

Thursday, 14th September, 1933

THE
COUNCIL OF STATE DEBATES

VOLUME II, 1933

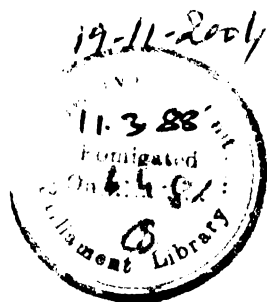
(29th August to 16th December, 1933)

SIXTH SESSION

OF THE

THIRD COUNCIL OF STATE

1933



PUBLISHED BY MANAGER OF PUBLICATIONS, DELHI.

PRINTED BY MANAGER, GOVERNMENT OF INDIA PRESS, SIMLA

1934

CONTENTS.

PAGES.

Tuesday, 29th August, 1933—

Members Sworn	1
Questions and Answers	1—72
Remarks by the Honourable the President <i>re</i> (1) absence of Members during Question time and (2) publication of their questions and resolutions before they appear on the List of Business	72—73
Message from His Excellency the Governor General	73
Committee on Petitions	73
Governor General's assent to Bills	73—74
Statements laid on the table	74—76
Bill passed by the Legislative Assembly laid on the table	77
Congratulations to the Honourable Sir Hormusji Mehta	77
Motion for the election of two non-official Members to the Standing Committee of the Department of Industries and Labour—Adopted	77
Motion for the election of two non-official Members to the Standing Committee of the Department of Commerce—Adopted	77
Indian Arbitration (Amendment) Bill—Introduced	78
Cantonments (House-Accommodation Amendment) Bill—Introduced	78
Deaths of Raja Bijoy Sing Dudhoria of Azimgunge, Bengal, and Mr. C. H. F. Pereira	78—79
Statement of Business	79—80

Wednesday, 30th August, 1933—

Address by His Excellency the Viceroy to the Members of the Council of State and the Legislative Assembly	81—89
---	-------

Thursday, 31st August, 1933—

Questions and Answers	91—95
Short Notice Question and Answer	95—96
Motion <i>re</i> future administration of Aden—Adopted	96—123
Motion <i>re</i> levy in British India of dues in respect of lighthouses, etc.—Adopted	124—25

Monday, 4th September, 1933—

Members Sworn	127
Questions and Answers	127—31
Short Notice Questions and Answers	131—32
Condemnatory speeches in connection with the assassination of Mr. Burge, District Magistrate, Midnapore	133—34
Bills passed by the Legislative Assembly laid on the table	134
Resolution <i>re</i> provision of privileges, powers and immunities to Legislatures in the new Constitution—Withdrawn	134—41
Resolution <i>re</i> condition of agriculturists—Negatived	141—55
Resolution <i>re</i> reduction of railway freights on the transport of Punjab wheat—Withdrawn	156—60
Resolution <i>re</i> sale of silver—Moved	160

Tuesday, 5th September, 1933—

Questions and Answers	161—63
Short Notice Question and Answer	163
Indian Arbitration (Amendment) Bill—Considered and passed	164
Cantonments (House-Accommodation Amendment) Bill—Considered and passed	164—65
Workmen's Compensation (Amendment) Bill—Considered and passed	165—70
Statement of Business	170

Wednesday, 6th September, 1933—

Questions and Answers	171—74
Bill passed by the Legislative Assembly laid on the table	174
Resolution <i>re</i> sale of silver—Withdrawn	174—83
Resolution <i>re</i> release of political prisoners and detenus—Negatived	183—202
Resolution <i>re</i> Indian Civil Service—Moved	202

Thursday, 7th September, 1933—

Bill passed by the Legislative Assembly laid on the table	203
Land Acquisition (Amendment) Bill—Considered and passed	203—06
Indian Wireless Telegraph Bill—Considered and passed	206—07
Indian Income-tax (Second Amendment) Bill—Considered and passed	208—12
Indian Railways (Amendment) Bill—Considered and passed	212—18
Nomination of Members for election to the Standing Committee of the Department of Industries and Labour	218
Nomination of Member for election to the Standing Committee of the Department of Commerce	218
Statement of Business	218

Monday, 11th September, 1933—

Member Sworn	219
Questions and Answers	219—31
Resolution <i>re</i> Indian Civil Service—Negatived	231—43
Resolution <i>re</i> terrorist prisoners in the Andamans—Withdrawn	243—59
Resolution <i>re</i> need for a further enquiry into the pharmaceutical action and production of the standardised alkaloids of cinchona, <i>i.e.</i> , totaquina—Withdrawn	259—66
Resolution <i>re</i> reduction of land tax—Withdrawn	266—81
Legal Practitioners Amendment Bill—Motion to circulate, adopted	281—83
Election of two non-official Members to the Standing Committee of the Department of Industries and Labour	283
Election of two non-official Members to the Standing Committee of the Department of Commerce	283—84
Appendix	285—86

Wednesday, 13th September, 1933—

Questions and Answers	287—88
Result of the election of two non-official Members to the Standing Committee of the Department of Industries and Labour	288
Result of the election of two non-official Members to the Standing Committee of the Department of Commerce	288

Wednesday, 13th September, 1933—contd.

Resolution re export duty on gold—Negatived	299—298
Resolution re University Training Corps—Withdrawn	299—300
Amber-Merwara Juveniles Smoking Bill—Motion to consider, negatived	300—11

Thursday, 14th September, 1933—

Message from the Legislative Assembly	313
Cotton Textile Industry Protection (Second Amendment) Bill—Considered and passed	313—17
Statement of Business	317

Saturday, 16th September, 1933—

Members Sworn	319
Questions and Answers	319—32
Statement laid on the table	332—36
Message from the Legislative Assembly	337
Bills passed by the Legislative Assembly laid on the table	337
Motion re Joint Committee on the Reserve Bank of India Bill—Adopted	337—64
Motion re Joint Committee on the Imperial Bank of India (Amendment) Bill—Adopted	364—65
Statement of Business	365

Monday, 18th September, 1933—

Message from the Legislative Assembly	367
Bill passed by the Legislative Assembly laid on the table	367
Motion re nomination of Members to serve on the Joint Committee to consider and report on the Reserve Bank of India Bill—Adopted	367—68
Motion re nomination of Members to serve on the Joint Committee to consider and report on the Imperial Bank of India (Amendment) Bill—Adopted	368
Murshidabad Estate Administration Bill—Considered and passed	368—76
Indian Tea Control Bill—Considered and passed	376—80
Indian Merchant Shipping (Second Amendment) Bill—Considered and passed	380—82
Statement of Business	382

Wednesday, 20th September, 1933—

Questions and Answers	383—84
Short Notice Question and Answer	385
Statements laid on the table	385—87
Bill passed by the Legislative Assembly laid on the table	387
Dangerous Drugs (Amendment) Bill—Considered and passed	387—88
Statement of Business	388

Thursday, 21st September, 1933—

Indian Medical Council Bill—Considered and passed	389—404
Death of Dr. Mrs. Annie Besant	405—06

Thursday, 14th December, 1933—

Members Sworn	407
Questions and Answers	407—43
Death of Mr. Vithalbhai Patel	444
Message from His Excellency the Governor General	445

Thursday, 14th December, 1933—*contd.*

Committee on Petitions	445
Library Committee	445
Governor General's Assent to Bills	445—46
Reports of the Joint Committees on the Bill to constitute a Reserve Bank of India and on the Bill further to amend the Imperial Bank of India Act, 1920, for certain purposes laid on the table	445
Statements laid on the table	445—53
Announcement <i>re</i> laying of information on the table	454
Bill passed by the Legislative Assembly laid on the table	454
Motion for the election of one non-official Member to the Standing Committee on Emigration <i>vice</i> Mr. G. A. Natesan, resigned—Adopted	454
Resolution <i>re</i> ratification of the Silver Agreement—Adopted	455—54
Resolution <i>re</i> non-ratification and non-acceptance of the Draft Convention and Recommendation concerning fee charging employment agencies adopted at the Seventeenth Session of the International Labour Conference—Adopted	455—56
Resolution <i>re</i> non-ratification and non-acceptance of the Draft Conventions and Recommendation concerning invalidity, old-age and widows' and orphans' insurance adopted at the Seventeenth Session of the International Labour Conference—Adopted	456—59
Statement of Business	459

Saturday, 16th December, 1933—

Member Sworn	471
Questions and Answers	471—74
Election of a non-official Member to the Standing Committee on Emigration	474
Indian Tariff (Second Amendment) Bill—Considered and passed	475—87

COUNCIL OF STATE.

Thursday, 14th September, 1933.

The Council met in the Council Chamber in Viceregal Lodge at Eleven of the Clock, the Honourable the President in the Chair.

MESSAGE FROM THE LEGISLATIVE ASSEMBLY.

SECRETARY OF THE COUNCIL: Sir, a message has been received from the Legislative Assembly. The message runs as follows :

"I am directed to inform the Council of State that the following motion was carried in the Legislative Assembly at its meeting held on Wednesday, the 13th September, 1933, and to request the concurrence of the Council of State in the said motion :

'That this Assembly do recommend to the Council of State that the Bill to constitute a Reserve Bank of India be referred to a Joint Committee of this Assembly and of the Council of State with instructions to report on or before the 20th November, 1933, and that the Joint Committee do consist of 28 members.'

THE HONOURABLE THE PRESIDENT: The Honourable Mr. Taylor has tabled a motion inviting this Council to concur in the Resolution passed by the Legislative Assembly and I understand that the Honourable Leader of the House will later make proposals regarding discussion of Mr. Taylor's motion on Saturday, the 16th instant. The Reserve Bank Bill and the Imperial Bank of India (Amendment) Bill are already in the hands of Honourable Members.

COTTON TEXTILE INDUSTRY PROTECTION (SECOND AMENDMENT) BILL.

THE HONOURABLE MR. T. A. STEWART (Commerce Secretary): Sir, I beg to move :

"That the Bill further to amend the Cotton Textile Industry (Protection) Act, 1930, as passed by the Legislative Assembly, be taken into consideration."

The terms of this Bill, Sir, require no explanation. It simply seeks to extend until the 31st March, 1934, the measures of protection which were conferred by the Cotton Textile Protection Act, 1930. The period of that Act, as Honourable Members are aware, has already been the subject of an extension from the 31st March, 1933, until the end of October, 1933. When in the course of the last Delhi session I asked Honourable Members to agree to an extension of the provisions of the Protection Act until the end of October, I expressed the hope that in the course of the present session it would be possible to lay before the House the considered proposals of the Government on the subject of substantive protection to the cotton textile industry. If

[Mr. T. A. Stewart.]

I come again asking for a further extension I am fully conscious that I must put forward adequate reasons for that request. It will be remembered that in the course of the debate in the last Delhi session, while this Honourable House was unanimously in favour of the extension of the Protection Act, criticisms of Government apathy and inaction were advanced. The proposed extension of the period of the Act was regarded as wholly inadequate to deal with the situation with which India was then faced. It will be admitted, I think, that the subsequent actions of Government went far to meet those criticisms. The Safeguarding of Industries Act was passed : the Indo-Japanese Trade Convention, which was a bar to the operation of that Act against Japan, was denounced, and later, in the month of June the import duty on cotton piecegoods was substantially increased. At the same time it was made clear that these were not acts of aggression. It was made clear that the Government of India were at all times ready to consider any alternative solution of the problem that might be offered, and I am happy to say that reasonableness has been met with reasonableness and we are now on the eve of negotiations with Japan with a view to the conclusion of a fresh trade agreement. A Japanese Delegation arrives in Calcutta today and within a few days we shall welcome them in Simla. At the same time deputations representative of the textile interests of Japan and of Lancashire are on their way to India. They are coming to discuss with the Indian mill-owner the problems of present-day competition. There will thus be in progress two sets of discussions, one official between the accredited representatives of the Government of India and of the Government of Japan, the other entirely unofficial discussions between the representatives of the three great textile interests. In these circumstances I think it must be agreed that it would be unnecessary and undesirable to place upon the Statute-book legislation that might require to be greatly modified in the near future and which might seriously prejudice the chances of a successful issue to the negotiations by suggesting that the Government of India had prejudged the case and were not open to reason. It is on these grounds that this Honourable House is again asked to extend the existing measure of protection, and I am confident that Honourable Members will accept these grounds as reasonable.

Sir, I move.

THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA (United Provinces Central : Non-Muhammadan) : Sir, I rise to support the motion made by my friend on behalf of the Party to which I have the honour to belong, and in doing so I would congratulate the Honourable mover as well as his Chief, I mean Sir Joseph Bhole, and I hope that he will act as a post office and convey our congratulations to him. (*An Honourable Member* : "Will postage be paid?") Yes, we are willing to pay the postage if so required. Sir, as has been explained by my Honourable friend Mr. Stewart, the object of this Bill is only to extend the period from October, 1933 to March, 1934, so that the Government may have a free hand in negotiating with the representatives of the Government of Japan. I hope that all avenues will be explored and every effort will be made to come to an agreement honourable to both the countries, keeping in view the object of protecting the Indian textile industry as well as the cotton growers' interest.

Sir, there is one point on which I would like to make an enquiry from the Honourable mover, that when these negotiations are going on with official Members, do Government intend to include some of the non-official experts also; if not actually in the representation, at least to act as advisers. I for one would have requested Government to include them in the actual negotiations, but if it is not possible to do so, they may call some of them to act as advisers so that they may be able to get first-hand information according to the terms settled with Japanese representatives.

With these words, Sir, I support the motion.

THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE (East Bengal: Non-Muhammadan): Sir, I have much pleasure in supporting the motion which has been so very ably moved by my Honourable friend Mr. Stewart. The scope of the Bill is very simple and is only intended to protect the textile industry of India against foreign competition. I have nothing further to add except to support the Bill, which I think will be acceptable to all Members of this Honourable House.

THE HONOURABLE MR. J. S. HENDERSON (Bengal Chamber of Commerce): Sir, we support the measure before the House for the reasons advanced by the Honourable Mr. Stewart. Not only the textile industry, but many other industries, have asked for special consideration at this time. But it would be manifestly wrong for Government to take any further protective step, on the eve of events to which I desire to make brief reference.

We have today, to welcome to this country, two delegations. One represents the Imperial Government of Japan; the other represents the textile interests of the United Kingdom. The Japanese Delegation is to confer with the Indian Government regarding the future trade relationships between the two countries; the Lancashire Delegation comes to confer with the textile interests of India on matters of common concern and interest. The fact that these two delegations are in this country at the same time bears a significance that cannot be overlooked either in India or in Japan.

Now, Sir, I regard the two conferences that are to take place, as the most important events in India's economic history. For the first time in the matter of trade relationships, a sovereign power has sent an official delegation to confer with the Government of India on terms of complete equality. This is an important milestone in India's constitutional as well as her fiscal development. Then again, this conference may well prove to be the turning point of India's position in world trade. For many years the trade relations between Japan and India have been largely regulated by the Indo-Japanese Trade Agreement. Circumstances, into which I will not enter, forced India in her own defence, to give the required notice for the abrogation of this Agreement, and in doing so, it should be emphasised, that the Government had behind them the full support of the whole country. Whatever the causes, no Government could stand by and see the industries of its country ruined. The coming conference has for its object the examination of these trade relations in the future. It will either succeed or it will fail. If it succeeds, we may look forward to a reciprocal agreement in regard to tariffs and quotas, which will operate to the interests of both countries, while protecting the industries of India. We all devoutly hope that the Conference will succeed. A tariff war

[Mr. J. S. Henderson:]

would injure both countries, Japan even more than India. It would be yet another of those barriers in the way of international trade and commerce which are so largely the cause of the world's economic distress today. And it would be a source of irritation between two great countries in the East which have in the past been friends, and which, it is the desire of all of us, should continue to be friends. But, and I speak here with a full sense of responsibility, if the Conference should not succeed, then the Government of India should take immediate steps under the legislation which was passed unanimously by both Houses last April, to give the fullest protection necessary to those industries which are already suffering grievously from the causes to which I have already referred. That protection must be given promptly and effectively, and India must turn, however reluctantly, from a contemplation of a new trade agreement with Japan to an examination of trade relationships with those other countries which are ready to come to reciprocal and naturally beneficial arrangements with this country. Ottawa has shown that within the Empire there are such countries. India does not stand alone. Although she goes to the Conference as a sovereign state, she goes as a member of the Empire, whose delegates at the World Economic Conference pledged themselves to closer cooperation in matters of tariffs, currencies and price levels within the Empire. But I have faith that the Conference will succeed, and that it will not only open up a new era of friendly trade relationships between Japan and India, but also show an example to the world of international cooperation between two great Eastern powers in matters which deeply affect their industrial, agricultural and economic life.

THE HONOURABLE MR. T. A. STEWART : Sir, the remarks that have been offered by the Honourable Members who have spoken leave me very little to say, but I might be permitted to express my appreciation of the temperateness and restraint of their remarks. It is apparent that they realise the importance of saying nothing which might prejudice the forthcoming negotiations. I will give the Honourable Rai Bahadur a very full assurance that in the course of the forthcoming negotiations the Government of India will not fail to consult any business interests that are concerned in the negotiations. Invitations have already issued to representative industrial bodies which have been asked to send advisers to Simla to help during the course of the negotiations. I may also explain that as a matter of diplomatic practice it would be impossible to admit to the actual negotiations unofficial and unaccredited representatives of Government ; however willing we might be for our part I think from the other side it would certainly be the subject of objection.

THE HONOURABLE MR. BIJAY KUMAR BASU : What about cotton growers ?

THE HONOURABLE MR. T. A. STEWART : They also have been asked to send representatives. I prefer at the present moment to be optimistic and not to consider the possibility of a failure of the Conference ; but if the worst should come to the worst I can assure the Honourable Mr. Henderson that the considerations that he has mentioned will not be absent from the counsels of the Government of India.

THE HONOURABLE THE PRESIDENT: The question is—

“That the Bill further to amend the Cotton Textile Industry (Protection) Act, 1930, as passed by the Legislative Assembly, be taken into consideration.”

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

THE HONOURABLE MR. T. A. STEWART: Sir, I move:

“That the Bill further to amend the Cotton Textile Industry (Protection) Act, 1930, as passed by the Legislative Assembly, be passed”.

The motion was adopted.

THE HONOURABLE THE PRESIDENT: I understand the Honourable Mr. Suhrawardy does not propose to move his Resolution.*

THE HONOURABLE MR. MAHMOOD SUHRAWARDY: Yes, Sir.

STATEMENT OF BUSINESS.

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN (Leader of the House): The Resolution which has been passed by the other Chamber desiring the concurrence of the Council in the recommendation for committing the Reserve Bank of India Bill to a Joint Committee of both Chambers as well as a similar Resolution in respect of the Imperial Bank of India (Amendment) Bill which is expected to be received by Saturday, the 16th September, may with your permission, Sir, be considered on that day. By Saturday, the 16th, it is also expected that further Bills might be laid on the table. I therefore suggest, Sir, that the Council meet on Saturday, the 16th, for the consideration of the two Resolutions in respect of the Reserve Bank of India Bill and the Imperial Bank of India (Amendment) Bill and for the purpose of laying on the table any Bills which may be received by that date.

The Council then adjourned till Eleven of the Clock on Saturday, the 16th September, 1933.

* “That this Council recommends to the Governor General in Council to take early steps to provide the Members of the Council of State with gold passes for themselves, their wives and dependants, when travelling from their constituencies to Delhi or Simla in lieu of the present travelling allowances granted to them.”