

*Wednesday,
21st March, 1917*

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

Vol. LV

March 1917

ABSTRACT OF PROCEEDINGS
OF
THE COUNCIL OF THE GOVERNOR GENERAL OF INDIA

ASSEMBLED FOR THE PURPOSE OF MAKING

LAWS AND REGULATIONS,

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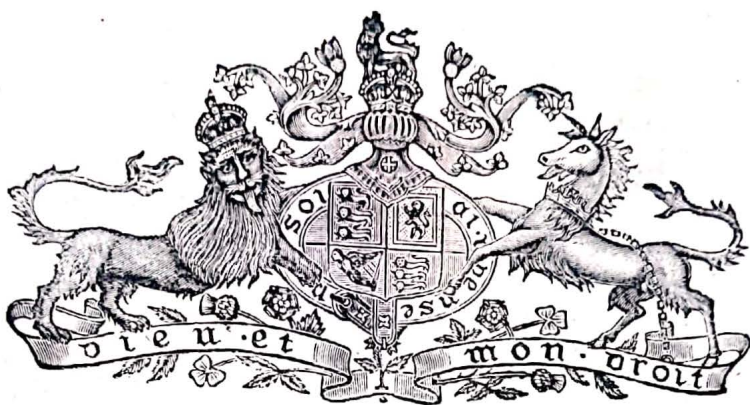
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GOVERNMENT OF INDIA.
LEGISLATIVE DEPARTMENT.

PROCEEDINGS OF THE INDIAN LEGISLATIVE COUNCIL, ASSEMBLED UNDER
THE PROVISIONS OF THE GOVERNMENT OF INDIA ACT, 1915
(5 & 6 Geo. V. Ch. 61).

The Council met at the Council Chamber, Imperial Secretariat, Delhi, on
Wednesday, the 21st March, 1917.

PRESENT :

The HON'BLE MR. G. R. LOWNDES, *Vice-President, presiding*, and
60 Members, of whom 53 were Additional Members.

QUESTIONS AND ANSWERS.

The Hon'ble Mr. Kamini Kumar Chanda asked :—

1. “(1) Will the Government be pleased to state what is the present position as regards the question of the separation of judicial and executive functions?”

*Separation
of Judicial
and Execu-
tive func-
tions.*

(2) Has any advance been made towards the carrying out of the scheme since the announcement by Sir Harvey Adamson in this Council on the 27th March, 1908, of the decision of the Government of India ‘to advance cautiously and tentatively towards the separation of judicial and executive functions’?

(3) Is there any reasonable probability of carrying out the scheme in the near future, in some Provinces at least?”

The Hon'ble Sir Reginald Craddock replied :—

“The answer to (2) and (3) is in the negative.

The Government of India have been in correspondence with the Secretary of State, who has decided that the present state of Bengal makes it entirely unsuitable for any experiment of the kind mentioned, and that as the question is

[*Sir Reginald Cradock; Mr. Kamini Kumar Chanda; Pandit Madan Mohan Malaviya; Sir Claude Hill; Mr. Bhupendra Nath Basu.*] [21ST MARCH, 1917.]

highly controversial, all further consideration of the subject must be postponed until after the war."

The Hon'ble Mr. Kamini Kumar Chanda asked :—

The Defence
of India Act.

2. "(a) Has the attention of Government been called to the resolutions passed at the last Annual Session of the All-India Moslem League and the National Congress on the working of the Defence of India Act?

(b) Is the Government aware of any general feeling of uneasiness and anxiety among the people caused by the way in which the Defence of India Act is being applied, specially in Bengal?

(c) Is it a fact that no written charge is framed against parties proceeded against under the Act? If so, will the Government be pleased to consider the justice of directing that in all cases under the Act, definite charges in writing specifying, as far as practicable, the acts complained of, and such particulars as to the time and place of the alleged acts, as are sufficient to give the party reasonable notice of the matter he is accused of, be given to him and his written answer to the same, if he wishes to make any, be taken before final orders are passed?

(d) Will the Government be pleased to re-consider their decision against the formation of a small advisory mixed committee to advise the Government on all cases under the Act as regards the action to be taken?

"Having regard to the fact that this matter was fully gone into when the Hon'ble Mr. Dadabhoj moved his Resolution regarding the amendment of the rules under the Defence of India Act, 1915, and I moved an amendment to that Resolution, I would ask your permission to withdraw this question."

The question was, by permission, withdrawn.

The Hon'ble Pandit Madan Mohan Malaviya asked :—

Permanent
settlement
of the land
revenue.

3. "With reference to the correspondence between the Government of India and the Secretary of State during 1882-1885 on the question of the permanent settlement of the land revenue, a portion of which was laid on the table on the 27th September, 1916, will the Government be pleased to lay on the table the Despatch dated the 16th August, 1884, sent by the Government of India to the Secretary of State which is referred to in the correspondence published in September last?"

The Hon'ble Sir Claude Hill replied :—

"A copy* of the Despatch asked for by the Hon'ble Member is laid on the table."

The Hon'ble Mr. Bhupendra Nath Basu asked :—

Clerical
posts in the
Government
of India Sec-
retariat.

4. "(a) Does not the Resolution of the Home Department No. 877-825, dated 6th July, 1910, abolishing the system of competitive examination for clerical posts in the Secretariat provide for the maintenance of an approved list of candidates by the Home Department, and is such a list still maintained in the Home Department?

(b) If not, will Government be pleased to lay on the table the existing rules under which the recruitment of clerks in the Government of India Secretariat and attached offices is now made, and state the circumstances that led to the abolition of the list?

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(c) Will Government be pleased to state the number of appointments made year by year since the discontinuance of the competitive examination for clerical posts in the Secretariat and attached offices, and specify how many of them were from registered candidates?

(d) Do not the rules appended to the Resolution referred to state that 'the minimum educational qualifications required of candidates for the first division will be, in the case of Europeans, a pass by the Cambridge Senior Local, or the High School examination or Matriculation examination of a University, and in the case of Indians a University Degree'? If so, will Government be pleased to state the reasons why a differentiation has been made in the matter of educational qualifications between Indians and Anglo-Indians?

(e) Will Government be pleased to state the total number of clerical appointments of all grades (excluding Registrars and Superintendents) in the different Departments of the Government of India Secretariat and attached offices at the end of February 1917?

(f) Will Government be pleased to lay on the table a statement showing, year by year, the number of appointments made to each division (first and second) of the service during the six years preceding the abolition of the competitive examination and also during the six years after the abolition, classifying the appointments into the following classes:—(i) Indians of un-mixed descent, and (ii) Anglo-Indians?

(g) Will Government be pleased to lay on the table a statement showing the total number of Registrars and Superintendents in the Government of India Secretariat and attached offices, and state how many of them are Indians and how many Anglo-Indians?

The Hon'ble Sir Reginald Craddock replied:—

"The information required by the Hon'ble Member will be collected, and a reply laid on the table at the next Simla Session."

The Hon'ble Mr. Bhupendra Nath Basu asked:—

5. (a) Will Government be pleased to state the total number of gazetted appointments above the rank of Registrar in the Government of India Secretariat and attached offices classifying the appointments into the following classes:—(i) those carrying salaries of Rs. 2,000 and more, and (ii) those carrying salaries below Rs. 2,000, and specify the number of such appointments held by Indians?

Gazetted appointments in the Government of India Secretariat.

(b) Will Government be pleased to supply similar information in regard to the different Provinces and Administrations?

The Hon'ble Sir Reginald Craddock replied:—

"(a) The information will be collected and laid on the table in due course.

(b) Government would prefer that the information desired should be elicited by questions addressed to the Local Governments who are responsible for the appointments in question."

The Hon'ble Mr. Bhupendra Nath Basu asked:—

6. (1) Will the Government be pleased to state the number of persons interned under the Defence of India Act, 1915, up to 31st of January, 1917, in the different provinces of India?

Internments under the Defence of India Act, 1915.

(2) Will the Government be pleased to state how many of these persons have been dealt with after internment under the Regulations, namely, Bengal Regulation III of 1918, Madras Regulation II of 1919, and Bombay Regulation VIII of 1918?

(3) Will the Government be pleased to state how many of these persons were placed on their trial before special tribunals or before the ordinary Courts,

[*Mr. Bhupendra Nath Basu*] [21st MARCH, 1917.]

and whether after they were acquitted or discharged any of them were interned under the Defence of India Act? If so how many?

(4) Will the Government be pleased to state what provision is made for the persons interned and for their families? Are the interned persons allowed the use of servants and cooks? If so, in how many cases?

(5) Are the reports on which persons are being interned submitted to any independent scrutiny, namely, of persons not in the employ of Government?

(6) Are interned persons allowed to be visited by their relatives or lawyers? If so, what are the facilities offered for such interviews?

(7) Is formal intimation given to the families of interned persons as to their place of internment? If so, how long after the internment?

(8) Are the families of interned persons notified as to the change of their place of internment?

(9) Are interned persons allowed to be visited by members of their family or lawyers before they are interrogated by the police?

(10) Are interned persons allowed to make statements or confessions before police officers in the absence of any Magistrate?

(11) Are interned persons ever placed before Magistrates before or at the time they are required to make any statement?

(12) Is it a fact that some interned persons were hand-cuffed and put in prison dress?

(13) Is the Government aware that there is a widespread belief in the country that interned persons are being subjected to torture?

(14) Is there any arrangement for non-official visitors visiting the interned persons as in the case of ordinary prisoners in jail? If so, at what intervals are they visited by such visitors?

(15) Is there any provision for the attendance of medical men upon interned persons? If so, at what intervals are interned persons visited by medical men?

(16) Is any statement in writing made over to interned persons stating the charges upon which they have been interned? If so, in how many instances have such statements in writing been made over to interned persons?

(17) Are interned persons induced, required or compelled to submit any written explanation in reference to these statements?

(18) In how many instances have interned persons submitted such written explanations?

(19) Who are the persons who consider these explanations—are they the same officers on whose advice internments were ordered?

(20) Is there any independent committee, as under the Defence of the Realm Act in the United Kingdom in which is included a judge of the High Court, to consider and decide upon the explanations submitted by the interned persons?

(21) Are interned persons allowed to consult any lawyers before submitting their explanations? If so, how?

(22) In how many cases were interned persons allowed to consult lawyers or relatives before being called upon to make any statement?

(23) What are the opportunities or facilities offered to interned persons for obtaining legal advice?

(24) What are the differentiating circumstances which lead Government to deal with some persons under the old Regulations and with others under the Defence of India Act, 1915?

(25) Is there any difference in the treatment between those dealt with under the Regulations and those under the Defence of India Act? If so, what?

(26) Is the Government aware that there is a widespread feeling of alarm in Bengal in regard to the daily growing list of internments and deportations,

[21ST MARCH, 1917.] [*Mr. Bhupendra Nath Basu; Sir Reginald Craddock; Honorary Captain Ajab Khan, Sardar Bahadur; His Excellency the Commander-in-Chief in India; Sir William Meyer.*]

and that no explanation is vouchsafed to the public as to such internments and deportations ? ”

The Hon'ble Sir Reginald Craddock replied :—

“(1), (2) and (3) A statement* is laid on the table containing the information asked for by the Hon'ble Member.

(13) The Government of India are not aware of any such belief and do not think it can really exist. Petitions have been received recently from four persons, at first restrained under the Defence of India Rules and subsequently interned under Regulation III of 1818, alleging torture at the hands of the police, but their allegations have, after full and searching inquiry, been proved to be entirely false and groundless.

(24) and (25) A large number of persons concerned in secret revolutionary organisations have been dealt with by the Government of Bengal under the Defence of India Act, and among them a certain number of the more dangerous characters have been dealt with under Regulation III of 1818. These are confined as prisoners. The movements of the remainder are restricted to local areas specified in each case.

(26) Government have noticed statements in this sense in the press, but it is hardly correct to say that no explanation has been vouchsafed to the public in view of the very full statements made by His Excellency the Governor of Bengal on three occasions in the past year.

As regards the remaining questions the responsibility for the detailed administration of Rule III of the Defence of India (Consolidation) Rules rests primarily with the various Local Governments; the Government of India have not all the information requisite for answering them and would prefer that they should be put in the Councils of the Local Governments concerned.”

The Hon'ble Honorary Captain Ajab Khan, Sardar Bahadur, asked :—

7. “(a) Is it a fact that an Indian regiment composed of Hindus, Sikhs and Mussalmans is entitled to the employment of two Government paid priests only and that the third priest is paid by the class concerned ?”

Priests attached to Indian Regiments.

(b) If so, will Government be pleased to consider the advisability of providing a priest for each class ? ”

His Excellency the Commander-in-Chief in India replied :—

“(a) The answer is in the affirmative.

(b) The question is one which cannot be taken up now, but the proposal will receive consideration.”

BUDGET FOR 1917-18.

The Hon'ble Sir William Meyer :—“ I rise to present the Budget of the Government of India for 1917-18. The preliminary estimates which I laid before the Council on the 1st March have been revised in the light of our latest information. The Financial Secretary's Explanatory Memorandum has also been checked and brought up-to-date. 11-3 A.M.

“ The final figures of the Revised Estimate for 1916-17 and of the Budget Estimate for 1917-18 are given in the separate formal statements. The broad results of the revenue account are brought out in the table below in which I have also shown in brackets, for convenience of comparison, the figures (now

[*Sir William Aleyer.*] [21st MARCH, 1917.]

superseded) which were given in the corresponding table appearing in paragraph 70 of my speech introducing the Financial Statement.

(In millions of pounds.)

	Budget, 1916-17.			Revised, 1916-17.			Budget, 1917-18.		
	Imperial.	Provincial.	Total.	Imperial.	Provincial.	Total.	Imperial.	Provincial.	Total.
Revenue . . .	55·325	30·903	86·228	54·238 (54·833)	31·336 (31·031)	85·574 (85·864)	55·430 (55·843)	32·431 (32·234)	87·861 (88·071)
Expenditure . .	55·009	30·656	85·665	55·249 (55·945)	30·339 (30·300)	85·588 (86·245)	55·234 (55·833)	32·440 (32·240)	87·673 (87·919)
Surplus (+) or deficit (—).	+·316	—·753	+·473	+·989 (+·818)	+·997 (+·731)	+·986 (+·619)	+·196 (+·130)	—·009 (—·009)	+·038 (+·037)

"The effect of our corrections in the Revised Estimate for the current year is to raise the Imperial surplus previously announced by £171,000 and the Provincial surplus by £46,000. On the Imperial side we have reduced the estimate for Railway gross receipts by £100,000 with reference to recent returns, but expect a counterbalancing saving under working expenses. The principal variation, however, which accounts for the entire improvement in the surplus, is a reduction, expected at home, of £195,000 in the net expenditure under Military Services. The improvement in the Provincial surplus is due to some further saving in the anticipated expenditure under Civil Works.

"As regards the Budget of the next year, the net effect of the changes made is negligible, the Imperial surplus being now estimated at £136,000 as compared with £130,000 taken in the Financial Statement, while the small Provincial deficit of £98,000 remains unchanged.

"As I mentioned in paragraph 54 (7) of my speech on March 1st, we are allotting the profits on our wheat scheme, amounting to £158,000, to the Local Governments apart from a small sum reserved for expenditure under the orders of the Government of India. At the time the Financial Statement was introduced the allocation had not been settled, and the whole amount was, therefore, provisionally exhibited as Imperial expenditure under the Miscellaneous head. The Secretary of State has now approved our proposals for distributing the amount between the different provinces as announced in the Council a few days ago by my Honourable Colleague Sir Claude Hill. Accordingly the debit to the 'Miscellaneous' head has been excised, and the grants proposed, excluding the small Imperial portion, now appear on the Imperial side as transfers from Imperial to Provincial, while on the Provincial side a corresponding receipt is shown under the transfer head and the equivalent expenditure under the head 'Agriculture.'

"Turning to Ways and Means, we have made two important changes. In the first place, instead of providing for the whole of our war loan receipts—provisionally taken at £10 million—in 1917-18, we are taking £3 million as likely to be received in the current year and £7 million next year. This raises our closing balance in India for 1916-17, but will not affect our expected closing balance on the 31st March 1918. Secondly, we have assumed that, in addition to the silver purchases for which we have previously made specific provision, the Secretary of State will buy some £2 million more in 1917-18. As we shall get a corresponding credit on this side, this will not affect our total closing balances on the 31st March 1918, but will mean that we shall have £2 million more in India than would otherwise have been expected and the Secretary of State £2 million less at home. I will allude again presently to both these points, but mention them now in order to clear the ground.

"Coming then to the Revised Estimate for the current year, we expect that, apart from the war loan receipts just referred to, our aggregate closing balances on the 31st of this month will be about £600,000 less than was assumed in the Financial Statement. This deterioration is distributed almost

[21st March, 1917.] [Sir William Meyer.]

equally between India, where it is the net result of a number of minor variations, and England where the fluctuations are somewhat more important. Thus the Secretary of State now expects to recover $\text{£}1\frac{1}{2}$ million less of war expenditure in the current year, and a correspondingly larger amount in 1917-18. On the other hand, he puts the payments for his purchases of silver at about $\text{£}\frac{3}{4}$ million less, providing for this amount in 1917-18 instead and as already stated, anticipates about $\text{£}200,000$ less of military expenditure as well as smaller outgoings under other heads.

"As regards the coming year, we anticipate that our total closing balance on the 31st March 1918 will be $\text{£}17\frac{1}{2}$ million, or about $\text{£}\frac{1}{2}$ million better than was assumed in the Financial Statement. But for the special purchases of silver already mentioned, this would have represented a deterioration of $\text{£}1\frac{1}{2}$ million in our Indian balances counterbalanced by an improvement of roundly $\text{£}2$ million in the home balances. The reduction in our resources here is due to an increase in the estimate of our remittances to East Africa. These form part of the heavy recoverable war expenditure with which I dealt so fully in introducing the Financial Statement. A correspondingly larger recovery in London, together with certain other improvements on the English side this year and next, account for the larger balances which the Secretary of State now expects to hold.

"As the Council will remember, we provided in the Financial Statement for a closing balance in India on the 31st March next of $\text{£}11\frac{1}{2}$ million which is slightly below the standard at which we usually aim; and a further charge of $\text{£}1\frac{1}{2}$ million, owing to the increase in recoverable war expenditure, would reduce our balances to an inconvenient extent. For this reason we have now assumed that the Secretary of State will purchase at least $\text{£}2$ million worth of silver in 1917-18, in addition to the item of $\text{£}\frac{3}{4}$ million to which reference has already been made. Our closing balances as a whole are expected to be ample, and this arrangement effects a proper distribution as between England and India. It is closely parallel in fact to the normal arrangement by which the particular figure which we take in our Budget as the estimate for the Secretary of State's Council sales is determined not by our anticipations of the probable trade demand, but by the transfer required to effect a proper distribution of our balances. Our discretion, therefore, in regard to the actual amount of silver which we shall ultimately purchase is in no way limited, and as to this I need not repeat what I said in paragraph 75 of my speech introducing the Financial Statement. Also, as this entry for the purchase of silver is a mere adjusting figure, we have not complicated the estimates by making consequential provision at this stage in respect of profits on coinage or mint receipts.

"As regards the Indian War Loan, the entire proceeds of this large financial operation really appertain to the coming financial year, and there would have been some convenience if they could have been so shown. As, however, the loan has been opened a fortnight before that year commences, and is meeting with an immediate and exceedingly gratifying response, so that not merely applications but actual cash payments have come in on a large scale, we must of course exhibit such payments as debt raised in the current year. On the opening day the loan payments amounted to as much as $\text{£}900,000$ out of about $\text{£}1$ million subscribed, and we are not, I hope, unduly sanguine in assuming as we have done that by the 31st March we shall already have obtained some $\text{£}3$ million out of the total of $\text{£}10$ million which the loan is assumed to yield. I need hardly say that in adhering for the time being to the latter figure I do not wish it to be taken as my personal opinion, or that of the Government of India, that we may not hope for considerably more. The favourable reception of our loan proposals, and the energy and enthusiasm with which they are being taken up by so many patriotic helpers all over the country, do much to encourage such a hope; and as the Council are well aware, we shall only be too gratified to be able to hand over a far larger sum to His Majesty's Government. Our Ways and Means estimates, however, are drawn up largely with the object of enabling us to see how far we can meet all demands upon us in a period of special difficulty, and the figure $\text{£}10$ million

[*Sir William Meyer; Pandit Madan Mohan Malaviya.*] [21ST MARCH, 1917.]

really represents the minimum amount which is required with reference to our war expenditure in India rather than any definite forecast (which it would be idle to attempt at present) of the full amount which we may hope for.

"While referring to this question of the probable yield of the loan, I may mention one particular direction in which there is undoubtedly a clear possibility of our provisional estimate being exceeded. In our Ways and Means forecast we have assumed that the Savings Bank deposits of the period will accrue to much the same extent as if we had been floating an ordinary loan with the usual post office section, but with no extraordinary attractions. In effect, therefore, our estimate of a £10 million yield is exclusive of any sum which we may nominally obtain by transfer from Savings Bank deposits to Post Office cash certificates. But the more widely the advantages of these certificates become appreciated, the more likely it will be that the Savings Bank investor will place his money in this new form rather than as a bank deposit earning only 3 per cent. It is quite possible, therefore, that there may be a large transfer to the cash certificate form. This will not affect our resources in India, though it will of course entail a larger payment to His Majesty's Government at home. On the whole, therefore, we have thought it better to estimate for savings bank deposits on normal lines, as above explained, rather than to make some purely speculative estimate of the extent to which this process of transfer will proceed."

INDIAN REGISTRATION (AMENDMENT) BILL.

11.30 A.M.

The Hon'ble Pandit Madan Mohan Malaviya:—"Sir, I beg leave to present the Report of the Select Committee on the Bill further to amend the Indian Registration Act, 1908, and to move that the Bill be re-published. The Council will remember that this Bill was introduced in order to save certain documents from being adversely affected by the decision of their Lordships of the Privy Council in the case of *Jambu Prasad v. Muhammad Aftab Ali Khan*, which is reported in I. L. R. 37, All. 49. That decision rendered registration invalid in respect of certain documents which had been presented for registration by the agent of a party claiming under a document, if the agent was not authorised in the manner provided by section 33 of the Indian Registration Act, 1908, though he may have been accompanied at the time of presentation by the executant. After considering the opinions which had been received from various Governments, public bodies and individuals, the Select Committee arrived at the conclusion that the most suitable form of relief to grant in cases where a document had been improperly accepted for registration was to allow the document to be registered over again within four months from the discovery of the mistake, or in cases where the mistake could have been discovered before the passing of the Bill, within three months from the date when the Bill may become law. It was thought that there should be a permanent provision in the Act to this effect so that it could be taken advantage of in case similar mistakes were made in the future. This would bring relief to persons in the case of documents which have not yet been brought before a Court of Justice and on the validity of which judgment has not yet been passed. But it was probable that since the decision of the Privy Council referred to above, many suits had been dismissed by reason of similar mistakes in registration offices in the United Provinces; and I suggested that to prevent injustice in those cases also, a provision should be incorporated in the Act, to the effect that 'where any claim has been wholly or in part dismissed, rejected or withdrawn after the 25th day of November, 1914, and before the commencement of the Indian Registration (Amendment) Act, in a Court of first instance or of revision or of appeal, by reason only of the fact that a document was presented for registration under any enactment in force by an agent not duly authorised by power of attorney under the

INDIAN REGISTRATION (AMENDMENT) BILL; RESOLUTION 723
RE BOYSCOUT MOVEMENT AMONG INDIAN STUDENTS.

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B. N. Sarma.]

provisions of such enactment, the case may, if the dismissal, rejection or withdrawal has had the effect of invalidating in whole or in part the said document as between persons claiming or liable thereunder, be restored on review in the manner provided by the Code of Civil Procedure, 1908, for review of judgments on application in writing made within six months from the commencement of the said Act; and on such restoration the provisions of sub-section (1) shall apply to the said document, provided that no transfer of property to which such document relates or any portion thereof made for value between the date of such dismissal and the commencement of this Act shall be prejudicially affected by such restoration.' With this important safeguard against any injustice being done in cases of *bona fide* transfer for value, a section like this was, in my opinion, necessary to secure relief in cases where no third interests had been created, where the property in respect of which registration had been effected, was still held by the person or persons who had borrowed the money, where by a mere mistake in registration the debtor was being enabled to deprive his creditor of his rightful due. The Committee, however, had no information as to the number of cases which might be involved and as to the desirability of re-opening proceedings in them; and as it had no reason to believe on the materials before it that such cases had occurred in other provinces, the Committee thought that it might appropriately be left to the United Provinces themselves to deal with this question, and they were unwilling to recommend that any provision should be made in the present Bill to deal with them. The Committee were of opinion that the Bill has been so altered as to require re-publication, and they have recommended accordingly that it should be re-published. I hope that when the Bill is re-published, the United Provinces Government and others interested in the matter will bring it to the notice of Government if the number of cases in which relief ought to be given with retrospective effect is such as to justify the enactment of a provision such as I have suggested in the second section. In that case I am sure that the Government will be willing to take the matter into further consideration. Beyond that it is not possible to say at present. But the re-publication of the Bill will leave the matter in such a condition that if there is necessity for retrospective relief in a number of cases, the matter can be reconsidered. I lay the Report on the table."

The motion was put and agreed to.

**RESOLUTION RE BOYSCOUT MOVEMENT AMONG
INDIAN STUDENTS.**

The Hon'ble Rao Bahadur B. N. Sarma :—"Sir, it is with 11-25 A.M.
great pleasure that I rise to move the following Resolution :—

'This Council recommends to the Governor General in Council the urgent desirability of encouraging the boyscout movement among Indian students.'

"In rising to move this Resolution, I have every confidence that I shall be able to secure the support of the Council, because I am dealing here with a subject which would be uppermost in the minds of all thoughtful men as to the Ways and Means of inculcating in the young and impressionable minds ideas of fealty and loyalty to the throne under whose benign protection orderly progress is being evolved, a love of country and the Empire to which we belong, and of curing the defects in temperamental and environmental characteristics peculiar to Indian students; and the boyscout movement is eminently calculated to attain these objects. I have brought in this Resolution chiefly with the object of impressing upon the public and the Government the desirability of taking active steps to instil in young minds ideas of fealty. We have been asking for a rapid advancement in educational progress in all its forms and all its stages, and we have been complaining that the progress has not been sufficiently rapid and that it has been halting. It may be that we are right or it may be that we are wrong; but that is the feeling of the vast population of the

[*Rao Bahadur B. N. Sarma.*] [21ST MARCH, 1917.]

Indian public. It would, however, be idle to shut our eyes to the fact that it would be futile to expect Government to put their heart into the business so long as there is a latent fear, an unacknowledged suspicion, that the young men trained under our educational system may not be or have not been imbibing that enthusiasm for King and Crown which they ought to manifest in all their every-day dealings. Luckily for us the war has dispelled many a suspicion in this direction. It has proved unmistakably that there are among His Majesty's loyal subjects no body of men more loyal than the educated Indian public. But it is desirable that even the few exceptions that could be noted against this general statement should not be made to occur; and I believe that if the boy-scout movement could be made to spread in India and young men and boys are taught to respect their Sovereign and to respect the Sovereign's officers, to respect orderly progress, the results would be of a very desirable character. Hitherto it must be admitted that the Government of India have not tapped certain resources for obvious reasons. There is not the slightest doubt that Raja Bhakthi is part and parcel of the Indian being from long ages of tradition and practice; and the fact that in the Native States of India the people revere their sovereigns—happily most of these sovereigns do deserve the confidence, though unfortunately there may be here and there an exception—the very fact that in Native States sovereigns are revered in that particular manner shows that the Indian people have got Raja Bhakthi in them, even perhaps to a fault. The question is whether it would not be possible to tap that source, and I thought that it might be done and could be done by the spread of the boy-scout movement. Every day wherever this organisation may meet boys should be asked to salute the national flag, the flag of the Empire, and they are taught to revere it, to respect it and love it, and to look upon it as their own. I desire in this connection to be permitted to make a suggestion, namely, that the Imperial flag and the flag of India may be coupled together, so that they may be an object lesson of the desirability of the essential and permanent union of the two and of the love and regard which they should and would inspire in young minds.

"It must be confessed that as things are, our education has been defective, there is not that glowing enthusiasm that ought to exist in subjects connected with the Empire. I am sure that if the training were of a different character the results would be different. Unhappily, there has been for some time past a distinction, I do not say it is intentional, but there has been a distinction in this respect between the Indian and British lads; the Indian lad perceives it and is irritated by it; I am sure that Government will do all that lies in their power to efface that impression and to show that there is absolutely no foundation for the distinction, and that in this respect they and we are striving after the same object, namely, the defence and consolidation of the Empire. Another object which it is desirable to encourage among our students is the idea of patriotism, a love for the country and for the Empire. We have many virtues, but it must be confessed that these ideas have latterly, at any rate, fallen into disuetude and require resuscitation and encouragement. Now we do not want patriotism of a narrow order, pseudo-patriotism which sails in many forms under numerous disguises and devices; what we want is the genuine article which can make young men enthusiastic, eager and ready to suffer and die for their country and their Empire. This is the sort of patriotism, imperial patriotism, that should be stimulated. The boyscout movement has for its motto:—'Country first, self second; Be prepared.' This movement is eminently calculated to promote discipline among students. I do not believe that there is in the world another body of men who will take more kindly to discipline than the Indian students; their observances and the ceremonials which have been enjoined by the Shastras, by their religion and practice, when correctly understood, are observances which are intended to promote self-discipline of a very high order. But communal disciplinary habits are in some respects somewhat novel to them; that is a reason why the Indian students have been strangely misunderstood, and are considered to revel in acts of insubordination. This movement if

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properly guided is sure to check such tendencies, if any, and to promote discipline and love for order and good government. The training this movement gives, divides itself into four heads:—(1) individual character training—training in resourcefulness, observation and self-reliance, in order that students may gain the badge; (2) training in handicrafts or hobbies, which may help a boy in life, for which Proficiency badges are given; (3)—training for service for the State, such as fire-brigade, ambulance, missionary, sailor, life-saving or other collective public duty; and (4) training in Physical health, by encouraging the boy to take plenty of exercise and to look after his body. This is an excellent summary of groups, methods and qualities required to be developed. It must be confessed that we may be lacking in some of the qualities referred to. No country, no people can be too resourceful or self-reliant, or can cultivate the habit of observation sufficiently. Scientific development rests upon young men learning to observe and to note. I have heard many a Government servant deplore that he will have nothing to do when he retires from service; accustomed to hard work he does not know what to do after retirement; many old men die because they have nothing to do, and their lives may have been prolonged had they remained in harness. I think cultivation of hobbies would be of considerable use in the development of national character. Then there is the service for the State, such as fire-brigade, etc.; these are communal collective public duties and are also somewhat new in this country. This is culture which needs development. Unfortunately philosophic injunctions which discourage undue care of the frail human system have been woefully misunderstood, and the result has been physical deterioration. I lay particular stress upon the outdoor life and campaigning exercises which are the peculiar characteristics of the boyscout movement, and if they are adopted in this country, I have not the slightest hesitation in saying that our education will be complete—it will not be one-sided and will not fit us merely for the avocations of clerks and lawyers, etc.—we will be better fitted for every walk of life if some of this training, which is a characteristic feature of the boyscout movement is also added to the training which is ordinarily given in our public and private schools. A good deal has been done and is being done in the direction of social service by various associations, and I need not enlarge upon that. Young men are being drawn into these social service groups which promote functions which the boyscout movement encourages and therefore fitly falls within another category that deserves encouragement. The motto which the boyscout places before himself is admirably fitted for the development of a sense of honour, of respect for one's plighted word, that is a sentiment that deserves encouragement. I have been told that in regard to the supervision of workmen very great difficulty has been found as the men would not work unless under the immediate eye of their master. If there is a development of the sense of social honour, of the honour of keeping a man's word, I think many of these difficulties would disappear. There are other branches of the social law:—to be useful and to help others, to be a friend to all and a brother to every other scout; to be courteous; chivalrous; thrifty; clean of thought, word and deed; obedient to parents, scouts and masters without question, also to other authorities: these are admirable objects which nobody can dispute and are part of the scouts' law, and therefore I have not the slightest hesitation in expressing the hope that the Government and the Council will see their way to accepting this Resolution. I fully realise that, unless we can get competent and good scout masters of very high character, the movement may degenerate into something unwholesome, and consequently the progress we can make in this direction would be slow in the beginning, and it would depend largely upon the number of good and efficient scout masters we can secure. There is not the slightest doubt about the movement itself appealing to the imagination, to the sentiment and loyalty of the students themselves. It has done so all over the world; it is doing so in India; there can be no difficulty in that respect, but the only difficulty might be in the securing of good scout masters. After the war there

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may not be the same difficulty as there is now, and if in the training schools the teachers are taught to become scout masters, if they are enabled to qualify themselves as good scout masters, this difficulty may be obviated. But I think, Sir, that something practical should be done immediately to show the sympathy of the Government with this movement, and there is absolutely nothing in it which need deter any person, high or low, from joining it. I know that the Governors of some provinces have expressed their sympathy with it. I know a Resolution on this subject has been accepted in one Council, but it is absolutely necessary that the Government of India should inform the public that the movement has its approval, and they should do something to actively encourage it according as opportunities may offer. I trust that these scout masters, wherever there are such masters, should be encouraged to take Indian boys also under their control and teach them if they can find time. It would be a very good thing if there could be a combination of Indians and Europeans for this purpose, so as to promote the solidarity which we so ardently desire, but whether there is that combination or not, the time will surely come when that will be so, but until then I hope that Indians will find full encouragement at the hands of the Government of India and the Provincial Governments. With these words, I commend this Resolution to the Council."

11-14 A.M.

The Hon'ble Pandit Madan Mohan Malaviya:—"Sir, I have great pleasure in supporting the Resolution moved by my Hon'ble friend Mr. Sarma. The Resolution has not been brought one day too soon. The desirability of encouraging the boyscout movement hardly needs any advocacy now. It has been recognised in England and other civilized countries; it has also been recognised in India. In the case of European boys it is already in practice, and in the case of Indian boys too in several institutions in several provinces the movement is going on. But as my Hon'ble friend Mr. Sarma has pointed out, in some provinces the Government have recognised it, for instance, the Central Provinces Government have accepted a Resolution in their Council in favour of this movement. But I agree with my friend that it will greatly help the movement and accelerate the progress of the movement if the Government of India will be pleased to pronounce their benediction upon it and to ask for efforts being made so far as Government institutions are concerned to promote this movement.

"I think, Sir, at this juncture a Resolution of greater importance could hardly be laid before this Council. The Government have during the present Session recognised the need of calling upon Indians to enlist themselves in the service of the King-Emperor for the defence of the country. Now, Sir, the response to it, as we all hope, will be satisfactory, the signs hitherto are satisfactory, but I think in order that that response should now and hereafter be always absolutely satisfactory, it is essential that boys should be taken in hand early and patriotism should be inculcated in their minds while they are tender and impressionable. They should be taught that it is their duty to serve their country, they should be taught to be ready to lay down their lives for the defence of the country in which they live and work and in which they enjoy the many advantages which they do enjoy in their lives. At present instruction in patriotism is not unfortunately given in our schools and colleges to the extent which we all desire to give. In England, in America and in other advanced countries, it has long been recognised that there is nothing greater for a boy than that he should be inculcated with patriotic sentiments at an early age. But here owing to the peculiar situation in which we are placed, owing to the unfortunate feeling of mistrust which arises from the existing system of administration, there has been a great difficulty in our way which ought to be avoided and which I do not see any difficulty in avoiding if the problem is tackled in the right spirit. Now, Sir, we all desire, every sensible man in the country desires, that Indians should be whole-hearted in their loyalty to their King-Emperor. That sentiment is worth nursing; it will be worth

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the time and attention of the educationists and others interested in the student world to take some pains to see that boys grow up with that sentiment, and that they should be prepared to do what they may be called upon to do in order to prove their sentiment. The boyscout movement eminently offers the means of doing this, because the very first thing that the boys will have to be taught will be patriotism.

"The other advantages to which my friend has referred hardly need dilating upon. But I fear that among my own people the importance of the far-reaching results of this movement are not sufficiently appreciated, and I would therefore draw their attention to the physical and to the moral advantages which would accrue from this movement. It is a matter of great pity that we find our boys even in towns and cities wanting in resourcefulness, unable to help themselves, much less to help others on critical occasions. We have to take pains to adopt some means by which their resourcefulness and their self-reliance would be developed in them. The boyscout movement offers such a means.

"Then, again, in the matter of physical culture, though the Government have recognised the necessity of insisting upon having sports and games in schools, the physique of the Indian boys is not half as good as it should be, and it is desirable that, apart from the instruction from the teacher, apart from the fear of their falling under the wrath of the teacher, there should be encouragement of a more liberal character offered to the boys in order that they should develop their physique. That will be offered when he moves among his own fellow students when he will be put to shame if he is poor in physique and has to suffer some punishment when he is not able to run with his fellows, when he is not able to work with his fellows as he ought to. Physical culture which Government have been insisting upon must therefore receive very great impetus if the boyscout movement is developed.

"As regards the moral advantages I submit, Sir, that apart from all the lessons which the boys learn from their moral lesson books, the boyscout movement is likely to build up the moral character of the boy in a much more effective manner. It will teach him in the first instance obedience and loyalty to the King-Emperor, it will teach him respect for the law, it will teach him to obey his parents, it will teach him to obey his teachers, it will teach him discipline, and discipline will be good for him not only in his school days, but it will be good for him in all his life. Above all things, it will teach him to value that sense of honour which makes a man an honourable man. I need hardly dilate upon this matter to the extent that I should have liked to, but I do think that in this country where we hear of so many evils arising from the fact that the general mass of the population is illiterate being steeped in ignorance and therefore being liable to temptation, I do think that the encouragement of the boyscout movement and its extension among all sections and all classes of the community will be the greatest moral lever to use for lifting up the character of the whole population, for transforming the character of the whole population. The village *patwari*, the police constable, the Indian school master, the Indian public servant, all will be the better if they come from among the boys who have been boyscouts, and who have known what a scout's honour means, because in that case he will know that to be put on his honour is to be relied upon, is to be relied upon as a person who will carry out what he has promised to do. All complaints about petty officials tyrannising over our people and trying to benefit themselves at the expense of their fellow-men who are placed at a less advantage than they are, will, I hope, disappear, because the boy who has been among the scouts, who has borne the badge of the boy-scout, will know to despise everything that is mean and unworthy of himself and of his fellow men. Therefore, Sir, look at it in whatever way you like, I think this movement is calculated to lift the population, the general population, very much more in the moral plane too. Then we have the fact that in this country the general mass of the people are at present in need of much help. Move in a city, move in a village, move in the midst of the people when there is a big *mela* or procession, or

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gathering on the occasions of pilgrimages, whether they be in Calcutta, at Hardwar or Allahabad, and you are face to face with the extreme want of resourcefulness among the general mass of the people. Already where such movements have been organised, their magnificent effects have been noted upon and spoken of with great gratitude. At the recent Kumbha mela at Hardwar the members of the Prayag Seva Samiti, and the Marwari Samiti headed by my friend Pandit Hridaynath Kunzru, of the Servants of India Society organised a band of volunteers to help the pilgrims, and the help they rendered was of immense value. They worked as no soldiers could work, as no paid servants could work. From morning till evening they were at their duty, trying to find out a lost child, trying to find out a lost companion, rendering help in removing those who fell in the rush that took place when several persons were crushed to death, tracing out persons who had been lost, tracing some of them out in the midst of the heap of corpses that lay buried at one place in Hardwar, and doing it all for the love of the thing, for the honour of the thing, for the service of their fellow men. That was the response that students and youths gave to this appeal for service of their fellow men, and I assure you, Sir, I do not think that any appeal could create such feeling, such honourable feelings, such noble desires for service in the minds of our young men as that did. Now that happens only once in 12 years or once in several years. What we want is a living stream, a living channel, a living means, a living organisation through which we can reach the minds of our tender boys, and save them from going into the wrong path by putting them into the right track. If the boys are taken in hand at the age of 14, and if teachers recognise that it is as much their duty to organise the boyscouts movement, to put into the boy all that the scout's honour requires him to do, and to practise to do that, will be as much meritorious, if not more so, than to instruct them in their text-books. I venture to think that in the course of a few years the entire situation in the country would change. Some people have apprehended that there may be difficulty in finding teachers. I submit, Sir, that this is a field in which there would be no difficulty in finding teachers, because it should be the privilege of any man, any citizen, who may be called upon to help to train boyscouts, to give his time and his money to the service of his young friends and of the country and of the King, because as I have said, loyalty to the King, loyalty to the country, obedience to parents, respect for the law, respect for authority, will be among the prominent lessons which will be taught to the boyscouts. Therefore, I think, Sir, that this is at least a proposition which will not tax the energies of the Military Department which is already very heavily taxed by the present war. And this is a matter in which I hope the Government will see their way to accept the Resolution and to give it their whole-hearted support, and call upon all officers of the Government throughout the country and all citizens who are interested in the present and future of our Empire to take up the movement in right earnest and to make it a success. We are face to face, Sir, with a situation which is developing and we do not know what turns it will take in the near future. We do not know how great will be the call upon the patriotism of Indians as it has been upon the patriotism of Englishmen, and we do not know how long this war will last, and we are not at all sure that, after the war, we shall be able to go to sleep, to rest and repose in the satisfaction that all powers of aggression and militarism had been buried for ever. I do apprehend that in the near future too it will be our duty to think of training our future citizen army to be ready to repel attack as the only condition of being able to live in peace. And if that is to be so, I cannot conceive of any movement which will better ensure the success of a future citizen army than the training of our boys as boyscouts at present. For these reasons, Sir, I commend this Resolution to the consideration of the Government, and I hope it will receive their whole-hearted support."

11-57 A.M. **The Hon'ble Mr. Kamini Kumar Chanda:—**"Sir, I wish to add a word to this. I humbly submit that the boyscout movement for Indian

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boys is almost a natural corollary to the recent change in the policy of Government for giving military training to Indians. What is the meaning of the recent Defence of India Force Act? It is simply this, that educated Indians who hitherto were not allowed to do so, are invited to volunteer for military service. Well, if that is so, then it follows, Sir, that the movement for boy-scouts among Indian boys is a thing that ought to be encouraged by all means. What is a boy-scout? He receives a training that will fit him to be better able to discharge his military duties under the recent legislation. The scout of to-day will surely be a volunteer to-morrow, and surely that cannot be a thing which the Government should discourage. To do so would incline people to think that Government did not sufficiently trust us. I submit, Sir, from this point of view this thing ought to receive all encouragement at the hands of Government.

"Then there is the further fact that there are already boy-scout movements in this country among Europeans and Anglo-Indians. Will it be right to deny the same privilege to Indian boys? Such differential treatment will cause people to put an interpretation on it which ought not. I earnestly ask Government to consider this matter in this light. We fully believe, Sir, that this movement if, allowed to develop, will certainly be a check and preventative against revolutionary activities of certain young men. It will certainly direct their energies into healthy channels. With these words, I support the Resolution."

The Hon'ble Rai Bahadur Krishna Sahay :—"The Resolution which my friend the Hon'ble Mr. Sarma has placed before the Council is of very great importance to the rising generation of Indians. I do not propose to dwell on the political aspect of the question, to which reference has been made by the previous speaker so pointedly. I think it is scarcely necessary also to remind the Council that a regular course of training, systematised physical training, is likely to produce a very wholesome effect on the general education of our young men. It seems to me that the boy-scout movement has taken its birth in this country in the natural course of events. It has caught the imagination of our young men and it is bound to grow as time goes on. 12 noon.

"It is the duty of the State no less than that of the individual or society to so regulate this movement as to make it productive of the best possible results to the country and to the Government. I support the Resolution."

The Hon'ble Sir C. Sankaran Nair :—"Sir, I accept this Resolution. Let me first refer to a mistake of my Hon'ble friend and of the Hon'ble Mr. Chanda. They said there was some difference between the treatment of Anglo-Indian boys and of Indian boys. The fact is this. The boy-scout movement had its origin in England. It was introduced into India and it spread amongst Anglo-Indian boys under the auspices of the Boy-Scouts Association which has its head-quarters in England and is a private body. The Government as such have nothing to do with it. They did not encourage or discourage the movement, and they did not interfere in the activities of the association, and they do not propose to. Certain Government officials no doubt have encouraged it, but, as I said, the Government as such had nothing to do with it. So far as this Indian boy-scout movement is concerned, the Government are prepared to encourage it in India. They would only insist, however, on this, that the boy-scout troops must be under the supervision and control of efficient scout masters. Such troops as are under the control of efficient scout masters will receive every encouragement and assistance from the Local Governments, and there is no objection to Government officials taking any part in the movement and encouraging or assisting it in any way. I am glad that my friend the Hon'ble Mr. Sarma has realised that the movement might develop on undesirable lines if it is not under the supervision of efficient scout masters. In the Circular which the Government of India propose to 12.1 P.M.

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issue to Local Governments they will draw attention to such dangers. I accept the Resolution."

The Hon'ble Rao Bahadur B. N. Sarma:—"Sir, it only remains for me to thank the Government of India and the Hon'ble Sir Sankaran Nair for accepting the Resolution. I am sure the country will be deeply grateful to them."

The Resolution was adopted.

RESOLUTION *RE* READING OF SPEECHES IN COUNCIL.

12-4 P.M.

The Hon'ble Mr. D. E. Wacha to move the following Resolution :—

'This Council recommends to the Governor General in Council that the rules relating to the discussion of all classes of business in the Council be so amended as to preclude the reading of speeches, except in the case of Members introducing a Bill or Resolution, or by special permission of the President.'

"Sir, strong as I am in my conviction in reference to this Resolution, I am sorry to say that under the earnest appeals made to me by my Hon'ble friends here, particularly the non-official Members, for the time being I will withdraw my Resolution. I beg leave to withdraw it. (Hear, hear.) The applause is good to hear, but it is just possible I may bring the motion again at a future date."

The Hon'ble the Vice-President:—"I understand the Hon'ble Member wishes to withdraw his resolution."

The Hon'ble Mr. D. E. Wacha:—"Yes, Sir."

The Hon'ble the Vice-President:—"The Hon'ble Member understands that will prevent other Members from speaking on it. I only think it fair to point that out after what occurred yesterday."

The Hon'ble Mr. D. E. Wacha:—"I understand that when I withdraw without making a speech, other Members cannot make a speech."

The Hon'ble the Vice-President:—"Yes."

The Resolution was, by permission, withdrawn.

The Council adjourned till Friday, the 23rd instant, at 11 A.M.

A. P. MUDDIMAN,

*Secretary to the Government of India,
Legislative Department.*

DELHI:

The 27th March, 1917.

APPENDIX A.

[Referred to in answer to Question No. 5.]

No. 16 OF 1884.

GOVERNMENT OF INDIA.

REVENUE AND AGRICULTURAL DEPARTMENT.

 REVENUE.

To

THE RIGHT HONOURABLE THE EARL OF KIMBERLEY,

*Her Majesty's Secretary of State for India.**Simla, the 16th August 1884.*

MY LORD,

IN continuation of our despatch No. 14 of the 6th of November 1883, in which we communicated the general agreement of the Madras and Bombay Governments with the views of the Government of India respecting the assessment of land revenue, we have now the honour to submit, for Your Lordship's consideration and instructions, the correspondence and papers which we have received from the North-Western Provinces Government on the same subject.

2. The question in a zemindari province presents, however, more difficulties than in a ryotwari province, where there is only one party to be dealt with. In our despatch of the 16th of October 1882, we anticipated that it would be difficult in the former to make any satisfactory settlement with zemindars, unless at the same time the position of the ryots was taken into consideration; but as Your Lordship expressed a desire that the two questions should be kept apart, we laid, in addressing the North-Western Provinces Government, no stress upon this part of our original proposals. That Government has now criticised the whole scheme on the understanding that the tenant question is to be disconnected from it, and has, chiefly, we think, in consequence of the disconnection, been led to make alternative proposals, which fail to secure fully the objects we had in view. But we may at once say that the letter of Sir Alfred Lyall, who has given close consideration to the questions placed before him by the Government of India, must be regarded as a very valuable contribution towards the solution of the difficult problems involved in them, and that the criticisms contained in the papers which accompany his review, although displaying less comprehension of the objects of the policy advocated by the Government of India and Her Majesty's Secretary of State, yet include much valuable evidence, which is ably summarized and used in the letter from the Local Government.

3. The Lieutenant-Governor of the North-Western Provinces has been careful throughout his own review of the subject to bear in mind that the leading object of any reform which may be introduced in the assessment of land revenue is, in his own words, to give to landlords that assurance of security in regard to the assessment of the land revenue which is attached to permanency of demand without depriving the State of its unquestioned right to enhance the demand upon defined conditions. A clear statement of the principles upon which the revenue policy should be based is contained in the 29th paragraph of the letter from the Local Government, in which the conditions essential to the adequate and substantial improvement of the system of land revenue settlements are described to be—

- (1) that the improvement shall confer upon the landholders additional certainty as to the land revenue demand, and the reasonable security flowing from a certain permanence and fixity in the revenue;
- (2) that the State shall nevertheless retain a fair share in the profits of cultivation.

The opinion is then put forward that no system can be invented which will at once secure to the landlord certainty and security for the future, and to the State a fair share in increasing profits, so long as the State insists upon a definite share of the rental assets. The Government, it is argued, must take its choice between a more or less inquisitorial system that will levy an equal and uniform contribution of profits from each cultivated estate, and a less exact and easier system that will be content with an unevenly distributed and smaller demand. So far then as the main objects of reform are concerned, we may be justified in assuming that the Lieutenant-Governor of the North-Western Provinces is at one with Your Lordship and the Government of India. "The ends which the Government of India have in view are," writes Sir Alfred Lyall, "most desirable of attainment," and the task which the Local Government sets before itself is to consider whether, without serious departure from the conditions laid down in the programme of the Government of India, the ends contemplated cannot be reached by some other and similar road.

4. Before dealing with Sir Alfred Lyall's proposals, it is desirable to consider how far his arguments against the adoption of prices as a basis of enhancing revenue can be accepted. It is right, in the first place, to observe that in his 28th paragraph he remarks upon the omission of the Board of Revenue to notice that the Government of India's scheme proposes both to leave out of account a certain margin of the rise in prices before accepting them as a ground for enhancing revenue, and also to fix a certain maximum of enhancement. But although the inclusion of these two important conditions tends to reduce in value many of the arguments raised in detail against the application of a price test, yet there is a residuum of objections, to which the North-Western Provinces Government has in its review given full weight. It is admitted that there is no obstacle which cannot be surmounted in compiling tables of prices; but granting this, there are still many difficulties, briefly summarized below, which are urged against this part of the scheme:—

- (1) There is no guarantee that a rise of prices will be stable or of a permanent character.
- (2) For a sudden and material fall in prices the proposed remedy of giving relief by remission or suspension would be found to be unsatisfactory.
- (3) The plan will benefit different tracts in a different degree.
- (4) In consequence of the varying proportion of staples in different tracts, there is some difficulty in adjusting any calculation of a rise of prices fair to all.
- (5) The profits of cultivators have a tendency to diminish.
- (6) A general rise in rents follows a rise in prices only at long and uncertain intervals and in unequal degrees.

5. Such briefly are the difficulties which Sir A. Lyall sees in the way of adjusting enhancements of revenue by reference to prices. We are prepared to admit that they afford a formidable obstacle to any proposals which involve an attempt to base future enhancements upon an exact relation between a rise in prices and a rise in revenue, and which fail to associate the question of the revenue demand with that of the assessment of rent. It may perhaps be shown, as we shall presently explain, that, with the exception of the last and by far the most serious objection, the difficulties brought forward can be greatly reduced by confining the proportion which the revenue enhancement should bear to a rise in prices within definite limits,—by avoiding in fact too close an approximation between the two; but we are convinced, by the facts and arguments adduced in the papers now before us in support of the final objection, that it is practically hopeless to endeavour to accomplish the objects which we desire to attain without some consideration of the relations between landlords and tenants and of the circumstances under which rentals are in future to be enhanced. It may be at once admitted that the evidence so amply given in the North-Western Provinces papers as to the absence of any direct proportionate relation between rent and prices confirms from one point of view the objection to our original scheme, which was brought forward in the 22nd paragraph of Your Lordship's despatch of the 22nd of March 1883. The difficulty is no new one. It was, as Your Lordship justly observed in the paragraph above quoted, much insisted upon in the North-Western Provinces discussions of 1872. It is certainly fatal under the existing conditions of the tenancy law to any scheme which aims at giving to the landlords that assurance of security which is attached to permanency of demand, and which does not at the same time surrender to them a larger share of the rental than the Government is called upon to resign. There seem to be only two courses left open. The one to revert to some plan, such as that suggested in 1874 by Sir William Muir, or now by Sir Alfred Lyall, under which the revenue will continue to be regulated by changes in rental modified by general considerations; and the other so to regulate the enhancement of rents as to diminish materially the divergence between the growth of the rent rolls and the enhancements of revenue based upon a consideration of prices. The adoption of the former course means, we fear, the elimination to a material degree of those conditions of security and certainty which are considered of primary importance, while to follow the latter without further communication with Your Lordship would be inconsistent with the instructions contained in the last paragraph of Your Lordship's despatch. It appears to be our duty however, in view of the importance of the subject, to bring forward the considerations which apply to the adoption of both one course and the other, and we will make some attempt to place in a clear light our views upon the difficult issues which are involved.

6 It will perhaps be convenient to consider in the following order the leading points which we propose to discuss. We will first endeavour to show that, putting aside the question of an exact adaptation of rents proportionately to prices, the arguments brought forward admit of material modification by a wider application of the price-test. We will then explain how the regulation of rents would necessarily tend to diminish the force of Sir A. Lyall's last and most serious objection, that there is no close connection between prices and rents. We shall next ask Your Lordship's permission to discuss more fully the advantage of taking up simultaneously the two questions of the enhancement of rent and revenue, and the possibility of preserving in that case a closer approximation to our original scheme than would otherwise be feasible. Sir Alfred Lyall's proposals will then be reviewed, and the opportunity taken to compare them with those put forward in Sir William Muir's suggestions of 1874. The objections to which they may be considered open will be pointed out, and their advantages duly weighed.

7. In dealing with the first subject,—that of the difficulties attending a consideration of prices,—we desire to offer some explanation of the leading objects which we had in view in making our original proposals. It may be briefly stated that we intended to provide some means of preventing

serious loss to Government on account of any material rise in prices, and to use the examination of prices primarily as a means of detecting a change in the purchasing power of silver. The subject had attracted prominent attention when the proposals connected with a permanent settlement were last before the Government of India. We indicated in the 13th paragraph of our despatch of October 1882 that the financial position of 1876 had considerable influence in causing the complete abandonment at that time of any idea of a permanent settlement in Northern India; and we may now add that the question was seriously entertained by Lord Northbrook's Government of adjusting the revenue demand, even within the term of settlement, in accordance with a material rise or fall in prices. When, therefore, it became our duty to enter upon a fresh investigation of the subject, we were obviously bound to give full weight to the question of the purchasing power of silver. The general tendency, we found, was in favour of basing future enhancements upon prices. Lord Northbrook, after a full consideration of the evidence from the North-Western Provinces, and the recorded views of his predecessors and councillors, had arrived, as we have stated in the first paragraph of our former despatch, at the conclusion that an improved system of settlement could not be introduced, except upon the plan of regulating the land revenue by reference to prices from time to time. The case was temporarily dropped at this point, and it was there that it became our duty to take it up. We saw no reason to disagree with Lord Northbrook's deliberate conclusions, and we endeavoured to give them effect in the scheme of assessment which we had the honour to lay before Your Lordship. Our leading idea cannot under these circumstances fail to be recognized. We desired, in common with our predecessors, to save future Governments from the incalculable loss which might result from anything like the introduction of a permanent settlement in the event of a fall in the value of money. For this purpose, however, it would be sufficient to make a very general and broad investigation, extending over a very large area, into the purchasing power of the rupee. It is not difficult to prove that an investigation of this nature would be less open to the objections brought forward in the North-Western Provinces criticisms than the more restricted and narrow enquiries to which the attention of the writers seems to have been confined. The stability and permanent character of a rise in prices could, for instance, be more safely gauged by a general and comprehensive review of prices throughout the country, or an entire province than by dealing separately with each small tract. A sudden and material fall from any standard of the kind we are indicating would, except in the case of a province like Burma, which depends entirely upon one staple, be an unlikely event, unless the value of silver were to rise to such an extent as to justify the Government in giving general relief to the payers of land revenue. The difficulties of adjusting calculations on the prices of staples, on account of the varying proportion of them in different tracts, would be much diminished, while the reduced profits of the agricultural population, foreshadowed in the North-Western Provinces papers, would be guarded against by the provision of the margin which it has always been contemplated to allow. Leaving out for the present any consideration of the direct proportional relation between rents and prices, the only argument of those summarized in our 4th paragraph, to which we think much weight need be attached, is that the application of a general or provincial rate of enhancement based upon prices would have an unequal effect upon different parts of the country. But, as Sir A. Lyall very clearly points out in the words which we have quoted in our 2nd paragraph, the introduction of any less exact or easier system than that now prevailing necessitates the acceptance of an unevenly distributed and smaller demand, and we are quite of opinion that the advantage of equality may be too dearly purchased. The inapplicability of a general rate to such tracts as had benefited by State improvements did not, however, escape our notice. It was more particularly discussed in reference to railways. It was urged, and justly, that railways were an improvement directly due to the outlay of the public funds, and that their passage through an agricultural district was, as a rule, prominently marked by a material and immediate rise in the value of produce; and it was chiefly due to this consideration that we were led to avoid the proposal

of anything like a general rate for an entire province, and to leave the selection of the area over which prices should be examined to the Local Government. It was resolved that although railways were an improvement effected at the Government cost, they should not be made to influence revenue, except through the medium of prices. This conclusion led us to propose to deal separately with different parts of the province; and it was implied, although not distinctly intimated, that the district would be taken as the unit for examination.

8. On further consideration, however, we are prepared to admit that this area is too small. We do not think that the principal object we hold in view precludes its enlargement; and the alteration would certainly obviate to a great extent many of Sir A. Lyall's objections; there would, indeed, be some decided advantage if it were resolved to base the general enhancement of revenue primarily upon a wide consideration of the general advance in prices, over (say) an entire province; and then, if deemed necessary, to make some additional demand upon any district or tract which is shown, when submitted to the price test, to have markedly benefited by the introduction of a railway or navigable canal. All other variations in price might be left out of account, as due to causes too obscure and intricate to justify any inquisitorial investigation, and as involving a danger of taxing improvements made by the agricultural population. This course would be free from many of the objections which are justly brought against a more narrow investigation.

9. We have now to turn to the more difficult question of the relation between rents and prices. We may at once repeat our conviction that any restriction on the increase of the revenue ought to involve some similar restriction upon the growth of rents. It is clearly shown, we think, in the North-Western Provinces papers that our original proposals are impracticable, if the present law is to remain unaltered; and we venture again, therefore, to enquire whether it is not desirable that the question of limiting our revenue demand in the future should not be considered in direct connection with the question of regulating enhancements of rent, at least in the North-Western Provinces. Leaving out issues of detail, there are two broad measures between which a choice might be made. It would be possible, as was indicated in paragraph 8 of our first despatch, to apply to the enhancement of rent somewhat similar principles to those which are to influence the enhancement of revenue: or a modification might be made in the Rent Law, which would render it difficult for any rapid rise in the rental of occupancy tenants to be effected, except in relation to a rise in prices. The first course would allow no enhancement of rent other than that due to prices and increased cultivation. The second course would admit of a certain amount of enhancement due to other causes. But inasmuch as it would afford less interference with the existing system, we desire to bring it primarily to Your Lordship's consideration.

10. The present position of the North-Western Provinces Rent Law is this. There is no restriction upon the rents of tenants-at-will, while those of occupancy tenants can be only enhanced upon four grounds,—

- (1) that the rate is below the prevailing rate payable by the same class of tenants for similar land;
- (2) that the value of the produce, or
- (3) the productive powers, have increased otherwise than by the agency of the tenants;
- (4) that the area has increased.

The third and fourth grounds may be left out of present consideration as exceptional.

The first ground is that which has been usually employed in the North-Western Provinces. The second, as the papers before us show, has seldom or never been used. This was natural. The general effect of the policy pursued in the recent resettlement of the North-Western Provinces appears to have been the levelling up of the rents of occupancy tenants to a series of standards which were determined by the settlement officer to be the prevailing rate for each

class of soil. The rules laid down for the guidance of settlement officers

** Rules for guidance of Settlement Officers.*

10. At the time of inspection he shall divide each village into blocks or areas, of which the soil or advantages differ *inter se*, to such an extent as to warrant a separate classification.

11. He shall also enquire into the prevailing rates of rent for each class of land in each block, both by local enquiry and by examination of the village records, and shall show the area of each class of soil in each block, and (as far as possible) the actual rental paid by that portion of it which is held by tenants.

12. If the rentals are recorded in lump, so as to make it impossible to show the actual rental paid on each class of soil in each block, the rentals of holdings shall be examined and analysed in sufficient number to justify the assumption of a rate as the prevailing rate for each class.

17. The following terms shall be used in the following sense:—

Recorded rental.—The total rental recorded in the *jamabandi* of the *mahil* as drawn up at the time of measurement.

Corrected rental.—The total rental obtained by ascertaining the rents actually paid by tenants not holding at favoured or privileged rents, and by valuing the *sir* and *rent free* land, or land held at nominal or privileged rates, at the average rates thus ascertained.

Prevailing rate.—The average rate actually paid on any class of land, deducting those fields which pay an abnormally high or low rate.

22. The revenue assessed upon each *mahil* shall ordinarily be 50 per cent. of the estimated assets of the *mahil*.

23. The *estimate assets* are the assets which the Settlement Officer estimates that the *mahil* will or can produce *after the corrected rental has been raised by enhancement suits to its full amount*, including also all other receipts which are or can be derived, either directly or indirectly, from the natural products of the *mahil* or from causes sanctioned by Government.

41. A date shall be fixed and notified by the Settlement Officer, after which any application for enhancement or abatement of rent may be refused provided that such date be not earlier than *six months* subsequent to the declaration of the new revenue and issue of the above notification.

43. In deciding cases of this description, the Settlement Officer or Assistant Settlement Officer shall be guided by the principles laid down in the Enhancement Rules, so far as they are applicable.

Enhancement Rules for guidance of Revenue Officers in enhancing Rent.

19. The rent-rates assumed by the Settlement Officer, or where such do not exist, the Settlement Officer's rate for the *circle* for each class of soil, shall be presumed to have been the prevailing rate for that class of soil at the time of settlement, and that rate, in default of proof of any alteration since settlement (the onus of proving which shall lie on the ascertaining party), shall be presumed to be still the prevailing rate.

in other words to the full amount to which it has been assumed that the rental can be raised by enhancement suits, of which amount the revenue is presumed to be one-half. So prevalent has been the process thus described, that all other causes except competition which governed enhancements of rent seem to have been more or less overridden. In some cases it is true that the landlords have been satisfied with lower rates than those assumed to be prevailing, or have been unable to level up to the prevailing standard. But in many other cases they have shewn themselves dissatisfied with the prevailing rates, and have taken successful measures to destroy or threaten the occupancy right so as to obtain competitive rents. The proportion of occupancy tenants to tenants-at-will is understood to be

Acres.

Tenant area under occupancy right ... 87,62,688 under occupancy and non-occupancy
 Tenant area not under occupancy right 88,72,611 rights respectively are shown in the latest
 Revenue Administration Report received from the North-Western Provinces to be as given in the margin. The majority of North-Western Provinces tenants are probably tenants-at-will paying rents above the prevailing rates payable by occupancy tenants, and the proportion of such tenants is likely to increase every year, both by continued destruction of the occupancy right, and by the influence of ever-growing competition. But as neither rents determined by the prevailing rate nor competitive rents have any direct relation to prices, we cannot avoid the conclusion that, as matters now stand, prices would prove an unsafe basis for revenue enhancements.

and quoted in the margin* sufficiently explain the system under which the estimate of a fair rental and a fair revenue was to be calculated. It is easy to understand from a perusal of them, that as the settlement officers were to discount the enhancements of rental to which under the prevailing rate rule the landlord was legally entitled, the landlords would on their part in self-defence very generally demand and obtain, either by consent or by suit, rates of rent equal or approximate to the prevailing rates determined by the settlement officer. This is what occurred. The process is referred to in the concluding clauses of the 20th paragraph of the present letter from the North-Western Provinces Government, and is very distinctly described in the second paragraph of Mr. Elliott's letter of 1874. "Everywhere," it was explained in 1874, "an enhancement of the revenue is, as a rule, followed by a corresponding enhancement of the rates levied from the cultivators. This rise occurs at the time of settlement, and is ordinarily pressed, so as to raise the rental, under the prevailing settlement rate, to double the amount of revenue assessed on the landlord."

11. The position, however, may well become altered with any modification in the Rent Law. Your Lordship has expressed an opinion that no change should be made, except with the concurrence of the Local Government; and as the working of the existing Rent Law is at the present moment under the close observation of the Provincial authorities, we have no intention of anticipating any conclusions which may be arrived at, except so far as to presume the possible introduction of the measure suggested by the Famine Commissioners, that 12 years' cultivation within a village, and not merely 12 years' cultivation of the same field, should confer right of occupancy. This step would, in the North-Western Provinces, at once transform the occupancy minority into a very large majority, of which possibly about one-half might be the old and the other half the new occupancy tenants. The residue of tenants-at-will would become a very small percentage—somewhere perhaps between 10 and 20 per cent. of the whole body of tenants; and even these would have a better chance of acquiring occupancy rights. The position would then be, that about one-half of the whole body of occupancy tenants, *i.e.*, those who had never lost their rights, would be paying rates more or less approximate to the settlement officers' standards of prevailing rates, while the other half, or the newly-transferred tenants, would be, as a rule, paying rates above those standards.

12. It is difficult to see how, under these circumstances, the rents of either class of occupancy tenants could continue to be raised to any material degree by reference to the prevailing rate under the first clause above quoted. The process to which the landlord would then be driven under the law would be that described in the second clause of the rule, which governs enhancement by an appeal to the increase in the value of produce. This resolves itself almost entirely into an issue of prices. The determination of the revenue on the basis of prices would therefore harmonize with the process to which landlords would be compelled to have recourse for the enhancement of rents, and would offer the further advantage of providing the Courts with the results of the official investigation into the fluctuations of prices, which the Government would be obliged to maintain for the adjustment of revenue. It is a matter of historical fact that in the adjoining Province of Bengal, which has never been disturbed by revisions of settlement, attempts to enhance rents under the prevailing rate clause have, as a rule, been unsuccessful; but in that province it is the absence of maps and soil standards, which has driven the landlords to avoid this plea, and to resort to other measures of enhancing rents, among which has been the establishment of suits on the ground that produce has risen in value. But here again they have been met by the difficulty of proving in a Civil Court to what extent prices have risen, and it is partly the deadlock which was thus occasioned that led to the proposed amendment of the Bengal Rent Law, including the introduction of measures which require the official ascertainment and record of the fluctuation of prices in the Province of Bengal. If there is any possibility of the same results being brought about in the North-Western Provinces, the dissociation between rents and prices would to a great extent disappear. The course which could then be followed under our original programme would be briefly this. Existing rentals would in the majority of districts be accepted as being already fairly well levelled up to the prevailing rates determined by the settlement officer. Existing revenues would in a large number of districts be accepted as sufficiently representing the traditional 50 per cent. of these rentals, and in the remainder steps would be taken to bring them up to the full half. Initial rentals and revenues would thus be framed at the end of the current terms of settlement, which, so far as the occupancy area is concerned, would in future tend to vary together in accordance with the changes in the value of produce,—the one under the operation of the Rent Law, and the other under the operation of the proposed system of assessment. However much, therefore, rents may have been dissociated from prices in the past, it is scarcely possible that they should not be much more closely associated with them in the future. The wave of enhancement which sped over the province in the wake of settlement, swamping as it did all those minor inequalities which were due to the various causes enumerated by the North-Western Provinces Government, brought up the rentals of each tract to a level, from which they can hardly be lifted again, except under the

influence of competition, or the application of the value test; and if the Famine Commissioners' suggestion should be carried into effect, competition will tend to disappear from the occupancy area. Prices will then remain the chief lever available for raising the rent-roll.

13. These considerations have led us to doubt whether it will be desirable to have recourse to a system of enhancing revenue which eliminates the price test as its main feature, and substitutes methods far less likely to be successful in giving security and certainty to the landlords, merely because the present Rent Law does not lend itself to the desired change. The inevitable conclusion seems now to be that the two questions of Revenue and Rent should be taken up together.

It is desirable that we should explain to Your Lordship that, in contemplating a revision of the Rent Law before dealing definitely with the assessment of land revenue, we are justified by much previous correspondence in looking upon such a revision as inevitable. In our despatch of the 17th October 1882, No. 16, we adverted to this expectation when dealing with the question of the possible effect of a change in the twelve-year rule in other Provinces—a contingency to which our attention was drawn in the 20th paragraph of Your Lordship's despatch of the preceding August; and we have since received more than one intimation from the Government of the North-Western Provinces that the subject is receiving its close attention. The Lieutenant-Governor, in reviewing the Report of the Board of Revenue for the year 1881-82, in which unsatisfactory results of existing law were prominently noticed, directed that measures for reform should receive the special attention of the Revenue officials of the Province. When commenting upon these remarks, the Government of India implied that a report would be awaited, and Your Lordship further decided that no legislative action should be taken without previous reference to Her Majesty's Government. Again, in forwarding Your Lordship's despatch to the Local Government, the opportunity was taken to ask for a report which, it appeared from recent proceedings, had been called for by Sir A. Lyall in respect to the loss of occupancy rights in the district of Bulandshahr. It may be added that in January 1882 Sir George Couper submitted certain proposals affecting both the relations between landlord and tenants and the system of assessments; but as they had been very imperfectly drawn up, they were referred for the further consideration of Sir A. Lyall, who again promised a complete report on the subject. These circumstances justify an expectation that the tenant question will be dealt with at an early date, and suggest the advantage of taking up the reform of the Rent and the Revenue Law at the same time.

14. Apart, however, from other reasons which have been brought forward, there is a further strong argument in favour of not dissociating our revenue scheme from a consideration of the Rent Law. We have it now in our power to go to the landlords with the offer of an important boon. We could tell them that we are prepared, at a considerable sacrifice of our revenue, to give them an assurance, such as they have never yet possessed, as to the principles upon which that revenue will hereafter be levied, and to afford them a security in the future the want of which in the past has tended greatly to retard the progress of agriculture; and that all we ask in return is that they should admit their tenants to partake in some degree of the advantages imparted to them. It may become necessary to restrict their power of exacting competition rents from the majority of their tenants and it would then be a great assistance to the Government, from a political point of view, to be able at the same time to offer them clear and distinct restrictions on the future enhancements of their revenues. At the present time, the advantage is all on the side of the Government. It need not part with any portion of its revenue claims, unless it can by so doing promote the welfare of the agricultural population generally. It can now hold out to the landlords a strong inducement of self-interest to give a willing assent to the grant of a reasonable amount of security to their tenants; but if this advantage is lost a future Government may find itself required to take up the question of landlord and tenant when it can only approach it in the aspect of the advocate of the interests of one party, and therefore necessarily in that of the opponent of the interests of the other.

More than this, it is necessary to point out that if the present state of things remains unaltered in regard to rent, we should be doing not only no good but actual harm to the tenant-cultivator, by restricting our demands on the landlord. At present, however great the landlord's inducements may be to take advantage of competition, and to break down occupancy rights, in order to gather into his own hands as large a share as possible of the profits of cultivation, these inducements are at least checked by the knowledge that, at the expiry of the settlement, 50 per cent. of the assets thus increased will be demanded by Government. The removal of this check by the Government engaging to limit its own demands, while doing nothing for the tenant, would increase the motives which the landlords have to enhance the rents of their tenants, in that it would assure to them, outside a certain restricted limit, the full enjoyment of any such enhanced rental.

15. From another point of view, too, we are desirous that the question of bringing the revenue system into approximate accordance with our original scheme should not be disposed of by objections which, however reasonable, derive their force from the conditions of the present Rent Law. The principles which we originally put forward were held to apply in a greater or less degree to the whole of India. They have been accepted in the ryotwari Provinces, and it is important that special difficulties in the North-Western Provinces should not lead to any exceptional departure from the broad policy which was deduced from them. It is desirable, therefore, that the question should be thoroughly sifted, whether or not any material abandonment of the leading principles of our original scheme is, in the case of the North-Western Provinces, really necessary, for in view of the fact that the questions arising out of Sir O. Wood's despatch of 1864 have remained unsettled for 20 years, we should deprecate any method of dealing with the matter that does not now lead up to a clear decision of the principles which are to be adopted.

16. For the reasons above given, we desire now to explain to Your Lordship to what extent we should be prepared to revise our original scheme in the event of any modification of the Rent Law which would bring the growth of the rental into closer connection with prices.

We are willing in the first place to abandon the proposal to frame initial revenues in anticipation of the expiry of current settlement. Our objects in making this suggestion were two. We intended to give proprietors an immediate guarantee of their future prospects, and we hoped that by taking the existing rentals instead of the rentals of some future year as a basis of assessment we should get rid of the temptation to falsify the village records. In deference however to Your Lordship's opinion, in which Sir A. Lyall concurs, we would eliminate this part of the scheme. We should be willing also to withdraw our suggestion to limit the term of settlement to 20 years, and would maintain the present period of 30 years; we should not have to repeat the proposal to assess any rate upon newly cultivated land in anticipation of settlement now that the suggestion for the immediate determination of initial revenues has been thrown out, and we should have no objection in the more recently assessed districts to the entire exclusion of new land from assessment in any estate in which the increase could be proved to be below a certain percentage; we should divide districts, not estates, into two classes (1) those in which the revenues are fairly adequate, which would include the majority of districts assessed within the last 20 years, and (2) those earlier assessed districts in which the rentals have considerably outgrown the revenues. The latter would be re-assessed according to the method proposed by Sir Alfred Lyall for 2nd class estates; the former on the principles stated in our first despatch, subject to the modifications now suggested; one of the conditions would be the 15 per cent. maximum, which is also adopted by Sir A. Lyall. In case of objection, the zemindar might, as proposed by Sir A. Lyall, have the option of being assessed on his rental assets in the ordinary way. The rise in prices would, however, be determined primarily by a consideration of the prices in the whole Province, subject perhaps to a further scrutiny in particular districts of the effect on them of improved communications.

17. We turn now to the new proposals from the North-Western Provinces. Sir A. Lyall, in the able minute in which he has explained them, states

that they follow to a considerable extent the scheme put forward by Sir W. Muir in 1874 in the letter referred to in paragraph 8 of Your Lordship's despatch of the 22nd March 1883, No. 24. Sir W. Muir's scheme is succinctly described in the extract marginally given, and may conveniently be compared in this place with the proposals of Sir A. Lyall. Sir W. Muir would take "the division, district, or tract" as the unit, and to all estates within the area thus determined he would apply a common rate of enhancement, the precise rate being determined on general considerations, which chiefly turn upon the letting value of land. To avoid hardships in individual cases, any landlord objecting to the rateable increase would be given the right to claim to have his estate resurveyed and reassessed on its merits. Sir A. Lyall, on the other hand, proposes to take the estate as the unit, and to group all estates throughout the province into two classes, according as they fulfil or fall below the standard of a "fairly developed" estate. The standard suggested by Sir A. Lyall has exclusive regard to the proportion of the cultivated to the cultivable area of the estate, the percentage being fixed at 75 or 80 per cent. A first class estate would thus be one in which at the last settlement 75 or 80 per cent. of the area capable of cultivation was recorded as actually cultivated. For estates of the first class the present assessments would be taken as a permanent rating basis, and any future addition to these assessments would take the form of a uniform rate fixed for the district or other similar tract. This rate would be determined on considerations similar to those proposed by Sir W. Muir, with the proviso that it should not exceed a fixed maximum, which Sir A. Lyall suggests might be 15 per cent. The proviso is considered by Sir A. Lyall so important an addition to Sir W. Muir's scheme as to require that "the fairly developed estate," and not the tract, be taken as the unit, if excessive loss of revenue is to be avoided. For undeveloped estates no special concession is proposed; they are to be assessed on their actual rentals, but they are to be allowed the privileges of first class estates whenever they come up to the standard. The hope is expressed that this will stimulate owners to bring up their estates to the standard by extending the cultivation of waste lands.

87. It appears, then, to the Lieutenant-Governor quite possible that under certain favourable circumstances, the claims of Government might be met at any future period, not by a revision of settlement as at present conducted, but by the imposition of a rateable increase. The first condition is that the division, district, or tract shall have been at the time of settlement in a fair state of development both as regards extent of cultivated area and modes of agriculture. The second, that the settlement originally made was carefully and uniformly made in reference to the productive character of the soil and the natural capacities of the several estates. In such a tract, suppose that by the advance in prices, competition and general prosperity, it should be found that the letting value of land had advanced, say 12 or 15 per cent. since the last settlement, then His Honor sees no reason why the claims of the State should not be adequately met by an "all-round" rise of, say, 10 per cent. in the land revenue. The amount of the enhancement might also have a direct reference to the original pressure of assessment—being greater where the settlement was admittedly a light one, and less where the settlement was above the ordinary standard. Under this system it would be quite possible to consider separately and individually all cases of alleged hardship; and indeed it might be a part of the system that objectors should have their estates surveyed and settled on their own merits, as at present.—(*North-Western Provinces Government's letter No. 635A, dated 2nd March 1874.*)

ed on its merits. Sir A. Lyall, on the other hand, proposes to take the estate as the unit, and to group all estates throughout the province into two classes, according as they fulfil or fall below the standard of a "fairly developed" estate. The standard suggested by Sir A. Lyall has exclusive regard to the proportion of the cultivated to the cultivable area of the estate, the percentage being fixed at 75 or 80 per cent. A first class estate would thus be one in which at the last settlement 75 or 80 per cent. of the area capable of cultivation was recorded as actually cultivated. For estates of the first class the present assessments would be taken as a permanent rating basis, and any future addition to these assessments would take the form of a uniform rate fixed for the district or other similar tract. This rate would be determined on considerations similar to those proposed by Sir W. Muir, with the proviso that it should not exceed a fixed maximum, which Sir A. Lyall suggests might be 15 per cent. The proviso is considered by Sir A. Lyall so important an addition to Sir W. Muir's scheme as to require that "the fairly developed estate," and not the tract, be taken as the unit, if excessive loss of revenue is to be avoided. For undeveloped estates no special concession is proposed; they are to be assessed on their actual rentals, but they are to be allowed the privileges of first class estates whenever they come up to the standard. The hope is expressed that this will stimulate owners to bring up their estates to the standard by extending the cultivation of waste lands.

18. As this scheme has not as yet received the criticisms of the local revenue officers, we are unable to do more than mention the objections which at first sight suggest themselves to us. In the first place, we think the proposed criterion of a fairly developed estate deceptive. The proportion of the cultivable area of an estate which is actually under the plough is often no guide to the character of the estate. An estate with only 70 per cent. of its cultivable area under cultivation, but with 40 per cent. irrigated, has more claim to be considered "fairly developed" than an estate with the requisite percentage of cultivation, but with little or no irrigation. The scheme also leaves out of sight what is really a not less important test of development than the area of cultivation, namely, the adequacy of the rental. It is known that the standard of rents varies greatly in different districts, being, as a general rule, highest in the east and lowest in the west of the province. But from the figures furnished by the subsequent letter from the Government of the North-Western Provinces, dated the 21st June 1884, No. 630, it would appear that in the western districts quite as many estates would fall into class I as in the eastern districts. In the Muzaffarnagar district, for example, where the settlement was made shortly after the Mutiny, the standard of rent was admittedly low and the assessment being based

on existing rentals was correspondingly moderate. Since then railways, canals, and increased population have had a powerful effect on rents in that district, and an assessment on rentals would, in all probability, result in a large increase of revenue. Yet in this district 83 per cent. of the estates fulfil the condition of having had 80 per cent. of their culturable land recorded at the last settlement as under cultivation, and would thus be secured from any enhancement in excess of 15 per cent. In the Allahabad district, on the other hand, where the standard of rent is known to be much higher, only 71 estates in every 100 would obtain the benefit of the limitation. An explanation of this apparent anomaly may, perhaps, be found in the defective classification of land into cultivable and uncultivable in many of the earlier settlements, of which that of Muzaffarnagar is one. Much land was classed as uncultivable which in districts settled at a later date would have been placed in the cultivable area. The result is that a larger proportion of estates in the earlier settled districts will, under the proposed criterion, be ranked as first class estates than in districts where the settlement has been more recent and more carefully conducted. The impossibility of basing accurate deductions from the older statistics of cultivable areas seems a fatal objection to Sir A. Lyall's scheme, and even in later assessments, the standard of what is or is not cultivable has varied very much with the idiosyncrasy of each settlement officer.

19. Nor does the scheme afford either the security which we aim at, or the equality the absence of which is so great a stumbling block to the critics of our scheme. As the "general considerations" of Sir A. Lyall's scheme apply to the tract and not to the estate, the owner of a fully developed estate in class I would find his revenue enhanced, because various less developed estates of class II in the same tract had increased their rental. The landowner moreover who had not screwed his tenants, or who had kept a fair margin of land for pasturage, would have to pay enhanced revenue, because his neighbours had rack-rented their tenants or cultivated every acre of waste land. In no case would the landholder have any criterion beforehand of what increase, within the limits of 15 per cent., he might have to pay. All that he would be sure of is that the more he can collect from his tenants, the larger the margin of profit which would be left to himself. Finally, Sir A. Lyall's scheme seems to us open to the objection that it of necessity taxes improvements. In dealing with the more highly developed estates, it will not be practicable either to decide how much of the increased letting value over the tract is due to improvements, nor to exclude this element from the "general considerations," nor, in dealing with the less developed estates which will be assessed on their rentals, will it be possible to avoid sharing in the taxation which the landlord puts on the cultivator's improvements. Under our scheme this latter difficulty remains till such time as the estate is adequately assessed. After that it disappears. Under Sir A. Lyall's scheme it remains till 80 per cent. of the land entered as cultivable is cultivated.

20. Our general conclusion, therefore, is that the scheme put forward by the Local Government is not calculated to attain fully the objects at which we aim. It will be uncertain in its effects, and may lead in a large proportion of cases to the inquisitorial system of settlement which we deprecate. It has the one advantage of basing enhancements on facts ascertained to be applicable to the tract, if not to the estate, and it provides a remedy in case of objection, which, however, would be equally applicable to an enhancement based on prices. We are not in a position to say whether the proposed definition of a "fairly developed" estate could be so improved as to lessen the present objections to it, and at this stage of the question we have not thought it advisable to refer the point for the opinion of the local officers; but, for the reasons already given, we prefer our original scheme modified as proposed in paragraph 16.

21. We may now revert once more to Sir William Muir's scheme, and explain that we find in it only two points of material variance from our own, and that the importance of these is either not great, or may tend to diminish. The first is, that Sir William Muir did not propose to assess new cultivation. We are, however, prepared to forego the assessment of such land except in cases where the new cultivation amounts to a material portion (say 10 per cent.) of the cultivable area of the estate. The second is, that the letting value of land is used in Sir W. Muir's scheme as the chief gauge in estimating

the enhancement of revenue. If, however, the Rent Law should be so modified as to regulate the growth of the rental by other considerations than those of competition or the prevailing rate, it seems clear that the rise in prices and improvement of communications will become the main factors in modifying the rental and hence also the letting value of the land; that other cases, chief among which are competition and the improvements effected by the cultivator, will have a tendency to disappear; and that the only "letting value" subject to assessment will be (so far as the occupancy area is concerned) the former rental, *plus* an increment which can be fairly measured by a rise in prices, either provincial or local. The "all-round rate" of Sir William Muir's scheme will thus tend to become the "district rate" of our own. The "letting value," instead of being enhanced by advance in prices, competition and general prosperity, will only be raised by advance in prices and improved communications. It is true that Your Lordship has suggested a modification of Sir William Muir's scheme, which would equally affect our own, in proposing that the district rate should be varied in its application when applied to estates of varying prosperity. We fear, however, that any such license would lead to uncertainty and ill-feeling, and, as at present advised, would prefer to see Sir William Muir's original proposals left unaltered in this respect.

22. We have now laid before Your Lordship the considerations which induce us to prefer our original scheme, with certain modifications, to that put forward by Sir A. Lyall. We have not seen our way to proposing any alternative course, and we have only to await Your Lordship's further instructions. It is understood, as we have already explained; that the Local Government is still prosecuting enquiries into the relations between landlords and tenants, and collecting data and statistics which will enable it to form a more matured opinion upon the questions which have been alluded to in the preceding paragraphs. But no action will be taken until Your Lordship's reply to this despatch has been received.

We have the honour to be,

My Lord,

Your Lordship's most obedient, humble Servants,

RIPON.

D. M. STEWART.

J. GIBBS.

T. F. WILSON.

O. P. ILBERT.

S. O. BAYLEY.

T. O. HOPE.

A. COLVIN.

APPENDIX B.

[Referred to in answer to Question No. 6.]

Statistics of persons interned, etc., up to the 31st January 1917.

Province.	NUMBER OF PERSONS WHOSE MOVEMENTS HAVE BEEN RESTRICTED UNDER THE DEFENCE OF INDIA ACT SHOWING HOW MANY HAVE BEEN			Number of persons who have been dealt with under Regulation III of 1915 or in Madras under Regulation II of 1915 or in Bombay under Regulation XXV of 1927.	Number of persons who have been dealt with under Regulation III of 1915 after they had been discharged or interned or by Ordinary Courts of Law.	NUMBERS OF PERSONS WHO HAVE BEEN RELEASED			Total number of persons who have been interned or restricted under the Ordinance into India.	Number of persons interned or restricted under the Ordinance into India who have been released.	Number of persons arrested under rule 12-A of the Rules under the Defence of India Act.	REMARKS.
	domiciled in their own houses.	restricted to their own villages.	restricted to villages other than their own.			from restriction of movements under the Defence of India Act.	from confinement under Regulation III of 1915.	9				
1	2	3	4	5	6	7	8	9	10	11	12	13
Madras	...	1	...	9(a)	...	...	...	...	5(b)	3	...	...
Bombay	...	5	...	83	...	...	...	...	40	6	...	...
Bengal	173	...	...	...	...	66	11	...	377	377	630(c)	...
United Provinces	1	...	...	...	...	2	18	...	14	9	8(c)	...
Punjab	...	102	...	...	...	20	35	...	308	219(f)	17(g)	...
Burma	...	(at present 61)	...	3	...	3	13	...	835	843	47(h)	...
Bihar and Orissa	...	11	(at present 16)	2	...	...	1	...	2	1	7(j)	...
Central Provinces	5	3	4	...	...	...	...	...	1	1	7(k)	...
Assam	1	...	4(2)	...	...	...	...	...	1	...	3	...
North-West Frontier Province.	...	2	4(m)	...	...	...	...	...	9	...	1	...
Cooch Bihar	...	...	...	...	...	...	...	...	...	...	...	...
Delhi	2	3	...	...	...	...	...	...	...	...	...	...

(a) The reference is to Madras Regulation 2 of 1915. Five are at large under police surveillance and 4 are in jail. Grounds of restriction.

(b) Of these 1 transferred to Cooch Bihar.

(a) The reference is to Madras Regulation 2 of 1915. Five are at large under police surveillance and 4 are in jail. Grounds of restriction not connected with war.

(b) Of these 1 transferred to Calcutta for custody and 1 still interned. In addition 1 was excluded from the Malabar District and 24 temporarily interned pending enquiry. Of these 24, 3 were released, 1 died and 20 transferred to the Provinces to which they belonged.

(c) Of these 638 persons, 54 were released, 13 sent for trial, pending 5, 564—movements restricted.

(d) In addition 15 were excluded from the United Provinces.

(e) Of these 3 have been released.

(f) In addition 20 of these interned have been convicted in conspiracy and other cases; one has died in jail; and there are 54 persons still interned in jail.

(g) Of these 6 have been released unconditionally, 1 was restricted to his own village, 7 restricted to villages other than their own and 3 interned.

(h) In addition 16 were prohibited from entering specified areas.

(i) Of these 1 released and 3 dealt with by courts and remainder dealt with under rule 3, Defence of India Rules, and interned into India Ordinance.

(j) Of these 5 have been interned and 2 evicted from Bihar and Orissa and subsequently interned in Bengal.

(k) In addition 1 person was directed to remove himself from the Jubbulpore District and 1 person (Mrs. Bennett) was directed not to enter the province.

(l) One person was released and in the case of a second order are about to leave interned him in a village other than his own.

(m) In addition one was directed to remove himself from the province and one was not permitted to enter it.

(n) In addition 7 were deported or prohibited from entering the Presidency; 8 were detained for enquiry and then released and 18 were confined in Civil Camps. Of the last named 18, 12 have been transferred to Kalapahar, one to Raungoon and one has died.