengal. But I feel sure that we part as the best of friends, and shall continue to work together wholeheartedly for the welfare and the regeneration of our common motherland."

The Hon'ble Mr. Gates : " My Lord, I have only a few remarks to make with regard to the portion of the Budget which falls in my sphere. We are glad to see that the disappointing results of the Provincial Financial

[25TH MARCH 1912.] [Mr. Gates ; Sir James Meston.]

Settlement of Burma have been recognised, and we are grateful for the grant of 20 lakhs for communications. This grant can be spent, as could a much larger sum, to great advantage."

The Hon'ble Sir James Meston: "My Lord, the points of purely financial interest which have arisen in the course of the debate to-day are comparatively few. Even those which did emerge are either of so large and comprehensive a character that it would be impossible to do justice to them at the far-end of the Calcutta session, or they have been dealt with in a spirit of moderation which leaves the representatives of the Finance Department very little to say in reply. The speech of the Hon'ble Mr. Dadabhoi, it is true, bristles with points both great and small, but the number and complexity of them and the pace at which he pressed them home reminded me, while he spoke, of one of his great prototypes who—

'seemed to be

Not one but all mankind's epitome ;'

and on looking through my notes at the topics which he raised, I shrink from the encyclopædic task of answering them. Sir Vithaldas Thackersey alluded at some length to the very technical question of the assessment to income-tax of textile mills and factories in Bombay. The Hon'ble gentleman complains that Bombay is at a disadvantage as compared with the mills in other Provinces, and he is particularly dissatisfied with an answer which the Government of India gave in a recent letter to the Bombay Millowners' Association to the effect that they were not prepared to standardise the methods of the assessment of income-tax on factories throughout India. The main reason for that is that the assessment and collection of income-tax are left, in this country, to the Local Governments within certain defined rules and limitations ; and in view of the extraordinarily varying conditions of different parts of the country, I hardly see how it could be otherwise. The character of the buildings, their durability, the nature of the machinery, the local practices regarding depreciation, and half-a-dozen other factors, differ in different parts of India, and no cast-iron rules could well be laid down for regulating them. The Hon'ble Member, however, specifically complained of two points—first, that no depreciation was allowed on buildings in Bombay, whereas it is permitted elsewhere ; and, second, that the depreciation allowances generally are less liberal in Bombay than they are in other parts of India. The first of these points I hardly think is quite exact, as the practice in Bombay has been, in assessing factory buildings, to allow for the actual cost of repairs and maintenance without specifying any rigid proportion of allowance on that account. The Local Government have, however, now, at the instance of the agitation recently got up by the Millowners' Association, agreed to accept a regular 2½ per cent. reduction instead of the actual cost of repairs. The second complaint made by Sir Vithaldas Thackersey was that Bombay pays more than Calcutta and Cawnpore, and he suggests that the Bombay payments be levelled down to their level. Another alternative, however, had presented itself already to the Government of India, and that was that Bombay should be left alone and that Cawnpore and Calcutta should be levelled up. I hope that that will be equally congenial to my Hon'ble friend. The whole of the Bombay correspondence has been sent to all the other Local Governments for consideration ; and perhaps before my Hon'ble friend brings the Resolution which he threatens on the subject, he will find that his Association is not at a disadvantage as compared with the other parts of India.

"Before I sit down will Your Lordship permit me to express my sincere thanks for the kind and graceful thoughts which inspired the Hon'ble Mr. Gokhale in the things which he said about me personally and to add my thanks to the other Hon'ble Members who followed him. It has been a great pride and a great privilege to be a member of the first reformed Legislative Council in India during its whole triennial period, and that pride is enhanced in the case of all of us officials who have so served—it is enhanced a thousand-

[*Sir James Meston ; Sir Guy Fleetwood Wilson.*] [25TH MARCH 1912.]

fold—by the knowledge that we have secured in some measure the affection and confidence of our non-official colleagues. It is to their courtesy, to their unflinching consideration among new and often trying conditions, that we owe much that we have endeavoured in some measure to give them in return."

The Hon'ble Sir Guy Fleetwood Wilson : "My Lord, the debate on the last day of the session savours rather of a survival of the past than of real business. In the pre-reformed days of the Council, it was practically the only occasion on which members of Council could express their views on every subject, and it is quite natural that the tendency to do so should remain. The debate, however, must of necessity become every year less effective in view of the fact that this Council has realised that it possesses a far better agency to bring about improvement in the administration in the shape of well-considered, well-debated, and, if I may venture to say so, well-divided Resolutions.

"Resolutions of the importance and speeches thereon, of the capacity which have characterised this year's session, must do far more to advance the public interest than what can be but a somewhat desultory conversation on the last day that the Council meets. I do not therefore propose to deal at any length with the remarks of Hon'ble Members who have spoken on a variety of subjects.

"There are two points, however, of considerable importance which were raised by the Hon'ble Mr. Gokhale, which I think I should not pass over without any remark. The Hon'ble Mr. Gokhale reminds me of Mr. Gladstone. On one occasion, when Mr. Gladstone was suffering from the effects of over-work, he was ordered by his physician complete rest. By way of carrying out the orders of his physician, he promptly bought a Turkish Grammar and proceeded to study that language.

"Mr. Gokhale to the intense regret of every one in this room is admittedly suffering somewhat from the effects of over-work. I have little doubt that his medical adviser has enjoined him to avoid all unnecessary effort. By way of carrying out those instructions, he takes advantage of fifteen brief minutes at his disposal to embark on a discussion on such a trifle as a review of the whole basis of taxation.

"I will say frankly, at once, that I am not prepared to follow his example. I retreat and give him all the honours of war, for I am not prepared in the few minutes at my disposal on the last day of the session and with the thermometer at about 100 to take up the cudgels either for or against a radical alteration in the basis of taxation.

"There is much to be said in favour of Mr. Gokhale's suggestion to refer Indian expenditure to a Royal Commission; but there is one point which I should like to mention in this connection, and that is that there is one grave objection, which must be borne in mind, to the adoption of that course. It is inconceivable that less than five years would elapse before the recommendations of such a Commission would be given effect to, and I much fear that meanwhile every attempt to introduce improvement or to effect economies would be held up with the excuse that the Royal Commission was sitting, and that its report had not yet been considered.

"My Lord, I would ask your permission to dwell for a moment on the retirement from his present office of one who has been for over three anxious years my invaluable colleague and my devoted friend.

"Sir James Meston's distinguished services are so well known that it seems a work of supererogation to allude to them. It is not, I think, too much to say that for the last three years Sir James has been the guide, philosopher and friend of the Government of India. He has been more. He has been a helpful, sympathetic and loyal friend to every member of this Council.

"His unswerving devotion to duty, his entire subordination of all self-interest to the good of India, his ready sacrifice of ease, leave and even health in the interests of the public service, and his extraordinary capacity for carrying through the most difficult tasks without friction and with complete success, are so well known to every one of us that it is hardly necessary for me to dwell on them.

[25TH MARCH 1912.] [Sir Guy Fleetwood Wilson ; the President.]

" Sir James Meston's services during the last three years of stress and anxiety have been conspicuous and successful, and it is impossible for me to exaggerate the deep obligation under which I lie towards him.

" I hope I may be permitted to say that we have placed the finances of India in a sounder and stronger position than they have perhaps before occupied ; but if any credit does attach to the conduct of public business by the Finance Department during the last three and a half years, it should be attributed to Sir James Meston rather than myself.

" I believe I shall be voicing the feelings of every one present if I say that we wish him health, prosperity and success in the high position which, on the recommendation of Lord Hardinge, he has been called upon by his Sovereign to fill.

" I have been profoundly touched by the kind expressions which have been used to-day in regard to myself, and I am deeply grateful.

" Death has robbed me of more than one friend in this Council, and its coming reconstitution may lessen the number of those who have been my colleagues and my friends for three years. But be its composition what it may, the new Council cannot show me greater kindness or more unvarying consideration than that which I have received from you all, and for which I tender you my warm and heartfelt thanks."

His Excellency the President : " Following the example of some Hon'ble Members, I should like, as Head of the Government, to associate myself with the views of those who have expressed appreciation of Sir Guy Fleetwood Wilson and Sir James Meston. I share the hope that Sir Guy will return invigorated by his stay abroad and restored to health, so that he may be able to complete his full term of service. As regards Sir James Meston, although it has been a great pleasure to me to appoint him to so high and important a post, Hon'ble Members can well understand, I am sure, what a loss he will be to me and the Government of India as Secretary in the Finance Department. I need not go into the question of his great but unassuming ability ; but I am confident that his work and services will be to the great advantage of India in whatever position he is employed.

" There is only one point in other matters to which I would like to draw attention, and that is that, although I am determined to permit no measure in connection with the Dacca University that might be interpreted as a measure of partition, and although Mr. Basu has given expression to my own personal views, we have yet to know the view of the new Governor of Bengal on questions of detail, and still more those of the Secretary of State.

" We have now come to the end of another year, a year of historic memory, but it is the financial features of the year which have the first claim upon our thoughts. In the Budget I see a gratifying picture of India's economic strength. Famine came very near our doors in the autumn of last year ; but its heavy hand has been withdrawn from all but a few afflicted tracts in Bombay, Plague still scourges a patient and much-enduring people in parts of the country ; but the measures for repelling it are steadily growing in knowledge and efficiency and—what is worth even more—in cordiality of co-operation between our officers and those whom they endeavour to help. And so we have reached another milestone, and we pass onwards into the coming year, under the hand of Providence, in confidence and hope.

" The Finance Member, in opening his Budget, reviewed the progress of the last three years. I also have been tempted by his example to indulge in retrospect ; but I have been looking a little further back than he has done. I have been looking back to the days when our Indian revenues were clouded by two great shadows—the fall in exchange and the fear of invasion from our North-West Frontier. The era of our modern finance began about twelve years ago. It was an era of prosperity, high surpluses and reforming activity ; but it was dominated by these two great evils. Our exchange troubles, it is true, passed away in 1899, and I trust that under skilful guidance they will not return. Their consequences, however, remained in the high taxation that have been imposed to meet them ; in the pinching

of our administration; and in the poverty of the Provincial Governments. All this had to be put to rights. Moderation had to be restored to our taxes. Money had to be furnished for our more backward departments, particularly for the improvement of the police. The finances of Local Governments had to be placed on a sounder and more stable basis. To these objects the energies of my predecessors were bent and much of their surplus revenues were dedicated. Meanwhile, a heavy toll was being taken on our revenues by the other incubus which I have mentioned. The defence of our frontier and the preparation of our Army for war formed the second outstanding feature of the period that I am reviewing. Lord Kitchener matured his scheme for the reorganization and redistribution of our military strength, and large sums of money were devoted to it for a series of years. Looking then at the position broadly, we see how two great cycles of expenditure filled the rich years between the famine of 1899 and the crisis of 1907. The sequels of our currency troubles provided one: our military anxieties provided the other. The two overlapped, and between them they swallowed up the fruits of our prosperity.

"The situation has now entirely changed; the dark shadows that lay over us have passed away. Our taxation has been lightened. The resources of Local Governments have been strengthened. Exchange is stable; and however much opinions may differ on points of detail, I believe that the basis of our currency policy is secured in public confidence. So also with our military dispositions. The momentous change that the Russian Agreement brought into our relations with our great Asiatic neighbour removed the menace on our frontier, and the rapid growth of our Army expenditure has now been checked and curtailed. At first these improvements were obscured by the financial collapse of 1907 and our slow recovery from its effects. But with care and economy, our finances are restored to health; the sky is clear so far as human eye can judge, and we are ready for our next advance. On what lines shall we proceed? For what goal shall we strive?

"To that question my answer is clear and unhesitating. We have secured the defence of the country. We have removed our great handicap in international trade. It is now our duty to turn all our energies to the uplifting of our people. To that task we are giving freely in the Budget which you have discussed to-day. Is it too much to hope that it will be the dominant policy of the coming years? The Finance Member told the Council of the hopes that rose in my mind when first I took charge of my high office. By those hopes I still abide, and in them I am more than ever confirmed. It is only by the spread of knowledge and by the resolute struggle against avoidable disease and death that India can rise among the nations. It is with this ideal that I sincerely trust our finances will remain in touch. The path will not always be smooth; funds cannot always be available, or enthusiasm always fervid. But we have made a beginning and we cannot now turn back.

"I will not say more on the subject of finance, but before this Council adjourns and its members return to their homes, there are some other matters upon which I would like to avail myself of this opportunity to say a few words to the members of my Legislative Council.

"When closing the Budget debate last year I dwelt on the approaching visit of Their Imperial Majesties, the King-Emperor and Queen-Empress to India and the measures that we were already taking to ensure the success of their visit. Since then Their Imperial Majesties have come and after a happy time, full of mutual esteem and affection towards their Indian subjects, have returned to their English home. I will not dwell here upon the splendid pageants of the Coronation Durbar or the cordial reception granted to Their Majesties in Bombay and Calcutta, but I will only say that the expression I used last year, namely, a tidal wave of enthusiasm, was a very inadequate description of the stream of loyal enthusiasm and respectful reverence which broke through every restraint and flooded the country and all classes of the population with joy and gladness at the presence of Their Majesties amongst them. It was one only more proof of the undeniable fact that this vast Empire will yield to none in its loyalty and homage to the Throne.

[25TH MARCH 1912.]

[The President.]

"The past year may well be described as an *annus mirabilis*, and owing to the beneficent administrative changes announced by the King-Emperor at Delhi, it will leave a lasting mark upon the history of India. We are confident that the beneficial results of those changes will eventually exceed all expectation, will introduce an era of peace and contentment, and will be to the advantage of better government and more efficient administration.

"In five days' time the three new Provinces will come into existence with complete full powers, with the exception of the Province of Bihar and Orissa, which will have to wait a few weeks, in accordance with law, for the creation of an Executive Council. All I wish to say to the three reconstituted Provinces is—'Go forward and prosper, and justify the policy of the Government of India by the maintenance of peace and order within your boundaries.' The tranquillity that happily prevails in Bengal as compared with the situation of the past few years, and even of a year ago, is already a striking and undeniable proof of the wisdom of the policy of the Government of India.

"As regards the transfer of the capital to Delhi, we fully realise the heavy responsibility entailed in the creation of a new Imperial city that shall be worthy of this Empire and which shall meet the requirements of a great capital, with a careful, but not too parsimonious supervision of the expenditure required to achieve a really satisfactory result. The creation of this new city is a matter in which I am taking, and shall continue to take, a very keen personal interest, and I have been in correspondence with Lord Crewe to send here as soon as possible the best sanitary engineer, town-planner, architect and landscape gardener that he can find to draw up plans for the new city. These will leave England in a few days' time. When acceptable plans have been prepared, the moment will arrive to call in architects to provide suitable designs and estimates for the new Government buildings, and these will require very careful selection and supervision. My own personal inclination is towards an Oriental style of architecture which should be in unison with local surroundings and with climatic conditions.

"I am well aware that criticisms have been levelled at the Government of India for having cited a fixed sum as the probable cost of the new capital, and that certain people have mentioned ten to fourteen millions as more likely to be expended than the more modest sum of four millions named by Government. I do not know upon what basis these estimates have been framed, but I can only regard them as exaggerated and fantastic. A little thought as to what land, Government buildings, roads, drainage, water-supply, etc., will at the outset be required for the new city, would convince any unbiassed person that the cost will approximate far more nearly to the Government estimate than to these exaggerated figures. For example, when I was in Delhi a few days ago, I saw what appeared to me a desirable site, and I made inquiry into the cost of acquiring a space of 30 square miles embracing this area. I found that it would cost, roughly speaking, 30 to 35 lakhs. Now, irresponsible critics have probably not taken into account the cheapness of land at Delhi, which after all is a well-known fact, although most of the land in question is covered with rich and luxuriant crops. Lime, bricks and splendid stone, the same as that used by the Moghal Emperors, are to be found absolutely on the spot, while the Mekkana marble quarries are only 200 miles distant on a direct line of railway. These facts naturally conduce to reduce expenditure, but they again have been probably ignored by our amiable critics. Then again I know that the Government buildings and civil station at Dacca cost under 70 lakhs; I know also that the estimated expenditure on a handsome scale for Government buildings and civil station at Bankipore is under a crore. Are we wrong therefore in considering that we can do the same at new Delhi on a much more magnificent scale for six crores? Government have of course no intention of themselves building private residences, shops, business premises, etc. On the other hand, they hope to obtain a good return for land sold to private individuals on reasonable terms for building leases. I therefore do not at all regret that the Government of India mentioned a fixed sum of 4 million sterling, i.e., six crores, as a probable cost of Delhi, which amount I have good reason to believe will, with proper care and super-

vision, be in the end but little, if at all, exceeded by the time that the city is built. I hope that these facts may reassure people in India and serve to correct irresponsible statements made by interested persons.

"We all know the adage that Rome was not built in a day; and however hard we may work, it will take some years before the new city can be completed. In the meantime we are making arrangements for the temporary accommodation of the Government of India at Delhi during next cold weather and for the meeting there of this Council. Although I fear that owing to the fortune of war in the approaching electoral campaign some familiar friends and faces may be absent when we meet next year at Delhi, I trust that nobody of my Council will take too seriously to heart the grave forebodings of certain organs of the Press in which Delhi is described as being afflicted with the ten plagues of Egypt. I bid those who are timid to be stout of heart, to realise that, in spite of these blood-curdling stories, the death-rate of Delhi is no more than that of Lucknow, and to remember that Delhi is one of the towns of Northern India where the increase of population has during the last twenty years been both steady and progressive.

"I should now like to turn your thoughts for a few minutes to external affairs in which the interests of a very large and influential section of the community are sentimentally, though indirectly, affected. I do not wish to touch on the question of the war between Turkey and Italy beyond expressing our profound regret that hostilities should be in progress between two countries so friendly disposed towards Great Britain, and to add that I happen to know that His Majesty's Government have, in conjunction with other Powers, already taken steps to mediate with a view to securing an honourable peace. When, however, it appeared that there was a likelihood of hostilities being extended by the Italian naval forces to Jeddah and Yambo, I immediately drew the attention of His Majesty's Government to the very serious anxiety that would be created by an attack upon the ports leading to the holy cities of Islam, and by an interference with the pilgrim traffic to those ports. Representations were at once made to the Italian Government by the Secretary of State for Foreign Affairs and satisfactory assurances were obtained.

"Having already mentioned the friendly disposition of Turkey towards Great Britain, I should like to inform the members of my Council of a significant incident which occurred only a few days ago, and of which I only learnt yesterday. The King received, on March 21st, a Special Mission from the Sultan of Turkey, consisting of the Turkish Ambassador, the Councillor and two Secretaries of the Turkish Embassy, and Reshid Bey (*Conseiller légiste*) of the Sublime Porte, who presented to His Majesty an autograph letter from the Sultan, and also the Order of the Hamedan-al-Osman and the Order of the Intiaz conferred on the King as a fresh proof of the Sultan's desire to strengthen the friendly relations and cordial ties now existing between the two Empires, and as a special mark of His Imperial Majesty's sincere friendship towards the King. The point is that the almost unprecedented distinction of the simultaneous conferment of these two Orders by the Sultan on His Majesty the King-Emperor is a striking act of confidence and goodwill which I am sure will be appreciated by the Muhammadans of India.

"In Persia the situation during the past two years has been as unsatisfactory as possible, in so far as British and Indian interests are concerned. In the south of Persia anarchy reigns supreme, the Persian Government having neither power nor authority, while order in the Gulf ports is maintained solely by the presence of the British East Indian Squadron in the Persian Gulf. British and Indian trade interests have suffered severe losses, many caravans having been robbed and the muleteers killed by tribesmen, so that no caravans can now proceed in safety along the main trade routes. Within only the last few days 150 Indian troops have had to be landed at Lingah to protect the Consulate and British and Indian lives and property from the threatened attack of 2,400 tribesmen. Six months ago, owing to an attack made upon the British Consulate at Shiraz, which I may add was very bravely repulsed by a small handful of Indian troops acting as Consular guards,

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[The President.]

it was decided to strengthen the escorts at Bushire, Shiraz and Ispahan, and four squadrons of the Central India Horse were sent to Persia for distribution between these towns and for the protection of British and Indian life and property. Shortly afterwards, when the British Consul at Shiraz was proceeding with a caravan with specie belonging to the Imperial Bank of Persia, escorted by half a squadron of the Central India Horse, they were attacked by the very men who were employed by the Persian Government as road guards, and they lost a few men killed and wounded, amongst the latter being the British Consul. The ordinary course under such circumstances would be to demand from the Persian Government the punishment of the offenders and reparation. Such a course under existing circumstances is not likely to produce much result, and the only alternative course would be to take the law into one's own hands and to send a punitive expedition. To act on such lines there would in my opinion be serious objections, since it might involve us in a situation in Southern Persia from which it might be difficult to extricate ourselves and which might eventually lead to the partition of Persia. Such a policy is entirely opposed to the views of the Government of India, whose hope and desire are that the integrity and independence of Persia may remain unimpaired. In view, however, of the necessity of looking after our own interests, we propose, with the approval of the Secretary of State, to instruct our Resident at Bushire to open negotiations with the tribes for the punishment of those who led the attack upon our convoy and for the proper guarding and security of the British and Indian caravans passing along the main trade routes of the south. This explanation of our policy will, I trust, dispel the fears of those who have imagined that we had leanings towards the partition of Persia with Russia. We have, I maintain, acted with much patience under circumstances of grave provocation, and our one hope is that we may yet see peace and order restored in Southern Persia in the near future.

"There are, I know, certain critics who declaim against the Anglo-Russian Agreement in connection with Persia, and ask of what use it can be in view of the presence of Russian troops in Northern Persia. To those critics I would reply that the fundamental basis of the Anglo-Russian Agreement is the independence and integrity of Persia; and so long as we are a signatory to that agreement, we are able to exercise a moral influence on our co-signatory, where we could not use material pressure. Russian troops have not entered Teheran, and within the last few weeks they have been withdrawn from Kasvin. It is my own conviction that, were this agreement not in force, the partition of Persia would already be an accomplished fact.

"Nearer home and actually on our north-east borders we have had to send a small punitive expedition against some tribes of Abors, who last spring murdered Mr. Williamson, an able young official, and his party under circumstances of great treachery. The remains of Mr. Williamson have been partly recovered, and some of those implicated in his murder have been captured. Advantage was taken of the presence of the expedition to survey a considerable tract of country which was absolutely unknown. The expedition having achieved its object is now returning home.

"Although the Government of India have been so fortunate as not to be engaged in any tribal war on the North-West Frontier during the past few years, we have quite recently been nearly in conflict with the Mahsuds. This tribe has during the past year suffered terribly from famine; and in order to give them employment and to save them from being driven by hunger to become a nuisance to their neighbours, we obtained authority from the Secretary of State to commence work on a proposed railway from Pezu to Tohk. Upon this line 2,500 Mahsuds have for some time been employed. A certain section of the tribe that was hostile has tried to create trouble and has destroyed one of our roads. This caused some unrest on the frontier, necessitating the moving up of troops to meet all eventualities. Happily the Mahsuds employed on the railway realised the advantages of their situation, drove off their fellow-tribesmen and repaired the road. I think we may congratulate ourselves that this small railway, of which the construction will be profitable in the future, has saved us from a tribal war on the frontier.

"Now turning to affairs nearer home, and in particular to the work of my Legislative Council during the past session, I think that I may say with some pride and satisfaction that the debates that have taken place have reached a higher standard of statesmanship and efficiency than has ever been previously attained. They have taken place with a self-restraint and a mutual courtesy and good fellowship that might well be a model to all legislative bodies. Many Resolutions of various kinds have been brought forward by non-official members, and their views have been set forth with explicit clearness and much force. The fact that a large majority of these Resolutions have been negatived by Government is no reason for regarding these discussions as sterile or a waste of time. On the contrary, I regard them as most beneficial, since not only do they present an opportunity for the Government to hear the views of Hon'ble Members from every part of the country and thereby to acquire much useful local information, but they enable the Government to explain clearly their own views and to give publicity to their reasons for not acceding to them. Government must clearly be a moderating influence and restraining force advancing steadily on the path of reform and development with every care for the varied interests of the millions entrusted to their care. If all the Resolutions that were proposed were accepted and became law to-morrow, they would assuredly give place to others, probably of a more advanced type; and with progress at this rate India would soon be in the melting-pot. Consequently I see every advantage in the discussions that have taken place in this Council. They are in my opinion extremely educative, and will, I am sure, bear fruit in due season.

"With these few words I wish you all a happy return to your homes, and I declare this session closed.

The Council adjourned *sine die*.

W. H. VINCENT,

Secretary to the Government of India,
Legislative Department.

CALCUTTA;

The 1st April 1912.