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FIRST SESSION
OF THE
FOURTH LEGISLATIVE ASSEMBLY,
1931



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Legislative Assembly.

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LEGISLATIVE ASSEMBLY.

Thursday, 12th March, 1931.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President in the Chair.

STATEMENT OF BUSINESS.

The Honourable Sir George Rakby (Leader of the House): Sir, with your permission, I desire to make a statement as to the probable course of business during the week beginning Monday, the 16th of March. It is expected the House will sit for the transaction of Government business on the 16th, 17th, 18th, 19th and 20th. Whether the House will sit on the 21st will depend on the progress made with the Finance Bill. On Monday, the 16th March, the first business will be a motion for the election of Members to the Standing Committee on Roads for the year 1931-32. This will be followed by elections of Members to the Public Accounts Committee and to the Governing Body of the Imperial Council of Agricultural Research. Motions will then be made for leave to introduce certain Bills including:

- (1) a Bill further to amend the Indian Income-tax Act, 1922, for certain purposes,
- (2) a Bill further to amend the Indian Factories Act, 1911, for a certain purpose.

Thereafter, the House will proceed to the motion for the consideration of the Finance Bill. On Tuesday, the 17th, the first items of business will be a motion for the election of Members to the Standing Committee for the Department of Commerce and the election of Members to the Indian Research Fund Association. Thereafter, the House will resume the consideration of the Finance Bill. On the completion of the Finance Bill, motions will be made to take into consideration and pass the Indian Factories (Amendment) Bill and to refer to Select Committee the Indian Income-tax (Second Amendment) Bill. These may be taken on any day in the latter part of the week. On Friday, the 20th March, an election will be held for the Standing Committee on Roads, and on Saturday, the 21st, if the House sits on that day, a motion will be made for the election of Members to the Standing Finance Committee for the year 1931-32. On the same day the election to the Standing Committee for the Department of Commerce will be held.

THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

DEMAND No. 78—NORTH-WEST FRONTIER PROVINCE—*contd.*

Mr. President: Gentlemen, with your consent I will now put the Demand on the North-West Frontier Province. The question is:

“That a sum not exceeding Rs. 1,11,50,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1932, in respect of ‘North-West Frontier Province.’”

The motion was adopted.

Diwan Bahadur T. Rangachariar (South Arcot *cum* Chingleput: Non-Muhammadan Rural): Sir, with your permission I beg to suggest for the consideration of the House whether, in view of the large number of Demands which are outstanding, it would not be more convenient that the speeches on the cuts should be confined to ten minutes and not more. I hope that the Government Members also will observe this rule. No doubt occasions may arise when there may be more than one speech on a cut to which the Government Member may have to reply a little longer: you might allow that; but on the whole I think it will be for the convenience of the non-official Members and I put it to the non-official Members more than the Official Members, that they may agree to this course. Possibly five minutes will be quite ample for speakers other than the Movers and the Government Member; and this would enable us to go through as many Demands as possible, because we have got only two days more and there are so many Demands to go through. I put it for the consideration of the House that they should agree to this course.

Mr. President: Ten minutes uniformly?

Diwan Bahadur T. Rangachariar: Ten minutes uniformly for the Movers and five minutes for the other speakers.

Mr. President: I am entirely in the hands of the House. As I said before, Honourable Members can unanimously lay down such procedure as is suitable to them. It has been suggested by the Leader of the Opposition that Honourable Members should indulge in a self-denying ordinance and restrict their speeches to ten minutes so far as the Movers of cuts are concerned and to five minutes by everybody else. Is it your pleasure to lay down this rule?

Several Honourable Members: Yes.

Maulvi Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): I think that five minutes for other speakers will be too little. In fact some Members will take five minutes in making the preamble of their speech. (Laughter.) Therefore I would submit that it would be more reasonable if we have ten minutes all round, and in special cases power should be left in the Chair to give a few more minutes and also if some important speaker is making an important speech.

Mr. President: I should like to say in regard to the last part of the Honourable Member's speech that the Chair does not desire to have any discretion of that kind which would lead to discrimination. The Chair would like the House to lay down a definite limit beyond which no Member should be allowed to go. The effect of providing discretion will be that each Honourable Member who is on his legs may expect the Chair to extend that indulgence to him. The Chair does not wish to be placed in that position. Let the House decide definitely the time limit which every speaker must conform to. The effect will be that every Honourable Member who catches the eye of the Chair will know that he will be forced to conclude within the time that the House fixes. (Cheers.)

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadan Urban): I wish that the Honourable the Leader of the Nationalist Party had taken some of us into his confidence before he sprung his suggestion on the House as a whole. I am not anxious that the debate should

be continued for a long time on any of the cuts; but I find as a matter of fact that most of the cuts going to be debated are upon questions of policy rather than actual definite retrenchments to be carried out. If that is so, it is very necessary to elaborate that policy. I can understand if we had to come to a conclusion on a substantial cut it may not be necessary to speak so much on questions of policy, but only on the reasons why a substantial cut should be made; but that is not the case so far as I know either with the Nationalist Party or the party which I have the honour to represent. In any case I am not anxious that we should delay these proceedings or not reach some of the cuts. The least that I can suggest is a ten minutes limit all round, so that some little time may be taken up in elaborating the points. I can understand the Government agreeing to this idea of five minutes' speeches on cuts: because their task is much easier than the task of those who have to develop a case against them. I suggest in the circumstances in which we find ourselves today that a ten minutes all round may be the more desirable course.

Diwan Bahadur T. Rangachariar: I agree to that.

Mr. President: This is what I was inclined to suggest also, that a uniform time limit of ten minutes should be laid down with the unanimous consent of the House.

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muhammadan): That may be the procedure only for today because we might revise our views tomorrow. (Laughter.) We will see what progress we make. If we find that we have not been able to get through many grants today the House may agree to reconsider its decision and make a rule of its own tomorrow.

The Honourable Sir George Schuster (Finance Member): If I may express a view from the Government side, it would be this. I entirely agree with the sentiment which animated the suggestion from the Honourable the Leader of the Opposition, which I take to be this: that we should be business-like in our discussion and endeavour to give the House the fullest opportunity for discussing important questions and covering as many of these important questions as possible. I would make this suggestion, that instead of an arbitrary limit on the length of speeches, it may be advisable if Honourable Members opposite could in a sense continue the sort of convention which has already prevailed for the first three days, that is to say, that there could be some attempt at selection of the points which are going to be taken, I venture to think that that would really achieve the purpose which is in my Honourable friend's mind better than an arbitrary limit on the length of speeches. There are a great many cuts on which I venture to say a 10 minutes' speech might be excessive. There are others on which it really would be in the interests of the House to allow the case to be developed fully. And speaking from my own side although one Honourable Member suggested that the position of the Government in these matters is easier than the position of Honourable Members opposite, I should like to point out to him that our position is not a particularly easy one. There are something like 240 motions down. If we do not know in the least which of those 240 is coming up and if I have to get up in reply after listening to say three 10 minutes' speeches, on one particular motion, not having known beforehand that it was going to

[Sir George Schuster.]

come on, I am sure Honourable Members will appreciate that our position is not an entirely easy one. It is always my desire to give the House the fullest information possible and to give the points raised the fullest consideration and for the purpose, it would be a great help if one had some idea which subjects are going to be discussed. Possibly Honourable Members opposite might be able to help us in that direction, and I think in doing so they will also be helping the House.

Diwan Bahadur T. Rangachariar: Sir, I join the Honourable the Finance Member in appealing to various Honourable Members, who have given notice of cuts, to tell him which they are going to press. I am sure many of them will not be pressed, but it is very difficult to come to an understanding on that point, because many Honourable Members want to have an opportunity of saying what they have to say, especially in regard to their provinces. So it is very difficult for me, as representing my party, to give an indication, but I will request Honourable Members to intimate beforehand what they are not going to press. Sir, I think a uniform limit of 10 minutes would be ample.

Mr. President: There is only one thing I should like to add before I decide to accept the suggestion of imposing a 10 minutes' limit. The number of cuts of which notice has been given under each Demand is so large that if we follow the practice which we adopted in considering the Railway Budget, then one Demand may cover the whole of the remaining two days. If that is the desire of Honourable Members, I have no objection. But if the same procedure was adopted which we followed in regard to the four Demands already disposed of, namely, the party leaders putting their heads together and deciding upon one particular cut which would enable the House to discuss that Demand in full from all its aspects, then that one cut under that one Demand should be debated, under a 10 minutes' limit. That will alone enable the House to deal with a large number of Demands than will otherwise be possible. I am merely throwing out that suggestion for consideration of the House. The Honourable the leaders of parties may consult together and let me know whether the procedure which I am suggesting is acceptable to them. I take it, gentlemen, that it is your unanimous desire that I should enforce a 10 minutes' limit. *(Several Honourable Members from all sides of the House: "Yes, yes.")* Ten minutes' limit will be enforced.

Sir Hari Singh Gour: For today, Sir. I feel, Sir, that the House will perhaps reconsider this decision tomorrow.

Mr. President: I am sorry the Honourable Member should remain under that misapprehension. The Chair has repeatedly said that it will conform to such procedure from time to time as appeals unanimously to the House. (Applause.)

DEMAND No. 16—CUSTOMS.

The Honourable Sir George Schuster: Sir, I beg to move:

"That a sum not exceeding Rs. 75,53,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1932, in respect of 'Customs'."

Mr. President: The first motion for cut on the Order Paper is from Mr. Gunjal.* I see he is not here. Then the second cut stands in the name of Mr. Amar Nath Dutt.

Reduction of Salaries on account of Lower Level of Prices and to cope with Deficit Budget.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan Rural): Sir, I beg to move:

“That the Demand under the head ‘Customs’ be reduced by 25 per cent.”

Under this Demand, Sir, we have Rs. 75,53,000 as voted and Rs. 20,91,000 as non-voted. We have nothing to do with the non-voted amount, and it is only the sum of Rs. 75,53,000 with which we are concerned at present. Of these Rs. 75,53,000, we find that the pay of officers amounts to Rs. 4,34,200, while the pay of establishment is Rs. 47,75,000. That being so, it comes to a little over 52 lakhs, and my proposal is that all these salaries should be reduced by 25 per cent. which will give the Honourable the Finance Member about 13 lakhs to make up his deficit. The reason for asking for this cut is this. Throughout the world prices have gone down very considerably, and there is a very low level of prices prevailing at present. In fact, the price of agricultural produce has gone down far less than what it was before 1914, I mean it has gone lower than the level of the pre-war period. Most of the salaries were increased at times to double and at times treble, just after the war, to meet the high prices then prevailing, in comparison with the pre-war rate. Now that the prices have come down to the pre-war level we can very well demand at least a cut of 25 per cent. in the salaries of officers and establishments. Now, Sir, if a man who gets Rs. 1,000 is paid only say Rs. 750, I do not think he will grudge it, nor would he be justified in grudging it, considering the fact that the prices have come down all round and considering also that his expenses have consequently come down owing to the reduction in the prices of foodstuffs and other necessities of life. Sir, the Honourable the Finance Member has dealt at some length with the reduction of the salaries of officers and establishments in his Budget speech. I yield to none in my appreciation of the Finance Member's anxiety to make up the deficit with as little irritation to the taxpayer as possible. In fact, I find that, in preparing his Budget, he has been throughout actuated by a keen sense of duty, and may I say that he was a little obsessed with the idea that he was not to hand over his Department to his successor in an insolvent condition. That is no doubt a very laudable desire on his part, and we appreciate it, but at the same time the way in which he has met the argument about the reduction of salaries does not appeal to us. His reasoning has been like this: “It is an extremely difficult subject and one on which clear thinking is essential”. I think we are capable of clear thinking, and we admit that it is a difficult subject, but not an extremely difficult subject, as the Honourable Member seems to think. Then, he points out that, by reducing the salaries by ten per cent., the Central Government won't get more than Rs. 88 lakhs. Now, Sir, I beg to submit that if you would increase the reduction from 10 to 25 per cent., the amount will not be a negligible amount. The Honourable Member further says in his speech that drastic reductions down to the lowest ranks will be necessary. I do not see any harm in that because the salaries of Govern-

*“That the Demand under the head ‘Customs’ be reduced by Rs. 75,00,000. (Retrenchment in Pay of Officers.)”

[Mr. Amar Nath Dutt.]

ment servants have been increased throughout. People in some services, who used to get Rs. 400 a month are now getting Rs. 750. So, I do not think that a reduction of 25 per cent. in the salaries of the officers and of the establishments will affect them, considering the lower level of prices that is now prevailing in this country. Instead of doing this, the Honourable the Finance Member has given us an alternative suggestion. He says that by increasing the income-tax we could meet the deficit. That burden will fall not only on the service men but also on all people. Here, I beg to point out to him one fallacy which he has not noticed, and that is this. The income of professional men has not increased to the extent that the salaries of the officers have increased. People earning Rs. 1,000, or 1,200, or 1,500 a month at the Bar—their income has not gone up to Rs. 3,000 to 4,000 a month. But it is a fact that members of the judicial and executive services who were drawing Rs. 400 in those days, are drawing now Rs. 750 a month, and those who were drawing only Rs. 1,000 are now drawing Rs. 1,800 or 2,000 a month. So, to put all these classes together, namely, the professional classes whose income has not increased, and the salaried officials of Government, whose income has increased considerably, and thereby say that there should not be any reduction of the salaries of the officials, is a fallacious argument, which does not appeal to us. Then, again, what would a man drawing Rs. 800 a month pay as income-tax? He would pay somewhere between Rs. 40 and Rs. 50 a month, but if you reduce his pay by one-fourth the State will receive Rs. 200 a month. So, the reduction of the salaries is the one thing necessary to make up the deficit, and in this I am sure the Honourable the Finance Member will not be hampered in any way . . .

Mr. President: The Honourable Member's time is up.

Mr. Amar Nath Dutt: I can assure him that he will have our heartiest co-operation in matters like his.

The Honourable Sir George Schuster: The self-denying ordinance seems to be very effective, and I am sure that Honourable Members will agree with me that the ten minutes' rule was not exactly suited to the style of oratory to which the Honourable Member who has spoken is accustomed.

My Honourable friend has raised the very big question as to whether the circumstances are such that the Government ought to impose on Government servants right down to the very lowest ranks a cut of 25 per cent. My Honourable friend has disputed the statement that I made, that that was a very difficult question which raised very difficult issues. I venture to suggest to him that the mere form of the motion which he himself has had to move today should bring home to him some of the major difficulties in the situation. For what would be the effect if the House were to accept this motion? In the first place, it would be accepting a principle of differentiation between those officers whose salaries are non-voted and the officers whose salaries are voted. In the second place, it would be committing this House to accepting a principle of differentiation between the officials of the Central Government and those of the Provincial Governments. Now, Sir, I do not expect the Honourable Members to be very greatly impressed by the first point. They will say that it is one of the injustices of the present constitution that a large portion of the salaries is non-voted. That might be a good reply, but I would remind my Honourable friend that, underneath the

situation, there are certain constitutional facts which we cannot get over and that there are certain officers whose position is constitutionally protected. That is a fact which we cannot escape; it is one of the facts which creates a difficulty in the situation. The second point, however, which I made, is one of much greater substance, and it strengthens the argument which I myself used in my Budget speech, that this is a matter on which the Central Government cannot act alone. We have suggested a means for securing the early consideration of the whole question jointly with the Provinces, and that, I think, is as far as we could at the present moment go.

My Honourable friend's argument as to the hard case of professional men was one, I think, which did not weigh very heavily with this House. If certain professional men have not been sufficiently successful in their professions to be able to increase their income adequately in correspondence with the increase in the cost of living, that is one of the chances of life and no Government can do anything to interfere with that result. But I venture to suggest that, as a general rule, taking for instance the earnings of barristers, and people of that kind, these have very substantially increased since the War. I do not know what has happened in the last few months, or whether there has been any general falling off in the scales of fees; but, at any rate, up till recently, I feel convinced that that was the fact.

Mr. B. E. Puri (West Punjab: Non-Muhammadan): There is a distinct falling off in fees.

The Honourable Sir George Schuster: I am glad to know that the commercial world has responded to the situation. (*An Honourable Member:* "But the Income-tax Officer won't believe us.") Now, I think that it is important that this House should realise what is the basis on which the greater part of the increases in pay recently has been granted. Generally, I think it would be admitted that such increases as have been given in the pay of establishments have been given largely as a result of pressure from public opinion, which has been supported in all quarters of this House. I need only refer to two cases which come at once to my mind,—one, the very large increase in the pay of all employees in the Posts and Telegraphs Department. Large increases have been given effect to in the last three or four years. I quoted the other day the figure of what was involved in these increases. I stated that at present it was calculated that they involved something like an extra charge of 1½ crores a year. Now, I am certain that those increases were never opposed by Honourable Members opposite. Indeed they pressed for them. I have another case which comes particularly to my mind because it is a very recent case, and that is the pressure which was brought to bear upon us to improve the pay of certain of the officials and the clerical staff of the Currency Department. That was brought up in the course of last year, and on the strength of very strong representations from influential Members of this House, I met a deputation of those Members and agreed to the appointment of an impartial business inquiry. As a result, certain increases of pay were granted. There are two good illustrations, and I do not think it is necessary for me to go in detail over the whole of the field. I am sure Honourable Members will appreciate that it is up to the Government to see that Government servants get reasonable pay, and that, if there has been any tendency to increase pay as a whole in the last few years, it has been a tendency which has been very largely stimulated and

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encouraged by the representatives of the public in this House. I do not criticise that tendency at all. I only ask Honourable Members to appreciate that if they wish certain things to happen, they must provide the means to pay for them. It is very easy to bring forward these suggestions and to earn cheers for a spirit of generosity, but, "then comes the reckoning, and we laugh no more". That is a quotation which has run through my mind very often in the last few days. Sir, I have, I think, already run the length of my time. I only wish to point out that to pass a motion of this kind involving a 25 per cent. cut in the salaries of all officials, from the highest to the lowest, is not a practicable proposition.

Mr. Amar Nath Dutt: I only wish to say a few words by way of reply. The Honourable the Finance Member has been pleased to observe that, owing to the demands of public opinion, they have increased the salaries of the establishments. Here is also the same public opinion now demanding a lowering of those salaries, which were found necessary in times of high prices. Then, Sir, the Honourable the Finance Member has suggested that there should be reasonable pay for Government officers. We say that after this 25 per cent. reduction, the pay will still be as reasonable as before, and no one can object to it. I quote his own words from the Budget speech, where he said that in a case of national emergency some sacrifice may be demanded from all concerned, and I appeal to him that this is a time of national emergency. Then, as regards the distinction between the salaries of those officers which are non-voted, and those which are voted, I beg to submit that the question does not arise at all. Because we cannot reduce certain salaries somewhere, that therefore we should stay our hands with respect to all salaries, is an argument which does not appeal to me.

Mr. President: The question is:

"That the Demand under the head 'Customs' be reduced by 25 per cent."

The motion was negatived.

Retrenchment and Uniformity of Basis for Expenditure.

Mr. S. C. Shahani (Sind: Non-Muhammadan Rural): Sir, I move:

"That the Demand under the head 'Customs' be reduced by Rs. 11,73,000."

The Honourable the Finance Member has given us a four fold advice for dealing with the Budget. He has told us to adhere to sound financial principles, to give unremitting care to details, to work hard and to seek co-ordinated co-operation. I would request him, in pursuance of the advice that he has given us, to himself consider the details of the estimates that are given in connection with this Demand. I would request him and Honourable Members of the House to look into the details, and to realise that out of the eight Circles of account, four may be properly deemed as being comparatively major. Out of these, so far as I can see, Bombay including Karachi may be looked upon as the basis of our estimates for the different Circles. Bombay including Karachi employs 28 officers and 1,566 members of establishment, and is estimated to cost on the whole Rs. 27,78,000. Calcutta and Chittagong employ 28 officers and 1,261 members of establishment, and are estimated to cost Rs. 29,10,000. The estimated cost of Calcutta and Chittagong ought not to exceed the cost of Bombay and Karachi. I therefore take it that Rs. 1,67,000 can be easily

reduced in the administration of this circle. Madras, according to me, and I think rightly, will be deemed a comparatively poor circle. It has 17 officers and 1,227 members of establishment, and yet it costs Rs. 26,81,000, which must be considered as an abnormally large expenditure. Here I find that there is room for economy to the extent of Rs. 7,59,000. Then we come to Burma. Here there are 9 officers and 517 members of establishment and yet the cost is Rs. 12,84,000. By calculation I see that Rs. 3,20,000 can be easily saved. Burma is only a little less than one-third of the Bombay and Karachi Circle.

My second reason for the economy that I suggest will need a reference to Mr. Jukes' Report. If you look into page 1 of that report, you will find that the estimates of expenses on the collection of Customs revenues in 1931-32 is the highest figure since 1924-25. Taking the average cost of collection for the years 1924-25 to 1929-30 for which actuals are available, the estimate for 1931-32 should not exceed 86 lakhs.

My third argument for the retrenchment proposed by me would be of a general character. In the customs revenue I do not find any protective duties on wheat and sugar. It is undoubtedly desirable that our industries should be duly protected. I shall ask Honourable Members to bear in mind that the foreign producers of these commodities, for instance, of Australia and Java receive subsidies from their own Governments; and the shipping companies here give them concessions to enable them to compete in Indian markets. I am quoting from memory

The Honourable Sir George Rainy (Member for Commerce and Railways): On a point of order. I raise it merely for the convenience of the House. It is this. I thought that the ruling or the understanding was that questions of policy should be raised on token cuts and not on a substantial cut such as this. If the two things are mixed up, there will be very great difficulty. Suppose it came to a division. We should be mixing up the question whether there is room for economy in the Customs staff with the question whether the Government policy is right as regards the imposition of duties. It would make a very confused division.

Mr. President: In the case of the Budget, it is very difficult to draw the line very definitely. But I hope the Honourable Member, without asking the Chair to decide on the point of order, will try to restrict his observations to the retrenchment which he advocates in his motion.

Mr. S. C. Shahani: Very well, Sir. If the general consideration suggested by me in connection with my cut cannot be appropriately undertaken now, I give up the general consideration. The arguments that I have addressed to the House should, I think, suffice for my motion being generally supported.

Mr. President: The question is:

"That the Demand under the head 'Customs' be reduced by Rs. 11,73,000."

The Honourable Sir George Schuster: Sir, I find it difficult to reply exactly to the line of argument used by my Honourable friend. He has taken the trouble to go very carefully into the figures, and for that I must be grateful to him. But the two principles on which he argues, I suggest, are not very valuable principles in guiding this House as to what should be the proper expenditure. As to his first principle, as far as I could make

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out, he adopted Bombay, including Karachi, as representing an ideal datum line from which he could reckon and then, working on lines which I was not exactly able to follow, he has proceeded to prove that in the other three Circles the cost is very much too high. I venture to suggest that that line of argument is not really a valid one. One cannot make these comparisons without going very carefully into all the facts. I would be able, if time permitted, to take him through the figures and to explain to him, in a most convincing way, what is the reason for the kind of difference which he has pointed out. His second line of argument was that the percentage cost of collection is now too high, and he has taken again as a datum line some year—I believe during the last five years—when the percentage cost was lower. Now on that particular point, the argument which I wish to develop is that you cannot judge merely from the total Customs receipts as to what the amount of work involved is. In the first place of course, though there is now a temporary decrease in trade, it is impossible to reduce the staff precisely in proportion to that decrease. As a matter of fact, in the present circumstances, the authorities concerned have been instructed to effect every possible economy by not filling up any vacancies that may arise, pending the revival of normal trade conditions. We are doing all that can be done in that direction. But the real point is that there are other factors which determine the volume of work. There has of course in the last five years been a considerable increase in the Customs revenue, and the increased collection has not been markedly out of proportion to that increase. But apart from that, the number of dutiable bills of entry has increased very enormously in the last few years, and the volume of work has grown quite disproportionately to the amount of revenue collected. I should just like to give this House some figures. The number of dutiable bills of entry rose from 323,923 in 1923-24 to 759,483 in 1929-30, and the number of free bills of entry from 6,597 to 80,841 during the same interval. This very striking increase in the number of bills of entry is due of course partly to the increase in the volume of trade, but also to the fact that, apparently, the trade is gradually passing from the hands of wholesale importers to those of smaller importers, who deal directly with other countries. That, I am sure, illustrates a tendency which should be pleasing to Honourable Members, because I think it illustrates the growing up of a large number of smaller Indian firms. But it inevitably increases the amount of work, and I have no doubt, Sir, that if my Honourable friend could go through the actual figures which show what the work in the Customs Department is, he would be able to satisfy himself that efficiency has increased considerably during the last few years, and that the growth of expenditure has been kept down in every possible way. Therefore, Sir, I venture to put to the House that the reduction which he has proposed is one which could not as a practical matter be introduced, and the arguments on which he has relied are arguments which really do not hold good in the realm of fact.

Mr. S. C. Shahani: I must, Sir, thank the Honourable the Finance Member for looking into the figures which I have put before the House. He however thinks that the principles which I have advocated are not the right ones for estimating the cost of collection of the Customs revenues. I agree that my second principle of comparative average cost may not alone suffice to establish my position. No doubt the volume of work too must

be considered. I can easily imagine that the volume of work during the last few years may have increased; but it would interest me a great deal to know, after the Honourable the Finance Member has sat on the proposed Retrenchment Committee, that he or the Retrenchment Committee did not act up to the first principle urged by me. In order to curtail the expenses that are being incurred in connection with the collection of the Customs duties the principle of taking the number of officers and the number of members of establishment in each Circle and their cost must be enforced.

Mr. President: The question is:

“That the Demand under the head ‘Customs’ be reduced by Rs. 11,73,000.”

The motion was negatived.

Inadequate Representation of Muslims in the Customs Services.

Mr. Muhammad Anwar-ul-Azim (Chittagong Division: Muhammadan Rural): Sir, I beg to move:

“That the Demand under the head ‘Customs’ be reduced by Rs. 100.”

At the outset I want to say that this cut has been put for the purpose of reminding the Government of India, which is represented by the Finance Member in this House, to take steps to give effect to those promises which were so generously held out with regard to this particular subject last year. This matter has been agitated on the floor of this House from year to year and it has become more or less a sort of a hardy annual. I will only confine my remarks solely to the representation of the members of my community in the various services of the Customs Department in Bengal, as the time limit is very short. From a perusal of the figures which were given by the Honourable the Finance Member, Mr. President, in last year it will be seen that, in 1925, in the ranks of the Appraisers the representation of the Mussalmans was 1 per cent.; in 1930 it became 6 per cent. In the ranks of the Examining Officers it was 9 per cent. in 1925; it continued to be so up till 1930. In the ranks of the Preventive Senior Officers (whose number is 41) it was 1 per cent. in 1925; it became per cent. in 1930. In the lower grade it was 15 per cent. in 1925 and remained stationary up till 1930. In the ranks of the clerks, during the course of five years, it underwent a decrease of 1 per cent. I would also submit, Mr. President, for your consideration the latest figures which are up to the 31st December, 1930. In the statement showing the strength of the ministerial staff of the Calcutta Customs Department on the 31st December, 1930, the figures are as follows: There are 8 Superintendents, none of them is a Mussalman. There are 10 Deputy Superintendents, none of them is a Mussalman. The Treasurer is also a non-Muslim. Out of 41 Upper Division clerks, there are only 6 Mussalmans. There are 4 stenographers, out of whom only one is a Mussalman. Out of 7 typists, there is not a single Mussalman. Even in the ranks of the Lower Division clerks, whose number is 314, there are only 41 Mussalmans. Out of 9 clerks for the Chemical Examiner's Office, not one is a Mussalman. I will now show you, Mr. President, the state of affairs in the ranks of the highly paid cadre which is as below: Out of 46 Appraisers, there are 8 Mussalmans; out of 200 Preventive Officers, there are 28 Mussalmans; and out

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of 8 Chemical Assistants, there is not a single Mussalman. Amongst the ranks of the Appraisers there have been three vacancies in the past year and there is one vacant even today, but none of them has been given to a Mussalman. There were 25 vacancies in the ranks of the Preventive Officers, and I do not think they have been kind enough even there to the Mussalmans. In the ranks of the Marine, there are no vacancies. In the ranks of the ministerial staff there were 20 vacancies, and I do not know if there was any given to a Mussalman. It is very difficult, Mr. President, for a man of my temperament and political predilections to come out with these sad stories especially so far as the Customs Department is concerned, because if you were to take notice of the present composition of the people of Bengal, you will find that we represent a fairly decent majority in the Eastern districts and we are more or less equally balanced near about Calcutta and to its West. Last year the Honourable the Finance Member—I am not going to cross swords with him—was pleased to say that it was not the policy of the Government to allow a preponderance of any one class of people in any cadre or any branch. He was also pleased to assure us that one-third of the vacancies are kept reserved in order to do away with the so-called communal inequalities. From the figures that I have submitted for your consideration, Mr. President, the Honourable the Finance Member will find that there have been several vacancies in these ranks, for which there was no dearth of qualified Mussalman candidates. If the Honourable the Finance Member will kindly refer to a letter No. 117-A, sent to his Department by a recognised Association in Bengal and the reply that his Department sent, this state of affairs will become quite evident to him, because it seems that both his Department and his subordinate agents in Calcutta and elsewhere have taken notice of that representation. In spite of all this, I am really surprised to find that the figures which I have quoted have been allowed to continue and stay. Sir, it seems to me to be very perplexing and puzzling that, in spite of the assurances on the floor of the House by a very responsible representative of the Government here, things do not seem to change at all, and in certain directions surely they are going backwards. To a laymen like myself it would suggest two things. Firstly, either the Government are afraid of doing justice, or, secondly, the situation has been made so cumbrous and complicated that, notwithstanding their very best wishes and desires, they cannot give effect to them. May I not very pertinently ask such a responsible officer of Government, who is holding such a high position and controlling such a huge Department, if he feels that they are here to do justice to all, how is it that this sorry state of affairs has been allowed to drag on, which has blackened their own reputation?

12 Noon.

I hope, I am not using strong language because it seems so hard that, in spite of so much talk of doing justice and of doing this thing and that thing, things have been allowed to drag on thus. Personally speaking, I do not know that this wait-and-see policy, if I may say so, is likely to pay in the long run, because the very evil seed of distrust which is likely to germinate in the minds of young Muslims attending the universities and the colleges is a very fatal and vital thing.

Mr. President: The Honourable Member's time is up. He cannot go on any longer. The Honourable Member may complete his sentence, but I cannot allow him more time than that.

Mr. Muhammad Anwar-ul-Azim: That is the difficulty we are labouring under. With these words, I commend my motion for the consideration of the House.

The Revd. J. C. Chatterjee (Nominated Non-Official): Sir, I feel that I have a great deal of sympathy with what my Honourable friend has said, but at the same time, I feel that in this country, there can be no real peace either in the Legislatures or in the public services till the labels which separate one community from another begin to be based on something other than religious differences. Till that state of affairs comes about in this country, I believe, Sir, we cannot be a united nation, whatever our constitution may be. I have, therefore, from my place whenever I have had the opportunity, urged that a fair field and no favours should be the criterion by which the services in this country should be recruited. I feel, Sir, that that is the first and the correct principle that should guide us in selecting public servants. But at the same time, there cannot be smoke unless there is some fire, and if so many grievances are put forward, it shows that some sections of the community are aggrieved. There is no time for me now to go into the reasons for those grievances, but I do say this, that if Government are accepting the policy of the representation of the various communities, of course, always remembering that efficiency does count in recruitment, if they are accepting this policy—and from what one has heard in the course of the Railway Budget debate and other debates, they are definitely accepting that policy,—I do not wish to quarrel with them. But I do maintain, Sir, that if such a policy is accepted, it should be extended to all communities irrespective of the fact that a certain minority community is strong and another minority is not so strong, or not so vociferous. The claims of the smaller and less powerful minorities should also be taken into account. I do hope that an assurance of this kind will be forthcoming, that it will not be only one minority, but that all minorities shall have their due share in the public services of their country.

Seth Haji Abdoola Haroon (Sind: Muhammadan Rural): Sir, I beg to support my Honourable friend, Mr. Anwar-ul-Azim. He had given some figures of all-India services, whereas I want to say something about Karachi. The province of Sind is mostly populated by Mussalmans, about 70 per cent. are Muslims. In reply to my question the other day, the Honourable the Finance Member said that the total number of Appraisers in the Customs Service at Karachi is 21, out of which only one is a Mussalman. The total number of Examiners is 14, and none of them are Muslims. Besides this, I asked another question that is, how many new men were appointed in this service within the last five years, and the Honourable the Finance Member replied that, within the last five years, four examiners were recruited from outside and two from the office, out of which no Mussalman was appointed. For this state of things, the Honourable the Finance Member gave some reason or other, whatever reply he got from the Karachi Customs House. I want to say, Sir, that within the last five years, the Customs authorities at Karachi are not giving proper attention to the instructions of the Government of India or the Honourable the Finance Member, who from time to time has been giving some sort of explanation to Members that he will do his level best to appoint more Muslims to these posts.

[Seth Haji Abdoola Haroon.]

Then, I will take the figures as regards some other appointments in the Customs service in Karachi. You will find that there are four Superintendents, out of which none is a Muslim. There are four Deputy Superintendents, out of which none is a Muslim. Out of a total of 186 clerks who are drawing Rs. 125 and over, one is a Muslim. Out of 135 clerks who are drawing from Rs. 45 to Rs. 125, only two are Muslims. If you look to these figures, what is the conclusion that you draw? The Honourable the Finance Member promises from time to time that more Muslims will be appointed, but the Karachi Customs authorities do not give any heed to the promises made by the Honourable the Finance Member and the result is that the Muslim percentage remains as it is. For this reason I am supporting the cut of my Honourable friend.

Mr. S. O. Shahani: Sir, I rise to request the Honourable the Finance Member not to give promises without duly considering their import. I do find from the figures that are quoted here that a sufficient number of Muhammadans are not included in the Customs services in Karachi. I would certainly wish that a larger number was included in these services, but I feel disposed, once again, to emphasise that the qualifying standard should in all cases be insisted upon.

Seth Haji Abdoola Haroon: Nobody objects to that.

Mr. S. O. Shahani: Experience shows that very incompetent people are appointed, simply because in the Central Legislature undue emphasis is being placed upon the representation of different communities in the different services. Sir, if every one here did consult his own conscience, he would be bound to admit that the different services in the country have been a great deal vitiated by the undue importance of representation of different communities in the different services. I say that to a reasonable extent representation of communities in services ought to be borne in mind by the authorities responsible for appointments, but no undue emphasis should be placed upon such a consideration. Ability and character should be primary considerations.

Mr. Uppi Saheb Bahadur (West Coast and Nilgiris: Muhammadan): Mr. President, I had not intended to speak in this debate, but the speech from the opposite side brought me on to my legs. Sir, I come from a Presidency where communalism among the Hindus is at its worst, that is from Madras. Sir, you know that in the Madras Presidency, the Brahmin-Non-Brahmin question was being raised for the last 13 or 14 years in the very worst manner. It was due to nothing but the fact that a certain community, that is, the Brahmin community, who were far more educated than any other community in the Presidency, got into the Government service and then they blocked the way to the non-Brahmins. To a certain extent it is true that the Brahmins shut out the other communities and got all the Government jobs to themselves. When I came to Northern India, so also I found that the communalism was not between Brahmin and Non-Brahmin but between Hindus and Muslims. The Muslims feel that the Hindus are actually standing in their way to services. And it is quite natural that when one community gets hold of certain employments or certain offices, they try to bring in as many of their own relations into

that service as possible; and so also when the circle widens, they try to bring in as many of their own community as they possibly can. What I urge upon my Hindu brethren is not to advise the Muslims not to ask for the loaves and fishes in Government service, but to be more liberal, more kind, more sympathetic to their Muslim brethren and to extend their helping hand to a community which has fallen behind on account of lack of modern education for some time, and not bring forward, as Mr. Shahani said just now, the question of efficiency. Efficiency is not confined to any one community, because plenty of Mussalmans have got into Government service and so many Sikhs have got into Government service and the service has not gone to the dogs. And I say, give preference to these minority communities wherever there is a vacancy, and be sympathetic to them for some time. We do not want that Muslims should be given these posts at the expense of other communities. Sir, I am not a communalist. I was in the Madras Legislative Council and as a matter of fact I was a Nationalist and a Swarajist. Even today I am to a certain extent of opinion that joint electorates will do more good to the country than separate electorates. But when I find the mentality of certain of my Hindu friends, I am afraid I may have to give up that view for self-protection though I have not yet given it up. Such an argument as efficiency goes home to our hearts and we see that there is something behind their minds when they bring forward that view. We admit, and they too will have to admit, that we have fallen back; we are far behind them in matters of education. But now that we have taken to education and are trying to come into line with the rest, as soon as you give us a certain number of posts in Government service, I am sure this communalism will die a natural death. It is because some people prevent the Muslims from getting their due share under one plea or another that all this communalism is there. When we find that these things are equally distributed and there is no more scope for us to get into Government service, naturally will we have to take to other jobs and we will do it. If the Hindus and the other communities will be liberal to us for a few years, as Mahatma Gandhi put it, with a little bit of courage in their hands, certainly this communalism will die and that is the only remedy for the situation which now prevails.

Diwan Bahadur A. Ramaswami Mudaliar: Sir, in one's travels through the Continent of Europe when one goes to the Eternal City, there is a building which strikes the attention of every one who takes note of the past history of Italy and of Rome, the Coliseum. It was my privilege to visit that building, now in ruins, and as I went in there I pictured to myself the scenes that occurred in the days of might of the great Holy Roman Empire. I thought of the gladiatorial fights that were staged on the floor of the Coliseum, the lion coming from one entrance and the gladiator coming from the other, while tier upon tier sat the Roman nobles and ladies, the Empress Theodora in her unblushing beauty and all the Roman Lords and Senators in their pomp and glory enjoying this gladiatorial fight and cheering and clapping their hands impartially whether it was the brute that was winning or the man that was dying. Sir, I am reminded of those gladiatorial fights when I see on the floor of this House, the Coliseum of modern Delhi, the same fight being staged between some Hindu protagonists on the one side and those who are called communalists on the other, and tier upon tier the present-day Roman Senators

[Diwan Bahadur A. Ramaswami Mudaliar.]

sitting opposite enjoying the show and doing nothing to stop these fights. Sir, I venture to think that, in spite of all the promises that have been made by the Government, in spite of the circulars that have been issued by the Provincial and Central Governments, in spite of the theory that has been advanced that no single community should have a monopoly of the services, in spite of all that, in practice nothing has been done. And if today my friends the Muslims have to put forward their case and some Hindu gentlemen not having the provision to look ahead contest that theory on grounds of efficiency, I certainly think that it is not in the larger interests of the country nor of that harmony which has to be brought about between community and community. I do not go so far as to suggest that there is a deliberate policy behind those who are sitting on the Treasury Benches in perpetuating these inequalities and thereby staging these continual gladiatorial fights on the floor of this House. But I venture to state that, as a matter of fact, in practice all the schemes that they have put forward have not been carried out as regards the removal of monopoly by any single community. My Honourable friend, the Finance Member, stated to my Honourable friend, Mr. Puri, the other day that he ought not to make charges without substantiating them. Within the ten minutes' limit I am not in a position to substantiate charges on the floor of this House, but I give this undertaking to whichever Honourable Member of the Government wants me to substantiate it that I shall place it at his disposal and I will substantiate by chapter and verse and by facts and figures from some provinces at least that all is not fair with reference to this Customs service, as indeed it is not fair or equitable with reference to many other services. Let me not be misunderstood on this point. It is not the Brahmin who has no room or ground for complaint, it is not the non-Brahmin who has no ground for complaint, it is not the Muslim or the Christian. I say that every one has grounds for complaint because the nature of your recruitment, the policy that you adopt, the methods that you pursue, the patronage that your subordinates want to have, all these preclude any single community, Brahmin, non-Brahmin, Muslim, Christian or any other, from being satisfied. It is not even competitive examination that you carry out; it is not the limited competitive examination that we on this side, those who believe in adequate representation of all communities, urge upon you. It is nothing of the sort. On the other hand it is patronage, more patronage, the desire to please yourselves that is the dominating factor in the recruitment of these services. As I said, I am prepared to give facts and figures with reference to every one of these services, and that statement I venture to make with all gravity and with all seriousness on the floor of this House. Now, Sir, that state of affairs must be stopped if there is to be harmony, if there is to be peace and contentment and if we are to direct our attention not to what are so often termed the loaves and fishes of office, but to higher things. And talking of loaves and fishes of office I should like my Honourable friends to remember that in every country it has after all been the loaves and fishes that have counted most. Coming fresh from England and knowing something of political parties and political developments there, I may tell my Honourable friends that the great split in the Conservative Party today, the war that is being carried on by those who have been described by Mr. Baldwin as plutocrats had its origin in loaves

and fishes. The fact that one plutocrat at least could not get his son into a certain post has been responsible for this split that is now raging and tearing the Conservative Party to pieces, and all the grave mischief that has followed is due to that. Therefore let us not talk lightly of the loaves and fishes of office, because in many other countries these loaves and fishes have proved the same terrible and dreadful apple of discord that it has proved in this country. Therefore, Sir, I venture to make a special appeal, not to my Hindu brethren, not to my Muslim or Christian brethren, because all of us are displeased with the methods of recruitment, but I venture to make a special appeal to Government that they should see to it that their orders are carried out loyally by their subordinates and that patronage is not resorted to any longer. Sir, after all Government have accepted one golden rule, that there should not be a monopoly of any community in any particular service. I have heard so often of this theory of efficiency and of competitive examinations being the only method by which efficiency can be established, that I want to bring back my Honourable friends and those on the Treasury Benches to the ultimate ground on which this question of competitive examination was based in the days when it was first introduced. My Honourable friends' predecessors were old Haileybury Civilians who knew not of competitive examinations, and I venture to think that they did as good work at least as the competition-wallas of the present day. But that system was changed by Mr. Gladstone when he was Prime Minister, and the reason for the change was because he felt that the monopoly that was then existing, the nomination of Haileybury Civilians could only be broken by introducing competitive examinations. Let us remember that competitive examinations are not an ideal in themselves; they are merely the means to an end; and Mr. Gladstone thought that the means of breaking the monopoly was through competitive examinations. If in this country you come to the conclusion—and I venture to ask my friends on the opposite side whether they could come to any other conclusion—if in this country you come to the conclusion that competitive examinations, unadulterated and unalloyed, would merely aggravate that monopoly rather than break it, are you going merely to apply that method which Gladstone used without understanding the underlying principle which was behind that method. I therefore am not one of those who advocate unalloyed competition, and I do not want patronage either. I advocate what I should call the limited method of competition, and I think that Members on the Government Benches, Chairmen of Public Service Commissions, and members of the Public Service Commission, they all should work towards the salutary principle that they themselves have enunciated, that there ought to be no monopoly of any single community in the services, and try to see that fairness is established and peace and harmony prevails in the land.

Bhai Parmanand Devta Sarup (Ambala Division: Non-Muhammadan): Sir, I had intended moving a cut on the North West Frontier Province Demand. I am not going to talk about it now, since the Honourable the Leader of the Opposition persuaded me not to move that cut, so that there might not be any unpleasant discussion in this Honourable House. I gave up that right with due respect to the Honourable the leader of the party. But now I find that the same question is being talked of and discussed in the spirit of communal considerations, therefore I am obliged

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to say that we have to decide once for all what is the principle we have to follow in the matter of the public services. I understand that public service is not a matter of privilege or right of any one particular person or any one community. It is rather a question of duty or service to the Government and through that, to the public at large. The performance of this duty or service requires that the fitness of the man should be found out. If we have to take into consideration that a certain community has specially to be represented, then we have to give up the principle which would keep up efficiency and the status of public service in the country. The question of communal representation in the public services is not simply among the Hindus and the Muhammadans, but as has been urged by my friend, Mr. Mudaliar, it concerns other communities as well such as Brahmins and Non-Brahmins in the South, and as I know in the Punjab, between zemindars and non-zemindars and zemindars and the depressed classes. All the same I think, Sir, the qualification for public service should depend on the fitness and qualifications of the man. There are classes in each community; some classes are fit for doing one kind of work and other classes are fit for doing another kind of work. If we take all the people as one nation and consider that all these classes as parts of the same nation, then the idea of communal selection or election altogether disappears. I take for instance the case of the railway workshop at Lahore. There are about 15,000 persons working there, getting from Rs. 2 to Rs. 5 per day. Almost all of them, more than 14,000, are Muhammadans. Suppose that the Hindus of the Punjab were to say that the recruitment of Muhammadans for this workshop should be stopped till the Hindus have got their proper share in that workshop it would become impossible for the workshop to go on. It is not possible for the Hindus to take to that work. They are not mechanics; they had not done that sort of work before and they would not make good mechanics. The Hindus devoted themselves to the task of writing in the Railway offices. They have been doing that work for such a long time and they have made themselves more fit for this work. The Muhammadans say that they should be given these jobs. I say if we take away the temptation of lucre, or as my Honourable friend Mr. Mudaliar calls them loaves and fishes their argument would lose its force. I would prefer that we should divest all such jobs from the attraction and temptation of money, so that there should be no communal tension over this matter. If you once reduce their remunerations as much as possible and make it only worth the amount of work, then there will be no trouble over this question. But if we are to continue this system of "loaves and fishes" we should follow only one principle and only those should be employed who are properly trained and fit for the work.

Once a friend of mine was talking to me. He was a zemindar. He said, "We have got no posts in the civil Department; therefore we should be given preference over all other communities simply because we are backward". I told him, if backwardness be the guiding principle of our action we have more backward classes, i.e., the depressed classes and all the civil posts and provincial service jobs should be given only to members of these classes; we then shall see how that service keeps up its efficiency.

As to the question of due regard being paid to the Muhammadans or to the non-Brahmins of Madras, I say this; if they are fit and if they are efficient for the jobs, there should be no objection in taking them. The duty of the State is to see that all classes of people are given a fair chance to rise, and secondly, that the State prepares all such classes, whether Muhammadans or Hindus, Brahmins or non-Brahmins and the rest to acquire fitness—and give them a chance to work up their way to any position, they can or they like. But it is a strange and curious demand that a person is not fit for a job, yet he should get it. The principle we have to follow in the selection should be merit and efficiency. We have to test the efficiency by means of some sort of examinations. My Honourable friend finds fault with competitive examination because they are not the ideal tests. They may not be the ideal but for all practical purposes that is the only way by which we can test the efficiency of candidates. I read about an I. C. S. examination, perhaps the last held here. I do not remember the figures exactly; but I think the first four successful candidates were Hindus, and they were taken. Then about 30 or 35 candidates were passed over and a Muhammadan who was about the 40th in the list was taken, besides certain other Muhammadan candidates who were even much below him. This might have afforded great satisfaction to my Muhammadan friends, but the question is whether such a course is in accordance with the principle which we have established for the government of the country. Imagine the feelings of these 35 or 40 candidates who appeared in the examination, did their best and were successful, but had their chances passed over by another candidate who stood much below them, who did not possess the ability or talent to do the work for which they are examined. I know of another such case. A number of candidates who had stood, first, second and third in the Roorkee Engineering Examination were not given posts which were to be kept reserved for Moslems, and one among them who had spent about Rs. 10,000 for his education in the Roorkee Engineering College came to me and said, "Where is the harm if I change my religion in order to get a job? I have spent all my property in getting this education and yet I cannot get one because of my religion". The man is not given a chance for which he tried and invested all his life and all his property in getting proper training. What a hardship it is to deprive the man who spends everything to prepare himself for a career simply because of the communal feeling which requires that this man should not get it, and that the job should be reserved for the other community? Sir, so far as this question of preparation for fitness is concerned, I consider that it is the duty of the State to render every kind of help possible to further education and encourage all the backward communities to go in for education so as to qualify themselves for the various posts in Government service, but when we know that they are not fit, they are not quite up to the mark, I do not understand why these communal considerations should be urged in their support.

Now, Sir, if there is not a sufficient number of Muhammadans in the Customs Department, Karachi, there are plenty of other departments in which the Muhammadans predominate. The same thing I was going to say about the North West Frontier Province. I would have pointed out by quoting facts and figures that although that province

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is an All-India concern and annually gets so much from the Central revenues, yet the Hindus there are very slightly represented; their representation in the public services is quite nominal. I say, Sir, the Hindus there have got vital interests, and therefore their importance should not be overlooked in the matter of representation in the public services, especially because in that province internal and external politics are intermixed with each other. Although the Hindus in the N. W. F. Province are in a minority, they represent there the interests of the majority community in the whole of India. Sir, when I say all this I should not be misunderstood. I am not a communalist. (*An Honourable Member*: "Oh, you are not!") (*Another Honourable Member*: "Hear, hear.") I want that the principle of efficiency which the Government have followed all these years, should be followed in the matter of the services, but whatever other principle might be followed, it should be uniformly applied to all communities, Hindus or Non-Hindus, Christians, Parsis or Depressed Classes and Muhammadans. So far as the duty of the State is concerned, it is quite clear, it should see that it gives due encouragement to all the communities in India to educate and qualify themselves.

Mr. B. Sitaramaraju (Ganjam *cum* Vizagapatam: Non-Muhammadan Rural): Sir, I am afraid I cannot share the enthusiasm of my Honourable friend Bhai Parmanand for competitive examination. Whenever a question like competitive examinations comes up, I am forcibly reminded of the mass production of Ford Cars. No doubt, they are cheap, and no doubt they can be produced by the million, but my own feeling in the matter is that they are absolutely no good in the long run. Sir, I come from Madras, and I claim that I am not a communalist. I have the honour to belong to a caste which has for its creed that justice should be done to all the communities, and therefore, Sir, in the Order Paper you will find I have proposed to move a cut which runs as follows, and which I think, should be discussed as well along with this cut of my friend Mr. Anwar-ul-Azim. The cut of which I have given notice is as follows; "That the Demand under the head 'Customs' be reduced by Rs. 1,000 in order to secure a fair and adequate representation to the various communities such as Sikhs, Moslems, Depressed Classes, Hindu non-Brahmins, Hindu Brahmins, Parsis and Anglo-Indians, consistently with considerations of efficiency and necessary qualifications". (Hear, hear.) That is the cut which I intended to move. But I think I might as well speak now, and not propose to move that cut at all. Let there be no misunderstanding on one point. It is not the desire of my Moslem brethren, nor of any one on this side of the House, that we should have incompetent officers in our administration, but considering the fact that we have been living in compartments in this land and considering also the fact that we are going to build a commonwealth for ourselves in the interests of all communities, should we not have due regard for the claims of the various communities that inhabit this country? It is that point of view that I wish to place in particular before the House. I have the pleasure, Sir, to support this motion and associate myself with it whole-heartedly.

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): Sir, I have been entertaining a very high regard for my friend Bhai Parmanand for his efforts in breaking the trammels of caste and making the

Hindus one community. But I find, Sir, that, although he does not want to be a communalist, he is heading with great speed towards communism, because he has been claiming that the wages to be paid to the various officers should not be according to their efficiency or the importance of the work they turn out, but according to their needs and so on, and he wants to reduce the salary of everybody. That is almost a communist (*An Honourable Member*: "Is it a communist or communalist?") principle. I say it is a communist principle. Although my friend Bhai Parmanand may not mean it, the doctrine he has propounded will surely lead India towards communism, which I do not support, at all. Dr. Parmanand, although he is against any caste, has been carried away with the old notion about the four varnas Brahmin, Kshatriya, Vaisya and Sudra, which were formed according to the aptitude of different people. He has been preaching, Sir, that those, who are very efficient and whose forefathers have spent their life at the desk and so on are very efficient and clever at desk work, should only be employed in the clerical services of the State, and those, who are artisans and so on, and who have been working in workshops and factories, should always be confined to those places, and they should not aspire to improve their position. His doctrine comes to the preaching of the old doctrine of Varnashrama against which we have all been clamouring. Sir, that doctrine of Varnashrama has done very great harm to this country (*An Honourable Member*: "Question?"), and I think preachings such as those to which we have listened will do more harm than good. My friend from Madras has put forward the claims of the non-Brahmins of that province, and has shown to the House how the resolutions and rules made by Government have not been properly acted upon. I come from the Bombay Presidency, Sir, and the Brahmin non-Brahmin question is confined to the Southern half of that Presidency. To Gujarat and Sind it does not extend, and the non-Brahmins have not got any grievance whatsoever there. But in the Southern half of the Bombay Presidency, the Brahmin non-Brahmin question is as important as it is in the Madras Presidency, and although the Government of Bombay have recognised the claims of the backward non-Brahmin Hindus to favourable treatment, I am very sorry to find that the Government of India in the services directly controlled by them in the Bombay Presidency have not yet properly recognised the claims of the backward non-Brahmin Hindus, and in supporting this cut, I want to bring this remissness to the notice of the Government of India and point out that in the Customs, Postal and Telegraph Departments, in the Railways and in the Income-tax Department the claims of the non-Brahmin Hindus in the Southern, Northern and Central Divisions are not adequately met. The Government should take care to see that the rules of the Bombay Government are also made applicable in the matter of recruitment for all services in the Bombay Presidency.

The Honourable Sir George Schuster: Sir, I find myself in a particular difficulty after this series of ten minutes speeches, and my position now is such that my seat is littered with notes on various subjects which have been raised in the course of the debate and to which I should like to reply, but I am afraid it will be quite impossible to reply to all of them. Let me first say something of the general position of the Government in this matter. I confess that I was feeling at the outset that we had strayed from the realms of finance, to which we have kept so remarkably close in the course of these Budget debates—that we had strayed

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from the realms of finance and that I was sitting rather uncomfortably in the corner of the room, a witness of a family quarrel which I had no desire to witness. I then found, Sir, to my surprise that, in the view of at least one of the Honourable Members opposite, our position here was rather that of Roman senators sitting in the Coliseum gloating over the spectacle of gladiators fighting wild beasts or fighting each other. My Honourable friend, who used that simile, with his accustomed skill, did his best to turn the general course of the debate, and if I may continue to use his own simile, I may put it that had we been watching the sort of spectacle which he described, we would have suddenly seen some new figure enter the arena, and with a loud voice cry to all the combatants, wild beasts and gladiators alike, "Stop fighting together. Come and join me, and we will fight the spectators". Thus he endeavoured to turn the attack and to lead it against us on these Benches. It is perhaps unfortunate for him that my Honourable friend's speech was not the last speech of the debate, for no sooner had he sat down, than at least some differences of opinion appeared in the ranks of those in the arena, and the spectators were again able to sit back for a bit, not in imminent danger of their own lives. (Laughter.) But when one comes down to facts, our position really is one of those who are responsible for administering these Departments and dealing with what is an extremely difficult and troublesome problem. I am sure that every one will admit that. Whatever the amount of goodwill that there may be, this is an extremely difficult practical problem, and the only question is whether we are dealing with it fairly.

My Honourable friend, who led the main attack on the Government, referred to the question of patronage. So far as the Department, which is now under discussion under this cut, is concerned, the recruitment is always made personally by the heads of the Departments, and I do not think that the head of the Department in any case can be accused of favouritism or of having any inducement to favouritism. But I may say also that we are dependent on local conditions, and we are greatly handicapped by the absence, except in Madras, of any local Public Service Commission. We are asking the Madras Commission to help us so far as we are concerned with Madras appointments. That, Sir, is the general position, but if my Honourable friend has really any charges which he would wish to make—and he has said that he would be glad to substantiate them—I certainly should be very pleased to discuss the matter with him and to hear what he has to say. For, as I have said, this is a very difficult question, and we are only anxious to handle it in the best way that it can be handled.

I should like then to go back to the opening speech, because, after all, the Honourable the Mover of the motion deserves my chief attention. I sympathise with him, and I feel exactly what he himself seems to feel, about his position. He has got to come forward on every possible occasion and bring these facts to our notice. That is his only effective method of dealing with the matter, and from our side, I may tell him that we do not at all object to this; in fact, it is our best method of being informed as to the facts, and of having our attention called to any points where anybody feels that he has a grievance. I think he referred chiefly to new appointments in Calcutta, and there I have got the figures for 1930. The new appointments during 1930 in Calcutta were, as regards Appraisers, Mussalmans

nil, others 2; Preventive Officers, Mussalmans 5, others 19. I would remark in the case of these 19 others, 14 of those were Anglo-Indians, for they are particularly adapted to the work required of Preventive Officers. As regards ministerial officers, Mussalmans were 6, and others 14. Now, I do not think that it can be claimed that these figures show that the Mussalmans as a whole have been unfairly treated, and in fact, we are working on the rule which guides the policy of the Government of India at present. We are gradually trying to bring up the representation of minority communities wherever that is necessary in the various parts of the Customs Department. Now, a good deal has been said about the appointments of Superintendents and Appraisers, and criticism has been made about statistics in those two particular grades. I wish to point out that Superintendents and certain other classes that may be classified therewith are promotion appointments, and promotion appointments cannot be made on communal grounds; they must be made on the basis of merit. Therefore, if the class from which the promotions are made does not contain a proper proportion of Mussalmans, it is, of course, inevitable that for the present among the promotions that are made from that class the percentage may seem to be small, and the proper way for redressing that position is to make sure that in the class from which the promotions are made the minority communities are properly represented, and that I think we are doing. The Appraisers, which are a special class, have been mentioned. I may say that they are usually appointed by promotion, or they are specially selected for special technical qualifications and there, again, the communal basis is very hard to bring in.

As regards the general progress in the Customs Department, I think we may claim that, acting on the rule which has been, as I have said, guiding the policy of the Government of India since 1925, there has been a considerable change for the better from the Mussalman point of view in the proportion of Mussalmans in the Customs Department. It is quite impossible to bring about a sudden change, and if the figures at the present moment or any other particular moment are unsatisfactory, I submit that that is not really what should be looked at. What should be looked at rather is the tendency in the Department, and the figures comparing one period with another. There, taking the Customs Department as a whole, the percentage of Mussalman representation in the Imperial Customs Service on the 1st January, 1925, was 6 per cent., and on the 1st January, 1931, it was 8.5 per cent. As regards the clerical establishment, it has increased from 7.9 per cent. to 8.9 per cent., and as regards the non-clerical establishment, from 6.5 per cent. to 9 per cent. Those figures I think show a satisfactory tendency.

Then looking at the wider aspect of the question and treating it not as a communal question but as an all-Indian question, which is, I am sure, what the majority of Honourable Members opposite are really interested in, taking the figures again on the same dates, the percentages of Indians excluding Anglo-Indians and Europeans were as follows. In the Imperial Customs Service on the 1st January, 1925, 29 per cent., which had increased to 40 per cent. on the 1st January, 1931. Subordinate gazetted posts increased from 22.7 per cent. to 48.4 per cent., and the clerical posts from 95.9 to 96.6 per cent. This I think shows that as regards general policy we are working in accordance with what would be the wishes of Honourable Members opposite. Then my Honourable friend from Karachi had also some criticisms to make, and to him also I would say that it is not

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only the position at any particular moment which should be regarded but the tendency. If I take the Karachi figures, taking new appointments, the total number of new appointments made in the clerical grades in the period from 1925-27 was 57, and out of them the number of Muslims appointed was only 3—or 5 per cent.—but in the period from 1928-30, out of new appointments in the clerical grades of 16, the number of Muslims appointed was 7, or 44 per cent. The percentage therefore of new appointments had risen from 5 per cent. to 44 per cent. In the clerical grades in the earlier period, out of 18 new appointments, only 2 were Muslims or 11 per cent., but in the later period there were 2 out of 8 or 25 per cent. I have a number of other figures which I could give showing the working of this tendency, but I do not wish to make too much of figures, because as a matter of fact if one works with statistics and in percentages, it is very easy to present a case either one way or the other according as one juggles with the figures. What I am more concerned with is that Honourable Members should be satisfied that we are working according to the policy which has been laid down, and that there is no legitimate ground of complaint in any case. Now, the best way of dealing with that is that Honourable Members should bring to our notice specific cases, and if cases are brought to our notice and if there is a reasonable feeling that they are not dealt with sympathetically and energetically, I should be glad to have our attention drawn to that fact. It is a question of administration. It requires constant attention. We are dealing with a service operating over the whole of this vast Continent. In one place or another, things do not always go exactly as every Member of this House, whatever his particular interests, would wish, but if Honourable Members will organise, and I would particularly make this remark to my Mussalman friends, if they would organise and watch these cases and present to us carefully worked out arguments and be ready themselves to organise and supply us with suitable candidates, I believe we can in course of time work up a system which will satisfy everybody. It will take time to work up to it. It requires constant attention, and I venture to go so far as to say that we cannot on our side achieve all that is necessary. The Mussalman community must itself help us, and I can promise them that we will respond.

Mr. Muhammad Anwar-ul-Azim: I am glad that our remarks have attracted some attention on the Treasury side. I am really surprised, more than surprised, Mr. President, that merely pleading that certain justice had not been done to my people and the mere mention of it on the floor of this House has touched the liver of my friends on my right. I do not know what our position would be if the situation gradually changes and takes a different shape. It is all very well to say that my friends on the right are not communalists. It is all very well to say that they are absolutely impartial, but the difficulty is this. What is the exact situation? Look at the history of the fight that took place between an ex-Judge of the Madras High Court and the ex-Governor of an Indian province in this country in connection with a case. That book is proscribed fortunately, and you find that there are tons of things which emanated from a person holding the position of a Judge of a High Court in this country and who also held a position in the Executive Council under the Government of India. I will not dilate, Mr. President, on that. I am not a communalist. I am not anything of that sort, but in reality, I am a great friend of my country.

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): On a point of order. I thought the Honourable Member was making unnecessary and untruthful insinuations on the past record of my esteemed friend Sir Sankaran Nair. For the present he is a Member of the other House and according to tradition and custom in this House, the Honourable Member should not refer to proceedings in the other place with a view to cast aspersions on personalities.

Mr. Muhammad Anwar-ul-Azim: I am not making any aspersions. I am not making any insinuation.

Mr. C. S. Ranga Iyer: It is vulgar and coarse abuse.

Mr. Muhammad Anwar-ul-Azim: We have many precedents to show that it is absolutely impossible for myself or anybody of my faith to believe in the so-called non-communalistic professions of my friends on the right. Being a Liberal myself, I do not want to bring in any controversy, but it seems strange that even the mere mention that in the Calcutta Customs and at Chittagong we are not properly represented could bring such ire and wrath from my friends on the right and who call themselves Nationalists. I do not understand what will be our position. In any case I will not dilate on that. I will say this—perhaps Government in their wisdom could not follow a policy by which everybody might benefit all round. In the reply of the Honourable the Finance Member, he perhaps wanted to say and that rightly that I have been taking all the possible chances of making representations to them in season and out of season, but I can assure him that even that insinuation and indifference will not throw me in the laps of the Congress or the left wingers, because I believe that justice and fair play will always find a very substantial support in the Government of India at all times. No useful purpose will be served by dilating on this. I do not press my motion to a division.

Mr. President: Do you wish to withdraw it?

Mr. Muhammad Anwar-ul-Azim: Yes; as all the Independents and others have their goodwill in this measure.

Mr. President: The question is that leave be given to Mr. Anwar-ul-Azim to withdraw his motion. (*Some Honourable Members*: "No.") I hope the Honourable Members who have shouted "No" will realize that if leave is not granted, the matter will proceed to vote.

Some Honourable Members: Yes.

Mr. President: I will ask the House again. The question is:

"That leave be granted to the Honourable Member to withdraw his motion."

The motion was, by leave of the Assembly, withdrawn.

The Assembly then adjourned for Lunch till a Quarter Past Two of the Clock.

The Assembly re-assembled after Lunch at a Quarter Past Two of the Clock, Mr. President in the Chair.

Mr. Muhammad Anwar-ul-Azim: Sir, I do not wish to move any of the cuts that stand in my name under this Demand, as the time at our disposal is very short.

Failure of the Government to prevent Dumping of Wheat and Sugar on the Indian Market.

Lala Hari Raj Swarup (United Provinces : Landholders): Sir, I move :
"That the Demand under the head 'Customs' be reduced by Rs. 100."

Under this head, Sir, I want to discuss the policy of the Government with regard to the imports of these commodities and the depressing effect which the dilatory policy of the Government is having upon the prices of these two commodities, with the resultant evil effect over the agricultural classes, who form about 90 per cent. of the Indian population. Sir, the internal requirements of wheat in India are about 88 lakhs of tons a year. In reply to a question of mine, I got some figures regarding the imports and exports of wheat. According to these figures from the year 1919-1920 right up to the present year I find that during 8 years out of 12 we had a surplus produce of wheat in India. But in spite of the surplus produce of wheat, there have been huge imports of wheat from abroad. One result of this import of wheat, especially when we are ourselves producing more than our actual requirements, has been a depressing effect on the prices of wheat, and the other result has been that, at this time, we have about a million tons of surplus wheat in India which cannot find a market either in India or abroad. During the last six years, from 1924 right up to 1930, the imports of wheat into India have been continuously rising, so much that in the present year when we produced about 10 million tons, that is about one million in excess of our own requirements, there have been imports to the extent of 76,000 tons. There was another anomaly, namely, that the railway rates on wheat from various centres in India to the places on the sea-coast have been very high, with the result that the wheat from abroad was selling at lower rates in those places than the wheat produced in India. Though some concessions in freight to Karachi and Calcutta have recently been announced, yet I am doubtful whether, even in spite of this decrease, Indian wheat will be competing favourably with the foreign wheat in Calcutta and other places on the sea coast. The present agricultural depression practically began from October, 1929, after the Wall Street collapse, and it is now more than a year and a half that the prices have been continually going down. From time to time, the Chambers of Commerce and the various associations of the zamindars have been pressing upon the Government that they should come out and take some steps to maintain the prices and relieve the distress of the agricultural classes. But the reply that we got was that the prices depended upon the world movements and it was difficult to control the world forces. I admit that it is difficult to control the world forces, but when we find that from day to day the various countries of the world are taking steps to protect their own agriculture, I fail to understand why the Government in this country should not adopt similar or other measures which may be in keeping with the needs and requirements of India. The other day the President of the Board of Trade, Mr. Graham, in London in reply to a question in the House of Commons in connection with the recent conference in Paris on the existing European grain surplus, said that the final act declared

inter alia the willingness of countries importing foreign grains to participate to the utmost possible extent in the purchase of stock available in grain exporting countries of Central and Eastern Europe. Japan also banned the imports of rice in order to give a sufficient stimulus to their own rice industry. Germany, similarly, adopted protective measures for protecting its agriculture, and Canada also adopted a scheme for advancing loans to and improving the marketing needs of the tenants.

Sir, I now come to sugar. The position with regard to sugar is still worse. In India we have about 21 per cent. of the total area of sugarcane cultivation in the whole world, but in spite of that, we are importing to the extent of a million tons of sugar in one year valued at about 15½ crores of rupees. In this connection, I will quote a few figures and will show that, from the year 1923-24 right up to the year 1929-30, the imports of sugar from all sources in India have practically been doubled. In 1923-24 they were 411,500 tons and now they are 939,600 tons, which means practically double and 1,36,600 tons more than even the pre-war import figure. The chief sources of sugar which compete with Indian sugar are Java and beet sugar from the Continent of Europe. And now a third competitor has come into the market, namely, Russia. The imports from Java have, as figures will show, practically doubled in this period. The imports of beet sugar were 8,000 tons in 1928-29, and this year they are 1,31,000 tons. Russia has begun to dump its sugar on the Indian market from this year, and if its 5 years' programme, as was announced recently, comes to fruition, then I am sure they will oust all other competitors from the Indian market and will ruin the Indian industry. With regard to this industry, Sir, the Industrial Commission reported in 1917-18 and laid stress on the point that sufficient protection should be granted to this industry. They recommended also that this industry should be developed and India be made self-sufficient with regard to her sugar needs. Then came the Sugar Committee's Report in 1920 and lastly came the Report of the Agricultural Commission in 1926. The recommendations of the first two were utterly ignored, with the result that a period of 10 or 12 years passed without any State aid or help to the Indian Sugar industry and the foreigner got an excellent opportunity to recapture the Indian market after the war. It is true that the Government have appointed in response to the wishes of the Agricultural Commission the Central Advisory Research Council and are giving to the Council 10 lakhs a year for improving the sugar industry, but I doubt very much if this grant of 10 lakhs which I regard as merely a pittance will be sufficient to improve this great national industry. Sir, unless the Government adopt a bold policy, I have little hope that this industry will attain its glory for a long time to come. The Tariff Board have recently reported and recommended a protective duty for sugar. Although, I do not want to go into details of the Tariff Board's Report at this time because we shall have another opportunity to discuss it, I wish to impress upon the Government that, unless they adopt some bold measures like the Egyptian Government, I have very little hope of the industry surviving.

Sir, I will now conclude my remarks. All that I want to make out by moving this cut is that the Government of India should take some effective and far-reaching steps like other countries and not simply content themselves by saying that agriculture is a provincial subject, because now in the throes of world competition, this subject is assuming an all-India importance and should be dealt with as such.

Pandit S. N. Sen (Presidency Division: Non-Muhammadan Rural): Sir, it is an accepted principle that protective duty on articles of which we have got an adequate home supply is a good source of income. I think the Honourable the Finance Member should have utilised this principle with advantage in the present emergency rather than increasing the rates of income-tax to an inordinately high degree, because this latter course is likely to give rise to a widespread discontent in the country. When making a list of articles that are deserving of protection, wheat comes uppermost in our minds. The dumping of wheat is going on on a large scale, and no steps have as yet been taken to check that process. Sir, we spent much of our time on the previous motion, crying for loaves, I should say lowly loaves, to be thrown to us by our masters at their pleasure. Here is a better source of loaves to be equally shared by Hindus and Muhammadans, Parsis and Jains, irrespective of caste, colour and creed. I hope that this better source of loaves will not be allowed to be neglected.

Mr. Gaya Prasad Singh (Muzaffarpur *cum* Champaran: Non-Muhammadan): Loaves are made of wheat. (Laughter.)

Pandit S. N. Sen: Yes.

In this connection, I hope I will be allowed to mention some other articles, namely, coal and ghee. We have been crying ourselves hoarse for the past few years for a protective duty on South African coal, but that cry has been a cry in the wilderness. A special and prohibitive duty was recommended on vegetable product by this House some time ago, and even that recommendation has been flouted. The duty on vegetable product was 15 per cent., and it has been raised only to 20 per cent., along with other items in the same schedule. I think, in deference to the recommendations of this House, a prohibitive duty should have been levied which might have come up to, say, 50 per cent.

Kunwar Raghubir Singh (Agra Division: Non-Muhammadan Rural): Sir, I extend my wholehearted support to my Honourable friend Lala Hari Raj Swarup in his motion to draw the attention of the Government to its failure to prevent dumping of wheat and sugar on the Indian market. As to wheat, Sir, the country has been hardly hit by the lowering of prices and the Government have only been able to impose a lower freight on the railways. But, Sir, in my opinion and in the opinion of my constituency it is not enough for the cultivators, and some more steps should be taken by Government to relieve the distress.

Then, the second thing was sugar on which my Honourable friend laid stress. I am sorry that quite sufficient protection has not been given to it in spite of the recommendations of the Tariff Board. Nor have the Government been doing sufficient to increase the output of sugar to the extent that it is required in the country, and the import of sugar has been considerable for a long time. The interests of the agriculturists should be the first consideration of Government, but in spite of a very sympathetic Viceroy, who takes a keen interest in agriculture, protection has not been given in sufficient quantity. Agriculturists have suffered not only since last year, but for some three or four years. So they can now look only to Government for relief, but the Government are only pleased to take half measures. Then they have to go to the agitators who cannot help as much as Government can, but still Government can do a lot to relieve the distress and the grievances of the ryots, so that

the distress of the agriculturists may be nipped in the bud. Sir, with these few words, I support my Honourable friend Lala Hari Raj Swarup.

Mr. S. O. Shahani: It is with great pleasure that I rise to support the motion which has been moved by my Honourable friend Lala Hari Raj Swarup. If other countries like Japan and Canada have been protecting their agriculture, there is no reason why we should not similarly protect our agriculture. Our shipping companies have been giving concession rates to countries like Australia and Java. As I said sometime ago my information is that 3 annas per maund is the charge from Java to Howrah, while 4 annas 6 pies per maund is the charge levied from Java to Karachi. We have been saying all along that we should have prohibitive special duties on the imports of articles such as wheat and sugar. We have been told by the Honourable the Finance Member that the question must be carefully examined before any action is taken by Government. This is no doubt an age of committees and commissions, but yet there is a limit to all things. If the case is so clear as it has been made out to be by my Honourable friend Lala Hari Raj Swarup, it is only desirable that we should, even this year, go in for protective duties.

The Honourable Sir George Rainy: I do not think, I shall have any difficulty in keeping, what I have to say on this subject today, within the time limit which the House has adopted. I shall not, for instance, follow my Honourable friend Mr. Sen into the question of protective duties on coal and vegetable ghee, which are, perhaps, hardly within the terms of the motion as it appears on the paper. I shall merely say about coal that that question was very fully considered by the Tariff Board some time ago, and it was then decided on the Tariff Board's recommendation, that there should be no duty. I have heard the case for a heavy duty on vegetable ghee argued repeatedly both in this House and in the other House, and it was always argued not on economic grounds at all, but on quite different grounds, namely, grounds of public health and grounds of that sort.

Now, as regards the question of wheat, I had hoped to be able to tell the House today exactly what the Government views are, but I regret to say that I am not in a position to do so. I hope, however, to be able to do so—in fact, I have no doubt I shall be able to do so—before the end of this Session. It is a question which requires a good deal of rather careful examination. I am not going into details just now and I am not going to try to argue the matter, but I should like to draw attention to one or two important points. One of them is this. If it is a fact that there is a surplus of something over a million tons of wheat in Northern India today, it is difficult to see how, as long as there is a surplus of that size hanging over the market, any duty you could impose, could appreciably raise the price. On the other hand, another circumstance has to be taken into account. If there is in fact a surplus as big as that, how is it that the price of wheat in the Punjab today has risen to a point where it is about a rupee a maund above world parity? You have got to balance these two things against each other and consider what bearing each of them has on the problem with which we have to deal. I quite agree that the interests of agriculture come first in India, and that if agriculture is seriously suffering, then a duty rests upon Government to do what it can to help. On the other hand, as long as India is mainly an exporting country as regards agricultural produce, then two

[Sir George Rainy.]

things have to be borne in mind; one, that the opportunities for assisting agriculture by protective duties will be very few, and the other is that we are in a very vulnerable position if other countries should wish to take the kind of action which we are frequently asked to take. And I ask the House to remember that it is a game at which more than one can play. It is always a question to consider whether we stand to gain more or to lose more.

As regards sugar, I should only like to say this. We have raised the duty on sugar, or we shall have raised the duty on sugar if the House passes that particular part of the Finance Bill, three times within, I think, six years. The first was when the *ad valorem* duty of 25 per cent. was made a specific duty in 1925 or 1926, and I say that was equivalent to an increase in the duty, because, owing to the fall in prices three years later, the specific duty was more nearly 50 per cent. than 25 per cent. We raised the duty again last year and we propose to raise the duty this year, as Honourable Members have seen in the Budget. That certainly is not inertia or inaction. One of the speakers was apprehensive as to what might happen if there were heavy imports of sugar from Russia. That no doubt is a possibility to be taken into account, but at present it is only a possibility. On the other hand we have had definite information that some of the countries, two of the great sugar-producing countries, Cuba and Java are initiating restrictive measures to relieve the price situation by restricting the supplies which they put on the world markets. Therefore that is an influence working on the other side towards higher prices. As far as I can judge, and as far as the Government of India can judge, with the duty we have proposed in the Budget, which is equivalent to the duty which the Tariff Board proposed, there ought to be no great danger to the sugar industry up till the September Session, when Government will put before the House their conclusions on the Tariff Board's Report. That I think concludes what I can say at the moment, and in view of the time-limit I will not occupy the time of the House further.

Diwan Bahadur T. Rangachariar: Sir, the subject is far too important for me to allow the Honourable Member's statement to go unnoticed. No country, he must remember, has suffered so enormously by its lack of policy in regard to the protection of agriculture as England. How much was England crying for food from outside during the great war! How much did they regret that they had neglected their agriculture and the country had become purely industrial! They were then in the throes of a life and death war. Now, Sir, the danger of competition from well-organised countries is looming large. My Honourable friend cannot deny that. Other countries with well organised Governments and with resources at their disposal and having their own Government are trying to capture the Indian market. Does he deny that Australia is trying her best to find an opening in India? Does he deny that Canada is trying to do the same? Now, Sir, the open-door policy that we have been adopting in these matters has led us in several matters to the brink of danger. Let us wake up when it is still early. Let us not allow things to grow serious—that was the word used by my Honourable friend. We will then be doing what other people have been condemning, shutting the

stable door after the horse has been stolen. Sir, India is an agricultural country; it has got a growing population. I have not got the exact figures of the growth of population according to the recent census, but in my own province the increase has been by more than 20 per cent. We have no outlet for our surplus population. Emigration to other countries is prohibited. We have got grand projects for irrigation. What for are we spending money for irrigation and what for are Government taking credit for starting irrigation works? Is it to grow wheat not to be able to sell it in your own country? Is the country going to be starved? Are you going to drive the peasant out of his profession? It is the only profession which is left for the bulk of the population which is agricultural. The growth in the bulk of the population will be an agricultural population. If you are not going to protect the primary products of the country, the food products of the country, are you going to allow the millions to starve later on so that when a world crisis comes on you are unable to get your food supplies from abroad? Let us not get to that stage which England got to. So my friend has done great service in drawing the serious attention of Government to this matter, not merely the half-hearted attention which my Honourable friend is able to bestow upon it. Let us not shut our eyes to it till the situation becomes more and more serious. Let us have an eye on it. Make the wheat produced in this country more marketable inside the country itself. Give facilities in railway rates; prevent wheat from other countries invading this country. By all means we are entitled to do it. Why should we be afraid of retaliation in this matter? It is not England which is competing with us. In that case you might have a soft corner in your hearts for England. But that is not the case. It is the case of a foreign country trying to capture the market. Why should we hesitate to apply preventive remedies which we need? So while I will ask my Honourable friend not to press this motion to a division, I warn the Government that they are undertaking serious risks in not taking serious notice of this question.

Sirdar Harbans Singh Brar (East Punjab Sikh): Sir, coming from a purely agricultural constituency, I feel that I must express my feeling regarding the Government policy of allowing every year lakhs and lakhs of tons of wheat from outside without any protective duty and not encouraging the Punjab wheat to find markets in India by reducing the freight rates. Last year about 35 crores worth of wheat came from Australia, while the Punjab wheat did not find enough market in Bombay, because they could not sell it so cheap due to the high freight rates. From Australia to Bombay the rates are cheaper than from Punjab to Karachi and Bombay. And if we allow things to go on like this, every year—the dumping of wheat from foreign countries into India—poor agricultural India representing almost 70 per cent. of the population will go starving. It is almost on the verge of it. In England I find Mr. Lloyd George with his land and nation scheme pressing on the nation that it must be self-sufficient as regards food stuffs and that it must resort again to agriculture, which England has forsaken for the sake of industries. In India, the overwhelming population of which lives on agriculture, if it goes to industries leaving agriculture alone, I think we will be committing suicide.

[Sirdar Harbans Singh Brar.]

Then again as regards fruits, there are cold storage plants in Calcutta, Bombay, Madras and Delhi, and fruits from New Zealand, Australia and Newfoundland come and find a market here, while our Government are doing nothing to encourage fruit growing in India, which is an agricultural country and which can produce fruits—perhaps much better fruits.

As regards *ghee*, I say that unless you put high protective duties on vegetable ghee which comes from outside, the health of the population in India will deteriorate, and we will become a nation of shopkeepers in a few decades from the martial races that we are so much spoken of to be. I think the Government will be doing the greatest disservice to the country about the time of their leaving it in the hands of the Indians, if they do not do their best they can for the health and prosperity of the teeming millions of India, whose guardians they so much profess to be; and I would urge on the Government that it is high time that they should put very high protective duties on vegetable ghee and on the import of wheat from outside, and reduce the freight rates in the country so that the wheat produced in India can find ample markets within India itself, and we shall get our own fruits and our own agricultural produce.

Mr. K. P. Thampan (West Coast and Nilgiris: Non-Muhammadan Rural): Sir, if I intervene in this debate, it is for this reason, that the import of wheat is also closely allied to the difficulty we in Southern India are labouring under in regard to the import of rice. Madras happens to be the largest rice consuming province in India; and though we are raising large quantities of rice, we have to depend upon Burma and other foreign countries for our needs. Burma, I know, is one of our own provinces; but a good deal of rice is imported from foreign countries. Foreign rice, though inferior in quality, is sold cheaper than certain indigenous varieties. The other day, in answer to my question, the Honourable the Member in charge of Agriculture told us that rice was largely imported into the Madras Presidency and Government are considering what protection can be given to the cultivators. So I contend that the protection that is proposed to be given to wheat should be given to rice also.

As regards sugar also, Madras is in a similar position, as it is one of the chief sugar producing provinces of India; and though the manufacture is a monopoly in the hands of some European merchants, the ryots produce some kind of coarse sugar called *jaggery* which is subsequently refined and made into nice sugar. There is keen competition with the sugar imported from Java and other places, and if immediate protection is not given, the industry is sure to languish.

Sir, I have great pleasure in associating myself with what has been said and I support the motion.

Mr. President: Does the Honourable Member wish to reply?

Lala Hari Raj Swarup: I want just to throw out one suggestion for the consideration of the Government, that when they frame their own proposals they will think of enacting some legislation to regulate speculation in wheat. Speculation in wheat is also one of the causes of retaining an unnecessary surplus in this country and the speculators do not allow that wheat to go out of the country. That is the only suggestion I have to make.

Mr. President: The question is:

“That the Demand under the head ‘Customs’ be reduced by Rs. 100.”

The Assembly divided:

AYES—48.

Abdoola Haroon, Seth Haji
 Abdur Rahim, Sir.
 Anklesaria, Mr. N. N.
 Azhar Ali, Mr. Muhammad.
 Badi-uz-Zaman Maulvi.
 Bhargava, Rai Bahadur Pandit T. N.
 Bhuput Sing, Mr.
 Chandj Mal Gola, Bhagat.
 Chetty, Mr. R. K. Shanmukham.
 Das, Mr. B.
 Dudhoria, Mr. Nabakumar Sing.
 Dutt, Mr. Amar Nath.
 Fazal Haq Piracha, Shaikh.
 Gour, Sir Hari Singh.
 Gunjal, Mr. N. R.
 Harbans Singh Brar, Sirdar.
 Hari Raj Swarup, Lala.
 Hoon, Mr. A.
 Ibrahim Ali Khan, Lt. Nawab
 Muhammad.
 Ismail Ali Khan, Kunwar Hajee.
 Isra, Chaudhri.
 Jog, Mr. S. G.
 Krishnamachariar, Raja Bahadur G.
 Kyaw Myint, U.
 Maswood Ahmad, Mr. M.

Muazzam Sahib Bahadur, Mr.
 Muhammad.
 Mudaliar, Diwan Bahadur A.
 Ramaswami.
 Pandian, Mr. B. Rajaram.
 Pandit, Rao Bahadur S. B.
 Permanand Devta Sarup, Bhai.
 Puri, Mr. Goswami M. R.
 Raghubir Singh, Kunwar.
 Rajah, Raja Sir Vasudeva.
 Rajan Bakhsh Shah, Khan Bahadur
 Makhdum Syed.
 Ranga Iyer, Mr. C. S.
 Rangachariar, Dewan Bahadur T.
 Rao, Mr. M. N.
 Rastogi, Mr. Badri Lal.
 Sarda, Rai Sahib Harbilas.
 Sen, Pandit S. N.
 Shahani, Mr. S. C.
 Singh, Mr. Gaya Prasad.
 Sitaramaraju, Mr. B.
 Sykes, Mr. E. F.
 Thampan, Mr. K. P.
 Wajihuddin, Khan Bahadur Haji.
 Walayatullah, Khan Bahadur H. M.
 Yamin Khan, Mr. Muhammad.

NOES—39.

Acheson, Mr. J. G.
 Alexander, Mr. W.
 Allah Baksh Khan Tiwana, Khan
 Bahadur Malik.
 Ayyangar, Diwan Bahadur V.
 Bhashyam.
 Bajpai, Mr. G. S.
 Banarji, Mr. Rajnarayan.
 Baum, Mr. E. F.
 Boag, Mr. G. T.
 Chatterjee, The Revd. J. C.
 Cocke, Sir Hugh.
 Dalal, Dr. R. D.
 Fox, Mr. H. B.
 French, Mr. J. C.
 Graham, Sir Lancelot.
 Gwynne, Mr. C. W.
 Hamilton, Mr. K. B. L.
 Heathcote, Mr. L. V.
 Hezlett, Mr. J.
 Jawahar Singh, Sardar Bahadur
 Sardar.

Khurshed Ahmad Khan, Mr.
 Macmillan, Mr. A. M.
 Montgomery, Mr. H.
 Moore, Mr. Arthur.
 Morgan, Mr. G.
 Mukherjee, Rai Bahadur S. C.
 Parsons, Mr. A. A. L.
 Rafiuddin Ahmad, Khan Bahadur
 Maulvi.
 Rainy, The Honourable Sir George.
 Rajah, Rao Bahadur M. C.
 Rau, Mr. H. Shankar.
 Sahi, Mr. Ram Prashad Narayan.
 Sams, Mr. H. A.
 Schuster, The Honourable Sir George.
 Scott, Mr. J. Ramsay.
 Sher Muhammad Khan, Gakhar,
 Captain.
 Shillidy, Mr. J. A.
 Studd, Mr. E.
 Tin Tüt, Mr.
 Young, Mr. G. M.

The motion was adopted.

Sikh Representation.

Sirdar Harbans Singh Brar: Sir, I beg to move:

3 P. M.

“That the Demand under the head ‘Customs’ be reduced by Rs. 100.”

[Sirdar Harbans Singh Brar.]

We have been hearing for some days past about communal representation in the public services, or about the lack of Muslim representation in the services. I fully appreciate the demands made by that community, and I think that in considering the interests of the minorities in India, we should also consider the interests of that small minority community known as the Sikhs, whose services to the King and the country have not been behind those of any other community, and whose vested interests are not inferior to those of any others as pioneers in agriculture, engineering and other fields of activity. I find that in the Customs Department especially there is not a single Sikh in the gazetted ranks. The importance of the community was well recognised by Lord Chelmsford and Mr. Montagu in their Report on constitutional reforms, and it was on account of their great importance and vested interests in the country, that the Sikhs were recognised as an important minority, that should be given separate representation in constitutional reforms. Now, Sir, what is the position that we find today? The formula is laid down that minorities shall have due representation in Government services, and that no one community should be allowed to predominate in the services, but Government regard as minorities only those who belong to the Muslim community. All other minorities have to go by the board. Anglo-Indians of course are always given special consideration in all departments of Government; they have been treated as pet-children of the Government, but I think that now that the constitutional reforms are again in the melting-pot and the various communities are pressing their claims in all walks of life, I would not like the Sikh claims to go unheard either in the constitutional field or in the services. In the Railways also we find that Sikhs are given very little representation, and in other services they receive very scanty justice from the Government. Now, Customs is one of the very important subjects in which Government employ a lot of educated Indians, and under the democratic form of government, when the European element is reduced by stages, the openings for Indians will certainly increase, and I would request the Government that they should now consider very carefully that the claims of the Sikhs shall receive due consideration regarding future appointments in that Department, and see that due weightage is given to them, having regard to their services to the King and the country and their vested interests in the land. I hope, Sir, such an assurance will be forthcoming from the Government. With these few observations, I place my motion before the House.

Mr. Muhammad Yamin Khan (Agra Division: Muhammadan Rural):

Sir, I whole-heartedly support this motion, and I think that when the Muhammadans are claiming for themselves separate representation according to their population basis, it is only just and fair that they must support the claims of the other communities in this matter. If my Sikh brethren have not got their proper share in the Customs Department, I think that it will be advisable for Government to see their way to provide for the Sikh Community their due share in that Department as well.

Mr. O. S. Ranga Iyer: Does the Honourable Member agree to give the Sikhs weightage, even as the Mussalmans in the United Provinces are given weightage?

Mr. Muhammad Yamin Khan: I am not talking of weightage here; I am talking of the due share, the proper share to the Sikh community which has quite well advanced. In spite of that advance, if they have not got a proper share, it must be given to them. There is no question of getting any weightage, because if there is to be a weightage, if I may say so, it will have to come from some other communities which I would leave to my Honourable friend to judge. I will whole-heartedly support weightage if any major community wishes or agrees to give the small Sikh community a certain weightage in spite of losing something for themselves. This question of communal representation comes every day before the House, and the only solution to it is that there should be a proper adjustment between all the communities taken together. I think that we should finish this question once for all, and we do not want it to come up every now and then. The best course would be for the Government to invite some persons from the Assembly or outside and sit together and let them decide what each community should have. Then, the best man should be selected from among the community itself. I do not want that you should give the appointments to the Muslim or Sikh men who are not fit. But allot a certain portion for each community, and then take the best people within the community, and do not take them if they do not come up to the standard. Decide on the proper proportion for each community, and then select from that community the most efficient and qualified persons for the appointments. If the community cannot produce those men, then, of course, we cannot help it. I am not sure whether the Sikh community has its proper share in the Customs Department

Sirdar Harbans Singh Brar: There is not a single person.

Mr. Muhammad Yamin Khan: If they have not got any in that Department, then they must get their share. I will wait for a reply from the Honourable Member on the Treasury Benches as to whether there is any Sikh in this Department or not. I have not got the list with me. If they have not got their share, I hope that he will give a promise to look into the matter and provide them with a proper share in the near future.

Mr. Amar Nath Dutt: I had no mind to intervene in this debate but for the communal turn it has assumed. It was an evil day when the originators of the various religions established religions on earth and thus divided humanity. Sir, I for one wish that there had been no religion except a code of morals to guide humanity. A third party has got the chance of dividing Indians from Indians because of a difference in religion. I happen to be a Hindu today, but if I change my faith tomorrow, my Honourable friend over there, Mr. Anwar-ul-Aziz, will at once ask for some appointment for me. (Laughter.) The representation which is asked for is not on a community basis, is not on a tribal basis, is not on a racial basis, but it is on the basis of faith. What reason can there be for a man to be given a certain job because he happens to follow a certain faith? I do not understand that. It stands in the way of Indian nationalism, and really those who want to have one nation in India ought not to speak in this strain. Unfortunately for us, the Government in their distress at the present moment want to have the help of some communities by throwing out baits like this. It is a most unworthy device to seek the

[Mr. Amar Nath Dutt.]

nelp of a class in that way by giving them bribes, and I cannot deprecate too strongly such a practice and it is unworthy of any civilised Government.

Now, who is the originator of all this communalism? It is the Government. It is often said that it is the Lucknow Pact. Falsely that charge is laid at the door of the Congress. It was the Minto-Morley reforms. Previous to that, was there any bar to a Muhammadan being returned by Hindu votes? I appeal to my Honourable friend over there, as he happens to come from Chittagong. Does he not remember that, in preference to Mr. J. M. Sen Gupta's father, Mr. Serajul-Islam was elected to the Bengal Council when there was no communal representation in the Councils? It was from the year 1909 that the Britishers, who want to perpetuate our slavery, introduced this communalism, and thereby divided the nation for loaves and fishes.

Mr. Muhammad Yamin Khan: On a point of order, Sir. May I ask the Honourable Member if he is opposing the right to be given to the Sikhs?

Mr. President: The Honourable Mover's motion is with reference to the question of Sikh representation.

Mr. Amar Nath Dutt: I say all these things because it is attempted to give a communal colour to the whole question. If they want Sikh representation, Hindu representation or any other representation on the ground of religion, may I not carry it further and ask for representation of labourers, of sweepers, scavengers, carters and the like? I want to say that originally we were all Indians, but afterwards, whatever our original faith, some have renounced the faith of their fathers for other religions. But that does not entitle them to claim a separate representation. I may as well ask, have not the various other classes a grievance because there are none of their class in the Executive Council of the Government of India? (Laughter.) That is not the way in which the Government should proceed, far less a civilised Government should proceed. If the Government really desires well of India, if they want to broad base their rule on the peoples affections, they ought to do away with all communalism, and they ought to have only one test for public service, namely, the test of efficiency, and that ought to be the sole test. In that event the Honourable the Finance Member will not have to come to this House and say, "We have done so much and we shall give you more so that we shall get your help in the future". All these things I condemn in the strongest possible language.

Bhai Parmanand Devta Sarup: Sir, as a matter of principle, I am opposed to all sorts of communalism, whether in the Legislatures or in the public services. But, as I find from the speech of the Honourable the Finance Member that in the matter of public services, the Government have accepted the principle and are following it by trying their best to remove the grievances of the Muhammadan community, so far as the Customs Department is concerned—as the Government have accepted this principle, I see no objection in supporting the Demand of my friend Sirdar Harbans Singh, who is representing the Sikh community. The Sikhs have a very great importance in the Punjab as well as in the whole country.

All the same, Sir, I would just say what I said in the beginning, that the principle was wrong. If we accept the demand of the Sikhs for representation in the Customs and other Departments, we shall have to extend its application to other communities, the non-Brahmins in the South, the zamindars of the Punjab, the Jains of India and the labourers as well as the depressed classes. Ultimately, Sir, this doctrine of communal representation in the services would be reduced to its logical absurdity. Although I am opposed to the principle, since it has been accepted by the Government, I see no reason why the Sikh demand should be ignored in this case and so I have risen just to support it.

Mr. S. O. Shahani: I rise to give my whole-hearted support to the motion that has been brought forward by my friend Sardar Harbans Singh. There was a time when I was against Indianisation. I was for fraternization, a principle by which Cæsar pacified Gaul. I think my Honourable friend Mr. Yamin Khan remembers that when he proposed Indianisation in the year 1923 and His Excellency Lord Rawlinson got up to announce that 8 units were to be Indianised, I got up to inquire if in the case of a man like me with some education who goes in for military training and schooling and acquaints himself with all the important problems connected with military service, there would be any objection to his captaining a British regiment, and I was told that the British tommy would not consent to be captained by me. Then I said, "Well, if the Britisher is so exclusive, there would come a time when the Indian sepoy too very rationally would refuse to be captained by a Britisher". From that time I have favoured the principle of Indianisation, but in favouring the principle of Indianisation, I have favoured indiscrimination. I was a great deal interested to hear what Diwan Bahadur Mudaliar had to say today. To me it is always agreeable to hear him, and today it was very agreeable to me to see him flourish his simile of the Roman Coliseum, the gladiatorial shows and the Senators cheering the gladiators who went in there for fighting the beasts. He spoke vehemently in support of his proposition that reliance should not be placed on competitive examinations. I was very glad to hear from him that he would be prepared at all times to substantiate the observations that he makes. I would be very much interested to see how he substantiates the correctness of the principle of limited patronage. He talked of limited competition, and therefore also of limited patronage. I can understand the reasonableness of a limitation indicated in the two instances I am recounting being placed upon the principle of competition. When I was a student, I had a senior fellow student who was a great deal superior to myself. He attempted only one question in a certain question paper set at M.A. He naturally thought that he would on that account lose his first class. He went over to his examiner who happened to be the illustrious Dr. Wordsworth, and represented to him that all along he had secured first class and that it would be a pity if he did not get a first class at his last University examination, simply because he had devoted all his time to answering one question only. In spite of the rules of the University, he was assured by the examiner, Dr. Wordsworth, that if he had done very well in that question, he would not miss his first class; and he did not miss his first class. I also know of another student who did not know how to tackle his Mathematics, but he was exceptionally good in history and political economy. He rose to be the Principal of the Junagadh College, and worthily. I have always

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held that Indianisation should be secured on the principles of ability and character. If some four candidates offer themselves for an appointment, one Sikh, one Hindu, one Jain and one Muslim, qualifications and character being about the same, the appointment should go to one from a backward community. But it should be recognised that appointments should be made on the principles of ability and character. Any other principle would be altogether wrong. If Diwan Bahadur Mudaliar comes to be entrusted with a portfolio in the future national Government of India, it will be interesting to see how he successfully enforces his principle of limited patronage. If then he does enforce his principle of limited patronage, he would only vitiate the Department which he comes to preside over.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): I think there are many Honourable Members in this House who would like to hear a little less from day to day about communal representation in the services. It strikes me that this question is discussed on every conceivable occasion. I should have thought that one discussion in a year would have been one too many, but when it comes to discussing it nearly from day to day, during a Budget session, I appeal to Honourable Members whether it is really an exhibition of common sense. Sir, I believe that it is rightly contended, that certain communities are excluded from the services, not because they cannot produce men from amongst themselves, capable of holding posts in Government, but because they happen to belong to a certain community. Now, Sir, it is that vicious practice which prevents a man from getting a fair chance, because he happens to belong to a certain small community, that should in my humble opinion be strongly condemned. If it is that principle of fair play and that principle alone that we advocate, we do nothing wrong, but when it comes to every community coming before the Legislature and demanding that a certain proportion of their number should be represented in the services, I respectfully beg to contend that they put themselves out of court. If they would only contend that such of their numbers that are really fit for Government posts should get them, it would be a legitimate argument, but to come forward and say that they should be represented in the services according to their population, simply because so many millions of them happen to belong to a certain faith, is, I contend, illogical, and therefore if my Honourable friend, the Mover of this Resolution or any Muhammadan gentleman would prove that a man is excluded because he belongs to the Sikh or Muhammadan community, he has every justification for bringing that to the notice of all concerned. Therefore, Sir, I do hope that this is the last occasion on which we shall hear about communal representation on a basis of population. Let it be based on qualifications (Hear, hear), and I think it can with justice be contended that certain communities are likely to be excluded from the services notwithstanding their being able competently to hold Government positions. If that is the case, it will be a disgraceful thing in this country, in fact it will be a greater disgrace than it has been in the past. I was sorry to hear my friend, Mr. Amar Nath Dutt, take this occasion to blame the Government. If ever there was an occasion when Government deserved the least blame, it is on the question of communal representation in the services. Sir, it is the communities themselves who are responsible for making this question so difficult.

Mr. Amar Nath Dutt: I was blaming the Government because they were pandering to the worst instincts of communalism.

Sir Cowasji Jehangir: I am of course not a Member of the Government, but as a Member of this Assembly, I repudiate that charge. I have been a member of Government at one time, and I can honestly say that this charge against Government is as unjustified (Applause) as many of the charges against Government are justified. (Laughter.) Government, I believe in most provinces and, certainly, in the Centre, are not responsible for separate electorates and they were not responsible for separate electorates in the past. All Commissions condemned the principle of separate electorates, but they accepted them as the best method under the circumstances. Therefore, to make this an excuse for accusing Government is only taking another opportunity of condemning, after all, many honourable men who are only discharging their duties to the best of their ability. (Applause.) Sir, if, after all, they have thought it fit to favour a community here or there, they do so under great pressure, and because they sometimes feel that that community, although they can produce good men, have not had a chance of serving the Government; and if that is called a motive, then it is a laudable motive because they have championed a deserving cause, and Honourable Members on this side will be the last to condemn them for it. Now, Sir, I would only appeal to Honourable Members to let this be the last occasion in this Session for discussing this unsavoury subject. We are face to face with a great constitutional change. Are we to spend our time discussing what proportion of the loaves and fishes we are to share? If we are to do so, let us do so outside this House; and in this House at any rate let us devote our attention to such questions as will successfully lead us to the goal we all have in view. (Applause.)

Mr. O. S. Ranga Iyer: Sir, I must begin by saying one word in defence of my Honourable friend, Mr. Amar Nath Dutt. I think when the Honourable gentleman from Bombay waxed eloquent against my Honourable friend from Bengal, he was really begging the question. Sir, Mr. Amar Nath Dutt did not want to soak the services with communalism any more than the Honourable gentleman from Bombay; and if he levelled that charge against the Government, there was adequate justification for levelling that charge in the reply that the Honourable the Finance Member gave today when quoting the Muslim percentages in the Customs services. Sir, the position that we Nationalists have taken up time and again has been one of absolute opposition to communalism; and if the Honourable gentleman of the Independent Party was honest about the business, he should have stood up on the floor of the House and repudiated Diwan Bahadur Mudaliar, but he did not do so. Diwan Bahadur Mudaliar stood up and supported the Muslim pretensions in regard to communal representation; and now his colleague stands up and opposes the Sikh "pretensions" in regard to the same!

Let him understand the question first in regard to what the Sikhs have demanded and let him not assume anything more. Sir, the position of the Sikhs—and I have been following very carefully the representations of the Sikh community, the resolutions of the Sikh Leagues and all that in regard to communal representation,—has been one of great honesty, one of honourable attitude. They have been opponents for a long time of communal representation, whether in the Legislatures or in

[Mr. C. S. Ranga Iyer.]

the services; they have declared on important occasions and shown in action that they were against communalism. They always resisted the tide of communal passion sweeping over the land. Sikh history bears adequate testimony to that. But, Sir, "communalism" was accepted by the Government—and even the Honourable gentleman from Bombay cannot deny the fact that the Government did commit themselves to communalism—when the Minto-Morley reforms did introduce communal electorates, when the Montagu-Chelmsford reforms did advance on that. As my Honourable friend, Bhai Parmanand,—whom we welcome to this House as one who has had a great career of sacrifice—pointed out, let communal representation be carried to its logical absurdity. It is good therefore that the Sikhs should put in their claim also.

Sir, the Government have been playing with communal fire. Why did they introduce communalism in the services? Why did they introduce communalism in the Legislatures? Who submitted the Muslim memorandum to this House in connection with the Railway Budget? Was it not the Government which introduced communalism, may I ask my friend from Bombay, Sir, through you? Was it not committing this House to communalism? It is all very well to attack my friend, Mr. Amar Nath Dutt, who was quite competent to look after himself if only he had the chance to reply to the Honourable Member from Bombay. (Laughter.) It is quite easy to crack cheap jokes, while the Honourable gentleman from Bombay, if he was honest about it, should have completely repudiated as absurd the observations of Diwan Bahadur Mudaliar supporting communal representation in the Customs Department.

Lastly, Sir, the position of the Sikhs, like that of the Mussalmans, is one of happy clarity. They say, "We do not want communal representation, but if the Mussalmans want it, we also want it." That is their position. "If you withdraw it from the Mussalmans, withdraw it from us also". That is their policy. Sir, the Sikhs have the same proportion to population in the Punjab as the Mussalmans have in the United Provinces. Well, if the Mussalmans are entitled to weightage in the United Provinces, the Sikhs are equally entitled to weightage in the Punjab: and if the British Government will not do justice to the Sikh claims and are prepared to play the Muslim game, take it from me, Sir, the Sikhs and Hindus will resist that policy with the force of an avalanche and will put forward their own claims. As for the Nationalists, they will oppose any absurd playing with communalism, whether in the services or in the Legislatures.

Khan Bahadur H. M. Wilayatullah (Central Provinces: Muhammadan): Sir, I did not like to speak particularly on a communal question, but once the question of Sikh representation was moved in this House which was a perfectly reasonable proposition, a great deal of the talk has unnecessarily taken place about the Muslim representation. Sir, I do not understand why, whenever there is any talk or mention about Muslim representation in the services, it is so much opposed, and why Mr. Ranga Iyer gets up every time to make thundering speeches in the House with all the flourishes and emphasis he can command. There is only one question, Sir, and it is this. There is a slight majority of the Muslims in the Punjab, but is it true democracy that if the Muslims are in a majority in

any province, they should always be reduced to a minority? That is the whole position. In the Punjab and in Bengal there are more Muslims than non-Muslims. But unfortunately whenever anything is said about the Muslim representation in the services or their representation in the Legislatures, it has been very much opposed by Mr. Ranga Iyer and some other Members in this House. Sir, this is the first time that I have come to this House and I am sorry to hear all this unpleasant talk about the various communities. It does not add credit to the Members of this House that they come here to indulge in making these violent speeches particularly about the Muslim community. This produces unnecessary bitterness and also creates many difficulties. Whenever Government try to be fair and to do justice, they are accused of playing the game of divide and rule. This is not fair to the Government. I have been in Government Service myself and I know the ins and outs of Government service, and I do not think this charge which is levelled against the Government is at all true. Some Members always indulge in these remarks when the Mussalmans ask for representation in the services. I can assure my Honourable friends that we never asked that inefficient Mussalmans should be appointed. All that we ask for is that we should not be excluded simply because we are Mussalmans even when we are fully qualified and efficient. With these few words I close my speech.

Mr. President: I should now call upon the Honourable Member in charge to reply.

The Honourable Sir George Schuster: Sir, I think it is hardly for me to compete with the display of eloquence which we have just had upon this subject. I should like to repeat the remark which I made in the debate on a similar question this morning. It is very easy to wax eloquent on principles on both sides of this question, but whatever we do, we cannot get away from it, that it is a difficult and complicated practical issue which has got to be dealt with by any Government which is responsible for running the administrative services of this country. I sympathise very greatly with the Honourable Member from Bombay in his appeal that this subject should not be discussed further on the floor of this House. It is perhaps not for me as a Government Member to express that view. But I am sure all Honourable Members will recognise, that when this subject does come up either in debate or in the constant flow of questions which are asked upon it, it does put us in an embarrassing position. If we seek to show sympathy to any minority community which happens not to be getting or not to have got hitherto a proportionate representation in any service, we are accused of being unduly influenced for political reasons and of partisanship. On the other hand, if we refuse to show that sympathy, then, I think, we are equally in danger of a charge of neglecting the fair interests of all classes of the country. My Honourable friend from Bombay spoke with a certain amount of feeling on this subject because he himself, as a Member of Government, had experienced the practical difficulties, and I am sure that any Member who comes to occupy one of these places will, when the time comes, feel a similar difficulty, for whatever happens in the future I cannot get away from the conviction that this will, and is bound to, remain a difficult practical question. It is no more than that. It need not be a question of contentious principle, but it is a difficult practical question which will require constant watching.

[Sir George Schuster.]

Now, Sir, it has been said that the Government have themselves admitted the principle of communalism. The Government policy on this subject is very well known. The statement has been made repeatedly on the floor of this House as to what the Government have laid down as their guiding principle in this matter. It is simply this that, in order to correct inequalities of representation, one-third of all the vacancies for new appointments will be reserved for minority communities. And I venture to say that, however much thought anyone in the future may give to this question, they will find it very difficult to devise a practical means for giving effect to the principles of justice which even my Honourable friend from Bombay, who deprecated discussions of this subject, recognised. They will find it very difficult to give effect to the principles of that measure of justice in a better way than is given in the principle which the Government have adopted. We have been ready to examine the working of the principle now that it has been for about five years in operation and a great deal of work has been done in the course of the last year in checking up how it has worked. The results of that examination are not yet fully available; but until we have these results, we, on this side, feel that we do not know of a better principle on which to work than that which has been adopted.

Mian Muhammad Shah Nawaz (West Central Punjab: Muhammadan): Has not the Round Table Conference accepted that principle? Has not His Majesty's Government accepted the principle that the minority communities should have a fair and adequate representation in the services? I thought that was a settled matter.

The Honourable Sir George Schuster: I am not in a position to give any full explanatory answer to my Honourable friend's question, and I should be very unwilling to do so or to use any words in this House which might commit His Majesty's Government one way or the other on the subject. I am content to deal with it as a practical issue as it lies now before us, who are responsible for the administration of the country today. My point is that at present we cannot see any better way of giving effect to what we recognise as a principle of justice than the rule which has been adopted. In dealing with my Honourable friend Mr. Anwar-ul-Azim's motion this morning, I gave some figures as regards Muslim representation in the Customs Department, and I hope he was at least satisfied that we are giving careful attention to that question and that we are using the rule which we have set ourselves in a manner to adjust what seem to be unreasonable inequalities.

As regards the motion of my Honourable friend, the Mover of this particular cut, I must admit at once that if you look at the figures of Sikh representation in the Customs Department, they are extremely unsatisfactory from his point of view. The most that I can say is that there are a few more appointments now than there were in 1924, but the representation is very small. I would ask this House to examine this particular case in order to see how these results come about. All appointments except those for the Imperial Customs Service are recruited locally for local service and it so happens that there is no part of the Customs Department in the Punjab where the Sikh community chiefly lives. Therefore, so far as the local appointments are concerned, there is

not really an opportunity to make Sikh appointments at present. As to the Imperial Customs service, we recruit in India through an examination which is carried out jointly with the Accounts and Audit Service and conducted by the Public Services Commission, and of course the ~~actual~~ appointments which are made as a result of that examination do depend on the examination results. It seems that the results hitherto have been such as not to discover any Sikhs for entry into the service in the higher grades. That, Sir, is the position at present. These are the facts. If my Honourable friend, representing his community, can come to me and tell me that there are any cases where our policy has operated unfairly in the sense that just because a Sikh was a member of that particular community, he was unable to get an appointment which he would have got if he had been a member of another community, I shall have the greatest possible pleasure in investigating it. But I venture to state that he will not be able to produce any such case, and, that being so, we are not really responsible for the results which at present prevail. As I said this morning in dealing with the Mover of the other cut, we are anxious to go into any real case of grievance. We are always willing to study this matter, and I look upon it as a particular responsibility of my own to watch the operation of the Government of India policy in connection with this question. I can say no more at present. I can only promise my Honourable friend that if he has any specific case to bring forward or any specific suggestions to make, I shall listen to them with the greatest interest and give them my urgent and earnest attention.

Sirdar Harbans Singh Brar: Sir, having listened to the speech of the Honourable Sir George Schuster, I am drawn by the remarks that Sikhs have not been successful in the examinations for the superior services. But I may draw his attention to the fact that in all services, including the most coveted service of the I.C.S., one-third of the appointments are reserved for nomination to equalise communal representation. If they are not successful in those examinations, and if they had obtained fairly high marks, then from those one-third of the appointments reserved for nomination, at least the Sikhs deserve some share. This word, "promise" has often been used by Government in regard to the Sikhs, and we remember that in the despatch on Constitutional Reforms by the Government of India in the Chapter dealing with communal representation, the Sikhs who form three millions of the population were only recommended two per cent. in the future Central Legislature, while the Europeans, who form less than one million, were recommended ten per cent. in the future Central Legislature of India, though the vested interests of the Sikhs in India were just as important as those of the Europeans. In the Punjab, the Sikhs pay about 40 per cent. of land revenue and water rates. They gave one-eighth of the whole of India's recruiting strength during the war and one-fifth of the whole of the Punjab. Bearing all these facts in mind and being an important minority community, in the proportion reserved for nomination, at least they claim a share of this, and this should have been given. None of them has been given. The position of the Sikhs has from the very beginning been quite clear. They never asked, even from 1908, for communal representation. They always stood for equal chance with everybody. But if other minority communities are to be protected, the Sikhs claim due protection for their interests; and I want to make this thing quite clear, that the Sikhs do not ask for any communal representation even at present.

[Sirdar Harbans Singh Brar.]

The cry originated from other minority communities, especially the important minority community of Mussalmans, and as due communal representation to Muslims in the services has been promised by the Honourable Sir George Schuster even this morning, the Sikhs do claim it. When the time comes for withdrawing it from other communities, when all communities are put on an equal footing to fight their own cause and to go into the open field, the Sikhs would also gladly ask for withdrawal of their special representation.

Mr. President: The question is:

"That the Demand under the head 'Customs' be reduced by Rs. 100."

(After the question had been put and Mr. President had declared that the "Noes" have it.)

Sirdar Harbans Singh Brar: I beg leave to withdraw the motion.

Mr. President: It appears to me that the request is rather late; but I will allow it.

The motion was, by leave of the Assembly, withdrawn.

Duty on Sugar.

Kumar Gopika Romon Roy (Surma Valley *cum* Shillong: Non-Muhamadan): Sir, I rise to move:

"That the Demand under the head 'Customs' be reduced by Rs. 100."

Sir, my object in moving this cut is to draw the attention of the House to the latest invasion by the Honourable the Chancellor of the Indian Exchequer of every hearth and home in India. Sir, it may seem rather harsh to use the word "invasion". . . .

The Honourable Sir George Rainy: Which cut is the Honourable Member moving?

Mr. President: I understand he is moving cut No. 22, "Duty on Sugar."

The Honourable Sir George Rainy: May I point out, Sir, that the House has already voted on the subject of sugar?

Mr. C. S. Ranga Iyer: Not the duty on sugar?

Kumar Gopika Romon Roy: I want to oppose the duty on sugar.

Mr. President: I heard the Honourable Member say that he wishes to oppose the duty on sugar.

Kumar Gopika Romon Roy: Yes, Sir.

Mr. President: Would it not be better to do so when the Finance Bill is under consideration?

Kumar Gopika Romon Roy: I shall do it now, Sir.

Mr. President: The Honourable Member is not out of order. He can go on.

Kumar Gopika Romon Roy: Sir, it may seem rather harsh to use the word "invasion", but if you bear in mind the Honourable the Finance Member's explanation on this "special case" of sugar as he puts it, you will find that he proposes to extend the tentacles of taxation on the poor man's food. Sir, the Honourable the Finance Member has, in unequivocal language, referred to the Government's plans for protection of sugar which he said that they would have to take "a decision" upon at an early date. He was fair enough to suggest that, that decision would be taken only after consulting the Legislative Assembly, but he was also frank enough to blurt out Government's anxiety in the matter. "My Budget proposals", said the Honourable the Finance Member, "must be regarded purely as revenue measures which are however provisional in the sense that they may shortly have to take on a protective aspect". It is the Honourable the Finance Member who does not want a straight vote on protection today.

He is modest enough to ask for a vote for "revenue purposes", but he cannot forget the Simla Session, when sugar will be permanently protected. He has taken the trouble to tell us that the position of sugar is special, and just when his Budget proposals were on the point of completion, the recommendations of the Tariff Board for the protection of sugar had been received. Sir, I do not want to cast any aspersion on the Tariff Board. I am also a believer in tariffs, but not a blind believer. I do not believe in indiscriminate protection. I would rather follow the wiser policy of "discriminative protection", which I believe is also the Government's policy. So we were told by the predecessor of the Honourable the Finance Member, I refer to Sir Basil Blackett—the brilliant predecessor of his equally brilliant successor. But, Sir, we want the brilliance to scintillate a little less on sugar and a little more on foreign cloth. I would rather have a big tariff wall against foreign cloth, though the Honourable the Chancellor of the Exchequer may have a soft corner for Lancashire and Manchester, and cares not a whit for Japan. Sir, I do not pretend to be a financial expert, not even a great authority on protection and free trade, but, Sir, I look upon free trade and protection from the standpoint of an ordinary man of common sense. It is common sense after all which counts in these matters. Often enough do not experts bungle? Fiscal authorities and Tariff Board-wallas have sometimes an unhappy knack of becoming muddlers and meddlers. Why should they muddle where the poor man's food is concerned? Do we want a food tax in the country, the poorest country in the world? Next to the salt tax, which is an odious form of taxation, is the sugar tax. The lowliest of the low and the poorest of the poor want sugar to eat. From the cradle to the grave sugar is the principal article of food. By protecting sugar, by threatening a permanent protection of sugar, Government are contemplating an intolerable form of food tax. If they were fair to the people, they could not have precipitated this policy. They would not have rushed in to tax the food of the poorest of the country. Sir, I was almost going to give the House a few suitable quotations from the great Irish statesman, Edmund Burke, but I would leave it to our great Honourable Chancellor of the Exchequer to read his useful book "Thoughts on the Present Discontent". If only he knew what effects the policy of taxing sugar will have on the people, he would rather have abstained from giving us what looks like a warning of a permanent tax on imported sugar. Sir, this tax

[Kumar Gopika Romon Roy.]

will mean interfering with the free competition of sugar, both indigenous and foreign in the market. Unless there is competition, unless there is free trade where an article of food is concerned, the capitalist will be inclined to make more profit and the poor will have to pay more. When a poor man in Assam goes to buy sugar in the bazar and when he is told he has to pay more for what he used to get for a cheaper price before, do the Government realise or are they capable of imagining what effect it will have on his mind? Can they imagine that it is a real burden for a man who labours from sunrise to sunset for four to six annas a day? The miserable food of a miserable Indian labourer is being taxed. The labourers of the Surma Valley will have to take their tea without sugar and that was actually my war-time experience when the price of sugar had gone up higher. Sir, in the Surma Valley and Assam Valley the labourers, especially tea garden labourers, quench their thirst and appease their hunger by one "ghati-ful" of tea and that is in many cases their principal diet of the day. Can the Honourable the Chancellor of the Indian Exchequer imagine the dreadful plight of these wretches?

There remains another party who will make a booty out of this taxation. The unscrupulous dealer, i.e., the *modi* who sells sugar in the village market. They will raise the price of sugar by leaps and bounds on the plea of taxation. This is not a mere assumption. I hope many of my friends in the House will bear me out if I cite the example of the prices that were realised by the various dealers during the last war. Now these dealers will realise high prices from the poorest wretches of the country. If any such food taxation be at all necessary, then simultaneously there should also be legislation passed by this Assembly prohibiting the unusual increase in the price of taxed food stuff, and an universal rate of selling must also be fixed; the dealers also must be compelled to sell at the price fixed by the Government, and every fluctuation must be communicated to the interior corner of the farthest villages by the beat of drums. Without any such protection, it will not be safe to tax the food, and it will be a great burden on the poorer classes. Without proper safeguards, food taxation is a dangerous policy.

Sir, there are other ways of finding money for revenue purposes. As I have already said, foreign cloth could have been heavily taxed, and this form of taxation would have also been helpful to the indigenous manufacturer, or he could have cut down the military expenditure and thus anticipated what a self-governing India would most certainly do, or there could have been an all round retrenchment from the top of the high salaried people of all the Departments, both civil and military, Imperial and Provincial. Did not the British Prime Minister and the Socialist Honourable the Chancellor of the Exchequer say that they were willing to forego 10 per cent. of their salaries? Why should there not have been a similar gesture from the Olympian heights of Simla and Shillong? Before taxing the poor man's food, the Honourable the Finance Member should have devised ways and means of improving the financial condition of the poor masses of this country. Then the rate-payers will have nothing to grumble about because there is a proverb "Petey Kheley Pithey Soi", i.e., "Load the animal after feeding it properly". But in the present case the maxim is inverted, you are taxing the food and adding to the load.

Sir, with these few words, I beg to move my motion.

The Honourable Sir George Schuster: Sir, I am sure that the House will not wish to hear me at very great length on this subject.

4 P.M. It is one of those cases where there are certain national interests on one side counterbalanced by certain interests on the other. I think I am right in assuming that the general feeling of this House is in favour, at the present moment at any rate, of doing what can be done to encourage the agricultural interests of India and to give a better economic position to the agricultural producer. I hope therefore that, although the proposed increase in the sugar duty is to be imposed primarily for revenue purposes, it will have the effect of encouraging that policy which I believe the country as a whole supports. I think that is all I need say at the present moment on this particular motion, although I have every sympathy with what the Honourable Member has said as regards the interests of the poorest classes in this country.

Mr. Gopika Romon Roy: Sir, after what I have heard, I beg leave to withdraw my motion.

The motion was, by leave of the Assembly, withdrawn.

Duty on Kerosene, Petrol Betyl Nuts.

Kumar Gopika Romon Roy: Sir, I beg to move:

"That the Demand under the head 'Customs', be reduced by Rs. 100."

Sir, the Honourable the Finance Member stated in paragraph 63 of his speech that he proposed to levy surcharges upon kerosene and motor spirit. Both customs and excise duty on kerosene are to be raised by 9 pies per gallon. 9 pies may perhaps be an insignificant figure to the Honourable the Finance Member, but it is the poor people who are going to feel the pinch. An addition of one pie would be to them what one pound would be to the Honourable the Finance Member. He cannot deny that when the poor man goes to a shop to buy kerosene and he is told that he has to pay a pice extra, he will feel that the Government have been very unkind to him. Sir, the poor people buy kerosene oil in very small quantity, say for one pice a day. Henceforward they will have to pay two pice. Thus a heavy inroad is made into their slender finances. Surely, this is not the way to ease a situation which from the economic point of view is bad enough in all conscience. The Finance Member said, "I would ask the public to appreciate our special difficulties at the present juncture". If I may say so, it is for the Honourable the Finance Member to appreciate these special difficulties of the public, and especially of the masses. Never in any period of Indian history were the masses so poor as today. They do not know what a full meal is. From morn till noon and noon till dusk they have to labour like beasts of burden. The setting sun sees them back to a cheerless home. The rising sun calls them to tearful toil, and the poorer the man the larger his family. Poverty and procreation seem to go together. With a low standard of life with innumerable idlers dependant on a single bread-winner of the family, the family itself going deeper and deeper into the mire of poverty. Terrible is the hardship that the kerosene duty inflicts on the millions of poor people in this helpless country of ours. Does the Honourable the Finance Member know that this kerosene duty practically leaves the rich town dwellers in big cities untouched? I see him shaking his head. He seems

[Kumar Gopika Romon Roy.]

to disapprove my remark. Go to Bombay, go to Calcutta, go even to Shillong if you, will, leave alone this whimsical Imperial City of ours, I mean New Delhi, you find kerosene lamps have yielded place to electric lights. But go to the villages of Assam, the coolie huts of Sylhet and the tea gardens of Surma Valley and Assam Valley, and you will find that kerosene lights alone are used by one and all. It is the hut dwellers of India's villages that you are taxing today. India, Sir, is a continent of villages. It is the villagers on whom you are levying a tax. Is this the way in which the Honourable the Finance Member proposes to run the business? Is this the legacy that he proposes to hand over to us? Is this the sound condition of which he was speaking when he opened the Budget? There was no "hidden weakness" he said. Sir, this kerosene duty is the weakest spot in the Honourable the Finance Member's armour. I do not want to say one single word by way of disparaging his feeling for the poor. I will be the last man to reflect on him and his humane nature. I fully realise that he cannot touch the Military expenditure because he is the victim of a policy which has caused a grave wrong to a great people, which has ruined their finances, which has even necessitated taxing the poor man's kerosene oil. All this the poor people cannot understand. They cannot appreciate the difficulties of the Finance Member. They cannot know that he is confronted with an economic crisis and a financial calamity, the like of which did not face his more lucky predecessor. They can not know that he has dived his hands into the pockets of the rich, who are growling, and I join in the growl, because I too am affected. But much more grave is the taxing of the poor man's kerosene oil. They will only feel that here is a Government which is straining the quality of mercy. It is now too late for the Finance Member to devise some other means and to leave out the poor man's kerosene oil.

And now, to petrol. The surcharge of two annas per gallon on motor spirit is hardly wise from a financial point of view. If you send up the price of petrol, then the Buswallas will put a higher price on the tickets of their poor passengers. Thus, the petrol duty affects the poor more than the rich. Those who have, may not grudge to pay a little extra for their motor petrol. But, when the owners of buses put up their price, the increased price for travelling falls upon the poor. Will the Honourable the Finance Member deny that this too affects the distressed and poverty stricken masses of our country? Sir, there is another aspect of this problem. Although these bus owners are not very rich people themselves, they are competing with the railways managed by the Government and the companies. I am afraid this increase of duty on petrol is calculated to affect motor bus competition adversely. I may tell you a story from Calcutta. Until lately the tram companies simply neglected the convenience of the travelling public there. They had no monthly tickets system. They had no cheap midday fare system, but when the bus competition became keen, the *Kumbhakarna* of the tramway company woke up from his sleep of ages. He thought the company would have to go into liquidation if he continued to ignore the public. The story runs that *Kumbhakarna* was a good sleeper, but sleepers are of no use in tramways. However, according to the Ramayana, if I give an epic touch, Sir, without being jocular, for I know many may not like my jokes though they conceal in their breast an ocean of meaning. Well, Sir, when *Kumbhakarna* wakes up, he makes up for his sleep. So also the tramway company in

Calcutta. They reduced their fares. Well, Sir, to cut a long story short, increased duty on petrol is calculated to kill competition, the only modern stimulus for economic betterment. There is also a danger when the competition may be killed, of unemployment growing.

Lastly, Sir, betel nuts may be left out of consideration because they constitute a mildly controversial subject. The Finance Member's action in regard to betel nuts, I feel, has a soul of goodness in the sense that it may encourage the indigenous industry. In the Explanatory Memorandum by the Financial Secretary on the Budget of the Governor General in Council, as laid before this House, I find in Appendix III on page 41 under statements showing the details of the Budget proposals relating to the Customs and Excise duties and their financial effect, that the present rate of duty on spices is 15 per cent. *ad valorem*, and the proposed rate of duty is doubled, being 30 per cent. *ad valorem*. The *ad valorem* duty is imposed also on betel nuts. The Honourable the Finance Member contemplates, I was almost going to say dreams, the additional yield because the increased duties on spices and betel nuts will be 31 lakhs of rupees, spices 8 lakhs, betel nuts 23 lakhs. I may tell the Honourable the Finance Member frankly that he will be disillusioned in regard to his calculations, because less spices will flow into this country from outside when the duty is high, when the indigenous competition is keen. The same may be said of imported betel nuts also. Incidentally the price of spices and betel nuts will also increase, and these two will affect the poor. I need only say that this is not a poor man's Budget and in the hands of the unscrupulous middlemen, it is the poor who will come to grief. I do not, Sir, want to take a destructive view, but I am afraid that the Honourable the Finance Member has excuses for not accepting the only constructive suggestions possible under the circumstances, *vis.*, the reduction of the Military expenditure and the over-hauling of the top heavy administration. These, we will be told, are matters of policy and we may hear the same story next year also, for the policy will continue to be the same. I fear the same story may be told even ten years hence, for there seems to be no drastic change of policy in sight in regard to Military expenditure, which our wise men want to treat as a reserved subject. With these few words I move my motion.

Mr. President: The Honourable Member's time is up.

Mr. Gopika Romon Roy: With these few words I move my motion.

Mr. N. E. Gunjal* (Bombay Central Division: Non-Muhammadian Rural): Sir, I support cut No. 24 regarding Customs moved by Kumar Gopika Romon Roy.

Pandit S. N. Sen: Sir, with regard to the duty on spices, I should like to add only one sentence. The duty on this article has been raised from 15 per cent. to 30 per cent. I want to bring it to the notice of this House that spices are very largely used in preparing indigenous medicines both Ayurvedic and Unani. In view of this fact, I think that the doubling of the duty is hardly justifiable.

*The Honourable Member spoke in Marathi.

The Honourable Sir George Schuster: Sir, I think the greater part of this discussion would really be more appropriate when we are discussing the Finance Bill, but as there may not be opportunities to discuss every point in detail then, there are one or two things which I would like to say in answer to the speech of the Honourable the Mover. His chief attack is, I think, on the duty which we propose to add to kerosene, and the chief ground of his attack is that this will fall particularly hardy on the poorer people of this country. I fully recognise that, and that that is the one item in the Budget which may be said to affect directly one of the necessaries of life for the poorer people. But, I venture to put to this House that the actual burden is not really going to be unduly heavy. Since we altered the duties on kerosene last year, the prices, according to my information, have fallen by about six pies per gallon, and therefore the addition of nine pies now will bring the price back, if the full amount is added as an increase to the price, to about three pies above what it was before the Budget of last year. That is one point to remember.

Then I would like to ask Honourable Members to consider what in fact this really does mean to the poorest classes. I had occasion to mention when I was speaking on the Budget in the other House, that I had been very carefully into this question to ascertain what it really does mean to the poorest classes. I based my information on a very careful investigation of the Budgets of the poorer agricultural classes, carried out in Bengal by Mr. Jack some years ago. His conclusions were that a family of five of a cultivator in comparatively favourable circumstances consumed about 8·7 gallons of kerosene per annum, and that the poorest cultivators consumed about half of that amount, about 1·8 gallons per annum. Well, if you take the higher consumption by the family of a man living in comparative comfort, the addition, even if we take the full addition of 9 pies per gallon, is only about three annas per annum for the whole family, and for the poorer classes it would only be one and a half annas per annum. If you take only the net increase of three pies which we expect, the figures are reduced to one anna and half an anna, respectively, per annum, I do not think that it can be suggested by anybody that those represent intolerable burdens. Of course, I may be told that the retail prices may increase out of proportion to the price per gallon to which I have referred, but that, I venture to suggest, is something over which the Government of India cannot exercise control, and if Honourable Members who move about their constituencies would check retail prices of articles of that kind, they would be able to perform a more direct and valuable service to the poorest members of the country than we sitting here in the Government can do.

I do not intend to take the time of the House, Sir, in dealing with the remarks about betel nuts and spices. We thought on an examination of the whole position that there was a strong case as part of the general increase of duties which we are proposing for including betel nuts for some increase, and I am glad that even my friend the Mover of this cut thinks that there will be some counterbalancing advantage in this particular duty.

I think, Sir, that the rest of the discussion may well be carried on in connection with the Finance Bill, and I venture to put to the House that the Honourable Member's arguments against these particular duties do not justify a cut expressing a vote of no confidence in the Customs administration.

Kumar Gopika Romon Roy: Sir, I must thank the Honourable the Finance Member for the very sympathetic reply he has given, and as the matter is going to be taken up by the Independent Party, I do not propose to press my motion to a division.

The motion was, by leave of the Assembly, withdrawn.

Not taking Steps to raise the Price of Agricultural Produce.

Mr. Amar Nath Dutt: Sir, I beg to move:

"That the Demand under the head 'Customs' be reduced by Rs. 100."

I do not wish at this late hour of the day to embarrass the Honourable the Finance Member, whose sympathy for the poor of this country is well known, and whose sympathy is further evidenced in the following words in his Budget speech:

"The fall in prices has affected most severely those countries whose economic activity is mainly directed to the production of primary agricultural products. This is brought out most clearly from the index numbers of wholesale prices in various countries, for, in India the fall in the Calcutta wholesale prices index corresponds very closely with the falls in countries like Australia and Japan, and is heavier than the fall in the wholesale figures for the United States or the United Kingdom. The same point is seen by comparing falls in the prices of articles which India exports with the fall in the prices of those articles which she imports. The fall in the former between September 1929 and December 1930 was 36 per cent. and the fall in the latter 16 per cent. India may therefore perhaps be said to be going through the worst time now. She has felt the severity of the fall in the case of what she has to sell, but has not obtained a corresponding advantage of the fall in prices of what she has to buy."

Sir, no one can doubt the sincerity of the Honourable the Finance Member in his attempt to deal with this grave crisis which has overwhelmed the whole world. But at the same time, that it has affected India very severely will be seen from the fact that no less than 85 per cent. of the people of this country depend on agriculture.

Sir, the condition of the ryots in the province of Bengal has been such that even by selling seed grains, ploughs and cattle, and by heavily mortgaging the little occupancy holdings that they possess, they cannot pay their rents. In one district alone no less than 150 *patni taluks* have been sold for default of payment of rent. What is the reason for this? It is the inability of the ryot to pay his rent, the inability of the *patnidar* to pay his dues to the zemindar, and the inability of the zemindar to pay his dues to the Government. Last year when the prices were falling slowly, I brought it to the notice of the Honourable the Finance Member, and he was kind enough to say that he would enquire into it. There is no doubt that he has bestowed his best consideration to this matter, and in spite of that he has not been able to suggest any means of giving relief to the agricultural population of this country. I would suggest that importation of food grains from abroad be stopped at once, and if that alone does not give us the relief, we want other means to be devised, and the Honourable the Finance Member is the best judge of what further steps should be taken in the matter. If necessary, he can even have the advice of experts or of a committee. Sir, I have no desire to embarrass the Honourable the Finance Member in moving this cut, but at the same time, I want to draw his attention to the fact that the condition of the agriculturists in Bengal is such that he should enquire into it and give them the relief that is needed. With these words, I move.

The Honourable Sir George Schuster: If I were to attempt any sort of full reply to this motion, I should have to make an extremely long speech on the economic condition of the country, the economic condition of the world, and the history of the various attempts which have been made in the past, particularly, in the recent twelve months, to control the prices of agricultural products. I think if my Honourable friend would study the result of those attempts, and would read the criticisms which are now being brought against Governments that have attempted to intervene and to control the prices of agricultural products, he might modify his views both as to what is the proper kind of action, and as to the responsibility and blame which rest upon this Government to-day. But it would be impossible for me to attempt to enter fully into that subject now. I would only tell my Honourable friend that it has had the constant attention of the Government throughout the year, and that, if drastic action has not been taken, it is not from any sort of neglect or any lack of interest in the subject, but because, on a consideration of all the facts, we came to the conclusion that we should do more harm than good by attempting to interfere. If ever my Honourable friend finds himself placed with any responsibility for Government, I think he will find one of the tragedies of his life in the limitation which rests upon human effort to control economic causes in great countries like this. But that does not mean that, where particular troubles exist, we should not pay attention to them or take such limited action as is possible. And if I might say one word in conclusion, I would refer to a speech which I myself made in Simla in the Autumn, where I drew the conclusion that the proper function of Government in these matters is to take steps to encourage proper marketing of commodities, but that if they try to interfere in the control of prices, they generally bring disaster upon themselves and aggravate the evils which they are trying to cure. With that very general statement, I am afraid I must oppose my Honourable friend's cut.

Mr. Amar Nath Dutt: After the sympathetic assurance of the Honourable the Finance Member, I beg leave to withdraw the motion.

The motion was, by leave of the Assembly, withdrawn.

Mr. President: The question is:

"That a reduced sum not exceeding Rs. 75,52,900 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1932, in respect of 'Customs'."

The motion was adopted.

Mr. President: I should like to know whether the House wishes to continue to sit.

Several Honourable Members: No. To-morrow.

Dewan Bahadur T. Rangachariar: I think we can sit a little longer to-day.

Mr. President: The Honourable Sir George Schuster.

DEMAND No. 18—SALT.

The Honourable Sir George Schuster: I beg to move:

"That a sum not exceeding Rs. 80,46,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1932, in respect of 'Salt'."

Mr. N. B. Gunjal (Speaking in Mahrathi)*: Sir, I beg to move:

"That the Demand under the head 'Salt' be reduced by Rs. 80,46,000."

The Honourable Sir George Schuster: I oppose this motion.

Mr. President: The question is:

"That the Demand under the head 'Salt' be reduced by Rs. 80,46,000."

The motion was negatived.

Retrenchment.

Mr. Mohammed Azhar Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): I beg to move:

"That the Demand under the head 'Salt' be reduced by Rs. 2,01,150."

In moving this motion, I have not very much to say. I have brought this forward with a view to encourage the cottage industries of India. My only object is that cottage industries should be encouraged and the foreign articles should be discouraged. The Gandhi-Irwin agreement too has been arrived at to a certain extent about it. The question of salt is a matter for the masses. It is not the interests of the capitalists, but the interests of the masses that we have to look. The salt industry with other questions connected with it has been debated in this House several times before. I need not say much on this subject and I move my cut.

The Honourable Sir George Schuster: I am not quite sure that I have understood the real purport of the Honourable the Mover's motion. According to the motion paper, he wished to raise the question of retrenchment. If I understood him correctly, I think he dealt rather with the encouragement of indigenous production of salt. As the House knows, this is a subject which was considered by the Tariff Board and has also been considered by a committee of this Assembly whose Report will shortly be before the House, and I think the presentation of that Report will afford a more suitable opportunity for discussing the question of policy in this connection. Therefore, Sir, I content myself with opposing the cut.

Mr. Mohammed Azhar Ali: In view of the Finance Member's statement and his assurance, I withdraw my motion.

The motion was, by leave of the Assembly, withdrawn.

Loss of Interest arising from the Credit System.

Mr. L. V. Heathcote (Nominated Non-Official): I move:

"That the Demand under the head 'Salt' be reduced by Rs. 100."

It is unnecessary to take much of the time of the House in discussing this matter. I think I had better begin by saying what I understand the system now in force to be which should be withdrawn. It is that merchants taking salt from ships or bonded warehouses are allowed six months credit

*A translation of the speech will be found printed as an Appendix to these proceedings later.

[Mr. L. V. Heathcote.]

by the Government before it is necessary to pay the duty arising on what they take. The merchants deposit securities with the Government up to the value of which they are allowed credit. The duty on salt amounts in a year to approximately 7 crores and if the merchants take the fullest advantage of this credit system, as I believe they do, it means that the Government are permanently standing out of 8½ crores. The interest on this sum amounts to 21 lakhs per annum. If the system were withdrawn, Government would be permanently better off by 21 lakhs per annum. In times like the present I believe that any reasonable retrenchment or benefit which the Government can get from an alteration of the administrative system would be advantageous. I am not sure when the system originally arose, but I believe it was introduced mainly to encourage small merchants, who might have difficulty in paying the duty, to deal in salt. Whatever the circumstances may have been in those times, with the general improvement that has taken place during the last several years, there should not be the same difficulty in obtaining a sufficient number of merchants to handle this commodity and to pay cash for the duty in the same way as they pay cash for the salt. A possible disadvantage, which might arise from altering the system, would be that there will be a greater tendency on the part of merchants to put their salt into bonded warehouses and not to take delivery direct from ships, as is done at present to a large extent in the Calcutta market. At present the Government already charge a rent for the use of those godowns. If the Government were enabled to receive 21 lakhs by way of interest per year, they could very well afford to build a larger number of godowns to provide the facility of extra godown space, if such were demanded as a result of the withdrawal of the credit system. There may be very good reasons why this system cannot be altered and my motion will give the Honourable the Finance Member an opportunity to explain.

The Honourable Sir George Schuster: Sir, I do not propose at this very late stage to enter into a complicated explanation on this point, and I would content myself with two simple statements. First, I think that the credit system has been in force since 1876, when it was introduced in Madras, and it is a system of long standing, and, secondly, the credit system does not really result in any loss of interest by the Government. It is a commercial transaction by which merchants are allowed to make their cash payments at a certain date. Sir, I went very carefully into the whole question and I decided to take no action for other reasons. I decided to take no action because if we suddenly insisted on cash payments, we should in fact produce this result that, in one year we should get 18 months' revenue instead of 12 months' revenue, and my Honourable friend will be able to appreciate how that would work out. Now that is an expedient which has been resorted to by Chancellors of the Exchequer in other countries to improve the revenue for a year, that is to say, to shorten the period of credit which is allowed for the payment of duty and thus to bring into one particular year more than 12 months' receipts for that year, but it is an expedient on which I myself would be very unwilling to rely primarily for balancing a Budget for I think that to do so would hardly be sound finance. But I would assure my Honourable friend, without going into any great detail, that we should not in fact effect the saving which he thinks would thus

accrue to the Government. I should be pleased to explain the matter to him in detail outside the House, when I think I shall be able to convince him as to what are the facts of the case. While I am glad that the Honourable Member has drawn our attention to this point, I must nevertheless oppose this cut.

Mr. L. V. Heathcote: Sir, I should only like to say that I did not propose the cut in order that the Government should obtain an extra revenue of 8½ crores. But in view of what the Honourable the Finance Member has stated, I would like to ask for leave to withdraw the motion.

Mr. President: Is it the pleasure of the House to allow Mr. Heathcote to withdraw his motion?

The motion was, by leave of the Assembly, withdrawn.

Pay of General Managers.

Mr. N. R. Gunjal (Speaking in Mahrathi)*: Sir, I beg to move:

"That the Demand under the head 'Salt-II-A-A. 2—Manufacture—Pay of Officers' be reduced by Rs. 27,000."

The Honourable Sir George Schuster: Sir, I quite agree with my Honourable friend that Members of Government who sit on these Benches ought to make themselves acquainted with all the languages which are used in this vast sub-continent. I have at least a sufficient acquaintance with the language, Sir, to be able to oppose my Honourable friend's cut with all the emphasis at my command. (Applause.)

(Mr. N. R. Gunjal replied in Mahrathi.)*

Mr. President: The Honourable Member wishes to withdraw his motion. The question is:

"That leave be given to Mr. Gunjal to withdraw his motion."

The motion was by leave of the Assembly, withdrawn.

Mr. President: The question is:

"That a sum not exceeding Rs. 80,46,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1932, in respect of 'Salt'."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Friday, the 18th March, 1931.

*A translation of these speeches will be found printed as an Appendix to these proceedings later.