

Thursday, 17th March 1932

THE  
**LEGISLATIVE ASSEMBLY DEBATES**

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*(14th March to 6th April, 1932)*

**THIRD SESSION**

OF THE

**FOURTH LEGISLATIVE ASSEMBLY,  
1932**



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# Legislative Assembly

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# LEGISLATIVE ASSEMBLY.

Thursday, 17th March, 1932.

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

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

### DEMAND No. 28—EXECUTIVE COUNCIL—*contd.*

#### *Royal Commission on Labour.*

**Mr. N. M. Joshi** (Nominated Non-Official): Sir, I move:

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

Sir, my object in placing this motion before the House is first to ask the Government of India and their various departments concerned to give me an explanation why the various recommendations of the Royal Commission on Indian Labour have not been given effect to and why in some cases they have been overlooked. And then, Sir, if the explanation given by the various departments of the Government are not satisfactory, I would request this House to help me in making a protest against the delay caused by their inaction. Sir, as you know, the Royal Commission on Indian Labour signed its report about this time last year. It is many months since the report was published, but the machinery of the Government of India, as is well known, unfortunately for us moves very slowly. Up to this time the Government of India have brought forward before this Legislature only a few measures. They brought forward a Bill to amend the Trade Disputes Act in a very minor way. They have brought forward a Bill giving effect to the recommendations of the Royal Commission on workmen's compensation. I admit, Sir, that this is an important measure. They have also brought forward recently a measure regarding the recruitment and repatriation of labourers on Assam plantations. I admit that this measure too is of some importance. But, Sir, the proposals covered by these three Bills are not in the first place the most important, and in the second place, besides these there is a large number of proposals made by the Royal Commission which are not yet touched by the Government of India. I want therefore the Government of India to state in detail what they have done regarding several of the recommendations of the Royal Commission on Labour. It is true that if they try to give a reply as regards each recommendation of the Royal Commission, the time allotted for the discussion of this motion may not suffice. I would therefore like them to state about each important recommendation what they have done so far and how long they will take to prepare their proposals upon each recommendation and place them before the Legislature. Sir, I am one of those people who do not think that we can get things done all at once by methods of revolution. I believe we must accept the fact

[Mr. N. M. Joshi.]

that we can only progress by stages. But if the stages are so slow that we cannot reach our goal within a reasonable time, that slowness will be an enemy of the method which we all like to follow. I would therefore like the Government of India to recognise this fact, that the Royal Commission on Indian Labour consisted of people who recognised that we cannot by revolutionary methods change the conditions in India so far as they affect the industrial workers. There were men who were officers of Government, there were some gentlemen from England, who cannot be accused of being revolutionaries, there were representatives of employers, and men like Mr. Srinivasa Sastri, who are not revolutionaries; and therefore when they made recommendations regarding the improvement of conditions of labour, these recommendations must be regarded as moderate. It is intended that these recommendations should be given effect to at an early date so that the improvement in the conditions of labour which is sought will be effected within a reasonable time, and I may say, Sir, will be effected in time so that those people who believe in revolutions may not become strong and may not gain much strength in this country. Sir, if I attempt to deal with all these recommendations, the time at my disposal will not be enough and it is not necessary for my purpose; but I can only mention a few of the recommendations and would like the Government of India to state what they have so far done within this year and how far progress has been made on each of them. Sir, the third chapter of the report of the Royal Commission deals with employment and unemployment. The problem of unemployment is an important problem and many people have suffered on account of unemployment in our country. The Royal Commission on Labour recognises that there is some unemployment in this country. I want to know what the Government of India have done to consider how unemployment should be met and how the suffering caused by unemployment can be relieved. The Royal Commission on Indian Labour has suggested certain investigations in this matter. I want to know whether those investigations have been started, and if so, when the investigations were started and by what machinery. Then, Sir, the Royal Commission on Labour has made a recommendation regarding the reduction of hours of work in factories. This is a very urgent problem. The hours of work in Indian factories have not changed for more than ten years. I want to know when Government propose to introduce a Bill on that point. The same may be asked about improving the conditions in factories. The Royal Commission on Indian Labour has made several recommendations on that point. The Royal Commission has also made recommendations for securing some kind of inspection and control over those factories which were not controlled so far. They called these factories unregulated factories, and they have made certain suggestions how these unregulated factories should be controlled, and I want to know how far the Government proposals on this point have progressed. Then they have made certain proposals as regards improvements to be made in the conditions prevailing in mines. I want to know why no Bill has so far been introduced in this Assembly on that point.

Then there is the question of the minimum wage. The Royal Commission has asked certain investigations to be made regarding industries which could be brought under regulation for fixing a minimum wage. Then there is the question of deduction from wages by fines. This question has

been investigated by the Government of India and Local Governments and I do not know why there should be any delay in bringing forward proposals to legislate on this question. Then there is the question of health and welfare of the working classes. The Royal Commission has recommended that Public Health Acts should be passed. Perhaps these Acts have to be passed by Local Governments, but I want to know what the Government of India have done in making suggestions to the Local Governments on this point.

Then the Royal Commission has recommended that maternity benefit should be provided to women workers in industries. This question was also discussed in this House some years ago and there should be no difficulty in bringing forward legislation on this point. The Commission has made recommendations as to how we should progress towards the establishment of national health insurance; they have recommended certain investigations to be carried out. I want to know whether a beginning has been made in carrying out these investigations. Certainly some work will have to be done by actuaries, and after the preliminary work is done the Royal Commission has recommended that the Government of India should appoint a committee to go into the whole question and see how far we could provide measures for safeguarding the health of the industrial workers.

Then there is the question of plantations. I am glad that the Government of India have introduced a Bill on one of the points dealt with by the Royal Commission; but the Royal Commission has dealt with several other points. They have recommended the establishment of a minimum wage. They have also recommended several measures for securing good health for the people working on plantations. I want to know what the Government of India have done on that point. I want to know whether they propose to legislate on those questions or not.

Then the Royal Commission on Indian Labour made recommendations about the passing of a Statistics Act. It is a very important thing. In India often we are at a disadvantage for want of statistics. I want to know what the Government of India have done in preparing a Bill for collecting statistics.

These are some of the points which touch the main report of the Royal Commission and they generally are to be dealt with by the Department of Industries and Labour. Then there is one question which is a very important one; I do not know whether the Department of Industries and Labour will deal with it or the Home Department will deal with it; it is the question of the indebtedness of industrial workers. The Royal Commission has made recommendations to prevent indebtedness and to minimise the bad effects of indebtedness of the industrial worker. Some legislation must be passed very urgently, because these industrial workers suffer a very great deal on account of their indebtedness; and the recommendations must be given effect to without delay. Whether the Industries and Labour Department deal with this subject or the Home Department, I want some reply from either of them as to why delay has been caused in giving effect to the recommendations regarding indebtedness.

Then I shall come to some points which are to be dealt with by the Department of Commerce presided over by the Honourable the Leader of the

[Mr. N. M. Joshi.]

House. Some time ago I asked him what the Government of India had done regarding the proposals of the Royal Commission for railway workers. He did not condescend to give me a reply. I would like the Honourable the Leader of the House to tell me today what he has done in order that effect should be given to the recommendations of the Royal Commission for the benefit of railwaymen. It is wrong of him to delay giving effect to these recommendations. I read the other day that the railwaymen are threatening a strike. Under these circumstances if the Royal Commission on Indian Labour have made any recommendations how industrial disputes on railways should be settled, is it not the duty of the Government to give effect to these recommendations without loss of time, and prevent great suffering which the railwaymen may have to suffer and prevent also a great deal of loss of public revenue?

Then I would like the Commerce Member to tell me what he has done so far regarding the Royal Commission's recommendations for the benefit of seamen. The Commission in the first place stated very clearly that the problem of the conditions of seamen on board ships is a very important one, and as it is an important one, it must be investigated; but unfortunately the Commission decided that these foreign-going ships are foreign-owned and therefore they could not deal with that question. I want to know how the Government of India propose to deal with the question of the conditions of life and service for seamen on foreign-going ships. I suggest to them that these conditions must be investigated either by a committee or by a small conference, because the Indian seamen have many grievances regarding this question. Their hours of work are long; their food supply is not adequate and their accommodation is not also adequate. On the other hand, in our own Merchant Shipping Act there is a difference made between the accommodation to be provided for Indian lascars and European crew. I do not know why there should be any difference between Indian lascars and the European crew as regards the accommodation to be provided. I do not even know why there should be a difference between the food to be provided to European workers and Indian seamen. You may make any difference in the articles of food according to the taste of the people in India and the people of England; but why should there be a difference in the quantities of food? Why should there be a difference in the accommodation? The Royal Commission has also made recommendations regarding the recruitment of seamen, and on several other questions regarding seamen. I want the Honourable the Commerce Member to tell me what he has done so far and what he proposes to do.

Then there are one or two other questions which affect Indian seamen. Indian seamen are not allowed to go into certain latitudes. At one time something wrong had occurred on a ship and Indian seamen suffered from cold, and the Secretary of State for India took it into his head that Indian seamen should not be allowed to go into certain latitudes. Since then the place of Indian seamen has been taken by Malaysians and by Chinese seamen, and Indian seamen have lost their employment. I want to know when the Government of India propose to remove that restriction which prevents Indian seamen going into certain of the colder regions. Then there are other grievances of the Indian seamen which I do not wish to discuss on this occasion.

The Royal Commission has also made certain recommendations regarding the department of the Honourable the Commerce Member on the point of conditions of workers in docks. They have suggested that there should be a sort of register of workers in ports to regularise employment, and that there should be certain safety regulations for the workers in docks; and the Royal Commission has suggested that the Government of India should pass legislation enabling Local Governments to make safety regulations. I want to know what the Government of India have done in that matter. The Commission has also suggested that labour interests should be represented on Port Trusts. I want to know what has been done on that point also.

Then, Sir, we know that recommendations have been made in respect of workers engaged in other means of transport such as tramways, buses and other vehicles. I do not wish to go into the details now, but there is only one more point with which I wish to deal, and that point touches the department which is represented here by the Honourable the Foreign Secretary. The Royal Commission on Indian Labour has made a recommendation, and a very strong recommendation too, that in all the provincial and central legislatures, labour interests must be adequately represented. They have given very cogent reasons why labour interests should be adequately represented in the legislatures. I am not going to deal with the constitutional aspect of the question today, but there is one question which is very urgent, and therefore I propose to deal with it today. There is a Legislative Council being established now in the North-West Frontier Province, and from the constitution which has been published, I find that there is absolutely no provision made for the representation of labour interests there. This is clearly against the recommendation of the Royal Commission. There are 40 Members in that Legislature, and out of these 40, I do not see any seats reserved for labour at all. I find that provision has been made for Muslim representation, Muslim rural, non-Muslim representation non-Muslim rural, Sikhs, Landholders, nominated non-officials, nominated officials and for everybody, but there is no provision made whatsoever for labour representation in that constitution. I feel, after having studied the rules regarding franchise, a large number of classes in the North-West Frontier Province will have absolutely no representation, and I will give the Honourable the Foreign Secretary some figures. There are in the North-West Frontier Province farm servants and field labourers numbering about 14,000. I want to know how these people are going to be enfranchised or represented by the provision so far made by the Foreign Secretary. These people will have no representation at all, because the franchise is based upon the land assessment. Franchise is also given to tenants, but certainly it is not given to field labourers and servants, whose number is put in thousands, and I want to know how these people are going to be represented.

Then, Sir, in that province there are about 288,000 people engaged in industry. I quite realise that some of these people may get the franchise by other means, but out of these 288,000 people, there are certainly some who are merely wage-earners or labourers, and I estimate, to err on the safe side, their number cannot be less than 50,000. I should like to know by what method it is proposed to enfranchise these people or give them representation in the North-West Frontier Province Council. Then, out of these people who are engaged in industry, there are about 9,000 sweepers.

[Mr. N. M. Joshi.]

How are they to get representation? Then there are also transport workers consisting of porters and messengers, whose number comes to about 5,000, railway workers about 5,000. Then again there are about 148,000 people engaged in trade. I am not aware of the number of shopkeepers, because I don't represent them, but certainly these shopkeepers may have some servants employed under them, and I estimate their number to be about 50,000. Now, how are all these people to be represented? Then there is the public administration which consists of Government employees, and certainly there are some poor peons and sepoys. How are they going to be represented? Who is going to speak on their behalf in the Legislature? Then there are about 21,000 domestic servants in the North-West Frontier Province, how are these people going to be enfranchised? Then there are also labourers who belong to unspecified categories, and their number is more than 50,000. Out of 22 lakhs of the total population, all the people that I have mentioned numbering more than two lakhs will have absolutely no chance of being represented, and I want to know why these people should suffer in point of representation. They will be paying taxes; they are not going to escape taxation. If their interests lie in the province, why should they not have any representation in the Legislature of the province? I feel, Sir, that the whole question of labour representation has been overlooked by the Government of India and the Chief Commissioner of the province. I therefore want the Honourable the Foreign Secretary to look into this question. There is still some remedy which they could take. There are six seats for nomination at least. I want to know how these six seats are going to be filled. For whom is this nomination intended? Most of the interests in the province have been adequately represented. I want, therefore, Sir, that these six seats should be reserved for nomination of people who will undertake to represent the interests of the unenfranchised classes, the labourers and so forth and I hope Government will consider my suggestion very favourably and remove the defect in the constitution of the province. Whatever has to be done should be done immediately, and whatever has to be done later on, can be left to be done on a future date, but whatever has to be done must be done without delay.

Mr. President, I have now dealt with the several departments, but there is one department, which is a sort of superdepartment, with which I propose to deal now, and that is the Finance Department. When the question of retrenchment was discussed in this House, I could not get an opportunity of telling the Finance Member how retrenchment should not be effected. Unfortunately I did not get an opportunity to do that on that occasion. But that question is equally relevant today, and I therefore want to know from the Finance Member whether he has taken sufficient care to see that while making retrenchments, the very object of retrenchment is not frustrated. Sir, why are we making retrenchment? We are making retrenchment, because our revenues have suffered on account of depression in trade. Therefore, if we make retrenchments on principles which are wrong and by methods by which depression will increase, it is a wrong method of retrenchment. I would therefore suggest to the Finance Member that, while making retrenchment, he should take care that the productive efficiency of the masses of the people in this country does not suffer, because if their productive efficiency suffers, what will happen? The purchasing power of the people will go down, and your depression will

increase still more. Sir, you all know that Mr. Henry Ford is a great industrialist, and he has very clearly stated that an industrialist or financier who begins to make retrenchments by cutting down wages and by undertaking measures which will reduce the productive efficiency of the people is not fit to be an industrialist or a financier. He says that it is the height of folly to try to reduce expenditure by reducing wages and by taking measures by which the purchasing power of the people will be reduced. I therefore want the Finance Member to tell me whether he has placed sufficient funds at the disposal of the various departments which have to deal with Indian labour, and especially which have to deal with these departments which have to give effect to the recommendations of the Royal Commission on Labour. Sir, it is quite natural that in these times of depression, the Finance Minister should look into the financial proposals very carefully, but that does not mean that he should refuse to give sufficient money to the various departments which have to deal with such questions as have to give effect to the recommendations of the Royal Commission. Why was that Commission appointed at all if their recommendations are not to be given effect to immediately? I want therefore the Finance Member to tell me whether he is willing to provide sufficient funds for giving effect to the recommendations of the Royal Commission. I do not suggest that he should provide crores of rupees immediately, but certainly the Department of Industries has been charged by the Royal Commission on Labour to make investigation as to how the national health insurance should be established in India. Money for the investigation of questions of this kind should not be refused, because, if peoples' health is secured, the workers' efficiency will be increased and you will get better revenues. In the same way, if we want money for making certain investigations into the conditions of seamen or any other questions, money must be provided. That money need not be estimated in crores. The money required for these investigations and for providing a sufficient staff to hasten the preparation of legislation will be a small amount. I therefore want the Finance Member to explain to me why money was not provided for in this Budget for that kind of work, and what he proposes to do in the future.

Mr. President, I do not wish to take up any more time of the House, but I want to appeal to the House on this question. This is a very vital and important question from the point of view of the Indian workers. The Government of India appointed a Royal Commission, and that Commission has now made certain recommendations. Those recommendations are meant to be given effect to without delay, and if the Government of India do not give a satisfactory explanation as to why the recommendations have not been given effect to so far, and if they do not say satisfactorily what they propose to do in the immediate future, then, Sir, I would like to have the support of this House in making a protest against their conduct and their failure to take the necessary steps. Sir, I move.

**The Honourable Sir Joseph Bhore** (Member for Industries and Labour):

I am sure the House must be grateful to my Honourable friend Mr. Joshi for the enlightenment which he has offered the House through his somewhat lengthy survey of, and commentary on, the recommendations of the Labour Commission. I am afraid it is not possible for me to follow his example and to try the patience of the House in saying what may be, or is being, or will be, done in regard to each one of the 350 odd recommendations which are to be found in the Labour Commission's report. But, Sir,

[Sir Joseph Bhore.]

I do wish to repeat the assurance which I gave to this House the other day, that we are steadily pursuing the examination of those proposals, and that we will allow no avoidable delay to occur in our examination of these questions. There is one very important matter which I would like the House to bear very prominently in mind, and it is this, that retrenchment and economy cannot be pursued on the scale which we are following without certain inevitable and definite consequences. One of those consequences is a definite slowing down of departmental activities. If the extremely onerous and complicated task, which is involved in giving effect, after exhaustive examination, to such proposals as are contained in the Commission's report, is to be done by the existing staff alone, and perhaps with an attenuated staff, then, Sir, I say that some delay is absolutely inevitable, but I do assert that, despite these difficulties, we have definitely made progress in this matter.

A large proportion of the recommendations of the Commission falls to be dealt with by Local Governments and by organisations and bodies and authorities over whom the Government of India have no control. So far as the Provincial Governments are concerned, we are keeping in the closest touch with them in regard to those matters which fall within their province; and, Sir, we have made a very careful analysis of all those matters which fall to be dealt with by them. We have asked them in their turn to keep in touch with and to refer to those non-official organisations whose co-operation is absolutely essential if the fullest effect is to be given to the proposals of the Labour Commission.

The action of the Government of India falls under two categories, administrative and legislative. I explained to the House the other day that we have already begun to take definite executive action, and I instanced the case of instructions which we have issued already to our Central Public Works Department in respect of certain matters connected with the employment of labour on central works, as for instance, wages, housing and health conditions, and employment of children. That we have not stood still in the legislative sphere is I think also evidenced by the fact that I have already introduced three Bills pertaining to labour matters during the current session, and a fourth Bill dealing with an amendment of the Trade Disputes Act is in course of being drafted. I may say further that the recommendations of the Commission relating to the statutory regulation of rest days, hours, etc., in oilfields, amendment of the Indian Mines Act, exemption of workmen's salaries and wages from possibility of attachment, amendment of the Land Acquisition Act, are now all in course of active examination, and I hope that it will be possible for us to register some definite conclusions before the next Autumn Session in Simla. But, Sir, I would ask those impatient partisans of labour in this House, who are always charging the Government with delay in this matter, to remember, firstly, that legislative measures, some of them of great complexity, cannot be devised and drafted at a moment's notice. To give effect to a simple principle it is often necessary to provide most complex machinery, and the greatest care and attention is required to devise such machinery and to see that it fits in with the existing order of things. An instance in point is the Assam Labour Bill which I introduced in this House last week. It took us many weeks of the closest examination and consultation with the Local Government, resulting in great changes and alterations of the original draft



before the Bill was put into the form in which we introduced it in this House. Then, in the second place, people very often forget that labour legislation is not the only official business before this House. Whatever my friend Mr. Joshi may say, I am sure that the House will agree with me that there are other legislative measures of equal importance, and some of far greater urgency, which demand the attention of this House. (Mr. H. P. Mody: "Hear, hear.") (Mr. N. M. Joshi: "Question.") And, therefore, the process of considering and passing labour legislation must inevitably be slower than my Honourable friend Mr. Joshi would like it to be, and I confess than I myself would like it to be. But we have got to remember that this House is the bottle neck through which all Bills have to pass before they turn into Acts, and no amount of congestion in the way of Bills will increase the output in the way of Acts. No amount of argument on the part of my Honourable friend and no amount of cut motions will overcome these difficulties or alleviate them in any way, but I do wish to repeat the assurance which I have given in the most categorical terms, and that assurance is this, that we have been pursuing and we will continue to pursue steadily and without remission the examination of all the proposals of the Labour Commission, that we will allow no avoidable delay to occur in that examination and no delay to occur in giving effect to the results of that examination. Sir, I hope that my Honourable friend Mr. Joshi and the House will rest assured with this assurance and that he will not press his motion.

**The Honourable Sir George Rainy** (Member for Commerce and Railways): My Honourable friend is desirous to know what we are doing in the Railway and Commerce Department about certain of the recommendations of the Royal Commission on Labour, and in accordance with a principle that my Honourable friend sometimes follows, he wants to know what we are doing about things that were not recommended by the Royal Commission on Labour. I am not quite sure that this extension of the discussion is a fair one, and obviously if it were carried to the full length, it would demand very great width of information before one could reply to his enquiries. So far as the Railway Department is concerned, the Railway Board divided the recommendations of the Royal Commission into two classes, namely, minor matters and matters of first class importance. I understand that on the minor matters they have already received the opinions of the Agents, and on the great majority of them have formulated their own conclusions, but they wish to discuss them with the Agents of the Railways at the beginning of April next, because in these matters, usually matters not involving legislation, it is desirable to secure uniformity on the Company-managed and State-managed railways. The matters of first class importance remain for discussion with the Agents at the meeting in April, but the Railway Board anticipate that by the middle of April or shortly afterwards, or at any rate before the end of the month, they will be in a position to make definite recommendations to the Government of India. In view of the complexity of the questions which have to be considered, I do not think that any time has been unnecessarily wasted.

Then, as regards the Commerce Department, one of the matters mentioned by my Honourable friend was safety regulations in docks. That is a matter which is regulated by an international convention, and before the end of the session, I shall make a statement on this subject. I have not got it with me at the moment, but if my Honourable friend is anxious

[Sir George Rainy.]

to know what the position is, that statement has already been made by a representative of Government in the Council of State, and appears in their proceedings. The most important question perhaps in connection with seamen is the question of recruitment. It is a question which I have always found to be one of extreme complexity and difficulty. That matter is under discussion with the principal officers at the ports, and I hope that, before very long, we shall be in a position to make up our minds about the recommendations of the Royal Commission. I do not propose to follow my Honourable friend into the sphere where the Labour Commission made no recommendations. For one thing, it seems to me that, if you want progress to be made, the wise course for the moment is to concentrate on what the Commission did recommend before we attempt to deal seriously with questions on which the Commission did not make recommendations. Finally I would refer to one matter in connection with the railways. It is this, that so far as the settlement of disputes between employers and employed on the railways are concerned, that is a matter in which the Railway Department are deeply interested indeed, but the settlement of industrial disputes is a matter the responsibility for which rests with the Industries and Labour Department.

**Mr. N. M. Joshi:** May I ask for a reply about the North-West Frontier Province?

**Mr. President** (The Honourable Sir Ibrahim Rahimtoola). The Honourable Member cannot ask another Member to get up and give answers to him. It is at the discretion of Members to get up to speak or not. The Chair has called upon Mr. Joshi to reply.

**Mr. N. M. Joshi:** I cannot compel him, but I would certainly suggest . . . .

**Mr. President:** The Chair has called upon Mr. Joshi to reply.

**Mr. N. M. Joshi:** I have listened to the speeches of the two Honourable Members who have dealt with some of the points raised by me. I am sorry, Mr. President, the Honourable the Foreign Secretary was not prompt enough in rising in his seat, but I feel that when any Member of this Assembly, however humble that Member may be, raises a point, it is his privilege to get the Member of Government in charge to deal with the point he has raised. That is a matter of courtesy not only to the Member but to the whole House.

**The Honourable Sir George Rainy:** On a point of order. The point raised in the cut is, "The Royal Commission on Labour". My Honourable friend is overlooking the fact that the Royal Commission on Labour made no recommendations as regards the representation of Labour in the North-West Frontier Province.

**Mr. N. M. Joshi:** I know something about the report of the Royal Commission on Labour and I state that the Royal Commission on Indian Labour has made very strong recommendations for the representation of labour in Indian legislatures, both provincial and central, and it was for that reason that I put forward a suggestion and I wanted to get informa-

tion on this point from the Honourable Member in charge of the department. But I feel, Mr. President, this omission on the part of the Member in charge is certainly not intentional. Perhaps on account of the exigencies of the debate. I am not able to receive a reply, but I am sure the Honourable Member means to give me a reply, if not on the floor of the House, elsewhere. Mr. President, I am not satisfied with the reply given by the Honourable Member in charge of Industries and Labour, nor by the Member in charge of the Department of Commerce on these points. I quite realise that these are days of retrenchment, but as I stated if you try to cut down your expenditure in such a way that the productivity of the people or the efficiency of the people will suffer, you are not carrying on your work of retrenchment in a proper manner. You are only going to add to your troubles. I am not therefore satisfied with the reply given by the Honourable Member who has also tried to throw the blame on this House, saying that the business of the House is crowded and the House will not have time to pass the legislation, which perhaps he hinted was quite ready with him. If the legislation is ready with him, let it be introduced in this House. Introduction does not take time, and let the blame be thrown on the House after its introduction. I am quite sure that all sides of the House have some sympathy with the cause of labour. There are my friends, the Nationalists, there are my friends, the Independents, led by such a sympathetic leader as my Honourable friend, Sir Abdur Rahim. Then, the sympathy of my Honourable friend, Mr. Mody, is well-known. (Laughter.) I am sure if the Government bring forward legislation, this House will agree to sit a week or two more to see that this legislation is got through and passed. I do not therefore think the Honourable Member brought forward a good argument for the delay in giving effect to the recommendations of the Royal Commission. I quite agree that many of the recommendations, at any rate some of them, must be given effect to by the Local Governments, but, Sir, my Honourable friends will recognise that labour legislation is a central subject, although not entirely, I quite realise that the provinces today have got the power of legislation in labour matters with the sanction or approval of the Government of India. But the chief authority for labour legislation is the Government of India. I therefore want the Government of India to be responsible, not for passing legislation on all the recommendations but for telling this House what the Local Governments are doing, and what the Government of India have permitted the Provincial Governments to do. That information at least should be given by the Honourable Member, because without his approval no labour legislation can be passed by a Provincial Government. Mr. President, I am not satisfied with the reply and I would therefore like to enter my protest against the inaction of the Government. But I recognise that we are pressed for time, and I do not wish that the House should spend its time now in debating the subject at length. I would therefore ask for leave to withdraw my motion.

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

*Lack of Supervision over the Coal Transactions of Railways.*

**Mr. A. H. Ghuznavi** (Dacca cum Mymensingh: Muhammadan Rural): Sir, I move:

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

Sir, I want to draw attention to the lack of supervision. Sir, during the general discussion of the Budget the other day I said—and I think I

[Mr. A. H. Ghuznavi.]

ought to repeat it to-day as my Honourable friend, the Commerce Member, was not present on that occasion in this House—I said “I must confess it was no small surprise to me the other day how the Honourable the Commerce Member gagged me when making my submission to this House as to how a saving of half a crore of rupees could be effected if the scheme I had to place before the House was adopted”. Sir, I shall now put my case before the Honourable Members and shall ask them to judge if I was not justified in what I had said. I will just for a few minutes refer to my friend, the Honourable the Commerce Member’s speech which he delivered the other day in reply to mine. He said:

“But I am afraid I must say that I have never listened to a speech in this House with more pain or more regret,”

—pain it must have caused him, for, Sir, truths are sometimes painful—because that speech contained, as he said, what he was afraid he must call a very violent attack on the Chief Mining Engineer of the Railway Board, Mr. Whitworth. Now what was it that I said that had pained him? Sir, what I was saying the other day was a public topic, as everybody knows. I said old Members of this House will remember that Mr. Church landed the railways into a scrape by making forward contracts . . . . .

**Mr. C. S. Ranga Iyer** (Rohilkund and Kumaon Divisions: Non-Muhamadan Rural): Sir, on a point of order, I find that the Honourable Member has just referred to a railway contract and his motion also relates to coal transactions. Sir, I believe the Honourable gentleman is a Director of Messrs. Lowe & Co., who have a contract with the railways for coal, and I should like to draw the attention of the Chair to the point that both according to May’s “Parliamentary Practice” as well as in accordance with the ruling in this House given by two of your predecessors—Sir Frederick Whyte and Mr. Patel—one who has got a pecuniary interest in the transactions of a contracting firm should not take part in the debate and further I would draw your attention, Sir, to the ruling given by Sir Frederick Whyte when Diwan Chaman Lall drew his attention to a point order on an identical occasion namely the consideration of the Demands for Grants. Sir Frederick Whyte stated, Sir:

*“Where a member is directly and personally concerned in contracting with Government for certain services, he is not entitled to take part in the debate.”*

**Mr. B. Das** (Orissa Division: Non-Muhamadan): That was not a ruling but was an advice.

**Mr. C. S. Ranga Iyer**: In view of that definite ruling, Sir, I would request you to ascertain from the Honourable Member in the first place whether he is a Director of Lowe & Co. and whether Lowe & Co., are not connected with the railways over a contract and if so—without arguing further from May’s “Parliamentary Practice”. . . . .

**Mr. President**: I think the Honourable Member should complete his remarks on the point of order.

**Mr. C. S. Ranga Iyer**: Well, then, Sir, according to May’s “Parliamentary Practice”, I find that “Each member should be guided by his own feelings in the matter and should vote or abstain from voting as he

thought fit"—I see my friend, Mr. Mitra, is laughing, but as soon as I complete my reasons I believe he will stop his laughter—and it was added by Sir Erskine May "that members should be aware that they ran the risk of having their votes disallowed by the subsequent action of the House",—which latter has not been the procedure of this House, and that is why Sir Frederick Whyte gave a definite ruling. (At this stage Mr. C. C. Biswas rose to his feet.)

**Mr. President:** Order, order. The point of order is still being debated.

**Mr. C. S. Ranga Iyer:** Sir, "On the 16th June, 1846, objection was taken to the vote of a member who had voted with the noes, because, as a director and shareholder in the Caledonian Railway Company, he had a direct pecuniary interest in the rejection of the . . . Bill" and so on. The question of disallowing his vote on the ground of direct pecuniary interest was voted upon by the House there, but there is no such thing as calling upon a Member to withdraw his vote by a vote of this House here: and in view of that circumstance, Sir Frederick Whyte gave that ruling. Sir, on this matter the late lamented Pandit Motilal Nehru, a great authority on legal matters, stated:

"That rule has been enforced and adopted, not only in the interests of the general public, but also in the interests of the Members themselves, because, as the House can very easily imagine, a Member who is personally interested in the subject-matter of a debate, feels himself in a somewhat difficult position when he has to give an opinion either for or against his own interest. So, I say that the rule is in the interests of both."

12 Noon. That is what the Panditji said. And *ex-President* Patel himself said this:

"Unfortunately in the Government of India Act we have got no such provision and we must therefore be guided by the practice in the House of Commons. It is, I submit, not at all a question for this House to decide. It is entirely a question for the President to decide on the interpretation of the Act or on the practice of the House of Commons. It is not for this House to say whether a particular Member shall or shall not take part. It is entirely a matter for your ruling. If you choose to follow the practice of the House of Commons, you are bound to rule that Members who have a pecuniary interest in the Tata concern 'shall not be entitled to vote'."

At that time Mr. Patel was the Deputy Leader of the Swarajist Party and the words were addressed to President Whyte, and President Whyte's decision on a subsequent occasion was as I have just read out. He said, as far as the shareholders in Steel Companies were concerned, he was not going to say that they could not take part in the debate. And I shall further read his own words on that matter:

"That question has been settled by the established practice of the House of Commons which I think we may reasonably follow here. It has been raised in the history of the House of Commons on many occasions and is now well settled in practice. The practice is that where the individual Member of the House of Commons is actually an active partner in a business, not a limited liability company, it is a misdemeanour on his part to vote; and there have been cases in recent Parliamentary history where a measure has had to be passed to indemnify a partner in a business in England from the penalties otherwise leviable upon him for having given his vote in the House of Commons on any subject, not merely on a question in which he was personally interested."

And so on in relation to the shareholders. Then Sir Frederick Whyte definitely laid down:

"It is only where a Member is directly and personally concerned in contracting with Government for certain services that he is not entitled to take part in the debate."

I submit therefore, Sir, that the Honourable Member, who is directly connected with Lowe and Company which Company has a contract with a

[Mr. C. S. Ranga Iyer.]

State Railway, cannot, according to Sir Frederick Whyte's ruling, take advantage of his position in this House to forward the interests of his own Company, which are competitors with other mining contracting companies in India.

**Mr. President:** Order, order. I should like to ask the Honourable Member (Mr. Ghuznavi) whether he has anything to say?

**Mr. A. H. Ghuznavi:** I am glad, Sir, that the Railway Board have got my gallant friend, the Honourable Mr. Ranga Iyer, to espouse their cause.

**Mr. C. S. Ranga Iyer:** Sir, the statement is most reprehensible.

**Mr. President:** Order, order. Will the Honourable Member (Mr. Ghuznavi) please restrict himself to giving an answer if he has any to the point of order that has been raised?

**Mr. A. H. Ghuznavi:** I wish to tell Mr. Ranga Iyer to his face that I am not a Director of H. V. Lowe & Co.

**Mr. C. S. Ranga Iyer:** I should like to know if he is otherwise interested in the firm?

**Mr. C. C. Biswas** (Calcutta: Non-Muhammadan Urban): Sir, I also wish to raise a point of order. It is this. Where a point of order involves a personal reflection upon an Honourable Member of this House and is founded on an allegation or suggestion of a direct pecuniary interest, is it open to any other Member to raise such a point of order without being satisfied as to the facts which he is assuming for the purpose of raising that point of order?

**Mr. S. C. Mitra** (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Sir, on the point of order raised by my Honourable friend, Mr. C. S. Ranga Iyer, I would like to draw your attention to the "Selections from the Decisions from the Chair", pages 438 and 439:

"During the discussion on the Steel Industry (Protection) Bill Mr. Devaki Prasad Sinha raised a point of order that Members interested in the Tata Iron and Steel Company as Directors or Shareholders should not be allowed to take part in the proceedings of the Assembly or allowed to guide its deliberations in the capacity of the President of the Assembly. After some discussion on the point of personal interest, as it was applied in the House of Commons,—The President ruled: 'I have sufficiently heard Members on this point. It has been raised rather in an irregular manner. Still I am not sorry that it has been raised and we have had the expression of opinion from various Members of the House. In the House of Commons objection has been raised to members having a direct personal interest voting—not taking part in the debates—only in case of private Bills and even then the objection has on a good many occasions not been upheld. My conclusion is that in this case I cannot uphold the objection raised by Mr. Devaki Prasad Sinha. This is not a private Bill designed to promote the interests of the Tata Iron and Steel Company. It is a Bill brought in by Government involving a question of public policy to give protection to the steel industry'."

So it is clear that the question can only be raised as regards the right of voting and that also in regard to private Bills. As regards the question of taking part in the debate, the ruling is clear that it does not affect the

right of the Member to speak on the debate. In this House only the other day during the debate on the Paper Protection Bill, Sir Edgar Wood took part in it and no objection was raised to it. He was within his rights to take part in the debate.

**Mr. B. Das:** Sir, I wish to point out that this House has never taken seriously the point that no shareholder or Director should be allowed to take part in any debate which affects a particular industry. In the past Sir Purshotamdas Thakurdas has taken part; my friend Mr. Mody, who is a shareholder of the Tata's and Sir Hugh Cocke and several others have been allowed to take part in such debates. The point which my Deputy Leader, Mr. Ranga Iyer, has raised is whether Mr. Ghuznavi is not discussing the affairs of Messrs. Lowe and Company. My friend Mr. Ghuznavi wanted to raise the point in the railway debate and also to-day's debate whether the Railway Administration will not save money if certain suggestions, which he has put forward or will put forward, are approved by this House. So, there is no question of merely taking part in the debate; every Member who is concerned even directly with a particular industry has a right and privilege, in the public interest, to speak, whether a certain benefit may not accrue to the public.

**Mr. President** (The Honourable Sir Ibrahim Rahimtoola): The Chair has no hesitation in ruling that the Honourable Member is quite in order in taking part in the discussion which he has initiated. The Honourable Member who raised the point of order drew attention of the Chair to the words "directly and personally interested". It is, I think, very desirable that Honourable Members, who raise points of order or a question that a particular Member is directly and personally interested, should take adequate and proper care in making such allegations. The Chair is prepared to consider all aspects of the question when its attention is drawn to serious allegations. I take it, that the Honourable Member who raised the point of order himself recognises that, in the interests of the good name of the House, the Member raising the point shall take adequate care to ascertain his facts before making them. Having ruled on the issue that has been raised, the Chair's view is further confirmed by the fact that the Honourable Member has stated that he is not a Director of any Coal Company.

**Mr. A. H. Ghuznavi:** I did not say that. I said that I am not a Director of H. V. Lowe and Company.

**Mr. President:** I take it that the Honourable Member is a Director in some coal company.

**Mr. C. S. Ranga Iyer:** Many companies, of which Messrs. Lowe and Co., are the Managing Agents.

**Mr. President** (The Honourable Sir Ibrahim Rahimtoola): If the Honourable Member is a Director in several coal companies it is for the Honourable Member himself to consider whether he should avail himself of this opportunity as a Member of the House to deal with this subject. As a Director he is not personally and directly interested, and therefore he is in order in taking part in this discussion. The Chair leaves it to the Honourable Member himself to decide whether he will proceed with the discussion.

**Mr. C. S. Ranga Iyer:** In view of your observations, I have to submit . . . . .

**Mr. President:** The Honourable Member has admitted that he is a Director in some coal companies and no further remarks are therefore necessary.

**Mr. A. H. Ghuznavi:** Now, I will proceed with my speech. I will at once go to the facts to show, instead of meeting my Honourable friend's speech of the other day, how Government are losing from year's end to year's end nearly half a crore of rupees, by the negligent manner in which they exercise control over the buying of coal and management of the collieries. The coal purchased for 1932-33 was to the extent of 16,29,000 tons. Here I have got on page 52 of *Capital* the names of the tenderers, the rates and the quantity tendered. In the issues of 4th February and 16th January of *Capital* you will find the names of the accepted tenderers, their rates and quantities. Like Mr. Whitworth, I have also tabulated the offers and their acceptances, and this is the tabulated sheet which I have got in my hand, and from this I shall show that Government have lost about 8 lakhs on purchase of coal this year. The same quality, the same grade was offered to Government at cheaper rates, but they did not accept them—they accepted higher rates.

**Dr. Ziauddin Ahmad** (United Provinces Southern Divisions: Muhammadan Rural): What commission?

**Mr. President:** Order, order.

**Mr. A. H. Ghuznavi:** Here is a publication of the Indian Coal Grading Board. There the names of these collieries are entered, as to their grades, as to their seams, and approved by Government; and here is the list which I have got which will show that these approved grades and approved qualities, the same seams were offered at lower rates but were not accepted.

**An Honourable Member:** Why?

**Mr. A. H. Ghuznavi:** Let that question be put to the Honourable the Commerce Member. I will take the first item. Special Jherrias; they were purchased at Rs. 4-12-0, but coal of the same quality was offered at Rs. 4-4-0. On this they could have saved Rs. 18,000. The second is Jherria, 17 and 18 seams, they purchased 1,28,000 tons. The same quantity was offered and they could have purchased it much cheaper, thereby saving Rs. 63,750, on that lot. Just for the information of Honourable Members I will read the rates of Jherrias and the rates that were accepted and the rates that were tendered:

	Rs.	A.	P.
50,000 tons at . . . . .	3	6	0
18,000 tons at . . . . .	4	0	0
30,000 tons at . . . . .	4	4	0
30,000 tons at . . . . .	4	8	0

whereas the same quantity was offered at Rs. 3-6-0, 3-8-0 and 3-12-0 . . . . .

**Mr. S. O. Mitra:** That is economy in Government Departments.



**Mr. A. H. Ghuznavi:** Yes. Then, Jherria, first class, 12, 13, 14 and 15 seams, there could have been a saving in this lot of Rs. 2,10,000. They purchased at higher rates, while the same quality and the same quantity were offered at much cheaper rates. Then, the second class Jherrias, 10, 11, 12 and 13 seams; they could have saved Rs. 50,000 on this transaction. I have worked out how the whole saving was arrived at and if any Honourable Member would like to see it, I shall furnish him with a copy.

**An Honourable Member:** Then, lay it on the table.

**Mr. A. H. Ghuznavi:** I do not want to waste the time of the House. Then comes Raneegunge Coal. A quantity of 2,86,000 tons was purchased at Rs. 4-12-0 and Rs. 4-6-0 and Rs. 4-4-0, while the same quantity and the same quality was offered at Rs. 4-4-0; thereby they could have saved Rs. 32,000. In second grade Deshurgurh quality, a saving of Rs. 18,000 could have been effected. In Kasta quality, a saving of Rs. 18,000. In Raneegunge series Jherria coalfield, a saving of Rs. 6,000. In Poniat quality, a saving of Rs. 19,750. In Koithi quality, a saving of Rs. 20,250. In Gusick quality, a saving of Rs. 1,850. In Kajora quality, a saving of Rs. 54,750. Thus the total saving would approximately have been about six lakhs in these coal purchases.

Then comes the shipment coal. They bought 1,40,000 tons for the Burma Railways and this contract was given to one contractor alone at Rs. 9-2-0 per ton, *f. o. b.*, Calcutta, with insurance and weight on the Rangoon weighbridge. Sir, this very same coal, of the same quality and of the same seam, was offered at Rs. 7-6-0 per ton, which if accepted would have brought a saving of 2½ lakhs. Even if they had been given it to one contractor; had the coal been shipped by themselves; had it been shipped by their Mining Engineer, they could have saved at least Rs. 70,000 on shipping Jherria only. The contractor made another profit for shipping it directly. Sir, the Honourable the Commerce Member said the other day that Mr. Whitworth is not a man who decides everything but it is the Railway Board who decide—that he comes with his proposals and they scrutinise them and decide after scrutiny from whom to buy. Sir, I want the Honourable Member to give me a straight answer. The Railway Board call for tenders; but who opens those tenders? Is it or is it not Mr. Whitworth in Calcutta who opens those tenders? Who tabulates them? Is it or is it not Mr. Whitworth and his assistant, the great Surendra Nath Banerji?

**An Honourable Member:** Not the great Surendra Nath Banerji?

**Mr. A. H. Ghuznavi:** He is great because from Rs. 85 he is now getting Rs. 900 a month, and he owns in his father-in-law's name and mother-in-law's name and sister-in-law's name so many properties in Calcutta.

Then, Sir, is it or is it not a fact that this Mr. Whitworth and Mr. Banerji come up to Delhi with their proposals? And can the Honourable Member tell me if they have ever changed a single item in those proposals? That is what I should like to know. Then why was I blamed? What was my sin when I said that it is Mr. Whitworth who practically decides whom to give and whom not to give to?

[Mr. A. H. Ghuznavi.]

Then, Sir, I will make another charge and a serious charge, and ask him to refute it. Previous to tendering, Mr. Whitworth and his friend Mr. Banerji are obviously in the habit of advising their friends what rate to tender. And I will give you the proof. If you study the various tenders you will find that the pact rates are all the same. I will explain to the House what I mean by "pact rates". There are certain firms in Calcutta who have made a pact for themselves and they always quote a certain figure. But there are many others who are not in the pact and who therefore do not know what will be the rate of these pact firms. But Mr. Whitworth knows it. You will find from the pact firms that their rates were the same but those who were not in the pact also quote the pact rate. And how do they find the pact rate? From the evidence here I know who are the pact rate firms and who are not, but we find that those who are not also give the pact rates. Then, Sir, I make another charge. When they give out a tender, they say that those tenderers who do not want to put in the pact rate, because it is a higher rate, will not get an ounce of order. If any evidence is required of that I am prepared to furnish it.

Sir, I think I have made out a case for investigating into these allegations that I have made on the floor of the House and for the appointment of a committee to go into this matter. But before I bring my remarks to a close, I will take up the collieries. Will this House be surprised to hear that Government have not published the accounts of the cost of running their collieries in spite of repeated demands? My Honourable friend Mr. Das drew my attention to the fact that for many years the Public Accounts Committee urged this point, and only the other day they got them to prepare a form of accounting. So as regards the collieries, we have got nothing in our possession to show what is the cost of their running. I say that the State collieries are running at a much higher cost than even the costliest European managed collieries. Will the House be surprised to hear that there is no tender ever called for for raising coal in the State collieries? Only the other day my Honourable friend Mr. Ranga Iyer stopped me when I wanted to bring up this thing on the motion of my Honourable friend Mr. Maswood Ahmad about favouritism, and he said that it was not to the point. I did not pursue it that way, but this telegram that I have here will show the favouritism that I was referring to. It says:

"Railway colliery working under raising contractor at higher rate without calling yearly tenders, favourite persons are appointed for instance Rambilas Singh chaprassi under Railway colliery at Bermo colliery has been appointed raising contractor."

I believe there is another contractor who is Mr. Whitworth's *dhobi*. Then the telegram says:

"You can conclude how Railway raising contracts are given respectable raising contractors can be had at cheaper rate if yearly tenders are called and on this policy lakhs and lakhs of rupees can be saved question hitherto tenders were not called and given to respectable parties at lower rates."

**The Honourable Sir George Rainy:** Sir, I rise to a point of order. I had no intention of raising a point of order about the earlier part of the Honourable Member's speech because the Chief Mining Engineer does purchase coal not only for the Railways, but also for the Army Department, and certain other departments of Government, and therefore I must admit that he is concerned with this part of the Budget. But I should

like to point out that the railway collieries supply coal only to the railways, and—therefore the administration of these collieries is pertinent rather to the Railway Budget than to the General Budget. It is a general question of administration and policy affecting the administration of the railways that is really in question on this latter point.

**Mr. President** (The Honourable Sir Ibrahim Rahimtoola): The Chair recognises the force of the point of order raised, but the Chair cannot overlook the fact that the Executive Council is in charge of the entire policy and administration of the Government of India and must therefore hold that the Honourable Member is in order in criticising the policy pursued by the Executive Council in the manner he is doing.

**Mr. A. H. Ghuznavi:** Thank you, Sir. I have already shown, when dealing with coal purchase, how lakhs could have been saved, and I will now illustrate it by figures. When I mentioned about 50 lakhs, another 30 lakhs or so could have been saved from the collieries. Sir, the railways this year bought from the public 16 lakhs of tons, and they expected to raise 16 lakhs of tons from the collieries. I will assume that the requirements are 32 lakhs. Of this they do not raise more than half the quantity and the rest they give to the public. On the 16 lakhs of tons which they will raise they lose at least 32 lakhs of rupees, and you will see how. You can get cheaper coal in the market, much cheaper than you can raise. You do not show us the figures . . . . .

**Mr. President:** The Honourable Member will please address the Chair.

**Mr. A. H. Ghuznavi:** I beg your pardon, Sir. They have not up to date said what it costs them to raise a ton of coal; and in the absence of any figure, I will assume that their cost must necessarily be much higher, as it is run on State lines, than what they can get it in the market. Even assuming that is wrong, I will give you this figure. They have got their raising contractor, if I remember aright, a man named Amrita Lall Ojha; and I should like the Honourable Member to tell us on the floor of the House what is the rate that they are giving him to raise their coal. He makes lakhs annually. If you can reduce your cost even by a rupee a ton, you save 16 lakhs of rupees in your estimates. I therefore suggest the following. It is only because I want to help my Honourable friend the Finance Member in his retrenchment. I am sure he would have half a crore of rupees if he would adopt this suggestion. The first is, that tenders should be called for and every tenderer should have to deposit ten per cent. with the tender of the value of the coal he tenders. This must be a condition precedent. What happens is this: the tenderers tender and the favourite tenderers tender for a far bigger quantity than their output. I will illustrate this point. There have been tendered this year 91 lakhs of tons, and Government have accepted 16 lakhs of tons. Each tenderer got something, say 10 per cent. or 5 per cent. For instance, Mr. A's colliery, whose output is 200,000 tons, tenders for one lakh; Mr. B's colliery, a favourite colliery whose output is only 10,000 tons also tenders for one lakh; then Mr. C's colliery whose output is 300,000 tons tenders for 150,000 tons; and Mr. D's colliery whose output is only 5,000 tons tenders for 50,000 tons. Mr. Whitworth brings these figures before the Railway Board and says that Messrs. A, B, C and D have tendered respectively for so much and he shows he has made an equal distribution—ten per cent. to everybody . . . . .

**Mr. S. C. Mitra:** Are these people not required to show what is their total output?

**Mr. A. H. Ghuznavi:** That is the trouble; they do not go into the matter of whether this man can deliver it. They cannot deny it. The *Commerce* says:

"We publish below a list of State railways coal tenders for the years 1932-33. It will be observed that offers larger than their output have been made by several collieries."

Perhaps I have not been able to explain myself sufficiently clearly. For instance, I have offered to sell a lakh of tons, but my colliery has an output of 2 lakhs. Another man also offers a lakh of tons, but his colliery's output is only 10,000 tons. So, when these two proposals come before the Board with Mr. Whitworth's recommendation, giving 10 per cent. to each, I get practically nothing at all, but the other man gets his full output and more. But if you ask for a deposit, he will not be able to put in that lakh of tons, because the deposit will be 10 per cent. . . . .

**Mr. C. C. Biswas:** Are they not required to state their output in each case?

**Mr. A. H. Ghuznavi:** No. Now there is another matter. This shows that the Railway Board is not in a position to help the trade or see whether a man is in a position to deliver things which he offers. This list, which shows that 91 lakhs of tons was tendered, does not include coals outside Jherria and Ranigunje fields, nor the coal accepted for shipment. The total output of coal in India is roughly 20 million tons. So it means that practically half the output has been offered to the State-managed railways only; and when one has to take into account all the contracts already fixed up for the year 1932-33, and the coal which must be reserved for industries, bunkers, shipments, etc., it is obvious that the quantity of coal offered to the State railways, if all were accepted, could not possibly be delivered; and here is the list of tenderers with their names and their acceptances. I made a careful study of this before I brought up the subject before this House.

My first proposal therefore is that in future when coal tenders are called for, tenderers must be asked to deposit 10 per cent. with the tender. The second check that I would suggest with every tender is that a space in the tender form should be left for directors to put in the previous year's output of their collieries. They have to give this information to the Mining Department of the Government every year, and these figures would then be available to the Railway Board as a further check on tenderers giving their correct output. Thirdly, my suggestion is that all tenders should be sent direct to the Railway Board in Delhi and opened here and the Board should tabulate them. If the tenderers wish to come to Delhi or Simla, they may do so and be present when the tenders are opened, and it is for them to decide whether they should come up or not.

Then, Sir, shipment coal, which is a very heavy quantity, should not be given to one firm, but coals which are best for shipment should be purchased from several parties and mixed at the time of shipment; the contractors should only be required to put the coal on the railway at the siding of the collieries. They will get only the price of the coal and, nothing for shipping it direct to Burma or anywhere else.

I would then submit that the Board should be constituted as follows:

*The Chairman:*

The Chief Commissioner of Railways or a Member of the Railway Board.

*Members:*

1. The Chief Mining Engineer to the Railway Board.
2. The Combustion Engineer.
3. A gentleman with experience of the commercial side of colliery work, but not actually in the coal trade.

The Board will be a permanent Board and attached to the Railway Board. The Combustion Engineer and the commercial members will be left in charge. With a Board so constituted, one will have a Mining Engineer with experience of the practical side of coal, a Combustion Engineer with experience of the actual burning quality of coal and a commercial man with knowledge of the commercial side of coal. To put it plainly, one would have a Board of men who would know all the tricks of the trade, and I am certain that the cost of this Board will be saved over and over again. Not only could they make coal purchases for the railways, but they could also see to the working of the State Railway collieries which would then be run on commercial lines. This is what I wanted to show to the House in the public interest, and therefore I had to make the statements that I did, and I think I have been able to satisfy the House that I have made out a case for an investigation into this matter.

**The Honourable Sir George Rainy:** Sir, I should not ordinarily have intervened in the debate at so early a stage, but I think it is desirable that on this particular motion I should do so, because in view of the serious charges that the Honourable Member has made, the House is entitled to hear at the earliest possible opportunity what the reply of Government is. One thing perhaps I might say by way of preface. I think it is a great pity that, when the Honourable Member first opened the subject in this House, he did not make it plain at that stage what exactly his complaint was; it is a pity he did not give his figures at that stage. (*An Honourable Member:* "He was obstructed.") The Honourable Member found time to hurl what I consider very unfair innuendoes against a Government officer, and failed altogether to state what the precise matter was to which he was drawing the attention of the House.

Now, Sir, I should like to begin by explaining briefly the procedure we followed in the purchase of coal for the State-managed railways. The procedure we followed this year is exactly the same as is followed every year. In the middle of December the Railway Board, on a preliminary survey of what the coal requirements of the State-managed railways in 1932-33 would be, came to the conclusion that, after allowing for a carry over of 160,000 tons from this year's contract, it would be necessary to arrange for the supply of 3,173,000 tons of coal, out of which they proposed to take 1,753,000 tons from the market, leaving 1,420,000 tons to be raised from the railway colliery. These figures would have given the market a rather higher percentage of the total coal required than in the previous year. The Chief Mining Engineer was authorised to call for tenders for 1,753,000 tons, and these tenders were opened in the

[Sir George Rainy.]

presence of the tenderers in the middle of January, and the list of the tenders was published in the Press. Thereafter the Chief Mining Engineer discussed with representatives of the operating departments of the State-managed railways how the orders should be distributed. It is quite true, as Mr. Ghuznavi has stated, that the total quantity of coal tendered was considered in excess of nine million tons. As a result of the discussions with representatives of the operating branches, proposals for the distribution of the orders among the tenderers were laid before the Railway Board by the Chief Mining Engineer towards the end of January. Now, my friend says that the Railway Board merely accepted the Chief Mining Engineer's proposals, they made no changes in them, they just blindly accepted them. It is rather remarkable that this particular accusation should be made in this particular year when a modification of an entirely unusual character was actually made by the Railway Board. The Board decided that, in order to assist the coal trade in the difficulties through which it is now passing, the quantity of coal to be taken from the market should be raised from 1,753,000 tons to 2,167,000 tons, with a corresponding reduction in the amount to be raised from the railway collieries, and it is perfectly obvious from that fact that it was a physical impossibility for the Railway Board to follow blindly the distribution proposed by the Chief Mining Engineer, because the quantity to be distributed had been increased by more than 20 per cent. The effect of this decision was to give the private collieries the supply of over 65 per cent. of the State-managed railways' requirements compared with about 54 per cent. in the current year. When the Railway Board had come to a decision how the orders should be distributed, a statement showing the names of the successful tenderers, with quantities accepted from them and the prices to be paid in each instance, was published in the Press. I think the phrase used in an earlier part of the discussion was "a hole and corner business". I do not think there is any hole and corner business at all when we published all the tenders in the newspapers and subsequently also published the names of successful tenderers. It is then open to any member of the public, if he considers that the action taken was improper, to raise the point, and I should be the last to deny that this is a proper subject for criticism. What I do say is that it is not correct. It is not fair to say that there has been a hole and corner business. All the facts and figures are published, and we invite the whole world to see them.

Now, Sir, I am in a position to say that the revision of the proposals of the Chief Mining Engineer by the Railway Board is a reality and is not by any means a matter of form. All important matters are brought by the Financial Commissioner of Railways to my notice, and I personally discuss them with him, and I cannot remember any year in which there was not a modification sufficiently important to be brought to me. I should like to emphasise that—that the responsibility does not rest with the Chief Mining Engineer, who only makes proposals; the responsibility for what is done rests with the Railway Board and the Financial Commissioner and, of course, with myself as the Member of Council concerned.

I should like now to deal with the question whether the distribution actually made was satisfactory or not, first, generally, and then, with reference to what has fallen from the Honourable Member. I think the

House knows that the coal trade is passing through very hard times, that a good many of the collieries are only just hanging on, and it is for that reason that the Government decided to raise so substantially the proportion of these requirements to be obtained from the market. I do not claim, of course, that we were acting on purely altruistic grounds, which indeed would be rather a questionable procedure for a commercial department. The position of our State railway collieries, the output from which can, if need be, be rapidly increased, puts us in a strong position when there is any attempt to organize a squeeze, and the prices are raised against us. But the position is rather different when things are going badly with the collieries, because it is not in our interests that a large number of collieries should have to stop working, since that might result in a gradual decline in the competition for the orders of the State railways, and that is the last thing which we desire. Now, clearly it was desirable that the contracts for next year should be fairly spread over a number of collieries. It would be no use to give increased orders to a few firms and leave the rest to go to the wall. I claim that our distribution, as a matter of fact, was fairly made. It enabled us to raise the proportion of second class coal taken from the market from about 23½ per cent. to 28½ per cent., to give Indian firms and businesses, who mostly deal in second class coal, about 42½ per cent. of the amount taken from the market instead of 37½ per cent. That our distribution of the orders has given general satisfaction may I think be fairly inferred from the telegram that was sent to me by the Indian Mining Federation immediately after the Honourable Member's speech in the general discussion on the Railway Budget. It is as follows:

"Committee of the Indian Mining Federation have carefully considered the press report of the remarks made by Mr. Ghuznavi in the Legislative Assembly on the 29th February to which their attention has been drawn by various members of the Federation. They dissociate themselves entirely from the criticisms made by the Honourable Member regarding purchases of coal for railways. The Committee of Federation must record their emphatic view that contracts for purchases of coal for railways for 1932-33 were fairly distributed and criticisms offered thereon unwarranted."

That deals with the general question. Now, I will turn to the particular point which has been brought up by my Honourable friend. I found a great deal of difficulty, and I dare say other Members did also, in trying to follow his figures in detail. They do not entirely correspond with the figures which were supplied to me. But, when my Honourable friend speaks of a possible benefit to the railways of half a crore of rupees, I am a little puzzled to know how he arrives at a figure of such magnitude. 50 lakhs of rupees a year means 5 million rupees a year. The State-managed railways do not consume 5 million tons; they only consume about 3,330,000 tons. Now, if there is to be a saving of half a crore of rupees, it must mean that this 3,330,000 tons, the whole of them, can be purchased at a rate Rs. 1-8-0 cheaper than they were actually purchased. Is that my Honourable friend's proposition?

**Mr. A. H. Ghuznavi:** No. I will reply afterwards.

**The Honourable Sir George Rainy:** I wish to be sure of that. I cannot push that particular point further at the moment except to say that the figures the Honourable Member gave seem to me on any assumption grossly exaggerated.

**Mr. A. H. Ghuznavi:** May I interrupt the Honourable Member for a minute? I have shown from the figures, which I shall place on the table, that you could have saved, on buying your coal alone, to the extent of about Rs. 8 lakhs. These figures will show; you can compare the prices which you paid and the prices which were offered, but which you did not accept. I then said that there would be a saving of another 32 lakhs of rupees from your State collieries. That is in this way. They have bought about 19 lakhs of tons this year, and I assume they want another 19 lakhs for their requirements.

**Sir Hari Singh Gour** (Central Provinces Hindj Divisions: Non-Muhamadan): You also mentioned some saving from shipping?

**Mr. A. H. Ghuznavi:** I am coming to that. On shipping alone they have actually paid about a lakh more. These figures are all there, but in such a short space of time it is difficult to go into the details. I shall place them on the table. The savings on the collieries, according to me, would be over Rs. 30 lakhs, because you do not show your cost and I presume it is two rupees higher at least.

**The Honourable Sir George Rainy:** I shall be very glad indeed to see the figures put forward by my Honourable friend, and irrespective of anything that has been said to-day, I should certainly be glad to go into those figures and see exactly what they appear to establish. I should indeed be most grateful to my Honourable friend if he can show how we can save Rs. 30 lakhs on the working of our collieries. Quite obviously, any Government must be grateful to people who can make practical suggestions of that kind if they are in fact practical. I do not know how far I am right in my assumption, but I think the figures that the Honourable Member has given were based in the main on the coal which he thinks ought to have been taken from collieries under the management of H. V. Low and Co.

**Mr. A. H. Ghuznavi:** No.

**The Honourable Sir George Rainy:** Not solely, but including them.

**Mr. A. H. Ghuznavi:** No.

**The Honourable Sir George Rainy:** Not solely but including them. Well, Sir, as regards that firm, it is necessary that I should say something. It controls a very considerable number of collieries, and ever since the case which is known as the Church case, up till last year no orders whatever had been placed with that firm by the State-managed railways. For that policy I accept full responsibility. Last year, for the first time, the ban was lifted and an order for a certain quantity of coal was placed with the firm. It is quite true that the collieries managed by that firm did in a number of cases put up tenders for the supply of coal at a lower price than the tenders we actually accepted. The reason why we adopted that plan is that, in placing contracts, we have not to look only at the price but also to performance, and to the manner in which contracts previously given have been carried out. It is no use getting coal at cheaper prices if the loading at the collieries is bad, so that the railways do not receive the supplies at the time they are expecting them, or if the quality of coal received is inferior

1 P.M.



to what has been asked for. Now in both these respects during the year 1931-32 a number of serious complaints had been received from the railways concerned about the coal supplied by this firm, and in the circumstances the Railway Board came to the conclusion that it was not desirable to place an order with this firm for more than a comparatively small quantity of coal, and I want to tell the House that, before these orders were issued, the Financial Commissioner of Railways drew my attention to the point and I entirely approved of the action taken.

Sir, I contend that the Honourable Member has not made out his case. What he has made out is that we did for certain qualities of coal not place the whole of the contract with the lowest tenderer, but in some cases, for what appeared to us adequate reasons we turned down the lowest tenders. That is undoubtedly so, but there were good and sufficient reasons for the action taken in every case.

I am not going into any elaborate disquisition about the management of the railway collieries because the single subject with which I have so far dealt is really of sufficient importance to take up the whole of the debate, but what I feel about these railway collieries is this. We publish annually in one of the pink books distributed with the Budget papers a statement of the costs of raising coal in these collieries. When I was in the Tariff Board and since I have held my present appointment, I have often heard a great deal of criticism of the cost accounts kept by Government departments, and we are always ready and willing to submit accounts of that kind to the criticism of the people in the industrial world who are in a position to speak with authority. I should like to inform the House that the balance sheets of the State railway collieries have been examined by representatives of the Indian Mining Association and the Indian Mining Federation, and neither body was able to suggest even a small item of expenditure as having been omitted which ought to have been included. That, Sir, is at any rate *prima facie* evidence that our accounts are kept in a reasonable way, and if that is so, then it is not the case that the coal taken from our railway collieries is costing us more than the coal which we purchase in the open market. That, Sir, I think, very nearly concludes what I need say. Perhaps I might just refer to certain practical suggestions which the Honourable Member made at the end of his speech. I have been compelled to differ rather strongly from the Honourable Member as regards the attitude he has taken up, but that makes no difference to my attitude to any practical suggestions he makes, and I am quite ready to consider them on their merits. What I cannot do is to admit that there is any reasonable and proper ground of criticism of the action taken on the ground that it was taken from improper motives and not for good and adequate reasons.

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

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

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**Mr. S. C. Sen** (Bengal National Chamber of Commerce: Indian Commerce): Sir, before I begin, I should make a little personal explanation. I do

[Mr. S. C. Sen.]

not want to be so subtle as Mr. Ghuznavi. I must say that I have an interest in a small coal contract with a railway, but I am vitally interested in the coal trade and through my profession as a solicitor I have more than 95 per cent. of the colliery owners in Bengal and Bihar as my clients and I am a member of the Indian Mining Federation, from whom the Honourable the Finance Member has got a telegram of approval to his action. I must say I do not approve of what Mr. Ghuznavi said regarding the acceptance of tenders in this House. Every tender contains the usual clause that the lowest tender need not be accepted, and any person who makes the lowest tender cannot legally or even morally make a grievance that his tender has not been accepted. Before a tender is accepted, there are various things which have to be considered by the person accepting the tender. The personal element comes very much into the question of course. A person may tender at the lowest rate, but he may be known to be a person on whom no reliance can be placed if the market goes against him. That is the experience of every business man who does any business in coal or any other commodity where the contract is not a contract for a lump quantity but an executory contract which has to be performed in a year or so. Under these circumstances, if in the exercise of the discretion vested in an authority, he chooses to make a contract with persons whom he knows to be reliable, with whom he has had dealings and with whom he did not anticipate or did not have any difficulties, then I do not see what objection can be made or grievance felt. Moreover, in the coal trade the question of loading comes very much into practical play. A contract is generally made with the condition that the case will be free of any slacke, slate or stone. Now in the loading you can if you want to cheat put in as much slacke as you can. It may be rejected by the purchaser if he is alert, or may be taken by his subordinates if arrangements are made; therefore, although you may have quoted a very low price, you really charge a higher price than what you have put forward. Under these circumstances, I do not understand Mr. Ghuznavi's objection. Secondly, he has made certain charges, or rather insinuations, against Mr. Whitworth and also against his assistant. I do not know nor does the coal trade know of any justification for such insinuations. No facts justifying such insinuations have been adduced or hinted; they are unwarranted and unjustifiable. The Honourable the Commerce Member has told us that the giving of contracts and the acceptance of tenders do not rest with the Chief Mining Engineer of the Government or his assistant. These contracts are scanned by the Railway Board and, as stated by the Honourable the Commerce Member on the last occasion, especially by the Finance Member of the Board. Under these circumstances, what blame can be attached to Mr. Whitworth or his assistant I do not know. Then Mr. Ghuznavi has stated that the tenderers generally put forward, or rather tender for, quantities far more than what they can possibly deliver or what can be their output. I do not know whether Mr. Ghuznavi is thoroughly acquainted with the custom of the trade or the conditions under which Indian colliery owners or even European colliery owners have to conduct their business. As a matter of fact if there are no buyers, I can curtail my output of coal. Now having regard to the market conditions which have been subsisting for the last two or three years, it is well-known that both European and Indian collieries have been obliged to curtail their output. That does not mean that they have done so for good or that they cannot if occasion arises increase their output and supply all

the coal necessary. Then Mr. Ghuznavi raised the question of the collieries owned by the railways. There I join him in his condemnation of working of these collieries, as I in my opinion by opening collieries themselves the State have come into competition with private colliery owners. (Mr. N. M. Joshi: "Why should they not come into competition?") Sir, it is the universal practice in all civilized countries of the world that the State should not come into competition with private enterprise. (Mr. N. M. Joshi: "That is so only in capitalistic countries, not in civilized countries.") Here the State have not only come into competition with ordinary colliery owners, but they are practically killing them and with the resources at their command it is merely a question of time when private enterprise will be entirely killed. Of course Mr. Ghuznavi was wrong when he stated that the cost of production has not been shown by the railways, although this was demanded. The cost of raising of coal has been shown also in the Budget books published by the Railway Department, but the rates there given are misleading. The rates given there contain the rates not only for coal but also for slack, that is small coal and dust. These are sold in the market at practically half the rate for which you can obtain coal. Therefore the rates shown there for coal are misleading and really the coal rate there is much higher than what is given. As regards coal contracts, I have said that there is no grievance which can be felt; as a matter of fact colliery owners, both European and Indian, do not complain of the way in which contracts have been given this year or even in the previous years (Hear, hear), and but for the action taken by the Government this year many of the Indian colliery owners would have shut their coal mines, *i.e.*, if they had not got the distribution which has been made by the Railway Board this year. The Railway Board had the support not only of the Indian Mining Federation, of which I am a member, but also generally of the whole of the coal trade in Bengal. The Board is entitled to the thanks of the coal trade generally. Sir, with these remarks I oppose the motion.

**Some Honourable Members:** The question may now be put.

**Mr. President:** I accept the closure. The question is:

"that the question be now put."

The motion was adopted.

**The Honourable Sir George Rainy:** Sir, I wish to speak very briefly indeed. There was one part of my Honourable friend Mr. Ghuznavi's speech which I did not catch very distinctly, and therefore I obtained from the Reporters a copy of the type-script. The particular part to which I wish to allude is this. He said:

"Then, Sir, I will make another charge and a serious charge, and ask him to refute it. Previous to tendering, Mr. Whitworth and his friend Mr. Banerji are obviously in the habit of advising their friends what rate to tender."

The Honourable Member then went on to state what the practice was and ended up by saying:

"If any evidence is required of that I am prepared to furnish it."

He has not as yet given any proof, but what I wish to say is that I entirely repudiate that charge as being entirely without foundation.

**Mr. A. H. Ghuznavi:** Sir, the reply of the Honourable the Commerce Member has relieved me of the necessity of making a detailed reply. I should like however to say something about the telegram to which the Honourable the Commerce Member appears to attach a good deal of importance. Sir, the telegram from the Indian Mining Federation read out by the Honourable Member has not come upon me as a surprise, nor will the telegram which I am about to read come upon him as a surprise unless the Department of the Honourable Member's colleague, namely, the Posts and Telegraphs, has not supplied him with a copy, which was addressed to him. It appears from the telegram that I have received that a copy of it was addressed to the Honourable Sir George Rainy. It is from a member of the Indian Mining Federation and this is what he says:

"Some members of Federation who have secured orders under patronage have wired Home Member" (*This is a mistake; he means the Commerce Member.*) "as follows."

Then he gives the telegram which the Honourable Member has read out. But he has not read out the latter part of the telegram. He should have, in justice to me, read out this portion as well. I will read out the whole telegram. It runs thus:

"Committee Indian Mining Federation having carefully considered Press reports of remarks made by Ghuznavi at Legislative Assembly on 29th February to which the attention has been drawn by various Members of the federation dissociates. Committee of Federation records their emphatic view that contract for purchases of coal for 1932-33 was fairly distributed any criticism offered thereon unwarranted. Total Members on Federation below hundred. This wire has been sent by four persons in name of Federation. Kindly consider what was justification of sending such wire by Federation against the views of hundreds of colliery owners. Kindly anyhow get impartial committee appointed hundreds of colliery owners will come give evidence we shall prove conclusively merits and demerits of purchases by mining engineer before Committee. Railways losing millions through such purchases yearly. Wasteful management of railways collieries similar quality of railways collieries coal can be had from market at cheaper rate Federation all along fought against working of railway collieries past correspondences will prove that colliery proprietors offered similar coal at Rs. 2-8-0 per ton for ten years any quantity railway require. Railways collieries cost average few years over rupees four per ton explain how railways losing fifty lakhs yearly. Show this telegram all Assembly members. We appeal for appointment of impartial inquiry committee. P. C. Bannerjee, Member, Bengal National Chamber of Commerce, Indian Mining Federation."

**The Honourable Sir George Rainy:** That, Sir, is a telegram from a single individual, but the hundreds of colliery proprietors have sent no telegrams.

**Mr. A. H. Ghuznavi:** In justice to me he should have read this telegram as well. Whether the telegram which was sent on behalf of the Federation was sent by 4 Members and how far he is correct or how far that telegram which he received from the Federation is genuine, has yet to be seen. Sir, I have no further remarks to make because I find the Honourable the Commerce Member has not been able to meet my case. He has in a manner admitted all that I have said and with these remarks I close this debate.

**Mr. President:** The question is:

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

The motion was negatived.

*Separation of Burma from India.*

**Mr. Jehangir K. Munshi** (Burma: Non-European): Mr. President, I move that the Demand under the head "Executive Council" be reduced by Rs. 100.

By this motion I propose, Mr. President, to raise a debate on the future of Burma and to help Burma to exercise a free choice during the election which has been promised by the Prime Minister. A general election is to be held either in October or November this year on the specific issue whether Burma desires to separate from India or whether she desires to remain part of India, whether it may ultimately be a federated India or British India.

I wish to make it clear at the very outset that this motion is not designed as a vote of censure on the Government of India or to reflect in any way on the Government of India. As a matter of fact, I wish to express my gratitude to the Government of India for the efforts, which I believe, they have exerted as a result of the debate which took place in this House last year. I believe that it was mainly due to the efforts of the Government of India, as a result of the Burma debate last year, that both the separationists and anti-separationists were invited, and the Burma Round Table Conference was almost as representative as it could be reasonably made. This, I take it, was due to the good efforts of the Government of India, and therefore when I place this motion before the House it is not to censure them, but to afford them another opportunity of helping Burma to have an entirely free choice at the election next November. Now, in this connection I wish to read out a passage from the announcement made by the Prime Minister when he closed the Burma Round Table Conference. The passage is very short. Mr. Ramsay MacDonald, when closing the Burma Round Table Conference, said as follows:

"With this material before them the people of Burma will be in a position to decide whether or not they are in favour of separation from India. His Majesty's Government consider that a decision might best be taken after a General Election at which the broad issue has been placed before the electorate. (The life of the present Legislative Council has been extended for a year, but an election must be held before the end of the year).

That decision will determine whether on the one hand Burma should be independent of India with a constitution on the lines set forth above or on the other hand should remain a province of India with the prospects indicated in the proceedings of the two sessions of the Indian Round Table Conference."

And then comes a very important observation:

"and in this connection, it should be remembered that if an Indian Federation is established, it cannot be on the basis that Members can leave it as and when they choose."

Sir, I confine my attention at the moment to this particular observation:

"and in this connection, it should be remembered that if an Indian Federation is established, it cannot be on the basis that Members can leave it as and when they choose."

Mr. President, I do not think this general observation made by the Prime Minister can be interpreted to mean a threat to Burma that if she decides at the next election in November to join the Indian Federation, she shall be forced to remain part of the Indian Federation for ever. As I understand this passage, it is a general observation which would be applicable in ordinary constitutional theory to federations, that when a federation is formed it is not lightly broken up, and when the Prime

[Mr. Jehangir K. Munshi.]

Minister was dealing with the subject, he had in mind all the units which would make up the Indian federation, and I do not think any narrow interpretation can be put upon it. When the Prime Minister made that observation he did not mean to convey a threat that if Burma entered the Federation, she would never be able to leave the Federation. But, after that, Sir, came the address to the Burma Legislative Council delivered by His Excellency Sir Charles Innes, Governor of Burma. I shall read to the House extracts from his address. When the House follows these extracts, it will bear in mind the general observation which the Prime Minister made in his announcement, and which I do not interpret—and I do not think the Government of India will interpret it—to mean a threat to Burma that she would be forced to remain in the Federation for ever. In the course of his address to the Burma Legislative Council on the 12th of February this year His Excellency Sir Charles Innes said :

“ I have just said that the announcement has cleared the air and has made plain what is the choice which lies before the people of Burma. Either they can elect to enter the Indian Federation or they can elect to separate from India and to pursue their own political development apart from India, but the Prime Minister”.

and this is the interpretation put by His Excellency Sir Charles Innes on the observation of the Prime Minister :

“ but the Prime Minister has made it clear that it will not be open to them to enter the Indian Federation on the basis that they can leave it as and when they like. This stipulation is not a device intended to impale the people of Burma on the horns of a difficult dilemma or to drive them into voting for separation. It is no easy matter to separate two countries which have been so long and so closely connected as India and Burma.”

I contend that His Excellency the Governor of Burma, in placing this interpretation on the general observation made by the Prime Minister, has gone a great deal further than the Prime Minister's words justify, and has practically said to Burma, “ You have to decide whether you want to separate from India or whether you want to enter the Federation, but if you decide to join the Federation, you have got to stay in it for ever” . His Excellency Sir Charles Innes argues that this is what the Prime Minister has announced. I contend that the general observation in the speech of the Prime Minister is not capable of this interpretation, and in putting this interpretation on it, His Excellency Sir Charles Innes has allowed himself to be carried away by his zeal. In the course of the same address, His Excellency the Governor of Burma, after making a number of observations, goes on to say, “ I have no desire to prejudice the issue” . I offer no comment on this claim. Then later on, after assuring the Burma Legislative Council that, “ He has no desire to prejudice the issue” , His Excellency Sir Charles Innes preached to the Council a political sermon as follows :

“ The only point I wish to make is that the issues ought to be carefully thought out and squarely faced. There must be no thought of using India merely as a political convenience. There is no place in the Indian Federation except for loyal members content that matters of common interest should be managed in the interests of the whole, and ready and willing to contribute loyally and faithfully to the strength and well-being of the Federation. If Burma wants to separate from India, now is her opportunity. If not, let her throw in her lot with India whole-heartedly and without any *arriere pensee* and let her play her part as a loyal member of the Federation.”

This is the political sermon preached by His Excellency Sir Charles Innes to the Burma Legislative Council after claiming that “ he had no desire

to prejudge the issue". The interpretation placed by His Excellency Sir Charles Innes on that passage in the Prime Minister's announcement is naturally causing grave concern to Burma. As the House knows, political Burma is divided into two camps, those who desire to separate from India and those who do not desire to separate from India in view of the constitution offered by the Prime Minister. Burma has been given the option. She can elect to accept the constitution offered by the Prime Minister in the announcement made by him before the Burma Round Table Conference, or she can decide to join the Indian Federation if a Federation ultimately emerges, or remain part of British India if a British Indian constitution ultimately emerges. There are two schools of political thought in Burma; one school, although very much dissatisfied with the constitution offered by His Majesty's Government, wants to separate from India and take its chance of obtaining something more in the near future. There is another school of thought which is equally dissatisfied with the constitution offered by the Prime Minister, if not more so, and wants to remain with India believing that by remaining with India, Burma would be better able to solve her political problem. But this threat that once Burma enters the Indian Federation or the Indian constitution she must remain in it for ever, is likely to deprive the electorate in Burma of the free choice, which, it obviously was the intention of His Majesty's Government, to give to the people of Burma. If a choice is to be given to the people of Burma to make a decision, it should be a free and unfettered choice. There should be no restrictions and no threats. As I say, Sir, I do not interpret the Prime Minister's announcement to impose any threat or restriction whatever, it is a general observation; but His Excellency Sir Charles Innes has attempted to put an interpretation on it which goes much further than the words of the Prime Minister. This has caused an apprehension in Burma, and I am asking this House to help me to make it clear—as the Indian National Congress and then the Federation of the Indian Chambers of Commerce have already done—that it is for Burma to decide whether she wants to separate from India or whether she wants to join the Indian Federation, if a Federation emerges, or to remain a part of British India, if ultimately a British Indian constitution emerges, and further—and this is the most important point which I want to urge before the House,—that if Burma decides to join the Indian Federation or the Indian constitution, she shall be free to leave it when she chooses to do so. That and that alone would be a free choice given to Burma. (Hear, hear.)

I have not the slightest idea as to what the attitude of the Government of India is; but I take it that they are determined that Burma shall have a square deal and completely fair play on this question. And if that is their intention, I feel confident that the Government of India will have no difficulty in supporting the proposition which I want the House to endorse, that Burma shall be at liberty to leave the Federation or the Indian constitution when she chooses to do so. I see, Sir, that my last remark has caused some amusement to my Honourable friend the official Member from Bengal. Perhaps when it is his turn to speak he will explain exactly what amuses him. It is superfluous to state that if and when Burma leaves the Federation she shall be doing so on the necessary adjustments, as there must be adjustments even now. The point really is this. Is this House or the Government of India prepared to force Burma to separate now if it is Burma's desire not to separate now but to separate,

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if it is found necessary to do so, 10, 20 or 30 years hence? That is really the issue in a nutshell. If Burma says she does not want to separate now, are we going to force her to separate now by this threat? It may turn out that Burma may not want to separate at all; but I do want Burma to have the right to secede or separate if and when she chooses to do so; and she should not be subjected to this threat which has been imposed on her by His Excellency Sir Charles Innes, to which, I do repeat, the Prime Minister was not a party.

I am very glad that my Honourable friend U Kyaw Myint has arrived in Delhi just in time to take part in this debate. He has taken a very keen part in the separation controversy in Burma during the past 12 months. He represents one school of political thought in Burma, and he is looked upon as one of the prominent leaders of that school of thought. He will therefore be in a much better position to tell the House what Burmans feel and think about the constitution in general and this question of the Governor's threat in particular. We have also our Honourable friend Mr. Tait in this House, who also will be giving his views about the political situation in Burma. Of course Mr. Tait will be labouring under this disadvantage that he does not read the Burmese papers and does not attend Burmese political meetings; he is not in close touch with Burmese politicians. But my Honourable friend Mr. Tait has a buoyant temperament and an optimistic nature. (Laughter.) He still may claim that he knows more about the sentiments of Burmans than my Honourable friend U Kyaw Myint. (Laughter and cheers.) But when that claim is made, U Kyaw Myint will deal with it.

My object in making this motion is to raise this debate on Burma and to ask this House and also to request the Government of India to help Burma to have a completely free choice at the next election, and to endorse this proposition that if Burma decides to join the Indian Federation or the British Indian constitution, whatever it may be, she shall thereafter be at liberty to secede or separate if and when she chooses to do so. (Applause.)

**Mr. John Tait** (Burma: European): Sir, coming from a very distinguished Barrister, the interpretation which my Honourable friend Mr. Munshi places on the words of the Prime Minister is almost an unexplainable one. The only interpretation which can be placed on the words of the Prime Minister is exactly what those words say. They say in clear language that if Burma decides to enter the Federation, she must remain within the Federation. There can be no question as to what the Prime Minister meant by that. He said exactly what he meant and his words meant exactly what he said.

The theme of my Honourable friend's speech is not whether Burma should separate from India or should remain as part of Federal India. What he wants now is that Burma should be allowed to join the Indian Federation and at the same time have the right, whenever she decides to exercise that right, of seceding from the Federation. The question as to whether Burma is or is not to have a free vote is another matter. Mr. Munshi does not particularly want merely a free vote. What he wants is some other thing on which Burma can vote. Burma is quite



definitely going to have a free vote, either for separation or for remaining permanently within the Federation. What he wants is that Burma should be able to vote not on these two alternatives which have been offered to her, but on something quite different. So it is not a question of Burma not having a free vote, but that Burma should have something else on which to vote.

Now, what strikes me and what must also strike Honourable Members of this House is that this is the first occasion on which this point has been raised, as to whether Burma should be free to join the Federation and later on leave it when she wants to do so. This is the first occasion on which that point has been raised. (*Mr. Jehangir K. Munshi*: "Question.") And if there was any substantial feeling in favour of that particular point, surely it would have been mentioned at least at the Burma Round Table Conference in London before the Prime Minister made the remark or it would have been mentioned in the Burma Legislative Council. The session of the Burma Legislative Council has just now terminated, and there unquestionably are quite a few in that Council who are prepared to voice the views of the anti-separationists, and it is remarkable that not one member in that Council raised this particular point; neither has it appeared in the Press. It may, I admit, have appeared in some of the vernacular papers. On that I cannot say one way or the other; but I do contend that if it was of any material importance whatsoever, it would have appeared in the more widely read Press of the province.

Now, what is to be the actual effect of this reservation should it be agreed to? No one, I think, who knows anything about Burma and who has had experience in that province will deny that there unquestionably has been and still is a definite anti-Indian feeling amongst the Burmans. The tragic events of May 1930 and subsequently are eloquent enough if proof was required that that feeling has not been submerged and is ready to boil up again at any moment. I submit that there is nothing in the view of most reasonable men, more certain to retard the development and the industrial progress of Burma than the perpetuation of this disturbing and most regrettable clash of racial feeling; and I submit further that this is exactly what such reservation would be likely to effect. It will preserve an atmosphere of discontent against what is called the peaceful penetration of Indians into Burma; parties of irreconcilables will come into existence distracting the attention of the people and the country at large from the main consideration of the working of the constitutional progress of Burma and all that Burma stands for. We Europeans in Burma have never taken sides on this question of separation. On the facts as we now see them, it is our opinion that it will be in the interests of Burma, if she does decide to separate; but we now and always have said that it must be left for the Burmans and Burmans alone to decide whether or not they will separate from India or will remain as a constituent part of Federal India. But, and this is a very big but, we are definitely not prepared to support the plea now put forward by my Honourable friend, Mr. Munshi, for we are definitely of the opinion that it is not in Burma's interests to perpetuate a feeling of uncertainty as to Burma's future. Let Burma decide now one way or the other,—to separate or remain within India; but above all, let her decide finally.

[Mr. John Tait.]

And what is Federal India going to have to say about this suggestion? A federal scheme with all its ramifications must provide for an India which will include Burma and that same scheme of federation will unquestionably not suit an India without Burma; and is India going to put herself in a position when she forms her new constitution that at some uncertain date entirely outside her own control, one constituent member should be allowed to secede and upset all the arrangements and all the scheme? Surely in a Federation, representation of which in the Central Government is worked down to the basis of single seats, the question whether or not Burma will continue to send representatives to the central Legislature must have the effect of upsetting the balance of representation between the various communities. It is not certain at all with the passing of years on what side the weight of the Burmese representation will be thrown; will it be on the side of the Muslims or on the side of the Hindus? It all depends what kind of representative comes forward; and if Mr. Munshi comes as representative of Burma, would he vote with the Muslims or with the Hindus?

That is all I have to say; but I do say on the facts it is a most extraordinary position that Mr. Munshi should come here and raise this new issue which so far as the whole world knows, nobody else has asked for and nobody wants.

**Mr. H. P. Mody** (Bombay Millowners' Association: Indian Commerce):

3 P.M. Sir, in order to understand the implications of the issue placed before the House by my Honourable friend, Mr. Munshi, it is necessary to dip into the history of this question. As a somewhat active member of the Burma Sub-Committee of the Round Table Conference, I think I am in a position to tell the House something about the matter. When the question was first raised before the plenary session of the Round Table Conference, a decision was reached in, I think, less than three-quarters of an hour's discussion, and it took most people by surprise. I am not going to deny that it was due to the members not being sufficiently wide awake with regard to the issues before the plenary Conference. Before they realised exactly what was happening, the Prime Minister declared that a Committee would be appointed, and that the question of separation would be regarded as settled. I remember one or two of my friends on the Round Table Conference inquiring when this announcement was made whether it was possible in the Committee to raise the question of separation, and the Prime Minister said, "No". It was not possible in view of the fact that most members were not prepared to fight the issue out at that stage for anybody to say anything on the spot, and the fight was transferred to the Burma Committee of the Conference. At the very first meeting of the Committee, I raised the question of separation. I pointed out how the decision had been rushed through, and I wanted to know whether it was open to any member of the Committee to reopen the issue in the Committee. The Chairman of the Committee, the late lamented Earl Russell, ruled that the question could not be raised in the Committee because the Committee was only asked to define the terms upon which separation should be effected; but he gave the Committee very clearly to understand, in view of the strenuous opposition of some of us, that it would be open to me or to any other member of the Committee to raise that question again in the plenary

session. Thereafter we proceeded to discuss the general principles upon which separation should be effected and we put up a report which came up in due time before the Round Table Conference. There, my friend, Mr. Shiva Rao, and myself, led the attack. We pointed out what the implications of the whole business were, and we secured such support from most of the members of the Conference that the Prime Minister at the end was compelled to say that an opportunity would be given to the Conference to reconsider the question before the separation of Burma was an accomplished fact.

The next thing in this little drama was an announcement on the floor of the House of Commons after a few weeks by the Secretary of State or the Prime Minister—I forget by whom exactly—stating that it had been decided that Burma should be separated, and that a separate Conference would be held in order to consider the terms on which it would be possible to effect that separation. I may say in passing, Sir, that our strenuous opposition to stampeding Burma into a hasty decision was not exactly relished, and I remember the gibe which the Chairman of the Committee, Earl Russell, flung at me when he said that I appeared to be feeling more for Burma than the Burmans themselves, and I retorted that I felt as much for Burma as His Lordship himself. To proceed with my argument, we are not considering this question from the point of view of Indian interests. We who claim the right to self-determination must recognise the right of Burma also to self-determination. All that we say is that if the issue is put fairly and squarely before Burma, and if Burma decides to separate, and if the terms upon which she is going to separate are mutually acceptable, then it is Burma's business and not ours, and we wish them joy of their new constitution. That is the position which we have all along taken. It is a question entirely for Burma to decide, and the only thing on which we in India demand an effective voice is the terms upon which separation should be effected, what financial adjustments are to be made, how the various communities are going to be treated under the new constitution and various other questions of a like character.

Sir, the reason of my little incursion into the history of this question is this,—I want to put it very bluntly before the House,—that the fresh term which is now being sought to be imposed upon Burma is part of the whole game of forcing Burma to separate. I do not know why the Burmans should be told at this stage that they have to make an irrevocable choice. If after 50 years of connection with India it can lie in the mouth of Burmans to claim separation, why cannot Burma after 50 or 5 or 25 years of existence in the Federation, claim separation from the Federation? My point is that in asking the Burmans to make an irrevocable choice here and now they are being forced to decide in favour of separation and it is not a free choice which Burma has got before her. That is the whole point of the motion before the House.

Now, Sir, it is quite true that Burma cannot come into the Federation and get out of it as and when she likes. After all, there will be various other units in the Federation who will want to have a say in the matter, just as at the present moment there is the British Government, the Government and people of India and the Government and people of Burma. Therefore, Sir, my submission is that Burma cannot claim that she can enter and get out of the Federation at her sweet will. If, however, after a few years' experience, Burma can put up a case before the Federation for separation, and if she satisfies the other units of the Federation that

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she is prepared to shoulder all the responsibilities and agree to all the adjustments which are necessary before she is allowed to separate, if Burma can do all these things, then I cannot imagine the Federation holding out against such a claim. I would like to give this House the parallel of the Irish Free State. For centuries Ireland was a part of the Empire, and by mutual consent, not by revolution, though revolution may have led up to it, but in the last stages by mutual agreement between the representatives of Great Britain and the representatives of the people of Ireland, the Irish Free State was created. Well, if the Irish Free State was able to establish its claim to a separate existence, why should it not be possible for. . .

**Mr. Arthur Moore** (Bengal: European): It is within the Empire.

**Mr. H. P. Mody:** The Irish Free State is for all practical purposes a republic. I will not say that it is not technically a part of the British Empire, but it is practically independent; the very words "Irish Free State" proclaim it. Let not my friend Mr. Arthur Moore forget what the new President has told the world only a day ago as to the oath of allegiance and various other matters. I do not want to push the parallel further. I only say this, that if it is possible for Ireland to establish a case for separate existence, then I say it is equally possible for Burma at a later stage to establish a case for separate existence if she can satisfy the other units of the Federation that she is entitled to it and that she is prepared to shoulder her fair share of the burdens which the Federation has incurred on account of all units of the Federation. And just as by mutual consent on terms honourable alike to Great Britain and to the Irish Free State, a new State was created, so it may be at a distant date Burma may set up a claim, and by mutual consent get out of the Federation. I have no fear however that Burma will make that demand, because if India is to be a responsible equal member of the British Commonwealth, as she is bound to be, if not today, at least in the next few years, and if she attains to the full stature of her opportunities, it is possible that Burma may find that it is a far more honourable existence to be a unit of that Federation than to break away from that Federation and set up an independent Government. That, Sir, will assuredly happen, and, therefore, in order that the decision of this question may be arrived at in an unprejudiced and dispassionate atmosphere, I want that no conditions of any sort or kind should be imposed upon the Burmans which would drive them to give a decision which they otherwise would not. In other words, let Burma have a free choice, an absolutely unfettered choice in the matter; let not any threat be held out to her. If she wants to get out at any time, she can set up a claim to do so. Who is to say that she should not get out? What is the position of the British Government? When the Federation comes into existence, will it lie with the British Government to say "You can get out or you cannot get out". It will be for the Federation to decide the issue, and therefore I refuse to recognise the *locus standi* of the British Government in the matter. Otherwise, it would mean that the British Government were going to decide the future of Burma for all time. That is not the correct position. The position of Burma will be decided by the Federation, and by Burma as a component part of that Federation. For all these reasons, I am strongly in favour of the motion which has been placed before the House by my Honourable friend Mr. Munshi. I only wish that the representative of Burma, Mr. U. Kyaw

Myint, will make it clear that Burma is not going to claim that she can get in and get out of the Federation as and when she likes, that she will be prepared to satisfy the future Federation, if at any time there is a compelling desire in Burma to separate, that there are valid grounds for separation, cultural or any other, and that the separation would be in the interests of both Burma and the Federation,—I want my friend to make that clear, so that there may be no misconception in the mind of any Honourable Member of this House, or the public at large, which, I think, awaits with anxiety the decision of this issue.

**Mr. B. Sitaramaraju** (Ganjam *cum* Vizagapatam: Non-Muhammadan Rural): Sir, at the very outset I would like to ask whether Burma is going to be separated from India or whether it is going to be separated from England, because throughout the whole discussion this question of separation has been creeping upon us, and we who make the other half are not properly consulted in the matter. Sir, I come from Madras, and from there large sums of money have been invested in Burma, and many of our people have settled in Burma and thus made modern Burma and I consider that we should have a vital say in the matter of the separation of Burma. I do not for a moment like to say that we, who are wedded to the principle of self-determination, are not prepared to grant the same principle of self-determination to Burma. I am not going to say that. On the other hand, we wish Burma all joy in its desire to determine its future for itself. But, before it does, we should also like to know what are the feelings of those people in this country in the matter, whether they would be consulted and whether their interests would be properly safeguarded. These are things that we cannot possibly, even in our enthusiasm for Burma's future, ignore. Regarding Burma, I would like to say this, that, so far as Burma is concerned, she is culturally as well as racially different from us, and the union of Burma was forced upon us. We never wanted Burma to be mixed up with India. Against the united voice of the Indian National Congress and against the wishes of the people, the wars against Burma were undertaken, and Burma was forced to enter the Indian Empire. We never wanted her. Large sums of money have been spent on Burma, and that against our wishes. Still, in our desire for freedom we do not stand in the way of the wish of other people to secure their freedom. If we ask that some security or some guarantee should be given for the vast interests that we have in that country, however hard it may be that we should ask another people to pay the price of their slavery, we could not possibly consent that the material interests that we have there should not be taken into proper consideration and duly safeguarded. As regards the question of federation, at the time when Burma wanted separation, the cry of Burma for Burmans was a legitimate cry which not only was heard in Burma, but in other provinces of British India also. I know for a fact that the Andhras of our own parts wanted Andhra for Andhras, I know for a fact that Mysore wanted Mysore for Mysoreans. . . . (Mr. B. Das: "And Orissa for Oriyas.") . . . and Orissa for Oriyas, as my Honourable friend Mr. B. Das is always anxious about his province. (Mr. H. P. Mody: "Orissa for Mr. Das.") (Laughter.) Therefore, it is a very natural desire on the part of Burma to secure the promotion of their own individual expansion and progress, and we do not stand in the way of her unfettered growth. But, Sir, the question of federation came in a little later after the cry of Burma for Burmans. In considering the question of federation, we have to consider two things.

[Mr. B. Sitaramaraju.]

One is the question of the federation of British Indian provinces, and the other is the question of federation where not only British India is concerned but also the Indian States. If Burma desires that in the federation she should occupy the position of an Indian State *vis-a-vis* the federation, there is still room for her in that federation. There are certain common interests which would prudently show to Burma that it would be in her interests perhaps if she continued to be part of the federation. For instance, there is the question of common defence, common trade, and political co-operation which is needed before Burma can lead a successful and prosperous life. All these considerations must prudently dictate to Burma that it is in her own interests that she should be a part of British India, but whatever that be, our politicians and statesmen have already accorded to her that self-determination which they themselves want. As regards the Premier's statement, "once in a federation always in a federation", I would like to say this. Even in this question we have to take into consideration two aspects. One is the question of the geographical unity of India. So far as the geographical unity of India is concerned, I for one would think that there could be no choice for any province within that geographical unity of India to say that she could come in or go out of the federation as she liked, or else the federation would be unreal. But so far as other provinces, like Burma and the Islands, are concerned, they are not exactly within the geographical unit, but they form part of the Greater India if I may say so and I for one—it is my own personal opinion—see no reason, when they are asked to join, and if they do, why they should not have the same liberty of getting out of it if they want, provided by their separation they do not inconveniently handicap British India in the scheme of constitutional growth.

**Sir Hari Singh Gour:** I think, so far as we on this side of the House are concerned, we do not wish to place any consideration before our fellow Burmese subjects except one, and that is that if the Burmans wish to separate, they are free to do so; if they wish to remain joint, they are equally free to remain joint,—that we on this side are not prepared to set any fetters upon their discretion, and that I submit is all that is exercising the minds of our friends from across the seas. In this connection, Honourable Members will observe that the Round Table Conference is, at the present moment, thinking of several federating units including the Indian Princes, the Indian States. When the deliberations of the Round Table Conference contemplated the union of British India with the Indian States, did anybody make any condition with the Indian States that, "If you wish to come into the federation, you will never be free to get out of it"? If that condition was not made with the Indian States which are at the present moment not a part of British India, I wish to ask why this condition should be taken as superimposed in the case of Burma, which is already an Indian province, and has been so since 1886. That I think makes us suspect that the condition is made so as to produce a mentality in the minds of the Burmans of now or never. That I submit is not one of the conditions which is laid down as a condition precedent to any principle of federation in the known federated constitutions of the world. It is like telling a fair lady from Burma, "I am prepared to unite with you, but there shall be no divorce, under any condition, under any circumstances". That I submit is a condition which I think no fair-minded man or woman can accept. (Laughter.) I therefore submit that

when we discuss this question of federation, let us not obscure the issue by referring to any vested interests either of India or of other communities in that country. I know my friend Mr. Tait's views. He says that he as a representative of the Europeans in Burma has no sides, but nevertheless as a friendly adviser along with the other European merchants in Rangoon and elsewhere, and looking at the question from a purely non-commercial and detached point of view, he and they would counsel their Burmese friends to go in plump for separation now. That is their disinterested advice, but I am quite sure that my Burmese friends would not walk into the European parlour because they know with what object that invitation is made.

**Mr. John Tait:** On a point of explanation, Sir, may I interject? It has just occurred to me that the Honourable Member who of course has had personal experience of the position in Burma, made a remark in a debate in this House on this question of separation. He said this:

"It must be said to the credit of the British merchants in Rangoon that they were not asking for separation because it would serve the interests of the British mercantile community."

These are the Honourable gentleman's words.

**Sir Hari Singh Gour:** Well, Sir, I have still to learn that that is a personal explanation. What I am now trying to impress upon the House and upon our Burmese fellow subjects as the considered opinion of the elected Members of this House is that we on this side of the House are not in favour of fettering your free judgment. If you wish to separate, you are welcome to do so, but if you wish to remain joint you are equally welcome. You are already joint with us, and when your judgment is being influenced by vested interests and interested parties that there is a cultural and racial disaffinity between yourself and the people of India, they overlook the grand fact that Burma has been a sister province of India and considered as a religious and cultural part of India long before the birth of the British dominion in the East, and whatever may be the difference visible and apparent between the Burmese and the Indians, there is, at any rate, that innate affinity between the two races which time cannot destroy and which time will strengthen. Indians feel that the Burmese should get a fair deal and their judgment no more than the judgment of the other Indian States which have been invited to join the Indian federation should not be in any way fettered by the condition being placed—that if you come in now you will never be able to get out. Sir, it has never been said by those who have laid down this condition that if you wish to get out, you get out, and if you wish to come in you will be equally welcome to come in, subject to the same conditions regarding mutual adjustments. The fact that the condition is one-sided makes me somewhat suspicious of that condition. The Prime Minister's statement is a perfectly plain and straightforward statement. He said no more than what is the fundamental principle of all federated constitutions, namely, that the federating units cannot by their own will decide that they will get out of the federating union. Such a union is a contract and it holds good till the two contracting parties choose to dissolve it. That being the case, we need not go beyond what is the accepted canon of constitutional law, and I do not think my Burmese friends need have the least apprehension that if they are once tethered to the central pole of India, their escape to

[Sir Hari Singh Gour.]

a free and independent life will hereafter be impossible. Sir, the very fact that India is to have a federal constitution, the very fact that the federal constitution means and implies that the Federal Assembly will be the spokesman and voice of the federating union, that alone should be a sufficient guarantee to all who join the federating union that the question of their remaining joint and remaining separate will be a matter of a family conclave in which all the federating units will have a potential voice. It is not a matter which can be decided by a unilateral action. That being the position, I do not think anybody is justified in laying any emphasis upon the condition upon which jointness will be accepted or separation granted. I therefore think that Mr. Munshi has done a public service to the land of his adoption in coming before this House to ask us as to what we think on this momentous question which is exercising Burma, and which naturally is dividing Burma into two sharply antagonistic camps. I am glad that we have Maung Kyaw Myint amongst us. He is the spokesman of a large section of Burmese opinion. His voice would be the voice of one who speaks from inner knowledge of his people, and who will express what is the underlying spirit which works the people of Burma in this connection. We should be all very glad indeed to hear him, and whatever he may say, let him, at any rate, carry with him this assurance from the elected Members of this House, that so far as we are concerned, our good wishes follow him to his home and to his fellow countrymen, and if they decide to remain with us, we and they will shoulder the joint responsibility of whatever constitution may be given to them and us.

**Sir Abdur Rahim** (Calcutta and Suburbs: Muhammadan Urban): Mr. President, on this side of the House there is no disagreement on the question that has been raised by my Honourable friend Mr. Munshi. On a previous occasion when the question of separation of Burma was debated here, we made our position perfectly clear—that we are willing to afford to Burma the opportunity of making a free choice, that is to remain connected with India or to separate from us if that serves her interest best. We have not changed our position in that respect, but the position that has now arisen as stated by the Mover of this motion, is that a sort of clog is sought to be put on the choice of Burma which has been asked to decide whether she will separate from India now or remain with India for ever. It seems to be a rather curious condition to lay down that if Burma chooses to remain in the Federation, she must remain in that Federation for ever, even if her interests or the interests of the rest of the federated units may at a future date require separation. That is a matter for the future. No one, not even the Prime Minister of England can say what are the circumstances which are likely to arise in the future with reference to the needs of India or Burma, and I do not see why he should have gone out of his way to lay down a condition like that, if that be the real meaning of what he said. I really doubt whether a statesman of his position and world-wide fame would think of laying down a hard and fast condition as to what should be done, not at present but with reference to what may or may not happen in the future. Sir, the position has been very clearly put by my friend, Mr. Mody. We say that if Burma chooses to remain with us as part of a Federation, then in that case she is welcome to do so; and if at any future date the condition of things changes and Burma desires that she should separate, that it is in her



interest to separate from the rest of the federated units, then in that case undoubtedly she will consult the other federal units and the other federal units will also have a say in the matter. Questions of adjustments and various other questions of that kind will arise, and undoubtedly both the parties will have to sit down and decide under what circumstances and on what conditions there should be a readjustment of the federal units. That is a perfectly fair proposition and I am sure my Honourable friend, Mr. Kyaw Myint, who is here representing a very large party in his own province of Burma, will agree that that is a position which is perfectly fair to both sides, and if he accepts that position, there can be no difficulty in the matter at all. We wish to assure him that so far as we are concerned, we do not like to put down any condition which will in any way interfere with the free exercise of the option that has been given to Burma.

**Mr. Arthur Moore:** Sir, it seems to me that Mr. Munshi, in his endeavour to correct a mistake which he believes to have been made by the Governor of Burma, is in danger of leading the House to commit the opposite mistake, and I was very much reassured to hear the speeches of the Leader of the Nationalist Party and my friend, Sir Abdur Rahim, the Leader of the Independent Party, on the point, because I think they have both put the case in the correct perspective. I agree with Sir Abdur Rahim that it is not likely that Sir Charles Innes can be interpreted as having laid down a condition for Burma that if she comes in, she is always in. I have read the speech, and it seemed to me that what he was doing was to put in other words what the Prime Minister had said and what Sir Hari Singh Gour has told us is the fact. Now surely if you are federating, it is right to come into the Federation in a serious spirit. There are obvious arguments in favour of Burma coming into the Federation. She has a real choice to make. There are arguments on both sides. If she elects to come into the Federation, surely it ought to be, because she is convinced by the arguments in favour of doing so, and she should come in whole-heartedly, with every intention of profiting by that Federation and of being a loyal member of it. She should not come in light-heartedly with the idea of having a look at it before she goes out. Surely, when you are drawing up a federal constitution, you are much more interested in notices marked "Way in" than in notices marked "Way out", and I think it would be a very great mistake if by any division today we were to undo the useful warning which has properly been issued, and we were to create the wrong impression that Burma can actually go out when she likes. I do not for a moment suggest that Burma could never go out. I think the position has been correctly stated, and I am quite sure the Members for Burma can feel that we are all entirely agreed that if Burma chooses to stay out, then, as every speaker has said, we wish her well, and if Burma comes in, we shall be glad to have her. (Applause.) But I think it would be very unfortunate if we were to set out to try and dangle baits in front of the different members of a possible Federation, and to advertise that the principal bait is that they can get out. I quite agree with my Honourable friend that there ought to be no distinction in this matter between Burma and the Princes. I would go further and say there ought to be no distinction between Burma and our present provinces, which we expect to become constituent states in the Federation. All units in the Federation come in on the same terms, and we hope that they will all come in with the intention of remaining in. If at any future date any member of the

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Federation desires to go out, obviously that is a matter which has got to be adjusted between all the members of the Federation. (Hear, hear!)

**Mr. B. Das:** Sir, I am sorry I have to strike a different note to what some of the observers have said a few minutes ago. Sir, I stand by the Congress Resolution that was passed at Karachi. I also stand by the Resolution which the Federation of Indian Chambers of Commerce and Industry passed last year at Delhi and to which I was a party. I can assure my Burman friends, Sir, here and also outside that they are at liberty to separate when they like: and if they are ill-advised by the Premier or by anybody under the threat of a loaded pistol that if they are not separated now, they cannot secede from India afterwards, they must know it that the unanimous voice of India, the voice of the Indian National Congress and the voice of the Federation of Indian Chambers of Commerce and Industry is that they can remain with us to raise us all up to the status of a Dominion. Thereafter, as a special case, India will not stand in her way, however, if she wishes to separate and secede from India afterwards.

I would just read two lines of the Resolution of the Indian National Congress held at Karachi:

"This Congress recognises the rights of the people of Burma to claim separation from India to establish an independent Burman State or to remain an autonomous partner in a free India with the right of separation at any time they may desire to exercise it."

I would also quote from the Resolution of the Federation of Indian Chambers of Commerce and Industry that was passed in Delhi last year:

"The Federation is of opinion that the question of the constitutional evolution of Burma should be left to the decision of the people of Burma."

Later on it says:

"The Federation therefore urges that full and proper facilities should be provided for the people of Burma to express their free and clear opinion on this matter otherwise they will render it more difficult owing to repressive laws now in force."

Sir, it is said by some interested parties—I do not know whether it is the Government of Burma or the European interests in Burma,—that once the Burmese people come into the Indian Federation, they will never be allowed to separate from us. The same expression of view was expressed by my Honourable friend Mr. Arthur Moore just now when he said that once Burma comes into the Federation there is no going back. I however entirely agree with the views and the speeches that were delivered at the Karachi Congress that we have no desire to keep down Burma. We want self-determination for ourselves and we want the same self-determination for Burma. Yet we do not want them to be deprived of their existence and not to attain the full stature of Dominion status by being separated now. I will just read a few lines from my own speech which I delivered at the Federation of the Indian Chambers of Commerce which sums up my view on the subject:

"However, on behalf of the Federation, I want to make this assurance to the public of Burma that Indians will not stand against the Burmese desire for separation. But the Indians would not like that Burma should be separated and turned into a Crown Colony of England, but that Burma should attain the same Dominion Status and, above all, we all Asiatics want eventually an Asiatic Federation of all Asiatic nations. We would like that Burma should remain alongside with India as our equal partner and work up to that high ideal of Asiatic nations and if the Burmese people, in time, decide to secede, as I learn they want the right of secession from India after the attainment of Dominion Status, it is their lookout and not ours."

I still hold that view.

**U Kyaw Myint** (Burma: Non-European): Sir, a year ago in this House I moved successfully a motion which resulted ultimately, I flatter myself, in at least one portion of the Premier's statement. This time last year the question of separation was regarded practically as a closed question. We have now, thanks to the sympathy that was received in this House and to the sympathy of the Indian Government, achieved something tangible. We have been given a chance—Burma as a country and as a nation has been given a chance of deciding her own future. But my Honourable friend Mr. Munshi shares with me the fear that this threat that, if you enter the Federation, you are doomed for ever, and the spirit in which this threat is being uttered, are exercising to a great degree the minds of my people. I am particularly obliged for the speeches of various leaders of the Nationalist and the Independent Parties and I am really grateful for the speech delivered by my Honourable friend Mr. Arthur Moore. Sir, we have come to the parting of the ways. I feel, as also Mr. Munshi apparently feels, that, on the one hand, no bait should be dangled in front of us, but, on the other hand, no threats should be uttered. Leave us to choose for ourselves. That is all we ask for. The idea that, if you enter the Federation you cannot leave it any time cannot appeal to educated persons; but it is an idea that frightens, at any rate for the time being, uneducated persons who will have a large share in the actual election. I am glad that this debate has given various leaders in this House an opportunity of defining the attitude of this House and also augmenting the attitude that the Congress has set out in the Resolution passed at Karachi last year. I am grateful to my Honourable friend Mr. Das for reminding the House of two Resolutions, one passed by the Karachi Congress and the other passed by the Federation of Indian Chambers of Commerce.

My Honourable friend Mr. Tait was pleased to say that this was the first occasion on which this particular point has been raised in public. I am sorry to have to correct him. I was myself responsible for many statements in public in Burma. They were made before Burmese audiences and also in the Burmese Press. I repeat, I was myself responsible for many statements on this momentous subject. As soon as the Prime Minister's statement was published, we took grave objection to the sentence that has been read out by Mr. Munshi. Here, unwittingly probably, was a threat, but we were prepared to take it. After all, it was a statement of a general character without any particular reference to Burma. The sentence speaks for itself. But this was followed within a few weeks by a statement included in the speech of His Excellency Sir Charles Innes, the Governor of Burma. There we certainly drew the line. Whereas the Prime Minister's version was a statement of a general nature, in the speech of Sir Charles Innes we certainly thought that he was misinterpreting the Premier's statement. That is why I am particularly grateful to my Honourable friend Mr. Arthur Moore for his contribution to today's debate.

I would assure my Honourable friend Mr. Tait and this House that this is not the first occasion that this point has been raised in public, although naturally it is the first time that it has been raised in this House. The Prime Minister's statement is only a few weeks old. Naturally also, this point was not raised at the Burma Round Table Conference because nothing could follow the Prime Minister's statement which was indeed the end of the Conference. Equally naturally—and there I must disagree with my Honourable friend Mr. Tait—it was not raised in the Burma Legislative Council. That is a separationist body—witness the various

[U Kyaw Myint.]

Resolutions it has passed in favour of separation. We had a gentleman in the Burma Legislative Council who was an ardent anti-separationist until very recently. Sir, you may perhaps remember, and I think at least a portion of this House will remember, that I pointed out in my speech last year that the Burma Legislative Council was boycotted by the General Councils of Burmese Associations which undoubtedly represent the vast majority of the Burmese people. They will of course have to lift the boycott on the separation issue. So, naturally, the Burma Legislative Council, as at present constituted, does not bother itself about anything except the ready acceptance of separation on the basis of the Prime Minister's statement.

Sir, I want this House to be clear, and I will endeavour my best to make it clear, that the issue now before Burma is not separation or federation. That was the issue last year, but not this year. The present issue for the decision of the Burmese people is separation on the basis of the statement of the Prime Minister, and that, I do say on the floor of this House, has been strongly and persistently opposed by the majority of the Burmese people. (*An Honourable Member*: "Have a Burmese Congress.") We have not yet formed a Burmese Congress, but the time will come when we shall have to form one. We have already had Ordinances and repressive measures which generally pave the way to some kind of solution of a nation's problems.

My Honourable friend Mr. Tait was pleased to refer to what he termed a definite anti-Indian feeling and he also referred to the riots of May 1930. But I will ask the House not only to inquire, but also to consider, what was the origin of those riots. The Indian labourers went on strike and a European stevedoring firm tried to break the strike by using, as its instruments, the Burmese labourers. That was the cause of the riots. That definite anti-Indian feeling, which was certainly definite during the riots in Rangoon, did last for two days, but it no longer exists.

Our position in Burma—by our position I mean the position of those who have been persistently opposing separation—is stronger today, vastly stronger today than it was last year. Last year all that we could say was on surmise—that, if we separated, these things might happen, and if we did not separate, other things might happen. But now we have tangible evidence—Exhibit A, if you will pardon legal phraseology, for the prosecution—if we separate, we are to get a constitution within the four corners of the Premier's statement; and that is certainly a thing which even the people who were clamouring for separation do not like. The constitution that is now being offered is a travesty of a constitution and is entirely unacceptable.

**An Honourable Member:** What about the Indian constitution?

**U Kyaw Myint:** That is the concern of the Indians. We are worried about Burma at the present moment. Everybody in Burma is agreed that the constitution offered in conjunction with separation is unacceptable, but the people who are willing to accept separation think that this constitution might lead to something better. We, that is, we who oppose separation, do not think in the same manner. That is the difference. But I must remind the House that the issue now before the Burmese people is this: we are called upon to separate from India on the basis of the constitution

offered in the Premier's statement, and we do not want to accept that constitution. The cause of the fears of my Honourable friend Mr. Munshi is that we do not want our judgment to be clogged, and we do not want to be coerced by any threat. By threat I mean the one that Sir Charles Innes uttered in the course of his speech in the Burma Legislative Council, the threat that, if we are to enter the Federation, we shall have to remain there for ever.

**An Honourable Member:** Disregard the threat.

**U Kyaw Myint:** Yes, I think that advice is very sound advice, which will be adopted in due course. One other threat, which is a favourite threat, is that of racial extermination. But we have learnt to disregard that threat, because racial purity, if we may accept the statements of scientists, is a myth.

The statement of my Honourable friend Mr. Tait that Europeans have never taken sides has been met by other Honourable Members. Mr. Tait fears that if Burma now enters the Federation and goes out later on, she might upset all the arrangements. But my Honourable friend, the Leader of the Nationalist Party, has pointed out that this proposed Indian Federation is a Federation that is unique in the world's history. The Federation, as my Honourable friend Sir Hari Singh Gour pointed out, consists of several kinds of units. All that Burma asks for is freedom of choice without any threats being uttered at this stage. She asks that she may be treated as a peculiar kind of unit, if such terms can be meted out to her. The Indian National Congress has given Burma the right to secede from the Federation without disclosing any reason. Even if such a concession should be granted to Burma by the Indian Federation, I can assure my Honourable friends that we shall not exercise the right to secede without pondering over the consequences, and in our deliberations we shall have the assistance of our Indian brethren. No unit can afford to leave any kind of Federation without assigning any reason. That, Sir, is the Burmese attitude. Burma wants to be bound to the other units of the Indian Federation by a silken cord and not by heavy chains. (Applause.)

**An Honourable Member:** I move that the question be now put.

**Mr. President:** The question is that the question be now put.

The motion was adopted.

**The Honourable Sir George Rainy:** Sir, the speech to which I listened 4 P.M. with the greatest interest today was the speech of the Leader of the Nationalist Party, and for this reason, that it became evident early in his speech that his zeal for social reform carried him so far that even to contemplate a political alliance without the possibility of a divorce was almost more than he could bear. I had hoped that perhaps he would have developed that aspect of the subject, but he passed from it very early and I was a little disappointed. Now, Sir, my Honourable friend Mr. Munshi in his opening speech put his case somewhat ingenuously. He read to us the statement of the Prime Minister—"In this connection it should be remembered that if an Indian Federation is established, it cannot be on the basis that Members can leave it as and when they choose". Then, he went on to say that the interpretation he would ask

[Sir George Rainy.]

the House to place on those words was that Burma was to be free to leave the Federation if and when she wished to do so. I think that is an ingenuous way of putting it, for it is very difficult to put that construction upon the words, and I do not think any subsequent speaker has supported that particular line of argument. My Honourable friend Mr. Mody, for example, made it quite plain as soon as he rose, that he, at any rate, realised that when a Federation was once formed, it could not be broken up without some kind of mutual consent of the component parts. The last speaker, also, made a quite clear that he too fully appreciated that point. But what I think the Honourable the Mover, Mr. Munshi, laid most stress on was this, that he saw some difference or distinction between what was said by the Prime Minister and what was said by His Excellency Sir Charles Innes, and he advanced the view that a strained interpretation had been put upon the Prime Minister's words by the latter, and that something like a threat was being held over the heads of the people of Burma. On that point, I cannot for one moment agree. I have read with the utmost care every word of the speeches of His Excellency Sir Charles Innes delivered on these subjects and I can find nothing in them that departs from what clearly and obviously underlay the words of the Prime Minister. The speeches are not the speeches of an advocate; they are the speeches of a judge summing up a case for the jury, and putting before them to the best of his ability all relevant considerations.

Now, Sir, a great deal has been said on the question, whether it is fair to impose upon any country a condition that once she enters a union or federation it must be for all eternity, with no possibility of withdrawal. I am not aware that anybody has said that yet and therefore it is a somewhat hypothetical question. But at least this much may be said that when federations are formed, the teaching of history shows that either they tend very rapidly to break up or that if they once consolidate, the business of secession or separation is a very formidable one indeed. I do not think the example chosen by my Honourable friend Mr. Mody was an altogether happy one if we remember the years of misery and horror that preceded the separation by mutual consent between the Free State of Ireland and the United Kingdom. And when I recall the fact that a number of the States who were original members of the American Union believed that the right of secession was guaranteed to them under the constitution, and when I recall the civil war to which that belief led, it is obvious that there are very serious considerations to be taken into account. And I was a little surprised when I detected, as I thought I did, in some of the speeches on the other side a tendency to speak somewhat light-heartedly on the question of what secession from a federation might mean. It is not a thing to be lightly undertaken and I should look forward with the very gravest apprehension to the future of any Indian Federation, if it appeared that the members were joining under any impression that a decision once taken could be recalled except for overwhelmingly strong reasons, or that it would be possible to arrange for a separation except after very full discussion in which every member of the Federation would be interested. Now, Sir, the way I should be inclined to put it is this: it is one thing to go into a federation on the basis that, if after a full trial the conditions are found to be absolutely intolerable then perhaps by mutual consent separation may be possible. That is one thing; and it is

quite a different thing to enter the federation with the underlying thought that after all it will be quite easy to leave it as soon as it suits us. I think any sort of action of that kind—entrance into the Federation with the feeling that it does not mean very much, and that it will be possible to get away without much difficulty, would be very dangerous to the future of the Federation itself and would be quite unworthy of any self-respecting country. I do not believe that the electors of Burma will proceed on that basis. As I have already said, I can find nothing in the speeches of His Excellency Sir Charles Innes which departs from what was said by the Prime Minister or puts anything but a fair interpretation on his words. Nor can I find in the speeches any semblance of a threat or anything more than a definite desire to state clearly for the guidance of the electors before they came to a decision what the issues were and how serious they were.

**Sir Abdur Rahim:** Sir, may I ask a question? Is what the Prime Minister has said to be interpreted as a condition as regards the choice that is given to the electors of Burma?

**Sir Hari Singh Gour:** The question I should like to ask is this. Is that condition general to all federating units or special to Burma?

**The Honourable Sir George Rainy:** It is not for me to give an authoritative interpretation of the Prime Minister's words, but to speak of laying down conditions, does not seem to me the natural language to use about this point.

**Mr. Jehangir K. Munshi:** Sir, before I proceed to reply, may I have one inquiry answered more definitely by the Honourable the Leader of the House? Are the Government of India anxious that Burma should have a free choice and unfettered election over this issue or not?

**The Honourable Sir George Rainy:** His Majesty's Government have made their desire perfectly plain, and what I have said in reply to the Honourable the Mover is that I can find nothing in His Excellency Sir Charles Innes' speeches which would interfere with a free choice.

**Mr. Jehangir K. Munshi:** I am obliged to the Honourable the Leader of the House for making the position of the Government of India clear. I hope now Burma will take it clearly from the Government of India, that so far as the Government of India are concerned, they are most anxious that Burma should have a free and unfettered choice at the ensuing election in October or November. We have this further message which the Leader of the House now gives to Burma on behalf of the Government of India, that the Government of India will not be a party to any action anywhere in Burma which would in any way unfairly or improperly fetter that free choice.

**The Honourable Sir George Rainy:** Why does the Honourable Member assume that there is any authority in Burma that is going to take unfair action?

**Mr. Jehangir K. Munshi:** I did not use the word "authority". All that I said was that we felt justified in giving a message to the people of Burma from the Government of India that so far as they are concerned they will see that nothing will be done in Burma . . . . .

**The Honourable Sir George Rainy:** Sir, I must object to the Honourable Member putting words in the mouth of the Government of India. We are ready to be judged by what is said from these Benches but not by what the Honourable Member chooses to say from his Bench.

**Mr. Jehangir K. Munshi:** Sir, I am puzzled by this last utterance of the Leader of the House. Is it the position of the Government of India that they would approve of Burma's choice being fettered in any way?

**The Honourable Sir George Rainy:** I have nothing to add to what I have already said.

**Mr. Jehangir K. Munshi:** In view of the fact that no answer is forthcoming to this question, my interpretation is the correct one, that the Government of India are a fair-minded Government and that they will not be a party to any improper fettering of Burma's free choice.

As regards the interpretation placed by my Honourable friend, Sir George Rainy, on the passage appearing in His Excellency Sir Charles Innes' address, if that is the correct interpretation, then Burma should have no grievance, and I for one would like very much to accept that interpretation. But whether Sir George Rainy's interpretation is the correct one or the interpretation of myself and my Honourable friend, U Kyaw Myint, is the correct one, Burma has now got this much to congratulate herself upon, that the Government of India have so far seen nothing either in the Prime Minister's announcement or in the Governor of Burma's address to the Council to justify Burma in thinking that any restriction is imposed on her or that her choice is fettered in any way. So to that extent my object is served.

Now, Sir, I have tried to make it clear,—I am sorry I have not succeeded so far as my Honourable friend Sir George Rainy is concerned—that my object is not to censure the Government of India. My only object is to have it made clear that Burma should have a free and unfettered choice at the election. On this point the Government of India are in complete agreement with me; on this point every section of the House and every speaker, except my Honourable friend, Mr. Tait, has been in agreement with me. So all that remains for me to do—it is getting very late—is to deal briefly with my Honourable friend, Mr. Tait.

I think it was most unfortunate that Mr. Tait should have advanced as an argument against my motion the fact that there was a riot in Rangoon about two years ago, and that in the course of the riot, which lasted for two or three days, anti-Indian feeling was displayed. My friend, U Kyaw Myint, has dealt with it. Nobody can deny that there was anti-Indian feeling in Rangoon during those two or three days. But what object has Mr. Tait served by raking up this unpleasant incident? Is Mr. Tait trying to suggest that the feeling of Burmans is only anti-Indian and not anti-British? I would rather not have referred to this at all, but Mr. Tait has forced my hand. Mr. Tait is shaking his head as a protest against my remark. I wonder if my Honourable friend Mr. Tait believes that the rebellion which lasted in Burma for more than eight months, a rebellion directed to overthrow the British Government, was a game—a little harmless game played between Burmans and their brother Britons. (Laughter and Cheers.) Since we have been referred to anti-Indian feeling, I hope Mr. Tait will remember that the volume of feeling in Burma



against the British element is more intense than the feeling against Indians now or at any time before; and in proof of that I am not merely pointing to a riot which started between two sets of labourers and continued for two or three days, but to a rebellion which lasted for about a year and cost the Government of India 27 lakhs of rupees—a rebellion directed against the British Crown and against the British race. I would not have brought this in, but my Honourable friend Mr. Tait has forced me to do so.

With regard to Mr. Tait's claim that the European community in Burma has not taken any side or any part in the separation controversy, I have been amazed at this claim. There are two British owned and British edited journals in Burma, which in season and out of season for the past three years have been attacking the Government of India, not because they want to attack the Government of India as such, but because they want to show to the people of Burma that unless they remove themselves from the control and domination of the Government of India, they can expect no justice or fair treatment from the Government of India . . . . .

**Mr. John Tait:** May I remind the Honourable gentleman that what I said referred, as I specifically said, to the British mercantile community of Burma, not to the Press?

**Mr. Jehangir K. Munshi:** May I inquire if the proprietors of the *Rangoon Times* and the *Rangoon Gazette* are not members of the Burma Chamber of Commerce?

**Mr. John Tait:** I submit that that has nothing to do with the question.

**Mr. Jehangir K. Munshi:** Is it denied that they belong to the European mercantile community? The European mercantile community in Burma consists mainly of the Burma Chamber of Commerce, of which, so far as I am aware, the proprietors of these two papers are either members or eligible to be members; and Mr. Tait has not contradicted that. And is there a further implication underlying Mr. Tait's remark that the European community in Burma has not taken part in this controversy, an implication that the Indian community has? Is that Mr. Tait's implication?

**Mr. President** (The Honourable Sir Ibrahim Rahimtoola): Please go on with your observations.

**Mr. Jehangir K. Munshi:** Very well, Sir. So far as my object is concerned, it has been served by every section of the House endorsing the view that no threat should be held out to Burma, and that Burma should have an unfettered choice; and in particular I wish to express my keen appreciation of the attitude taken up by my Honourable friend, Mr. Arthur Moore; I have no hesitation in assuring my Honourable friend Mr. Arthur Moore that the attitude which he has taken up to-day on behalf of the European Group in this House will go a long way to assuage public feeling in Burma which cannot possibly be pleased with the attitude taken up by Mr. Tait. Under the circumstances, my object having been served, I do not wish to pursue the matter further, more particularly so as I have not the slightest desire to censure the Government of India. I therefore ask for leave to withdraw the motion. (Applause.)

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

*Improper Interference by the Secretary of State in the Financial Affairs of India.*

**Mr. N. N. Anklesaria** (Bombay Northern Division: Non-Muhammadan Rural): Sir, I beg to move:

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

The other day, my friend Mr. Munshi gave us a tall story about two ping pong balls to be given to the Bengal detenus. I think if my Honourable friend had drawn a little further on his imagination he would have been able to tell us something about the battle royal which was waged between the Finance Member of the Government of India and the Finance Minister of the Government of Bengal and the Finance Minister of the Government of Burma, and the final decision on that contest of the Secretary of State for India. He would have told us that after my friend Mr. Arthur Moore had decided as to what exactly was the price of the two ping pong balls the question as required by the orders and instructions of the Secretary of State, arose as to who should pay the price of those balls: the Government of India or the Government of Bengal or the Government of Burma; and the whole question as required by the orders and instructions of the Secretary of State was referred to the Secretary of State for India and he said, "Well, the Finance Member of the Government of India has been treating me with little courtesy, and this time I shall decide against him and it is the central Government who are to pay the price of the ping pong balls". It is possible that I have rather overdrawn the picture of the absurd meticulousness with which the Secretary of State interferes in matters purely Indian. But that he does do so will be readily apparent if I refer you to the report of the Acworth Committee and read to you a few instances of the absurdly meticulous interference of the Secretary of State for India in matters purely Indian. On page 43 of the report in paragraph 126, the Acworth Committee say as follows:

"We have had an opportunity of perusing the despatches and the cable messages on railway subjects exchanged between the India Office and the Government of India in January 1920. They are numerous. They are voluminous and not a few of them are concerned with quite petty details. We have found for instance despatches addressed by the Secretary of State to the Viceroy in full official form dealing with matters such as the following:

'Despatch No. 7 of 1920, sanctioning gratuity to a travelling inspector of accounts of an amount proposed in the Government of India, Finance Department Despatch No. 446 of 6th November 1919.

Despatch No. 11 of 1920: reporting re-engagement of an engine driver as result of correspondence ending with a cablegram from the Government of India.

Despatch No. 2 of 1921: Sanctioning payment of a pension of Rs. 100 per month (say 80£ per annum) to the widow of an engine driver killed in an accident'."

These are some of the instances of the absurd meticulousness of the interference of the Secretary of State for India in petty matters. Last session we found to our very painful surprise the interference of the Secretary of State in matters purely Indian, of supreme importance to the interests of India. I refer, Sir, to the interference of the Secretary of State for India in regard to the financial and currency position of India when England went off the gold standard. Sir, the pronouncement of Mr. Montagu and the other British politicians with regard to the constitutional future of India were no doubt very large and very liberal, but what does the Government of India Act disclose? If you refer to that Act, you find that section 124 of

that Act gives a despotic power to the Secretary of State for India, in fact it provides that anybody no matter who he is, whether he be the Governor General or any other person holding office under the Crown in India who does not carry out the instructions of the Secretary of State for India commits a misdemeanour punishable with fine, the amount of which is left indefinite and punishable by a term of imprisonment which may extend from 10 months to 10 years or to an indefinite period. That is the position of the Government of India *vis-à-vis* the Secretary of State for India. The object of my motion is, therefore, to bring this peculiar position of our Government to the notice of the British Cabinet so that the recommendation made by the Joint Select Committee may be given effect to in time. Sir, I do not propose to enter at any great length into the constitutional questions, because the time at my disposal is very limited. However, I would just like to read the statement of India's case as regards the relations of India *vis-à-vis* the Secretary of State for India at page 11 of the Joint Select Committee's Report. I read those remarks, because I have come to feel that those remarks have been greatly misunderstood till now. This is what is stated there:

"The Committee have given their most careful consideration to the relations of the Secretary of State with the Government of India, and through it with the provincial governments. In the relations of the Secretary of State with the Governor General in Council the Committee are not of opinion that any statutory change can be made so long as the Governor General remains responsible to Parliament, but in practice the conventions which now govern the relations may wisely be modified to meet fresh circumstances caused by the creation of a Legislative Assembly with an elected majority".

I pause here to point out that the conventions here recommended are not confined to mere fiscal conventions. They embrace all relations of the Secretary of State with the Government of India, and the generality and the extent of this recommendation is emphasised by the Select Committee by mentioning the special case of what is now known as the fiscal autonomy convention. They say:

"This examination of the general proposition"—mark the word "general"—"leads inevitably to the consideration of one special case of non-intervention. Nothing is more likely to endanger the good relations between India and Great Britain than a belief that India's fiscal policy is dictated from Whitehall in the interests of the trade of Great Britain. That such a belief exists at the present moment there can be no doubt. There ought to be no room for it in the future is equally clear".

By these words the Joint Select Committee emphasised the generality of their recommendation as regards the creation of conventions in all relations between the Secretary of State and the Government of India, and I say the attempt to restrict these words to the creation of one solitary convention about the fiscal autonomy of India, I think, is not supported by these words in the Select Committee's Report. Sir, the existence of far-reaching control of the Secretary of State for India on the finances of India is a defect which very much detracts from the value of the reforms granted by the Act of 1919, because it is well known that a national Government which has no control over the national purse will be a national Government in name only. Now, what then is the remedy, it may be asked? How can you remove that defect from the financial system of India? The answer has been given by the Select Committee themselves and also by your illustrious predecessor the Honourable Mr. Vithalbhai Patel. The remarks are reproduced in this book, "Decisions from the Chair". At page 310, long extracts are given of the debate

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which took place in connection with the fiscal autonomy convention, and towards the end Mr. Patel says :

" I agree that real fiscal autonomy is possible even under the existing constitution ", that is at page 318 :

" If the decision on fiscal measures is left to the vote of the non-official Members and such decision is regarded as binding on the Executive : but this can be done by a convention and not by a ruling of the Chair."

I trust, Sir, that if the present motion evokes any sympathetic response from the Government of India, we may all see our way to help in establishing such a convention as mentioned by Mr. Patel. But the matter does not and cannot lie with the Government of India alone, by themselves they can do nothing. It is the Secretary of State whose help is primarily required in establishing the conventions.

Sir, it may be said that the Round Table Conference is sitting and that they would be able to settle this question once for all. In spite of the certificate which my Honourable friend Sir Henry Gidney gave to the delegates of the Round Table Conference, I do with great respect to my friends here venture to say that, so far as the Indian delegates are concerned, they have been bungling the affairs of India all through in the Conference. My Honourable friend Dr. DeSouza talked of two monsters—the Minorities Pact and the Federation idea. I think my Honourable friend was a bit unjust to the Round Table wallahs with regard to the first monster. Sir Henry Gidney has authorised me to tell this House that he is the real father of that monstrosity and not the other delegates of the Round Table Conference. (Laughter.)

**Mr. H. P. Mody:** What can you expect from such a parentage?

**Mr. N. N. Anklesaria:** My Honourable friend Dr. DeSouza forgot to mention the very long list of monstrosities which are called "safeguards" in the proposals of the Round Table Conference. Sir, if time permitted, I would have dilated on that topic, but it is enough for me to say that the bantering tone assumed by my Honourable friend, Sir Cowasji Jehangir, while criticising my esteemed friend Sir Hari Singh Gour's arguments, was absolutely misplaced as he would find if he would only read the debates of the Round Table Conference with impartiality and judgment.

I shall conclude my remarks with recounting to the House what was said during the French revolutionary period by a leader of the popular representatives in the National Assembly of France. In 1788 the rights and privileges of the popular representatives in the National Assembly having been invaded and trampled upon by the Nobility, one of the leaders of the popular representatives wrote a pamphlet in which he proposed three questions and answered them himself. He asked, "What is the third estate, composed of the popular representatives?" (corresponding to this Honourable House). The answer was, "The third estate is everything". The second question he asked was, "How has the third estate been treated up till now?" The answer was, "As nothing". The third question was, "What does the third estate ask for?" The answer was, "To be something". I would ask the Government of India and the Secretary of State these questions as regards this House. I ask, what is this Assembly?

This Assembly is everything. This Assembly is the parliament of India. (Ironical laughter from the Opposition Benches.) How has this Assembly been treated up till now? As absolutely nothing. How does it want now to be treated? As something. If these remarks have any effect on the Secretary of State and if he condescends to help in the establishment of the conventions recommended by the Joint Select Committee, I think my words in the present debate will not have been wasted.

**Mr. B. Sitaramaraju:** I rise to support the motion moved by my Honourable friend Mr. Anklesaria. In doing so, I do not propose to say more than a few words at this late hour. The Secretary of State is the great Moghul at Whitehall. He has in the Government of India here his imperial *harem*. What passes behind the *pardah* we do not know, but all that we do know is this, that the Secretary of State is an autocrat of autocrats, and the *begums* here have not got any more control than any *begum* ever had in an imperial *harem*. As an instance in point, we had here a few months ago the linking of the rupee with sterling. Honourable Members are fully aware that the first impulse of the Honourable the Finance Member on that occasion was to stand by the best interests of this country and do what was right for the occasion. But soon came the imperial *firman* which set at nought the action of the Finance Member and we were asked to take a different course altogether. On that occasion the House by a large majority passed a Resolution condemning that action of the Secretary of State. Notwithstanding the unanimous voice of the elected representatives of the people in this House, notwithstanding the experience of the Finance Member, the great Moghul issued his *firman* and we had to obey. It is absurd that in the 20th century there could be a person of the position of a Secretary of State with power only equal to or next to that of the Czar of all Russia, who could override the best advice of his Ministers who are in daily touch with the administration of the country. Except on one occasion, there was no other occasion when a Secretary of State for India has ever visited these shores. Sir, his knowledge of this country would ordinarily be, that this is a land of hot sun, big snakes and troublesome natives. Beyond that, whether he has any other knowledge it is very difficult to say, except that which he gathers from the official despatches of the Government of India if he finds time from his Home politics to read them, and also that which he gathers from his Council of retired civilians, who are always anxious to maintain their own privileges and fight against every attempt of the people of this country, as they consider that all attempts at establishing responsible government in this country would be an invasion of their cherished privileges—accept the advice which such Ministers give him. With that advice and that knowledge, that gentleman, sitting 6,000 miles away, dictates to us as to what is to be done and what is not to be done without our say in the matter. Therefore, I say that his power of superintendence, direction and control, by which he expects obedience to his orders by the Government of India, is in this age absurd and should not be allowed by any civilised community to continue without relaxation. It is a negation of that promise which was held out in the declaration of 1917—a gradual relaxation of the control of the Secretary of State and a gradual admittance of the people of this country to a share in the administration. I fully sympathise with the Honourable the Finance Member in these matters, because he has to come before this House and face the representatives of the people here and he has to satisfy them, but all the time he knows

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full well that he has got to carry out the orders of somebody else and not his own. Our wishes in this House count for nothing.

**The Honourable Sir George Schuster** (Finance Member): Sir, I refrained from raising a point of order on this particular motion because I knew and appreciated the basis on which these debates had been arranged. But I think, Sir, it is little hard that any one in this Assembly should suggest that the Executive Council should sacrifice Rs. 100 from their very exiguous travelling allowance, on the ostensible ground of improper interference with its activities by an authority which, as my Honourable and learned friend the Mover has reminded us, has powers to subject the members of that Council to penalties which may extend to an unlimited fine and even unlimited imprisonment. I take it however that you Sir, have satisfied yourself on this point and that it is in order that on the vote of the Executive Council a question of this kind should be raised.

**Mr. President** (The Honourable Sir Ibrahim Rahimtoola): If the Honourable Member had raised a point of order, the Chair would have dealt with it. If the Honourable Member so wishes, he can raise it even now.

**The Honourable Sir George Schuster**: I must proceed on the assumption that I am too late. I think the House will hardly expect from me any attempt to deal seriously with this motion at this late hour. If I might sum up my feelings about its subject, leaving aside the graver issues which underlie it, I would say that my Honourable friend has been perhaps rather unfortunate in the time at which he has raised it. In the first place, he started by quoting examples of what he regards as improper interference, examples from a report written on conditions which prevailed in the year 1920. I may inform my Honourable friend that the practice he referred to in the Acworth Committee's report has since been entirely changed, and that a very large measure of discretion in dealing with matters of that kind has been accorded to the authorities in India, so that his remarks based on those particular examples hardly apply to the conditions which exist to-day. That, Sir, is as regards the past; but if we look at the matter the other way round, I think it is perhaps hardly appropriate that a motion of this kind, complaining of the conditions which exist under the present constitution, should be brought forward just on the eve of constitutional changes to which we are all looking forward in the near future. I suggest to my Honourable friend that his scepticism about the possible results of the Round Table Conference, and of the other machinery by which the new constitution is now being planned and discussed, that scepticism is hardly justified. Indeed I can hardly imagine a more unfortunate moment to have raised this question than at half past four of the clock on a very hot day in Delhi in the year 1932, when we are all looking forward to great changes in the present constitutional state of affairs to be introduced in 1933.

I have only one more subject on which I must touch because reference has been made to my personal actions in connection with certain incidents. It is surprising to me that Honourable Members in this House should state with absolute assurance that they are fully aware of what are the hidden motives which operate within my own heart, or what have been my intentions, secret and never disclosed, but apparently very well known to

all Honourable Members of this House with one single exception and that is myself. Honourable Members have persistently, if I may say so, misinterpreted the action which the Government of India took on the 21st September of last year, and as the incident has been referred to, I must take this opportunity of contradicting that interpretation and refuting all the arguments which are based upon it.

That, Sir, is I think all I need say upon that particular subject. I venture to put it to my Honourable friend that in the existing very difficult situation we are carrying on in co-operation with a certain amount of mutual satisfaction, and that even in the current session we have had before us very important practical examples of the result of that co-operation. So that when my Honourable friend the Mover puts forward a very eloquent appeal that this Assembly should be treated as "something", I think we can truthfully say that both in our actions and in our intentions we respond to that appeal.

**Mr. N. N. Anklesaria:** In view of what has fallen from the Honourable the Finance Member, I beg leave to withdraw my motion.

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

The Assembly then adjourned till Eleven of the Clock on Friday, the 18th March, 1932.