

# COUNCIL OF STATE DEBATES

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MONDAY, 14th SEPTEMBER, 1931.

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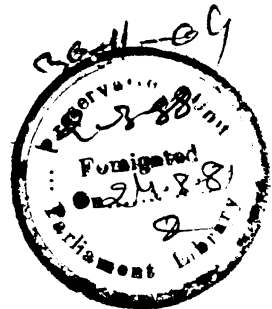
## OFFICIAL REPORT



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# COUNCIL OF STATE DEBATES

(OFFICIAL REPORT OF THE SECOND SESSION OF THE  
THIRD COUNCIL OF STATE.)

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COUNCIL OF STATE.

*Monday, 14th September, 1931.*

ADDRESS BY HIS EXCELLENCY THE VICEROY TO THE MEMBERS  
OF THE COUNCIL OF STATE AND THE LEGISLATIVE ASSEMBLY:

HIS EXCELLENCY THE VICEROY: Gentlemen of the Indian Legislature,—As a preliminary to my general remarks this morning, I wish at once to make reference to the tragic death of Sir Steuart Pears, the Chief Commissioner of the North West Frontier Province, which occurred at Nathia Gali on the 9th of this month. In him the Government of India have lost an officer of wide experience, sound judgment and immense knowledge of the Frontier, whose services could ill be spared at the present juncture. I wish to pay this brief tribute to his memory and to tender to Lady Pears an expression of my deep and sincere sympathy, with which, I am sure, you will all desire to be associated.

I consider it a great privilege and pleasure, as Viceroy of India, to meet to-day and to welcome Honourable Members of both our Legislative Chambers, who are gathered here to assist and advise my Government on the important matters which will be laid before them during this Session for their consideration. I should like to extend a special word of greeting to you, Sir Henry Moncrieff Smith, who, as President of the Council of State, have upheld the dignity and usefulness of our second Chamber during the period of your tenure of that high office. And I am delighted to extend an equally sincere greeting to my old friend, the President of the Legislative Assembly, for I feel that it is to me a particularly happy augury that in his person I am renewing an association full of pleasant memories of the days when Sir Ibrahim Rahimtoolah gave me such valuable assistance in guiding the destinies of the Presidency of Bombay.

We are met at a time when the future development and progress of India are engaging the attention of our delegates in London, and we all trust that their discussions with their British fellow-delegates, which have just recommenced, may produce the best possible results, at a time too when both the political, the financial and economic conditions of the country are causing us all the

greatest anxiety and concern. It is surely a time when, more than ever before all races, classes and communities in India should cultivate the spirit of co-operation, of mutual confidence and trust, for is it not true to say that we all have a great common purpose in view, namely, the handing over to Indians the responsibility of the administration of their local affairs, with a view to securing for India an absolutely equal position alongside the other Dominions within the British Empire? Let me now give you some information as to such important happenings that have taken place, such fresh problems that will have to be faced, since last Honourable Members met for their administrative duties.

I am glad to be able to inform you that, in the field of external affairs, our foreign relations are of a perfectly satisfactory character, and that our relations with the Foreign States whose boundaries adjoin India continue most cordial in every way.

Let me turn your attention for a few moments to inter-Imperial relations.

As Honourable Members are aware, the Government of India deputed the Right Honourable V. S. Srinivasa Sastri to represent them before the Joint Select Committee of the two Houses of Parliament in London on the question of East Africa. Mr. Sastri gave evidence before the Committee towards the middle of June, and widespread satisfaction will be felt at the fact that, on the question of Closer Union, the views, which the Government of India finally authorised him to express on their behalf, were in complete accord with those of non-official Indian opinion, both in this country and in East Africa. My Government now await the report of the Committee with great interest.

The depression in the rubber and, latterly, in the tea industry has seriously affected the Indian labourer in Malaya and Ceylon. The Governments of these two territories have shown a commendable spirit of co-operation with us in ensuring that the measure of sacrifice imposed by the economic crisis on the Indian labourer is not proportionately greater than what he can legitimately be expected to bear along with the other elements engaged in the industry, and that the labourer, who is not prepared to bear his share of the sacrifice, is repatriated to this country free of cost. My Government are watching the economic situation, in so far as it affects the Indian labourer, with constant and sympathetic vigilance and will do all that lies in their power to safeguard his interests.

When the Order in Council on the subject of the franchise in Ceylon was first promulgated, there was considerable misgiving as to its effect on the Indian aspirant to the vote. It was feared that the requirement of a certificate of permanent settlement would have the effect of debarring a great many Indians from claiming the franchise. Honourable Members will be glad to hear that the great majority of Indians, who have sought admission to the electoral roll, have done so on the strength of domicile which can be established by a proof of five years' continuous residence in the Island. The total number of Indian electors is over 100,000 and it is hoped that, as the Indian population of Ceylon learns to appreciate the value of the vote and of organisation, their numbers will increase. Meanwhile, my Government have learnt with great satisfaction that one of the Indian elected Members of the State Council has secured a seat in the Ministry.

Early in the new year representatives of the Government of India will meet the representatives of the Government of the Union of South Africa to consider matters arising out of the working of the Cape Town Agreement which was concluded in 1927. As Honourable Members are aware, the Union Government, in deference to our representations, have agreed to postpone consideration of the Bill to regulate the tenure and ownership of immovable properties by Indians in the Transvaal until after this Conference which will also consider this projected measure of legislation. My Government are deeply appreciative of the spirit of friendliness of which this decision of the Union Government is a sign, and earnestly hope that it will help to ensure for the Conference an issue satisfactory and honourable both to India and to South Africa. Non-official Indian opinion, both in South Africa and in this country, has been greatly alarmed by this Bill, as also by certain other legislation, of which the recent amendment of the Immigration Act of the Union in respect of the value of Transvaal Registration certificates is the most important. The Government of India are of opinion that there is justification for this feeling, but do not despair of a satisfactory settlement of all these questions, provided that the representatives of both Governments approach them with earnest resolution to maintain and, indeed, improve upon the friendly relations which the Conference of 1927 did so much to establish. I feel confident that the interests of India will be fully maintained by her representatives under the wise and able Chairmanship of Sir Fazl-i-Husain.

In his speech at the opening of the Legislative Assembly in January last, my predecessor made reference to the collapse in world prices of agricultural products, and the distress which was thereby being caused. Except in a few cases, there has, I am afraid, been no improvement in the trend of prices since then, and the situation for a country which is as dependent as India on the prices she realises for the products of her fields is one of great anxiety. My Government have been watching the situation with concern. I am glad to be able to say that the reports which we have received show that Local Governments have been adopting vigorous measures to grapple with it. Substantial remissions and suspensions of land revenue have been granted wherever the situation rendered such a course necessary and similar measures have been adopted in respect of local rates and irrigation dues in several Provinces. Agricultural loans have been given on a liberal scale and concessions made in the matter of the repayment of outstanding loans, and when necessary measures have also been taken to open test relief works and to distribute gratuitous relief. In Madras and the United Provinces committees were appointed by the Local Governments to enquire into the existing situation and suggest measures of relief, and the recommendations made by these committees are being given effect to as far as possible. Harvest prospects in themselves, I am happy to be able to say, are promising. The reports which we have received show that except in Sind, Upper Burma and, in particular, parts of Bengal which have recently been visited by the most disastrous floods, the condition of the crops and agricultural prospects are, generally speaking, satisfactory.

What then is wanted to bring about a general improvement in the situation is a rise in prices. For that we must, I am afraid, wait for the revival, which we all hope will not be much further delayed, in general economic conditions throughout the world.

India, as one of the original signatories of the Covenant of the League of Nations, has always taken a prominent part in the deliberations of the Assembly; and, in accordance with the desire expressed on many occasions by the Indian Legislature, our Delegation is, for the third time, being led by a distinguished Indian. The League, as is well known, concerns itself not only with its primary objects of disarmament and peace, but also with other beneficent and humanitarian activities; and in these as well as in the matter of co-operation in the economic and social spheres which form a considerable part of the League's functions, India is largely concerned and her Delegates have always evinced therein a lively interest. I am sure I shall be voicing the sentiments of all of you when I wish Sir B. L. Mitter and his colleagues on the Delegation every success in the work of the Session which commenced last Monday.

In addressing you last January at Delhi, my predecessor referred to the Royal Commission on Labour presided over by my Right Honourable friend Mr. Whitley, which was then engaged in the concluding stages of its work. The Report of the Commission has since been published, and their recommendations are receiving the careful consideration of the Government of India. After consultation with the Provincial Governments, proposals for legislation will in due course be placed before the Legislature. The thanks of the Government and people of India are due to Mr. Whitley and his colleagues for their valuable report based on a very thorough investigation of the conditions of labour in this country.

I should also like to acknowledge the invaluable services rendered on behalf of India at the International Labour Conferences by Sir Atul Chatterjee who has recently relinquished charge of his duties as High Commissioner for India. Sir Atul was associated with the International Labour Organisation from its inception in 1919. Out of the 15 Sessions of the Conference held so far, Sir Atul has attended no less than 11, and from 1926 he has been in addition the permanent representative of the Government of India on the Governing Body of the International Labour Organisation. His election as President of the International Labour Conference in 1927 was a signal honour to India.

I now come to the matter which is that of most immediate practical importance—the financial situation.

At the outset I must express my appreciation of the great services rendered by those chosen by the Legislature to represent them on the various Retrenchment Committees. This is an occasion on which my Government, in a desire to act in a manner responsive to public opinion as represented in the Legislature, have invited the unofficial representatives to join with them, and lend them their support, in performing a very difficult, a very unpleasant, but yet a very necessary task. It is with great appreciation that I have been able to note how whole-hearted has been the response to this invitation. During the past months a great number of your Members have been devoting themselves in different places to an exhaustive examination of the various fields of public expenditure. Their work has been given ungrudgingly, often at great inconvenience and personal sacrifice. One Member, the late Mr. K. C. Roy, whose untimely and tragic loss I, and all of you, so deeply deplore, continued his

labours on one of the most arduous Sub-Committees almost to the very moment when he was struck down.

I am glad to have this opportunity to express the appreciation and thanks of myself and of my Government for the public services thus rendered by all members of these Committees.

Their interim reports will receive the most urgent consideration by my Government, for the introduction of practical measures brooks no delay. Let me now say a few words about our financial plans.

In present circumstances, India, like practically every other country, must regard it as her foremost duty to devise means to weather the unprecedented economic storm which is now disturbing the whole world. It is essential in the interests of the country's credit that special action in this matter should not be delayed, and you will be informed shortly of my Government's proposals for dealing with the situation. For the present it suffices for me to announce clearly and decisively that we are determined to meet the situation adequately, and to maintain those principles of sound finance which India has always followed. This time of constitutional change is not one for making dangerous experiments with untried methods. On the contrary, we shall work on the proved principles which in the long run always reward those who have the courage and tenacity to hold fast to them. I would add that rumours that my Government propose to meet the difficulties by such methods as lowering the value of the country's currency are entirely unfounded.

The plans necessary to restore financial equilibrium will inevitably demand sacrifices from all classes from the highest downwards, and I am confident not only that these sacrifices will be willingly made, but that India will emerge successfully from her present troubles. The intrinsic position of India is thoroughly sound. She has not pledged her credit to finance extravagant or unproductive expenditure; her trade is based on commodities which are necessities for the world, and she can produce them on terms which can compete with any other country. Such difficulties as we must now encounter are caused, not by any internal defects, but by an economic cyclone which has come equally upon all the world, and which no single country by its own isolated action can alleviate. Our task in these circumstances is to preserve the situation until the force of the tempest is past. And, in order that we may succeed in this task, the one great need is that all classes and communities in India, officials and businessmen, Indians and Europeans, town and country, should pull together with a common effort. This is a time for all those who are serving India, or who owe to her their political or economic allegiance, to put the public interest above all thoughts of private gain or political advantage. This is the appeal which I wish to broadcast to the country. If it is heard, then I can safely prophesy that India will emerge strengthened from her trials, and that in years to come she will be able to look back upon the present purging process as an event which, though painful at the time, was a blessing in disguise. The public finances will have been thoroughly overhauled, and the new constitution will start with troubles of this kind behind it, and with a clear road for improvement in the future.

The eyes of India are now fixed on those statesmen who are sitting in London and carrying on the work of constitutional reform which received

such an auspicious beginning last winter culminating in the announcement of His Majesty's Government on the 19th of January which went far ahead of any previous declaration of their policy and set the stage afresh for co-operation in the great task of Indian constitutional reform. The delegates attending the Conference will be confronted with many difficult details, but it is a matter of the greatest satisfaction to know that every party is now represented at the Round Table Conference, and it is my earnest hope that an agreed solution will be reached in regard to constitutional matters including an agreement on communal questions to the satisfaction of all communities, especially the minorities, the safeguarding of whose rights has been assured by His Majesty's Government. I would point out that in matters affecting the Reforms my Government has not been idle since the adjournment of the Round Table Conference last winter. Apart from material supplied to the Secretary of State, it has set up 'inquiries on the lines directed by the Conference. The experts' proposals on the financial consequences of the separation of Burma have been submitted for consideration to the Standing Finance Committee. Copies of the report of the North West Frontier Province Subjects Committee have been supplied to all Members of the Legislature. The recommendations of the Committee have been conceived on generous lines and will, it is hoped, meet the aspirations of the Frontier Province to stand on a position of constitutional equality with the other Provinces. The Sind financial inquiry is now in progress and plans have already been made to set up the Orissa Committee during the cold weather. The Federal Structure Committee in London has already resumed its labours accompanied by the good wishes of all in India, and I must emphasise once again the supreme desirability of maintaining peaceful conditions in India during the discussions which are now taking place, and I appeal with all the emphasis at my command to those who have the interests of this great country at heart to preserve an atmosphere of peace and tranquillity.

We must all have been shocked and horrified at the brutal and senseless murders and attempts to murder which have taken place in this country during the last few months, and I am sure we should all wish to express our deepest sympathy with the families of Mr. Garlick and Khan Bahadur Ahsanullah and Lieutenant Hext who have all met their deaths at the hands of these assassins, and by whose deaths we have lost three officers who in their several ways were giving valuable service to this country and the British Empire. I think too that we should wish to express our feelings of grateful thanks for the Providential escape from death of His Excellency the Governor of Bombay and Mr. Cassells, the Commissioner of Dacca.

A disquieting feature of these tragic happenings lies in the fact that these outrages have been committed for the most part by immature youths who, at the most emotional and susceptible time of their lives, are being, literally, exploited through the teachings and writings of revolutionary leaders to carry out their criminal and murderous designs. While Local Governments are primarily concerned in the arduous and dangerous task of combating this movement, I feel that they are entitled to receive all assistance within reason that we are able to give. I am confident that I and my Government in the performance of our manifest duty can rely on the support of Honourable Members in taking all necessary and reasonable steps to stamp out these

terrorist and revolutionary activities which are destroying the fair name of India in the eyes of the world.

I am glad to be able to inform Honourable Members that the situation in Burma, which has for months past been causing us much anxiety and concern, has within the last few weeks been showing signs of marked improvement. It is a matter of particular gratification that there has been a cessation, which I hope will be maintained, of racial and communal strife. I profoundly trust that before long peaceful conditions will once again be the happy lot of that Province.

I am sure you would wish me to express our thanks to officers and men both of the Army and the Police for the admirable way in which they have carried out their duties under the most difficult and trying conditions, and, while we must all sympathise with His Excellency the Governor of Burma and his Government on the difficulties they have had to surmount, I can confidently assure you that their one desire is to get back to normal conditions as soon as possible, to pursue a policy of clemency as far as circumstances will allow, and to take all practicable measures for the relief of economic distress.

In leaving you to carry on your duties, I trust that a great Providence may guide you in your labours and that the results of your deliberations may prove of lasting benefit to our country and to all classes of its people.

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