

Monday, 20th April, 1936

# THE COUNCIL OF STATE DEBATES

VOLUME I, 1936

*(15th February to 25th April, 1936)*

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## ELEVENTH SESSION OF THE THIRD COUNCIL OF STATE, 1936



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# COUNCIL OF STATE.

Monday, 20th April, 1936.

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

## QUESTIONS AND ANSWERS.

### EXTENSION OF THE MYSORE-CHAMRAJNAGAR RAILWAY TO SATYAMANGALAM.

182. THE HONOURABLE MR. V. C. VELLINGIRI GOUNDER: (a) Will Government be pleased to state, at what stage the proposal stands of extending the Mysore-Chamrajnagar Railway to Satyamangalam and of making thence a through connection to the southern districts of Madras?

(b) Did the traffic and engineering surveys made several years back regarding this railway extension show a fair return of income?

(c) Is this proposed extension of the railway the only possible short route from Poona to South India?

(d) Has the Madras and Southern Mahratta Railway raised objections to this proposed railway extension? If so, what conclusion have Government come to regarding the objections of the Madras and Southern Mahratta Railway?

THE HONOURABLE SIR GUTHRIE RUSSELL: (a) The Mysore Government have recommended this line being built. The investigations made some years ago are now out of date and further surveys will be necessary before the project can be considered in detail. The Mysore Government have been asked if they are willing to pay for these surveys, but have not yet replied.

(b) No. Allowing for losses to existing lines, the return on the line between Hardanahalli and Satyamangalam was estimated at 1.29 per cent., between Satyamangalam and Palni 2.76 per cent. by direct route, and 4.84 per cent. by Kangyam route, between Satyamangalam and Mettupalaiyam 1.93 per cent. Since these estimates were made there has been a considerable increase in motor traffic in the plains sections, which will certainly reduce the earnings and make the project still less remunerative. Government cannot therefore embark on the project without a guarantee against loss, nor settle the amount of the guarantee without a full investigation including both an engineering and traffic survey.

(c) In point of distance it is shorter than existing routes.

(d) When the project was considered in 1928 the Board of the Madras and Southern Mahratta Railway stated that if the Railway Board were satisfied that the construction was justified they would raise no objection to it.

### REDRESS OF COMMUNAL INEQUALITIES ON THE NORTH WESTERN RAILWAY.

183. THE HONOURABLE MR. HOSSAIN IMAM: Will Government be pleased to state:

(a) Whether the Government of India resolution of July 1934, regarding the redress of communal inequalities, and their supplementary instructions

thereon, lay down definitely that promotions from the inferior services to superior services should be treated as distinctly *new appointments* to superior services? Will Government lay on the table all the supplementary instructions issued by the Home Department in respect of this Resolution?

(b) Whether the Divisional Superintendent of Delhi Division of the North Western Railway has withheld promotion of 40 cleaners to firemen?

(c) Whether the said Divisional Superintendent has put up suggestions against the orders of the Government of India, viz., the said resolution and paragraph 5 of the supplementary instructions thereon that promotions from inferior services to the superior services should not be treated as *new appointments*?

THE HONOURABLE SIR GUTHRIE RUSSELL: (a) As regards the first part of the question, I would invite the Honourable Member's attention to paragraph 5(b) of the "Memorandum of Supplementary Instructions connected with the orders contained in the Government of India, Home Department, Resolution No. F. 14/17-B/33-Ests., dated the 4th July, 1934". As regards the latter part, a copy of the Supplementary Instructions issued by the Home Department was placed in the Library of the House with Railway Board's letter No. E-35-CH-120, dated the 9th August 1935.

(b) and (c) Government are informed that the Divisional Superintendent, Delhi, found certain administrative difficulties in applying the orders of the Railway Board and consequently referred the matter to the Agent by whom it is now being considered.

### STATEMENT LAID ON THE TABLE.

#### COMMERCIAL TREATIES AND NOTES AFFECTING INDIA.

THE HONOURABLE MR. T. A. STEWART (Commerce Secretary): Sir I lay on the table a further list of Commercial Treaties and Notes affecting India.

#### COMMERCIAL TREATIES AND NOTES AFFECTING INDIA.

##### Part I.

The agreement mentioned in this part provides for the grant of most-favoured-nation treatment to the products and manufactures of India on terms of reciprocity.

The Notes exchanged between His Majesty's Government in the United Kingdom and the Egyptian Government provide for the prolongation until February 16, 1937, under the same conditions as previously obtaining, of the Provisional Commercial Agreement concluded between these Governments by the Notes dated the 5th and 7th June, 1930.

Country.	Nature of Agreement.	Description.	Date of Agreement.
Egypt . . .	Notes . . .	Commerce . . .	February 5/11, 1935.
Egypt . . .	Notes . . .	Commerce . . .	February 16, 1936.



*Part II.*

This part refers to the agreement to which India is a party. The Anglo-Muscat Treaty of 1891 was extended up to February 10, 1936. The question of its further extension is under consideration.

Country.	Nature of Agreement.	Description.	Date of Agreement.
Muscat . . . .	Note . . . .	Treaty of Friendship, Commerce and Navigation, 1891.	February 11, 1935.

*Part III.*

This part refers to agreements which have been denounced, the date of denunciation being shown against each. India is a party to the agreements with Brazil and Iran while under the treaty between the United Kingdom and Guatemala products and manufactures of India are granted most-favoured-nation treatment, on terms of reciprocity, excluding special privileges granted by Guatemala solely to any other Central American country.

Country.	Nature and date of Agreement.	Description.	Date of expiry of agreement.
Brazil . . . .	Notes (July 21, 1932)	Commerce . . . .	July 31, 1936.
Guatemala . . . .	Treaty and Notes (February 22, 1928).	Commerce . . . .	August 30, 1936.
Iran (Persia) . . . .	Treaty and Notes (May 10, 1928).	Tariff Autonomy . . . .	May 10, 1936.

## MESSAGES FROM THE LEGISLATIVE ASSEMBLY.

**SECRETARY OF THE COUNCIL :** Sir, two messages have been received from the Secretary of the Legislative Assembly.

First message :

" I am directed to inform you that the Legislative Assembly has, at its meeting held on the 17th April, 1936, agreed without any amendment to the Bill to amend the law relating to marriage and divorce among Parsis which was passed by the Council of State at its meeting held on the 13th March, 1936 "

Second message :

" In accordance with Rule 36 (1) of the Indian Legislative Rules, I am directed to inform you that the amendments made by the Council of State in the Bill to regulate the payment of wages to certain classes of persons employed in industry were taken into consideration by the Legislative Assembly at their meeting held on the 18th April, 1936, and that the Legislative Assembly have agreed to the amendments "

## STANDING ADVISORY COMMITTEE FOR THE INDIAN POSTS AND TELEGRAPHS DEPARTMENT.

**THE HONOURABLE THE PRESIDENT :** The Council will now proceed to elect two non-official Members to serve on the Standing Advisory Committee for the Indian Posts and Telegraphs Department. There are three candidates for two vacancies. Voting papers will be handed round and I ask Honourable Members to vote by striking out the name of the Member for whom they do not wish to vote.

(Honourable Members then recorded their votes.)

## CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

**THE HONOURABLE THE PRESIDENT :** The Council will now proceed to elect six non-official Members to serve on the Central Advisory Council for Railways. Voting papers will be handed round and I ask the Honourable Members to vote in accordance with the instructions noted thereon. I have just been informed that the Honourable Mr. Kalikar and the Honourable Mr. Suhrawardy have withdrawn their candidature.

(Honourable Members then recorded their votes.)

**THE HONOURABLE THE PRESIDENT :** The results of both these elections will be announced later.

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## ITALIAN LOANS AND CREDITS PROHIBITION BILL.

**THE HONOURABLE MR. A. J. RAISMAN** (Government of India : Nominated Official) : Sir, I move :

“That the Bill to prohibit the making of certain loans and credits, as passed by the Legislative Assembly, be taken into consideration”.

I will not detain the House long with an explanation of this measure. Honourable Members are aware of the collective action which was decided on by the League of Nations in order to bring pressure to bear on Italy, which had been declared to be the aggressor in the Italo-Ethiopian dispute. Practically all the countries belonging to the League have adopted what is known as the financial sanction, and it is of course obligatory on India as a signatory to the Covenant of the League of Nations to fulfil its duties under article 16 of that Covenant, which enjoins the severance of financial relations with an aggressor country. As the Legislature was not in session at the time when the League of Nations took this decision, the enforcement of the financial sanctions in India was carried out by an Ordinance of the Governor General. That Ordinance took effect from the 18th November and in the ordinary course, in accordance with the provisions of the Government of India Act, would lapse in six months from that date. As it is unfortunately probable, or at any rate possible, that it will still be necessary to pursue action against Italy after that period, in order to provide for that contingency this Bill has been brought forward to replace the Ordinance. The scope of the Bill is indicated in clause 2. Briefly, it prohibits the granting of loans or credits to (1) the Italian Government, (2) any person resident in Italian territory and (3) any body corporate wherever resident which is incorporated under the law of Italy. I may perhaps add that it does not prohibit remittances to or other banking business with Italy or Italian territories or Italian bodies corporate, unless such remittances involve the grant of credit in any form.

The only other feature of the Bill to which I may perhaps draw attention is clause 6, under which the Governor General in Council may by notification declare that with effect from a certain date the Act will cease to be in operation, so that, if the necessity for this measure should cease during a time when the Legislature is not in session, the repeal of the Act could be carried out by notifications.

Sir, I commend this measure to the House,

THE HONOURABLE MR. SATYENDRA CHANDRA GHOSH MAULIK (West Bengal : Non-Muhammadan) : Sir, much as I would like not to inflict a long speech on the Members of this House in this trying heat of Delhi, I feel at the same time that before Honourable Members put their hallmark on this Bill, they should be acquainted with a few facts which have a great bearing on the Bill before us. This Bill reproduces, as has been pointed out by the Honourable Mr. Raisman, an Ordinance which was issued on the 18th of November, 1935, and would therefore expire on the 18th May, 1936. It has already received support in another place and it is now for us to put an stamp on it. But, Sir, in view of recent events, is not the Bill unnecessary and belated ? The dilatory tactics of the League of Nations, preceded by the embargo on the exportation of arms into the belligerent countries, have helped Italy to rout the Abyssinian Army and to put His Majesty the Negus to flight. He is in the same plight today as Humayun but without a friendly King of Persia to fall back upon. His army is reduced to 5,000, if the Paris correspondent of *L'oeuvre* is to be believed. If not, what does it matter ? It cannot be now more than 50,000. To understand how the embargo had hit Abyssinia more than it affected Italy, you should consider that out of the Abyssinian standing army of 100,000 men, only about 15,000 to 20,000 are fully organised. Of these again only the bodyguard of 2,500 to 7,000 men at Addis Ababa were fully equipped with modern weapons and trained by European instructors. The training is what is known as the "barrack square" type, not very effective against the mechanised systems of today. She had numerous artillery, but her guns were all out of date. Before 1935 for modern warfare she had a few hundred machine guns and about 4½ million rounds of small arm ammunition. In 1935 she received 16,000 Mauser rifles and 600 light machine guns and 5½ million cartridges. Owing to the embargo a consignment of 4,000 rifles and 17 million rounds of ammunition was stopped at Antwerp. Who knows how many consignments were stopped elsewhere ?

The Abyssinian is a brave soldier but vainglorious and has not the patience the skill or the restraint of the Pathan. The Pathan draws the enemy into the wild among the mountains and the chasms and fights the latter on his own terms. His people scatter before bombs from aeroplanes and yet live. The Abyssinian rushes in where the Pathan would hide himself. Moreover the Italians were not likely to derive benefit from the French experience of July, 1933 during the operations on the Beddou mountain in the Atlas. Seven thousand Berbers were opposed to 35,000 French or French-trained troops who were fully equipped and were assisted by a large body of Moroccan mercenaries. Direct attacks with the powerful support of aeroplanes and artillery completely failed. A regular investment had to be undertaken during which one by one, the water springs were brought under fire, till eventually the tribesmen after months of resistance was forced by thirst to surrender. In Abyssinia likewise you heard day after day of the bombing of Ambulance bases and you thought the Swedes, the British and the Belgians tolerated Italian attacks on foreign ambulance brigades. No, Sir. These attacks were directed not against the ambulance camps but against the springs where potable water was available. Add to this Italy with impunity used mustard gas—a thing the use of which in warfare would pass the comprehension of the Abyssinian and fill the stoutest heart amongst them with unknown and uncanny fear. In these circumstances how long could he fight? Certainly not for a month longer—for thirst and privation will not have left sufficient courage or strength in him ever to carry on a guerilla warfare. Why then pass this mockery of a Bill ?

[Mr. Satyendra Chandra Ghosh Maulik.]

Sir, the Bill is unnecessary not merely because of what I have stated above but because of the British attitude towards the Italo-Abyssinian question—I was going to say the hypocritical attitude of the British Tory Party—the Bill will never be put into operation if it harms or inconveniences Italy in its war with Abyssinia. I say this, Sir, with the full sense of my responsibility as a Member of this House and with your forbearance I hope to convince the House that the British Tory Party, except for a little bit of stage acting, has been helping Italy all along the line. Sir, so long ago as December, 1934, Abyssinia referred to the League of Nations a gross instance of the violation by Italy of her territorial sovereignty. The League played with the matter and ultimately tried to shelve it by calling for a report not on the incident out of which the reference arose but on the whole question of Italo-Abyssinian relation.

In January, 1935 Laval went to Rome and France and Italy agreed to withdraw their garrisons from the regions where their frontiers marched in the Alps. This would leave France to concentrate on the Rhineland border and Italy on the Abyssinian border. In February Laval went to London. It is difficult to believe that the Franco-Italian agreement of the previous month was not discussed. In March MacDonald, Laval and Mussolini met at Stresa and as the world knows came to an agreement on the Austrian question. Are we to believe, Sir, that no mention of Abyssinia was made at Stresa? That it did not ever crop up in course of conversation? Well, in April Italy began her military preparations and from April to mid-August Italian troopships passed by Malta and through the Suez. The Italian press carried on a vigorous campaign in favour of the war and in their enthusiasm even attacked Britain as perfidious. The world press began a campaign in favour of weak Abyssinia and went on asking what the League was for. So long Britain was supine, if not actively helpful. Now, all of a sudden there was a change of attitude—a change more apparent than real, for in a consideration of the British attitude one must not forget that outside Italy and Germany the only considerable body of admirers of Fascism is the British Tory Party whose only regret is that the Briton will not tolerate Fascism. In France the Trade Unions are powerful and Laval has to depend on them for the stability of his party's ministry. In England only the Labour Party receives its support from Trade Unions. Trade Unionism and Fascism are diametrically opposed to each other. While therefore the French ministry has to keep up a show of antifascism the Tory ministry in Britain is under no such limitation. But even the Tory ministry with a general election ahead has to placate the people and especially those who are likely to be voters. The eyes of the Tories opened to the feeling amongst the British masses in an unexpected way. In early summer the League of Nations Union organised a Peace Ballot. The promoters expected two or three millions would respond. As a matter of fact 11½ millions voted and they overwhelmingly voted for the League. Of these more than 6,700,000 voted for the employment of sanctions, not merely economical and financial but also military and naval to restrain a country guilty of wilful aggression. Now, Sir, on the eve of a general election could any ministry ignore the verdict of the country recorded in such authentic manner? Stanley Baldwin was caught, but was found equal to the situation. He sent Anthony Eden to Rome. He thought a whisper to Mussolini would make him retreat. But he had manoeuvred himself into such a position that the retreat was impossible because of the catastrophic consequences to himself and the Fascist Party. Sir, Anthony Eden returned unsuccessful. Sir Samuel Hoare was then sent to Geneva and for the first time

Britain invoked the League—not because Britain developed a love for the League.

**THE HONOURABLE KUNWAR SIR JAGDISH PRASAD** (Leader of the House): Sir, this is a very interesting discourse on party politics in England but I do not quite see how it is relevant to this particular Bill and how the Government of India can possibly reply or how we can carry on a serious debate on the politics of the British Government. If the policy of the Government of India was attacked, we could possibly defend it.

**THE HONOURABLE THE PRESIDENT:** You are perfectly right, but I was waiting to see where the Honourable Member was drifting.

**THE HONOURABLE RAJA GHAZANFAR ALI KHAN:** Sir, may I submit in this connection that in the Preamble of this Bill it is clearly stated that we are asked to pass this Bill under the instructions of and in accordance with the wishes of the League of Nations and as long as this is in the Preamble of the Bill it will be perfectly relevant to criticise the conduct of the League of Nations in relation to the Italo-Abyssinian War.

**THE HONOURABLE THE PRESIDENT:** I quite see that. You may refer to the action of the League of Nations but do not talk about the British Parliament.

**THE HONOURABLE MR. SATYENDRA CHANDRA GHOSH MAULIK:** Sir, what I was going to submit was that the British policy has a good deal to do with the Bill before us and as such I think, Sir, we are entitled to discuss how it was brought about.

Only a few years ago Austen Chamberlain had boasted that if he were compelled to choose between the elder, smaller and the younger, bigger of the two League of Nations that there were in this world of ours, he would elect for the former,—the British Commonwealth of Nations. The League was invoked because its procedure was so cumbrous, so dilatory, that before it could move effectively Italy would succeed in removing Abyssinia from the League of Nations—the only black spot on the League landscape. To create an impression on the British electors the most formidable naval demonstration in post-war history was staged. Warships were ostentatiously stretched across the harbours of Malta and Gibraltar. The Italians have proved themselves skilful and daring aviators and are possessed of a well equipped air force. Why risk the life line of British imperial communications which runs by Gibraltar, Malta and Suez to India and Australia? Send the matter to the League and before the League can do anything effective there will be no Abyssinia to protect! And the only other Power which could really move the League to great activity was France. M. Talleyrand once remarked:

“England and France are as natural allies as the man and the horse, but I wonder why France should always be the horse”!

Sir, we have miserably failed Abyssinia. Let us not be hypocrites. Acknowledge that it has been so. Do not add insult to injury. Well might Abyssinia say what the mercantile deputation from Bordeaux, when asked by Louis XIV what should be done to advance their interests, said: “Sire, let us alone”!

THE HONOURABLE SIR DAVID DEVADOSS (Nominated : Indian Christians) : Sir, I do not want to go into high politics. So far as this Bill is concerned, some apprehension was expressed in another place that it would prevent our premiums being paid to Italian insurance companies. But on a careful reading of this Bill I do not think that any person who insured his life with an Italian company would be held liable under the penal provisions of the Act for remitting his premiums. Even if the Governor General in Council does not declare certain corporations to be humanitarian or religious, if a contract had been entered into before the 18th day of November, 1935, I think one is bound to fulfil it. As regards the very interesting question raised by my Honourable friend, Mr. Ghosh Maulik, there is, as he said, no doubt that all reasonable persons think that the attack on Abyssinia was an unprovoked one and as a Christian I feel ashamed to think that a Christian nation should have done this thing. As regards the League of Nations, we regard that as dead.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern : Non-Muhammadian) : Mr. President, the League of Nations was the one solid contribution of the Peace of Versailles. That peace was not the clean peace for which the Allies had fought and struggled and if we were to review the international situation we should probably come to the conclusion that all our troubles have been due to that peace, which was dominated not by the spirit of Wilson but by the spirit of Clemenceau. It was a peace which weakened the forces of liberal and social democracy in Germany, which is responsible for the rise of Nazism in Germany and which is responsible for the rise of Fascism and the present regime in Italy. Italian Imperialism is now finding expression in the Italo-Abyssinian dispute. In this struggle, Sir, the sympathies of the millions in India, people who are struggling for freedom in their own land, is wholly with the Abyssinians. It is to us a matter for deep sorrow that the Italians are getting the upper hand in Abyssinia today. We in this country know, Sir, what it is to lose one's independence, though, fortunately, we happen to be associated with the wisest of all the Imperial Powers. The British Commonwealth, however, is now thinking in new terms and moving—perhaps too slowly—to a new order based on equality and freedom for all the component parts of it, whether white, brown or black. Italian Fascism is, however, very different. Recent events have very much affected the prestige of the League. It was a quiet spectator of Japanese aggression in Manchuria. It allows Japan even today to have a free hand in Manchuria. And after its record in this Japanese-Chinese dispute it would have been fatal if it had allowed Abyssinia to be swallowed up without some concerted action. The whole system of collective security would have broken down if the League had not intervened. There were two alternatives before the League if the system of collective security was to be maintained. Either it could have applied economic and financial sanctions or it could have applied military sanctions. If it had applied military sanctions, then I think the League would have been false to the very ideals which it is its duty to uphold. The League is a league for the maintenance of peace in the world and it would not have been proper for the League to apply military sanctions. Let us examine what military sanctions would have meant. They would have meant a world war with all the consequences that a world war would have for the whole of our civilisation. Therefore, the League had no other alternative but to apply economic sanctions. It could have sat still but that would not have been proper. The only alternative before it was to apply economic sanctions and I am not prepared to criticise the League for the attitude that it has taken up in regard to the Italo-Abyssinian dispute. I deeply sympathise

with Abyssinia, but at the same time as one who thoroughly hates war, who would not fight even if he could fight, I do not see how we in this country can ask for military sanctions to be applied by the League. Unfortunately, the sanctions are proving ineffective. It looks as if Italy is going to have the better of Abyssinia and it is doubtful if the League of Nations will be able effectively to intervene, when the terms of peace are settled between Italy and Abyssinia. Anyway, if it does anything more, then it probably means war, and for war, I at any rate am not prepared. I do not therefore see that there is any other alternative before the League but to go on with the policy which it has been following so far. It might be possible, however, to strengthen these economic and financial sanctions, and if the oil sanction had been applied from the very beginning, possibly the position in regard to Abyssinia would have been better. There again, I do not think that on a fair view, the British statesmen can be blamed in this matter. It is really the vacillating policy of France which wants to maintain the Italian-Franco pact which is responsible for the fact that sanctions have not been as effective as they should have been or might have been. I feel that if Italy wins, Fascism triumphs, and that will be disastrous for the world. It will be disastrous not only for the European world; it will be disastrous not only for democracy and all that democracy has stood for during the last 120 years or so since the days of the French Revolution; it will be disastrous for India, it will be disastrous for other Asiatic countries also, countries which are struggling to be free, because it will show that force can triumph over right, that force can triumph over justice; it will show that an Imperial power, well organised and well disciplined, can ride ruthlessly over weak and ineffective peoples.

**THE HONOURABLE RAJA GHAZANFAR ALI KHAN:** What practical remedy do you suggest?

**THE HONOURABLE MR. P. N. SAPRU:** I have no practical remedy to suggest except to apply these sanctions with greater vigour, to go forward with this policy of applying economic and financial sanctions. Any other policy would result in war, and for war, so far as at any rate I am concerned, I am not prepared, because, my pacifist creed would not allow me to go to war even if I could and even if I felt sure I would win. It is a deep conviction with me that force settles nothing, that force leaves as many problems unsettled as it seems to settle. Therefore, there is this basic difference between those who are in favour of military sanctions and those who are only in favour of economic sanctions. There was certainly one alternative open to us and that was to do nothing, to be quiet spectators of what was happening between Italy and Abyssinia. That would have been cowardly; that would have been wrong; that would have meant that there was no public opinion in the world. Therefore, all that we can do is to rely upon the force of public opinion. Public opinion may not triumph today; public opinion may not triumph tomorrow; but public opinion will triumph the day after tomorrow. Sanctions may not succeed today; they may not succeed tomorrow; but they will succeed the day after tomorrow, because I think that in the world, ultimately justice will triumph over injustice; righteousness will triumph over evil. Believing, as I do, that we are governed by a moral force, that we live in a moral world, I am not prepared to ridicule the policy of economic sanctions which has been applied by the League of Nations. If the League fails, then our civilisation fails. The future of our civilisation is bound up with the League. I do think there are many defects with the League of Nations' organisation. I am not satisfied with the League of Nations' organisation. That organisation cannot be perfect so long as we have subject countries which are trying to

[Mr. P. N. Saprū.]

achieve freedom ; that organisation can never achieve what it is capable of so long as all the component parts of the organisation have not achieved the fullest measure of national freedom. But the organisation is there, and if the organisation disappears, the ideal will also recede into the background. We do not want this ideal of the League of Nations to recede into the background. We want the League of Nations to become an effective instrument for the maintenance of world peace. We want the League of Nations to grow in the fulness of time into a super-State, which will have definite sovereignty over all the States which are part of this League. It is towards this ideal that we must move, and though the League at present is incapable of carrying out this ideal, I am not prepared to say " Do away with the League of Nations ", and that India should have nothing to do with the League. It was a wise thing for the late Mr. Montagu to find for India a place in the League of Nations. I have always valued India's membership of the League of Nations. I know that there is a school of thought in this country which does not believe in India's membership of the League. While I am in agreement with nine-tenths of the programme of this school of thought, I have not been able to agree with that school of thought on this particular point. I think it was a good thing that India became a member of the League of Nations, and I think we should do nothing at this present juncture to weaken the hands of the League. Therefore, after having given the Bill my most careful consideration, I feel it my duty to support it. I would have liked the sanctions to be stronger. I hope that it will still be possible for British statesmen to induce France and some other powers to take a more effective line in regard to Italy. There is just one word more which I should like to say before I conclude. When peace comes to be settled, if the League has any voice in the settlement of that I hope the spirit which will dominate the statesmen will be the spirit which dominated Sir Samuel Hoare first at Geneva, and not later when he was a party to the Hoare-Laval conversations. Sir Samuel Hoare had taken a very idealistic stand at Geneva. Later, for reasons which we have not been able to understand, he underwent a change, and the Laval-Hoare conversations were very disquieting. When the question comes to be settled, if the League has any voice in the settlement of the question, I hope the League will press for a settlement which will assure to Abyssinia complete independence, and which will not divide Abyssinia among the three contending Imperial powers, France, Britain and Italy. I hope, Sir, that British statesmen will be true to the idealistic note which they had been striking in recent months and that they will strive for a settlement which will assure to Abyssinia a position of independence, a position of honour among the comity of nations.

Sir, I support the Bill.

THE HONOURABLE MR. V. V. KALIKAR (Central Provinces : General) :  
 Sir, I had no mind to take part in this debate, but after listening to the speech of my Honourable friend Mr. Saprū I think I should speak out my mind on this subject. My friend Mr. Saprū seems to be idealistic in his views about the sanctions. I do not blame him for that, but I submit that the League of Nations have not done anything to protect Abyssinia from the aggressor, Italy. To some extent I agree with him that military sanctions should not be applied, but I submit that, if by applying economic sanctions they have not been successful, what then is the remedy for saving Abyssinia from Italy ? We are daily reading in the press that this town and that has been taken by Italy ; we are told that the Emperor of Abyssinia has been killed. Does Mr. Saprū suggest that we should go on applying these ineffective sanctions



while the whole of Abyssinia is wiped out by Italy? Sir, I for one do not agree with the views expressed by my friend Mr. Sapru on that point. Sir, if the League of Nations is really powerful enough to establish peace in the world, they ought to have long ago applied oil sanctions and that would have brought down Italy to her knees. They ought to have taken drastic steps to stop Italy from entering Abyssinia. I submit the League of Nations have failed in their duty to establish and to maintain peace in the world.

Then, Sir, I think this is an opportunity for me to speak of the position India enjoys in the League of Nations. I do not disagree with my friend Mr. Sapru and say that India should not have been a member of the League of Nations; but I submit that India must be an independent member of the League of Nations. India wants that she should come into the picture of the League of Nations as a real and independent member and not be guided by the dictates of the authorities in Whitehall. We on this side of the House, Sir, have tabled and discussed Resolutions on various occasions to the effect that our delegations should be headed by Indians and that we should have a voice in all matters decided. But we as a dependent country practically have no voice and have to act according to the dictates of the Secretary of State. I therefore take this opportunity of voicing my protest against this attitude of Whitehall as well as against our inability to speak our minds before the League of Nations as an independent nation.

Sir, I do not want to oppose this Bill. I wholeheartedly give my support to this Bill, but I want to submit that to my mind it appears that these things are too late. In fact the press tells us that Italy is going on with her aggressive methods in capturing Abyssinia, and I do not think any good will come out of it. But, Sir, if there are any other remedies for saving Abyssinia from Italian aggression, I would like to submit that, if possible, those remedies should be taken and Abyssinia should be saved from the grip of Italy.

With these words, Sir, I support the Bill.

\* THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muham-madan) : Mr. President, the Bill before the House is a unique one in that it seeks to do a thing with which every section in India has sympathy. But we consider that it comes too late and that it is an ineffective method of checking Italy. I am sorry that I do not see eye to eye with my colleague Mr. Sapru. In this connection it is interesting to speculate on what might have been. The League of Nations as conceived by President Wilson was an ideal instrument for the settlement of world peace, but the reality which exists at the present moment in Geneva is nothing but a sham and an instrument for the furtherance of the cause of the imperialist powers in Europe. Throughout its career it has singularly failed to implement any of the grand and eloquent promises which were made at its inception. Let us consider what it has done. The Treaty of Lausanne was broken up and nothing was done. There was war in South America between two powers who were members of the League and the League of Nations could not do anything. Then we had the Manchurian adventure of Japan and the League of Nations sent along a delegation which reported, but nothing came of it. Even at the present moment Japan is having a free hand in China without a word of protest being raised by the League of Nations. And the crowning ineffectiveness of the League has been demonstrated by the way in which the Italo-Abyssinian War has been dealt with. Had the Abyssinians known from the

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\* Not corrected by the Honourable Member.

[Mr. Hossain Imam.]

beginning that they could count on no support from outside, I think that they would have compromised with Italy and obtained better terms than they can get now. It is well known that in the fateful days before the Great War, had the German Chancellery known that England would come in against her they would have thought twice before embarking on the war. In the same way, if the Negus had known that he would get no active support from the European powers of the League, he would not have held out as he has. The League of Nations has been the instrument which is sending Abyssinia to its doom. I am tempted to use the word "perfidy", but can two-facedness go further than this, that, while on the one side we prohibited the importation of certain articles to Italy, we gave war materials to Italy, and while we allowed the importation of war materials into Abyssinia, the tragedy was that those materials could not reach the Abyssinians because of the French prohibition of their carriage along the Djibouti railway. At the present moment, Sir, Abyssinia is being sacrificed on the altar of the Franco-Italian pact. And, as if that position was not bad enough, the adventure of Herr Hitler in the Rhineland has further complicated matters and the European politicians have no time now to devote to Abyssinia. All their attention is concentrated on this question of the German occupation of the Rhineland. At the present moment, Sir, this Bill will serve no useful purpose. If I may say so, it is like bolting the doors of the stable after the horse has fled. The war is practically ended and ended with the success of Italy.

**THE HONOURABLE THE PRESIDENT:** The Honourable Mr. Raisman in his opening speech informed you that this Bill only follows the terms of the Ordinance which was issued on the subject and therefore your observations in connection with it are entirely irrelevant. Some action the Government of India had to take at once. They are only sanctifying by legislation what was done before.

**THE HONOURABLE MR. HOSSAIN IMAM:** An Ordinance has a life of six months and by the time the six months expire most probably the war will also be ended. We, Sir, have been asked to play a part in a mock affair of sanctions. The sanctions were never intended to be effective and there was no will to make it effective.

**THE HONOURABLE THE PRESIDENT:** Then you are in very good company—with the whole of Europe!

**THE HONOURABLE MR. HOSSAIN IMAM:** This Bill will, as I said before, serve no useful purpose inasmuch as it will be ineffective and therefore I do not wish to be a party to it.

**THE HONOURABLE RAJA GHAZANFAR ALI KHAN (West Punjab : Muhammadan):** Sir, I entirely agree with the Honourable Leader of the House when he pointed out that our opinions expressed in this House are not going to affect the situation in Abyssinia and if in spite of that consciousness —

**THE HONOURABLE KUNWAR SIR JAGDISH PRASAD:** Sir, I merely said when my Honourable friend was talking of British Ministers and French Ministers by name that it was impossible here for us to be able to defend

them. I did not say that our opinions would not count. My Honourable friend was talking of Laval, Baldwin and Eden. I said it was impossible to defend the actions of such responsible statesmen here and it was unnecessary to talk of them by name.

**THE HONOURABLE RAJA GHAZANFAR ALI KHAN:** I am very glad to have a sort of assurance from the Honourable Leader that the opinions which we will express about the situation in Abyssinia will carry a certain weight in certain quarters, and that makes it still more important that we should express our opinions with regard to current events. As a matter of fact, Sir, our feelings have been roused to such an extent that it would be impossible to let the opportunity pass without expressing our strongest indignation on this most aggressive war which Italy declared on Abyssinia and the most uncivilised method which it has applied in prosecuting the war. None of us would be so irresponsible as to say that the League of Nations should have declared war at once on Italy or that England should have at once declared war against Italy, but we do seriously believe that the League of Nations ought to have realised their weakness and their inefficiency before encouraging Abyssinia to believe that the League shall be able to influence Italy in bringing about an honourable settlement. It is in this respect that the League of Nations have hopelessly failed and they have reduced their position to such an extent that I think we, Indians, have now better claims to become members of the League of Nations than any other nation in the World, because the present policy of the League of Nations seems "non-violent non-cooperation" and I think there is no country in the world which can have a better claim to become very active members of such a useless organisation than we, Indians. I was surprised to hear some remarks made by my Honourable friend from Allahabad. I entirely agree with him that in these modern days of civilisation everybody hates war. But the question is, when one country purely out of lust for occupying territory makes an attack on a country which is unarmed, on a country whose policy throughout the last centuries has been one of non-aggression, and when world opinion has been expressed against this aggression, if this expression of world opinion is not going to have any effect on the aggressor, then what should be the next step? (*An Honourable Member*: "Peaceful resistance"). My Honourable friend suggests peaceful resistance. That is non-violent non-cooperation. Sir, this has failed in India and there is no chance of its success in Europe because those people have enough commonsense, are really practical men and they do not want to live in a world of dreams. What we do feel is, as my Honourable friend Mr. Hossain Imam has pointed out, that if Abyssinia from the very start knew that she would have had to fight all by herself, I am sure much against the wishes of the people of Abyssinia she might have yielded and probably would have escaped all this massacre and murder, this gaspoisoning and bombs on an unarmed civil population. Now, as we are aware, Italy's policy has throughout been of defiance. They have bombed Red Cross hospitals against all international rules and laws; they have used poison gas, an act which has been condemned by all the civilised countries. All these facts have been established and there is not the slightest doubt about these things having happened in Abyssinia. In spite of that it was the consciousness of Italy throughout that the League of Nations are not going to move a step further than to apply few economic sanctions that made Italy think that these economic sanctions would not materially affect Italy till after a year and a half; and Italy knew that the only way of getting out of this difficulty was to occupy Abyssinia and to conquer it within a period of one year. That is why Italy now is advancing at a very rapid rate. The question is whether the League

[Raja Ghazanfar Ali Khan.]

of Nations are really determined to save Abyssinia from the aggressor or not. I am sure that after Abyssinia has been fully conquered by Italy world opinion will at once turn round to the fact that the existence of the League of Nations is a source of possible injustice to the weaker countries rather than a source of strength, because, Sir, now Germany having entered the demilitarised zone, if there were no League of Nations in existence, probably France would have decided for herself what to do, but the existence of the League of Nations diverts the attention of the countries and instead of their counting upon their own strength and upon their own influence to face the enemy they depend upon an organisation which shelves questions, appoints committees, appoints sub-committees, adjourns them and does not play any active part in bringing about any change in the events.

Sir, with these few remarks I support the Bill, because the Government of India were very wise in promulgating an Ordinance. What little assistance in this helpless condition of ours we can render to Abyssinia we will be glad to render and I can assure the Government that whatever action the League of Nations or the representatives of Great Britain will take, whatever initiative they will take, with regard to bringing home to Italy that the aggressor will not have his way in these modern times, they will have the backing of the whole of the Indian people.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadian) : Sir, I rise to support the Bill which has been put forward by the Honourable the Finance Secretary. Most of the points which I intended to raise in this debate have already been dealt with by my Honourable friends here and very little is left for me to say. I have always been under the impression that the British policy has been "that right is might" and not "that might is right". On this very principle, Sir, the Great War was fought and when Germany invaded Belgium the British took the side of Belgium. Sir, the public are under the impression that the policy which Sir Samuel Hoare upheld in the League of Nations and which led to a great deal of controversy among British statesmen in Parliament and which made Sir Samuel Hoare resign the Foreign Ministership we find, Sir, that that very policy of which that resignation was the result seems indirectly being pursued. It is, Sir, a matter to deplore that the British Government did not allow an aggressed kingdom to be saved from the aggressor. That shows, Sir, that the inconsistent policy that Sir Samuel Hoare upheld, *i.e.*, that in order to avoid a conflict among European countries they ought not to join in a conflict with a coloured race in Asia, seems still being followed. That, Sir, is the impression that is gaining ground and so I think it my duty to lay that impression candidly before this House and before the Government. The fate of Abyssinia is doomed and in a few weeks, if not in a few days, Abyssinia will be thoroughly conquered by the aggressor. The Government and the League of Nations have been sitting idle as onlookers and have done practically nothing to safeguard the principles which they themselves laid down and which led the world to adopt a policy of disarmament. Half hearted measures seldom succeed. However, Sir, as something is better than nothing, I support this Bill.

THE HONOURABLE MR. A. J. RAISMAN (Government of India Nominated Official) : Sir, I will not attempt to enter into the controversial field of European policies but would only like to say a few words in regard to the attitude which my Honourable friend, Mr. Ghosh Maulik took up, namely,

that a measure of this kind will be unnecessary now and utterly useless. The strength of a chain is that of its weakest link. The effectiveness of collective action must be judged in relation to the completeness of such action. Therefore the application of financial sanctions by India must be judged in relation to a policy of financial sanctions by all the nations of the League.

In the second place, it is not merely financial sanctions. It has not been necessary to come before this House with legislation for the other economic sanctions which we have imposed because the ordinary Acts give us ample power to impose prohibitions on imports of goods from Italy. But I would suggest to Honourable Members that the value of this kind of action must be judged in relation to the whole scheme of financial and economic sanctions by all the countries of the League of Nations. Now several Honourable Members have been inclined to say in a mood of despair that it has all proved to be of no avail and that the sanctions have been useless. It is possible, well obviously the justification for such a view is before our eyes today, but I would only like to indicate the other side of the picture as it appears to me and for this purpose I would remind the Honourable Members of the protests and altercations and vigorous correspondence that goes on when one country directly imposes any obstacle or prohibition on a single commodity from another. I make bold to say that if the Government of India, instead of imposing a prohibition on all imports from Italy, had in normal times imposed a prohibition on an article which constituted 10 per cent. of Italy's trade with India, it would have been a matter of the utmost importance and that the Government of Italy would have taken the most serious notice of it and would have treated it as a seriously unfriendly act. Now, what is the actual position? We have completely prohibited the importation of all goods from Italy. That prohibition has been enforced now for several months. Not only that, but some 50 other countries have done the same. Now, it is all very well for official communiques from Rome to pretend that the financial and economic position of Italy is practically unaffected. But none of us who have observed the tenacity with which Governments have held on to the small advantages which they still have in the field of international trade can accept so complacent an estimate of the damage which has been inflicted on Italy by the concerted economic sanctions of other countries. (*An Honourable Member*: "And with what result?") The result, I suggest, Sir, may not appear now, may not appear to-morrow. It is quite possible that a tiger may jump on a defenceless man and maul him whilst three *shikaries* are pouring bullets into the tiger, and it is possible that the tiger may rush away and hide in the jungle and to all appearance be undamaged. But sooner or later the corpse is found. (*An Honourable Member*: "But Italy is not a tiger!") My simple point is that, whilst Italy has been concentrating all its strength on its military effort and obviously has the power or appears to have the power to bring this military enterprise to a successful conclusion, it is too early to estimate the economic damage which has been inflicted on the whole economic fabric of Italy by the action which has been taken during the last several months.

It is quite possible that we may see before a very long period the value of the sanctions which have been applied by these countries. It is too early to say that they have been of no avail. I would only remind the House of what happened to Germany after the War. During the period of military operations there was no economic debacle in Germany for the simple reason that everything was concentrated on the military effort; but the moment that effort ceased, the whole of the economic structure of Germany fell to pieces,

**THE HONOURABLE RAJA GHAZANAFR ALI KHAN:** That was because Germany was conquered.

**THE HONOURABLE MR. A. J. RAISMAN:** In the present instance, that makes no difference because it is impossible to say what economic advantage could be drawn from the mere conquest of a country like Abyssinia which could possibly compensate for the closing up of the channels of Italy's trade with so many countries of the world. That is all I have to say, Sir.

**THE HONOURABLE THE PRESIDENT:** The Question is :

"That the Bill to prohibit the making of certain loans and credits, as passed by the Legislative Assembly, be taken into consideration".

The Motion was adopted.

Clauses 2 to 6 were added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

**THE HONOURABLE MR. A. J. RAISMAN:** Sir, I move :

"That the Bill, as passed by the Legislative Assembly, be passed".

The Motion was adopted.

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#### SALT ADDITIONAL IMPORT DUTY (EXTENDING) BILL.

**THE HONOURABLE MR. A. J. RAISMAN** (Government of India : Nominated Official) : Sir, I move :

"That the Bill further to extend the operation of the Salt (Additional Import Duty) Act, 1931, as passed by the Legislative Assembly, be taken into consideration".

I will not take the House into the history of the additional import duty on salt. I would only remind them that when this matter was examined by the Tariff Board in 1930, the main basis on which the Tariff Board made its recommendations was that efforts should be made to enable India to become self-supporting in the matter of salt, and in particular, they had in mind that it should be immune from a cessation of essential supplies owing to attacks by sea. The Tariff Board therefore mainly had in mind that rail-borne salt should be established in the markets of Bengal. If that result could be achieved, then they thought that India would be not only self-supporting in the matter of salt but that she would not be dependent on supplies which were brought by sea and could therefore be interfered with in the event of war. It was in acceptance of this recommendation that Government brought forward the additional import duty proposal. It was realised that sources of supply other than Khewra, Sambhar, etc.,—that sources which supplied the Bengal market by sea, would also benefit from the duty. But I think I can say that that was almost an incidental or secondary effect of the policy. Since 1931 when the duty was first introduced, the position has radically changed. The price of salt in Calcutta has fallen to such levels that it is at the moment out of the question for rail-borne salt from upcountry sources to attempt to compete in the market. Such salt could only be placed in that market as the result of an elaborate and expensive scheme of bounties which

in the opinion of Government would be entirely unjustifiable. Therefore, in present circumstances, the duty stands to be justified merely on the basis of the claim of the indigenous sources to protection. That is a claim which by itself and apart from the background which I have just indicated has always been a matter of acute controversy. It has never been accepted in so many words either by the Government or by the Legislature. The position which resulted from the imposition of the original duty of  $4\frac{1}{2}$  annas has been reviewed from time to time and the duty now stands at  $2\frac{1}{2}$  annas. On the one hand we have the claims of the consuming provinces—Bengal and Bihar and Orissa—that this is an entirely unjustifiable burden on the consumer. On the other hand, the producers of Indian salt have been vocal in their demands for a regular measure of protection. The Government of India are now pursuing a course which can only be said to have the merit of being a middle course. On the one hand they are reducing the duty which is a burden of the consuming provinces; on the other hand they are not withdrawing too abruptly the protection which the Indian producer is enjoying. This Bill reduces the existing duty from  $2\frac{1}{2}$  annas to  $1\frac{1}{2}$  annas a maund. Further, whereas for the last four years the duty has only been imposed for a year at a time, so that the industry complained that it did not know where it stood and could make no long distance plans, the present Bill imposes the duty for a period of two years, so that for the next two years at any rate, the producer will know where he stands. Honourable Members will no doubt have heard protests on the part of the industry that the reduction of this duty will expose them to severe foreign competition and will prove ruinous to them. The Government of India do not accept this view. The figures of the imports of salt in Bengal in the last few years tell a very plain story. I have before me complete figures for 1933, 1934 and 1935. I will not trouble the House with the quantities so much as with the percentages of the total imports at Calcutta and Chittagong. In 1933 the total imports from foreign sources were 17·46 per cent. of the total imports, so that the imports from Indian sources, including Aden, were 82·54 per cent. I may say that Aden accounted for 56·11 per cent. In the following year, 1934, the foreign imports had dropped from 17·46 per cent. to 13·63 per cent., whereas the Indian imports had risen from 82·54 to 86·37 per cent. In the following year again, 1935, the imports of foreign salt had dropped from 13·63 to 8·45 per cent. Whereas the Indian imports had risen to 91·55 per cent. I may also mention that among these Indian imports the percentage of Aden imports had somewhat declined during that period, so that at the end of the period Aden's imports were 49·20 per cent. out of the total Indian imports of 91·55 per cent. The latest figures, which I think have been furnished to Honourable Members, make it clear that this process is being continued and I think it is fair to say that that shows definite progress towards the object of self-sufficiency in Indian salt. There is therefore, in the view of Government, insufficient ground for accepting the industry's complaint or its apprehension that the reduction of the duty will lead to the dumping of foreign salt and to the ruin of the industry.

I might also mention that at the present moment imports from Italy are of course entirely prohibited and in imports from Italy are also included imports from Italian Colonies, so that in that respect the industry is enjoying at the moment a kind and degree of protection which would never have been contemplated in the ordinary way. I would also draw attention in this connection to section 4 of the Act of 1931 by which this duty was first imposed, under which the Governor General, if he is satisfied after such inquiry as he thinks fit that salt not manufactured in India is being imported into British India at such a price as is likely to render insufficient the benefits intended

[Mr. A. J. Raisman.]

to be afforded to the Indian salt industry by the additional duty imposed by this Act, has power by notification in the Gazette of India to increase such duty to such extent not exceeding one anna per maund as he thinks fit. There is therefore that power which exists for what we consider to be the unlikely event of a very serious situation unexpectedly arising.

I have dealt, Sir, with the complaint of the industry. On the other side I expect Government will be attacked on behalf of the consumer, that they have continued this duty far longer than was necessary. Well, I have already indicated the answer to that. Government have been reluctant to take any action which might suddenly destroy or have a very deleterious effect on the interests which have grown up since this duty was first imposed, and they feel that the level of duty which is now proposed is a fair compromise between the conflicting interests.

Sir, I move.

**THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA** (United Provinces Central: Non-Mohammadan): I have heard the speech of the Mover of this Bill with rapt attention and have also read the Statement of Objects and Reasons. I fail to understand what is the object of the Government, whether the Government wants to protect this industry or not? If they want to protect the industry according to the recommendation of the Tariff Board as my friend has just said, what was the necessity of further decreasing the duty from 2½ to 1½ annas? We are told that on account of this duty the Indian industry has developed and it is now meeting the foreign competition in Bengal and Bihar and Orissa. If that is so, it was but proper that the duty should have been maintained at 2½ annas till such time as the salt industry had been fully developed in India and India did not require foreign salt for consumption.

**THE HONOURABLE THE PRESIDENT**: I am afraid you did not at all follow the Honourable Member's speech.

**THE HONOURABLE RAI BAHADUR LALA MATHURA PRASAD MEHROTRA**: Sir, I will just read two sentences from the Statement of Objects and Reasons. One sentence runs thus:

"It is considered that this step can be taken without detriment to the indigenous producers of salt, particularly in the absence, temporary though it may possibly be, of competition from Italian sources".

The next sentence is:

"The Indian salt industry has complained that it has been unduly handicapped by the uncertainty created by the practice, hitherto followed, of renewing the Act only on a year to year basis".

That shows that the Indian salt industry is in favour of this duty being kept for a long time.

Now, my friend has also raised the consumer's point of view. If my friend is so solicitous for the consumer, the Government ought to have accepted my amendment when I moved in connection with the Finance Bill for the reduction of the general salt duty from Rs. 1-4-0 to Re. 1. We on this side



of the House are of opinion that this duty of Rs. 1-4-0 ought to be removed as soon as possible. But we are not of opinion that protection should not be given to this industry. Then, Sir, when this duty was levied, we were told that the money would be spent in developing the industry. A pointed question was raised by my Honourable friend Mr. Ghosh Maulik last year and I also took part and repeated the question. In reply to that the Government stated :

" With regard to what was said by my Honourable friend from Bengal as regards the disposal by the Government of Bengal of its share of the additional import duty, I can only say that it was never stipulated that the Government of Bengal should so spend its money. \* \* \* \* The Local Governments concerned, namely, those of Bengal and Bihar and Orissa, have repeatedly told us that in their opinion the prospects of usefully spending this money for the purpose of developing the local sources of salt supply in those provinces were not so good as to make them feel justified at a time of financial stringency in devoting money for that purpose when the Local Governments were in sore need of money for more certain and assured benefits to the population of the provinces concerned. It is not the intention of the Government that this year any more than in previous years any definite and binding instructions should be given to the Government of Bengal in this respect ".

So, Sir, we understand that the money realised out of this import duty has not usefully been spent in developing the salt industry. If it is the sincere wish and pleasure of the Government to carry out the instructions of the Tariff Board and develop the salt industry in the country to the extent that India may be self-sufficing for the consumption of salt by Indians, it is the primary duty of the Government to spend the money on developing the salt industry rather than in spending on law and order as was said by my friend Mr. Ghosh Maulik last year. I would therefore urge upon the Government that they must take into consideration the very view point of the Tariff Board to develop the industry in this country and spend this amount in its development so that no salt may be imported into India in future. That should be the one objective. As for consumers, as I have said, the Government should come down to reduce the duty from Rs. 1-4-0 to Re. 1 at least and that will solve the question of the reduction of the price of salt.

With these observations, Sir, I conclude my speech.

\* THE HONOURABLE DEWAN BAHADUR G. NARAYANASWAMI CHETTY (Madras : Non-Muhammadan) : Sir, I rise to support the Motion to continue the salt additional duty for another two years. There is a strong feeling that two years are not quite adequate and at least three or four years may be fixed. I hope, Sir, when the time comes there will be further extension. I agree with my Honourable friend Mr. Mehrotra that the amount realised from this duty in Bengal ought to be set apart for improving the condition of the salt industry in Bengal—not only in Bengal but in various provinces. The Government are not doing as much as one could expect them to do in the matter of the salt industry. Having been connected with this business for long number of years, I say that India could be self-contained in the matter of the supply of salt. The only difficulty is that we are not given that facility which we expect from the Government. I do hope, Sir, that the time will very soon come when the Government of India will do their best to improve the condition of the salt industry, so that, within a very short time India may be self-contained without getting foreign salt. I have great pleasure in supporting the Motion.

**THE HONOURABLE MR. A. J. RAISMAN :** Sir, I will only say a few words on the subject which has just been touched on by my Honourable friend the Diwan Bahadur and which was also mentioned by Mr. Mehrotra. The Government of Bengal have been quite prepared to utilise this money on encouraging the production of salt in Bengal, but the fact remains that they have not yet discovered or been shown any scheme or plan whereby the money could profitably and usefully be invested in this way. It is no use merely throwing money away unless there is a prospect of building up an industry, a form of production which will hold its own and survive. I think it must be admitted that the Government of Bengal were justified in saying, " Well, this money has come from our people. Nobody has yet shown us how we can spend it satisfactorily in encouraging the local production of salt. We will therefore spend it on our people in other ways ". It must also be remembered that the temporary character of this additional import duty has always been emphasised not merely by Government but by the Committee of the Assembly which used from time to time to review this. It has always been considered that a duty of this kind would at most be justified for a very limited period. Now the Government of Bengal could not spend the money on bolstering up a form of production which the moment the duty came off would simply wither in the face of competition. Nevertheless, I will not trouble the House with details, but the Government of Bengal have made efforts to encourage any schemes which were put before them and which seemed at all promising and I may say that even at the present moment they have put forward to us a scheme in relation to production by a trading union in Chittagong and we have agreed to assist in encouraging that form of production ; but it is only a small matter and it has not yet been established, in fact it is very far from being established, that the production of salt in these provinces is ever likely to be a commercial proposition. Until that is established, I submit that it is useless to urge on the Governments which receive a share of this duty to expend the money in some way or other connected with salt, because it merely means throwing the money down the drain.

**THE HONOURABLE THE PRESIDENT :** The Question is :

" That the Bill further to extend the operation of the Salt (Additional Import Duty) Act, 1931, as passed by the Legislative Assembly, be taken into consideration "

The Motion was adopted.

Clause 3 was added to the Bill.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

**THE HONOURABLE MR. A. J. RAISMAN :** Sir, I move :

" That the Bill further to extend the operation of the Salt (Additional Import Duty) Act, 1931, as passed by the Legislative Assembly, be passed "

The Motion was adopted.

## STATEMENT OF BUSINESS.

**THE HONOURABLE KUNWAR SIR JAGDISH PRASAD** (Leader of the House): Sir, I suggest that the Council should meet to-morrow so that the Bills that may have been passed to-day in the other House may be laid on the table. And the same procedure may be followed the day after, on Wednesday. The Bills that will have been laid on the table to-morrow can be discussed on Friday and those that will have been laid on Wednesday can be discussed on Saturday. Whether we shall meet on Thursday or not, I shall be able to inform the House later on. I hope that this will not be inconvenient to Honourable Members.

**THE HONOURABLE THE PRESIDENT**: Do you not think it would be better to adjourn the House till to-morrow evening so that we may deal with all the Bills that are passed.

**THE HONOURABLE KUNWAR SIR JAGDISH PRASAD**: I have no objection, Sir.

**THE HONOURABLE THE PRESIDENT**: Has any Honourable Member any objection? It is only a matter of meeting for a few minutes.

**THE HONOURABLE DIWAN BAHADUR G. NARAYANASWAMI CHETTY**: Will it not be convenient to meet once for all on Wednesday?

**THE HONOURABLE THE PRESIDENT**: No, because I do not think that would give us enough time to take up the Bills on Friday.

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The Council then adjourned till Half Past Six of the Clock on Tuesday, the 21st April, 1936.