

14th April, 1934

THE  
**LEGISLATIVE ASSEMBLY DEBATES**  
(Official Report)

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Volume IV, 1934

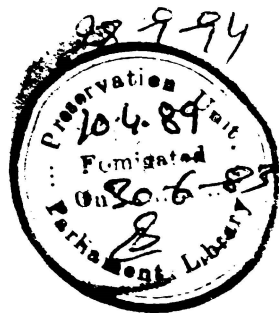
*(2nd April to 14th April, 1934)*

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**SEVENTH SESSION**

OF THE

**FOURTH LEGISLATIVE ASSEMBLY,  
1934**



NEW DELHI  
GOVERNMENT OF INDIA PRESS  
1934

# Legislative Assembly.

## *President:*

THE HONOURABLE SIR SHANMUKHAM CHETTY, K.C.I.E.

## *Deputy President:*

MR. ABDUL MATIN CHAUDHURY, M.L.A.

## *Panel of Chairmen:*

SIR ABDUR RAHIM, K.C.S.I., KT., M.L.A.

MR. K. C. NEOGY, M.L.A.

SIR LESLIE HUDSON, KT., M.L.A.

MR. N. M. JOSHI, M.L.A.

## *Secretary:*

MIAN MUHAMMAD RAFI, BAR.-AT-LAW.

## *Assistant of the Secretary:*

RAI BAHADUR D. DUTT.

## *Marshal:*

CAPTAIN HAJI SARDAR NUR AHMAD KHAN, M.C., I.O.M., I.A.

## *Committee on Public Petitions:*

MR. ABDUL MATIN CHAUDHURY, M.L.A., *Chairman.*

MR. K. C. NEOGY, M.L.A.

SIR HARI SINGH GOUR, KT., M.L.A.

MR. T. R. PHOOKUN, M.L.A.

MR. MUHAMMAD YAMIN KHAN, C.I.E., M.L.A.

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# LEGISLATIVE ASSEMBLY.

*Saturday, 14th April, 1934.*

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Shanmukham Chetty) in the Chair.

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## MEMBER SWORN.

Mr. Andrew Gourlay Clow, C.I.E., M.L.A. (Government of India: Nominated Official).

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## QUESTIONS AND ANSWERS.

### ANNUAL INCREMENTS OF THE CLERICAL STAFF IN THE OFFICE OF THE DIRECTOR-GENERAL, POSTS AND TELEGRAPHS.

685. **\*Mr. S. C. Mitra:** (a) Is it a fact that in the office of the Director-General, Posts and Telegraphs, the sectional officers, *i.e.*, Assistant Deputy Directors General are empowered, in accordance with the schedule issued with the Home Department Notification No. F. 9/30, dated the 27th February, 1932, as published in the Director-General's circular No. 25, dated the 29th August, 1932, to pass the annual increments of the clerical staff directly working under them?

(b) Is it a fact that in spite of the orders issued under the said circular (i) increment cases of some of the staff of that office, who do not directly work in the group of the Senior Deputy Director-General, were submitted to him last year; and (ii) in many cases they were not submitted to that officer at all?

(c) If the reply to part (b) be in the affirmative, (i) how many such cases are there under (b) (i) and in how many such cases submitted to the Senior Deputy Director-General the increments were passed by him and in how many cases they were not passed? How many cases are there under (b) (ii) and in how many such cases increments were passed?

(d) Will Government please state (i) whether cases under (b) (i) were passed as usual by the sectional officers, and (ii) whether the sectional officers, not in the group of the Senior Deputy Director-General, submitted the cases referred to in part (b) (i) to that officer? If not, who else submitted the cases referred to in part (b) (ii) to the Senior Deputy Director-General after the cases were passed by the sectional officers, and why did he do so?

**The Honourable Sir Frank Noyce:** (a) The fact is not as stated by the Honourable Member. For administrative reasons, the power to sanction annual increments of the clerical staff in the Office of the Director-General of Posts and Telegraphs is vested in the branch officers and not in the Assistant Deputy Director-General in charge of sections.

(b), (c) and (d). Do not arise.

**Mr. S. C. Mitra:** May I inquire, Sir, if for the annual increment of pay under the time-scale system, it is further necessary to have the approval of the higher authorities or it is automatic?

**The Honourable Sir Frank Noyce:** The position is that increments can be withheld, if conduct has not been good or work not satisfactory. It is, therefore, advantageous that the question whether an increment should be granted or not should be reviewed annually.

**CONTRACT FOR THE SUPPLY OF READY MIXED BLACK PAINT TO THE EAST INDIAN RAILWAY.**

686. **\*Mr. S. C. Mitra:** (a) Is it a fact that the East Indian Railway Administration has placed a contract for the supply of 43,000 gallons of ready mixed black paint from Messrs. Jenson and Nicholson? If so, will Government be pleased to state whether the East Indian Railway Administration has carried out the exposure test for the paint purchased from Jenson and Nicholson? If so, how many years' exposure test was carried out by them and with what results?

(b) Will Government be pleased to state whether the East Indian Railway and Eastern Bengal Railway maintain any register or records of the results of tests carried out by them about the paints? If not, why not?

(c) Will Government be pleased to state whether the paint ordered by the East Indian Railway from Jenson and Nicholson is the same 3 per cent. Carbon Black which is supplied to Eastern Bengal Railway by the same firm? If so, is it a fact that 3 per cent. Carbon Black was found unsuitable by Government because of its not having lasting properties?

(d) Will Government be pleased to state the reasons why that unsuitable paint of Jenson and Nicholson is being patronized by the East Indian Railway authorities also?

(e) Will Government be pleased to state whether Jenson and Nicholson is an English firm with English shareholders and English capital?

(f) Will Government be pleased to state the steps taken by Government to support indigenous industries against industries with European capital and European shareholders?

(g) Is it a fact that against Indian Stores Department tender No. O-4/M. for 1932-33, the rate contract was accepted for the supply of the Indian Stores Department specifications No. G. O. P./21/1, for 3 per cent. Carbon Black at three different rates from 3 different firms? If so, is it a fact that Jenson and Nicholson quoted at Rs. 9/7 per cwt., Murarka, an Indian firm, quoted Rs. 8/11 per cwt., for the same articles? Is it a fact that Murarka's 3 per cent. Carbon Black was tested by Alipore Government Test House?

(h) Is it a fact that the East Indian Railway authorities refused to place any order with the Indian firm for the black paint, though the paint of the Indian firm was cheaper by Re. 0-14-0 per cwt.?

(i) Is it a fact that in spite of the rate of the English firm being higher by Re. 0-14-0 per cwt., the East Indian Railway authorities placed an order for the supply of black paint from Jenson and Nicholson for 5,000 cwts.?

If so, will Government be pleased to state what is the loss to Government revenues on account of the said transaction, and the reasons for this sort of patronage of English firms?

(j) Do Government propose to make a thorough enquiry into the matter as to who are the officers of East Indian Railway responsible for such losses to Government? If not, why not?

**Mr. P. R. Rau:** I have called for the information and shall lay it on the table on receipt.

**EXAMINATION FOR RECRUITMENT TO THE INDIAN AUDIT AND ACCOUNTS SERVICE.**

687. **\*Mr. K. P. Thampan** (on behalf of Mr. R. S. Sarma): (a) Is it a fact that Government intend to hold an examination this year for the purpose of recruitment to the Indian Audit and Accounts Service?

(b) If the reply to part (a) be in the affirmative, do Government propose to consider the desirability of relaxing the existing age limit in the case of persons already in Government service, and is it a fact that such examination has not been held since 1951, and that in consequence quite a number of young Government servants, otherwise qualified to sit for the examination, would be age-barred?

**The Honourable Sir George Schuster:** (a) Yes.

(b) No.

**FOOT OVERBRIDGE AT THE ROHTAK RAILWAY STATION.**

688. **\*Mr. K. P. Thampan** (on behalf of Mr. Jagan Nath Aggarwal): (a) Will Government kindly state whether a foot overbridge was constructed last year at the Rohtak Railway Station for the convenience of the public and specially the school children of the Vaish High School, Rohtak, towards the cost of which a handsome contribution was made by the School?

(b) If the reply to part (a) be in the affirmative, why has the bridge in question not been opened for public traffic?

(c) Are Government aware that only last year a school boy was killed while crossing the line, and that the delay in opening the bridge is causing great inconvenience to the public?

**Mr. P. R. Rau:** Enquiries are being made from the Railway Administration, and a reply will be laid on the table in due course.

**GRIEVANCES OF THE ROUTINE CLERKS IN THE RAILWAY CLEARING ACCOUNTS OFFICE.**

689. **\*Mr. N. M. Joshi:** (a) Will Government be pleased to state if they are aware that the routine clerks of the Railway Clearing Accounts Office, Delhi, posted as punchers in the Machine Section, have rendered five to seven years' continuous and approved service?

(b) Are Government aware that since their appointment in the above office, they have never been transferred to other duties and have been compulsorily kept on the duty of punching?

(c) Are Government also aware that recently the Deputy Director of the above office has ordered them to increase their daily out-turn by 25 per cent? If so, why?

(d) Is it a fact that the strength of the punching section is much less than required and are Government aware that the routine clerks of the punching section are overworked?

**Mr. P. E. Rau:** (a) Some of the routine clerks doing the duty of punchers in the Machines Section have rendered from five to seven years' service.

(b) I understand that some of them have been doing only punching work since their appointment, but arrangements have been made for changing them periodically.

(c) and (d). No. I would refer my Honourable friend to the reply I gave on the 10th April, 1934, to part (b) of question No. 342 asked by Mr. Gaya Prasad Singh.

#### GRIEVANCES OF THE ROUTINE CLERKS IN THE RAILWAY CLEARING ACCOUNTS OFFICE.

690. **\*Mr. N. M. Joshi:** (a) Will Government be pleased to state if it is a fact that the Deputy Director of the Railway Clearing Accounts Office, Delhi, has issued an order asking clerks of the punching section to attend office from 8 A.M. to 6 P.M. compulsorily daily?

(b) Are Government aware of the great hardship caused by taking work from them for about more ten hours a day?

(c) Are Government aware that labourers in the Railway Workshops are required to work for not more than eight hours a day?

**Mr. P. E. Rau:** (a) No.

(b) Does not arise.

(c) Yes.

#### GRIEVANCES OF THE ROUTINE CLERKS IN THE RAILWAY CLEARING ACCOUNTS OFFICE.

691. **\*Mr. N. M. Joshi:** (a) Will Government be pleased to state if it is a fact that the routine clerks of the Railway Clearing Accounts Office, Delhi, are not granted any overtime allowance for doing extra work during extra hours?

(b) Is it a fact that the routine clerks of the punching section are ordered to attend office on all Sundays and holidays?

(c) Do Government propose to inquire into the grievances of the routine clerks and take steps to redress their grievances?

**Mr. P. E. Rau:** (a) and (b). No. I would again refer my Honourable friend to the reply I gave on the 10th April, 1934, to clause (b) of question No. 342 asked by Mr. Gaya Prasad Singh.

(c) Any grievances which the staff consider they have can be brought to the notice of the authorities in the usual manner and will then receive careful consideration. Action has been taken on certain grievances already brought to notice.



**GRIEVANCES OF THE ROUTINE CLERKS IN THE RAILWAY CLEARING ACCOUNTS OFFICE.**

692. \***Mr. N. M. Joshi:** (a) Will Government be pleased to state if it is a fact that the routine clerks in the punching section of the Railway Clearing Accounts Office are styled as Punchure, etc., Grade?

(b) Is it a fact that they do the clerical work as well?

(c) If the reply to part (b) be in the affirmative, will Government be pleased to state the reasons why they are not given the proper clerical status?

**Mr. P. R. Rau:** (a) As I stated in reply to question No. 282 asked by Mr. Jog on the 3rd April, there is no sanctioned grade of routine clerks, but this term is loosely used to describe staff in the grade of 36—2—60 who are employed on punching, sorting, distributing *dak*, etc.

(b) No.

(c) Does not arise.

**CONSOLIDATED ALLOWANCE TO THE TRAVELLING TICKET EXAMINERS THE NORTH WESTERN RAILWAY.**

693. \***Sardar Sant Singh:** (a) Is it a fact that the consolidated travelling allowance sanctioned to the Travelling Ticket Examiners on the North Western Railway from 1st December, 1932, is subject to 12½ per cent cut? If so, under what authority?

(b) Is it a fact that the consolidated travelling allowance is a sort of compensatory allowance? If so, under what authority?

(c) Is it a fact that the consolidated travelling allowance is not subject to any cut as long as ordinary travelling allowance is not subject to a cut? If so, under what circumstances has the Agent, North Western Railway now ordered the recovery of 12½ per cent cut on the consolidated travelling allowance of the Travelling Ticket Examiners only with retrospective effect?

(d) Is it a fact that the 12½ per cent cut can in no way be imposed on or withdrawn from the Travelling Ticket Examiners on the East Indian or the North Western Railways with retrospective effect from the 1st December, 1932? If so, under what circumstances are Government deviating from their long established policy in respect of the recovery of the said cut after the expiry of the time limit?

**Mr. P. R. Rau:** I have called for information and will lay a reply on the table of the House, in due course.

**EXPENDITURE ON THE MOVE OF THE MILITARY ACCOUNTANT GENERAL'S OFFICE.**

694. \***Mr. S. G. Jog:** (a) Will Government kindly state the number of accountants and clerks at present on the roster of the office of the Military Accountant General?

(b) Will Government kindly furnish details of expenditure incurred by them annually on the move of this office between Delhi and Simla under the following heads during the last three years:

- (i) travelling allowance of establishment,
- (ii) travelling allowance of officers,
- (iii) separation allowance at Delhi,
- (iv) Simla local allowance granted for the period of stay in Delhi,
- (v) Delhi house rent allowance, and
- (vi) carriage of records, etc.?

(c) Will Government kindly state whether the question of the permanent location of this office at Delhi was ever considered, and if so, with what result, and if not, why not?

**The Honourable Sir George Schuster:** (a) The total number is 111, made up as follows:

Accountants . . . . .	16
Clerks and Stenographers . . . . .	76
Routine Grade Clerks . . . . .	19
	111

(b) A statement is laid on the table.

(c) No. Considerable administrative inconvenience would result if this office were located away from the Military Finance Department and the headquarters of the military administration.

Statement.

	Rs.	s.	p.
(i) T. A. of Establishment for 1930-31 . . . . .	13,537	12	0
"    "    "    1931-32 . . . . .	19,823	9	0
"    "    "    1932-33 . . . . .	18,500	3	0
(ii) T. A. of Officers for 1930-31 . . . . .	1,261	0	0
"    "    "    1931-32 . . . . .	1,951	3	0
"    "    "    1932-33 . . . . .	1,401	8	0
(iii) Separation Allowance at Delhi for 1930-31 . . . . .	5,600	0	0
"    "    "    "    "    1931-32 . . . . .	4,041	11	0
"    "    "    "    "    1932-33 . . . . .	3,654	9	0
(iv) Simla local allowance granted for the period of stay in Delhi.			
Ditto	32,046	13	0
Ditto	31,391	3	0
Ditto	30,623	8	0
(v) Delhi House Rent allowance for 1930-31 . . . . .	331	7	0
Ditto 1931-32 . . . . .	261	3	0
Ditto 1932-33 . . . . .	446	2	0

(vi) The information in question is being collected.

**NON-GRANT OF DUTY ALLOWANCE TO THE ACCOUNTANTS IN THE OFFICE OF THE CONTROLLER OF RAILWAY ACCOUNTS.**

695. \*Mr. S. G. Jog: (a) Is it a fact that the accountants of the Military Accounts Department on their transfer to the Military Accountant General's Office draw a special rate of duty allowance, amounting to Rs. 80 per month, in certain cases?

(b) Will Government kindly state the reasons for the grant of this allowance and whether similar allowance is granted to the accountants of the civil accounts offices on their transfer to the Auditor General's office? If not, why not?

(c) Will Government please state whether such an allowance is also admissible to accountants of the Controller of Railway Accounts? If not, why not?

**The Honourable Sir George Schuster:** (a) Yes.

(b) Accountants transferred temporarily to the Military Accountant General's office continue to draw as their pay proper the same time-scale rates as they would draw in any other office. The duty allowance is granted in consideration of the more important and responsible duty they are called upon to perform in the headquarter office. Accountants recruited from civil accounts offices for the Auditor General's office draw special consolidated rates of pay sanctioned for that office and do not therefore receive a separate duty allowance.

(c) No. Conditions differ in different offices and duty allowance has not been considered necessary in this case.

**PAY AND ALLOWANCES DRAWN BY THE ACCOUNTANTS AND CLERKS IN THE OFFICES OF THE MILITARY ACCOUNTANT GENERAL AND THE AUDITOR GENERAL.**

696. \*Mr. S. G. Jog: (a) Will Government please state whether the personnel of the Military Accountant General's office still draw Simla local allowance, and whether it has long been withdrawn from all the Government of India staff after their revision of pay in 1920? If so, why?

(b) Will Government please state the existing scales of (i) pay and (ii) allowances, both compensatory and remunerative, at present drawn by the accountants and the clerks of the Military Accountant General's office and those drawn by the staff of the Auditor General's office, and the reasons for the difference?

**The Honourable Sir George Schuster:** (a) The answer to the first part, is "Yes". For the second part, the Honourable Member's attention is drawn to my reply dated the 23rd September, 1931, to Mr. S. C. Mitra's question No. 81(c), where the reasons are fully stated.

(b) A statement showing the rates of pay and allowances is placed on the table.

The basic rates of pay allowed to the accountants and clerks of the Military Accountant General's office are lower than those drawn by the Auditor General's establishment. The consolidated rates admissible to the latter include an element intended to cover some of the allowances drawn

by the Military Accountant General's office establishment, while others are applicable only to migratory offices of which the Military Accountant General's office is one.

*Statement.*

**MILITARY ACCOUNTANT GENERAL'S OFFICE.**

*Accountants.*

(i) *Scales of pay*—Rs. 210—20—410—30—500.

(ii) *Allowances*—

Duty Allowance.—20 per cent. of pay.

Local Allowance.—At the rates laid down in paragraph 24 (a), Simla Allowances Code.

Simla House Rent Allowance.—At the rates laid down in Section II of the Simla Allowances Code.

Compensatory allowance drawn by the accountants of the Pay Section, Military Accountant-General's Office, Simla, in lieu of Duty Allowance, Local Allowance, and Simla House Rent allowance—Rs. 80\* p. m.

*Clerks.*

(i) *Scales of pay*—

Clerks who have passed the Subordinate Accounts Service Examination of the Military Accounts Department . . . Rs. 115—10—225.

Clerks who have not passed the Subordinate Accounts Service Examination of the Military Accounts Department . . . Rs. 55—6—115—5—170—6—200.

Routine Grade clerks . . .

{ Rs. 75—5—150—4—170 appointed prior to 17th July 1928.  
Rs. 75—90—4—130—4—170 appointed after 17th July 1928.

(ii) *Allowances*—

Local Allowance.—At the rates laid down in paragraph 24 (a), Simla Allowances Code,

Simla House Rent Allowance.—At the rates laid down in Section II of Simla Allowances Code.

Compensatory Allowance drawn by the clerks of the Pay Section, Military Accountant General's Office, Simla, in lieu of Local allowance and Simla House Rent allowance :—

Clerks who have passed the Subordinate Accounts Service Examination of the Military Accounts Department—Rs. 60\* p. m.

Clerks who have not passed the Subordinate Accounts Service Examination of the Military Accounts Department—Rs. 50\* p. m.

*General.*

Delhi House rent Allowance.—Is drawn by those accountants and clerks who apply for Government quarters in Delhi but are not allotted any, on the conditions notified by the Home Department every year. This is based on pay and varies from Rs. 7-8-0 to Rs. 15 in the case of married men and from Rs. 4 to Rs. 10 in the case of single men.

Conveyance Allowance.—Is drawn by those accountants and clerks who cannot be provided with Government residences and reside in the Notified area on the conditions notified by the Home Department each year. The rates are Rs. 45 p. m. in the case of those drawing more than Rs. 499 and Rs. 25 p. m. for those drawing less than Rs. 500 p. m.

Delhi Lump Sum Allowance (Separation Allowance).—Is drawn by those accountants and clerks who in consequence of their not being provided with Government residences do not bring their families to Delhi. The amount varies from Rs. 225 to Rs. 315 (payable in two moieties). This allowance is based on pay.

\*Subject to 10 per cent. out.

AUDITOR GENERAL'S OFFICE.

Superintendents (Accountants) . . . . .	Rs. 480—30—750.
Assistant Superintendents (Accountants) . . . . .	Rs. 240—20—360—30—600. (Efficiency bar at Rs. 420).
Clerks . . . . .	Rs. 70—7—140—8—230. (Efficiency Bars at Rs. 140 and 170).

*Note.*—Clerks who have passed the Subordinate Accounts Examination up to and including the year 1932 are granted annual increment at Rs. 12 and those who have passed subsequent to 1932 are given an additional increment of Rs. 3 besides the ordinary rate of increment.

TRANSFER OF MEN FROM THE MILITARY ACCOUNTANT GENERAL'S OFFICE TO THE VARIOUS CONTROLLERS' OFFICES.

697. \*Mr. S. G. Jog: (a) Will Government please state whether there is a practice in vogue in the Military Accountant General's office, under which about 20 men are transferred each year from that office to the various Controllers' Offices? If so, will Government please state the reasons for this?

(b) Will Government please state whether similar transfers take place between the staff of the Auditor General and other Civil Accountants General? If not, why not?

(c) Will Government please state the amount of annual expenditure involved in these transfers to and from the Military Accountant General's office?

**The Honourable Sir George Schuster:** (a) The establishment in the headquarters office other than Routine Grade Clerks consists of individuals transferred from Controllers' offices for periods of five years. The average annual turnover is something less than 20. The main reasons for this practice are:

- (i) the changing conditions in the Army necessitate frequent changes in audit and accounting procedure and it is necessary that men employed in the head office should have up to date practical knowledge of work in the subordinate offices of the Department;
- (ii) the experience gained by service in the head office is of great value and Controllers' offices are strengthened by the return of men who have had five years' training in a wider sphere of activity.

Experience has shown that these reasons are well-founded and that both the head office and subordinate offices benefit by these periodical interchanges.

(b) The answer to the first part is "No". It does not follow that because a particular method of staffing is suitable for one office, it is also suitable for another. The system of staffing the Auditor General's office is that which he considers appropriate.

(c) The average annual expenditure is approximately Rs. 4,000.

**TRANSFER OF MEN FROM THE MILITARY ACCOUNTANT GENERAL'S OFFICE  
TO THE VARIOUS CONTROLLERS' OFFICES.**

698. \*Mr. S. G. Jog: (a) Are Government aware that, in view of extra allowances granted on transfer to the staff of the Military Accountant General's office, a lot of favouritism has cropped up in the Controllers' offices in the matter of selection of personnel for transfer and has thus created a good deal of discontent among the staff of the Military Accounts Department as a whole?

(b) Are Government also aware that these transfers affect very adversely the education of the children of the staff on account of the change of university?

**The Honourable Sir George Schuster:** (a) Government are aware that selection for transfer to the head office is much appreciated both as a recognition of merit and for the increased emoluments, and that competition for selection is, therefore, keen. That being so, there is naturally disappointment among those who do not secure nomination, but Government have no reason to suppose that the selections are not fairly made.

(b) Government appreciate the point, but while a change of system might be welcome to those individuals who are at present in the head office it would cause keen disappointment in the Department as a whole.

**TRANSFER OF MEN FROM THE MILITARY ACCOUNTANT GENERAL'S OFFICE  
TO THE VARIOUS CONTROLLERS' OFFICES.**

699. \*Mr. S. G. Jog: (a) Will Government please state who is the authority responsible for incurring this large expenditure on these frequent transfers of officers and staff in the Military Accounts Department?

(b) Is the Honourable the Finance Member personally aware of this? If not, is he prepared to issue necessary instructions to stop this practice of frequent transfers in the Military Accounts Department?

**The Honourable Sir George Schuster:** (a) The responsible authority is the Government of India.

(b) I am aware that this expenditure is being incurred and I consider that it is justified. I am not, therefore, prepared to take the action proposed.

**RETRENCHMENT IN EACH COMMAND OF THE MILITARY ACCOUNTS  
DEPARTMENT.**

700. \*Mr. S. G. Jog: (a) With reference to the reply given on the 9th March, 1934, to part (c) of starred question No. 420, will Government please state how many times the Financial Adviser had an occasion to visit the Controllers' offices during the last three years?

(b) Will Government please state whether the Controllers of Military Accounts also function as Financial Advisers to the General Officers Commanding-in-Chief, Commands, on behalf of the Financial Adviser, Military Finance? If so, will Government please state what steps the Financial Adviser at the headquarters has taken to ensure that his duties are properly carried out by his representatives?

(c) Is it a fact that the Financial Adviser at headquarters has a deputy attached to each head of the Army Headquarters Branch? If so, will Government please state why the duties of the Financial Adviser require his personal continued presence at Army Headquarters?

(d) Is it a fact that each of the heads of the Army Headquarters Branches frequently goes on tour to obtain first hand information as to the efficiency and other cognate matters connected with the particular arm of service for which he is responsible to His Excellency the Commander-in-Chief?

(e) Will Government please state whether the Financial Adviser is not also similarly responsible for the efficiency of the Military Accounts Department and for the maintenance of close co-operation between the military and accounts authorities with a view to effect economy in military expenditure? If so, what steps has the Financial Adviser taken to discharge these responsibilities?

(f) Will Government please refer to the figures of losses under Army Supply and Store Depôts, and Medical Store Depôts, etc., exhibited in Appendices E and G of the Appropriation Accounts of the Army for the year 1931-32 and state what steps they have taken to minimise these losses? If none, why not?

(g) Do Government propose to consider the desirability of furnishing in future this House, through the Public Accounts Committee, more detailed information as regards the causes attributing to these losses, such as suggestions of the financial and other authorities for remedying the defects responsible for these losses and the action taken by Government thereon?

**The Honourable Sir George Schuster:** (a) Once.

(b) Yes. Instructions are issued from time to time to Controllers as required, and reports are received from them.

(c) Deputy Financial Advisers are attached to the Branches of the Adjutant General, the Quartermaster General and the Master General of the Ordnance, and to the Royal Air Force Headquarters. The Financial Adviser deals direct with other Branches. The Honourable Member has not, I think, quite understood the position of the Financial Adviser. He is a Joint Secretary to Government in the Finance Department in charge of the Military Finance Branch and, like other Secretariat officers, his duties are such as ordinarily to require his presence at the headquarters of Government.

(d) Yes.

(e) The responsibility is not "similar". The responsibility of the Financial Adviser for the matters referred to is that of a Secretariat officer and not of the executive head of a Department. The executive head of the Military Accounts Department is the Military Accountant General, and it is he who makes tours of inspection of subordinate accounts offices.

(f) The reduction of losses on stores is a matter which has the constant attention of the administrative Branches concerned. The losses are also considered by the Military Accounts Committee and the Public Accounts Committee and any suggestions they make are always fully considered.

(g) In addition to the total figures given in the Appropriation Accounts, important individual cases of loss are brought to notice in the Audit Report of the Director of Army Audit. If the Honourable Member will refer to these reports and to the proceedings of the Military and Public Accounts Committees, I think he will find that the causes and remedial measures are fully discussed.

#### CONTROL OF THE PERSONNEL OF THE MILITARY ACCOUNTS DEPARTMENT.

701. \*Mr. S. G. Jog: (a) Will Government please state whether the personnel of the Military Accounts Department, both subordinate and superior, is under the administrative control of the Honourable the Finance Member, through the agency of the Financial Adviser, Military Finance and the Military Accountant General?

(b) Will Government please state what procedure is followed by them in disposing of an appeal, addressed to the Honourable the Finance Member, by a subordinate, a Deputy Assistant Controller or a superior service officer, relating to his reinstatement, promotion or demotion in the Military Accounts Department, against the orders of the Military Accountant General?

(c) Is it a fact that the same authority, i.e., the Military Accountant General, against whom the appeal is made, again deals with the appeal initially and upholds his original orders?

(d) Are Government prepared to consider the possibility of introducing a method by which such appeals are not dealt with by the Military Accountant General at any stage but directly by an independent superior authority and are invariably submitted for the Honourable the Finance Member's personal orders? If not, why not?

**The Honourable Sir George Schuster:** (a) I am not clear as to the purport of this question. The Military Accountant General is the executive head of the Military Accounts Department, the Financial Adviser is the Joint Secretary responsible to Government for the administration of the Department and the business of the Department, like other financial business, is included in the portfolio of the Finance Member.

(b) The Military Accountant General has no power to reinstate, promote or degrade a Deputy Assistant Controller or a Superior Service officer. As regards subordinates, the normal procedure is that an appeal to the Finance Member against an order of the Military Accountant General is submitted through the Controller under whom the individual is serving, the Military Accountant General and the Financial Adviser. Each of these officers records his opinion on the points raised in the appeal.

(c) As I have stated, an original order of this kind can be passed by the Military Accountant General only in the case of subordinates. In such cases the Military Accountant General does have the opportunity of expressing his opinion on the appeal. Whether that opinion accorded with his original order would probably depend on whether the appeal disclosed any new facts or not.

(d) No. Government are not prepared to contemplate any procedure for the hearing of appeals which would exclude the opinion on the appeal of the head of the Department concerned.



**PURCHASE OF HORSES FOR THE ARMY.**

702. \***Mr. Muhammad Azhar Ali** (on behalf of Lieut. Nawab Muhammad Ibrahim Ali Khan): (a) Are Government aware that at present this country does not produce more than one-third of the horses required for the army alone, and one-tenth of the horses required for other purposes?

(b) Are Government aware that about 70 lakhs of rupees at a conservative estimate leave India annually for the purchase of horses from over-seas to meet the deficiency in home-bred horses, and that about 700 or 800 horses (Arab) are imported annually into India; and are shown in the customs returns as valued at about Rs. 300 each?

(c) Is it a fact that they are sold in India for racing purposes at least at an average of Rs. 3,000 each and that most of that money goes out of India?

**Mr. G. S. Bajpai:** (a) During the last year 48.5 per cent. of the requirements of the Army for riding horses was met by Indian-bred horses. The import of horses into India for purposes other than Army requirements is very small.

(b) Government have no exact information, but as the Army, which is the biggest purchaser of imported horses, spends only Rs. 12 lakhs approximately on this account, an annual expenditure of 70 lakhs would seem to be an over-estimate. During the seven years ending 1931-32, the import of Arab horses averaged 622 annually. Information as to the value placed on them in customs returns is not readily available.

(c) Government have no information but understand that Rs. 3,000 is not considered too high a price for a good class Arab race horse.

**HORSE-BREEDING INDUSTRY IN SOUTH AFRICA, ETC.**

708. \***Mr. Muhammad Azhar Ali** (on behalf of Lieut. Nawab Muhammad Ibrahim Ali Khan): (a) Are Government aware that in countries in which horse-breeding industry is in a flourishing condition, e.g., South Africa, it is racing that keeps the industry alive, and that in South Africa 85 per cent. of the race-horses are home-bred, compared with 11 per cent. in India, to the great advantage of South African horse-breeders?

(b) Are Government aware that Rs. 42 lakhs are given in racing stakes every year in India, of which less than two lakhs is specifically allotted to races for horses of the country?

**Mr. G. S. Bajpai:** (a) and (b). Government have no official information on the subject.

**Khan Bahadur Malik Allah Baksh Khan Tiwana:** May I ask, Sir, if horse-breeding is a Central or a Provincial subject?

**Mr. G. S. Bajpai:** Horse-breeding is, I take it, part of animal husbandry, which is a Provincial subject and not a Central subject.

**Khan Bahadur Malik Allah Baksh Khan Tiwana:** Is it not a fact that the Punjab Government, in order to make the country self-supporting from the point of view of horse-breeding, have granted large plots of land for that purpose?

**Mr. G. S. Bajpai:** I do not know if the object of the Local Government was to make India self-supporting, but I do know that they have made large grants of land, and I believe they also make an annual monetary contribution to the National Horse-Breeding Society of India.

**Khan Bahadur Malik Allah Baksh Khan Tiwana:** Will Government think it advisable to draw the attention of other Local Governments to take some steps in that direction?

**Mr. G. S. Bajpai:** Sir, that was done by Government in 1929.

**Mr. M. Maswood Ahmad:** May I know, Sir, what is meant by the word "official" information?

**Mr. G. S. Bajpai:** I should have thought, Sir, that the word "official" is sufficiently understood.

**Mr. M. Maswood Ahmad:** Is it because Government have got some non-official information also in this connection?

**Mr. G. S. Bajpai:** The position is that the National Horse-Breeding Society made a representation to the Government sometime ago in which they quoted certain figures. Government have not been able to verify those figures. That is why I said no official information is available.

#### MAKING INDIA SELF-SUPPORTING IN HORSES.

704. **\*Mr. Muhammad Ashar Ali** (on behalf of Lieut. Nawab Muhammad Ibrahim Ali Khan): (a) Are Government aware that the National Horse-Breeding and Show Society of India is doing everything in its power in accordance with its limited financial resources, to assist Government directly and indirectly in making India self-supporting in horses for the benefit of the country? If so, why have Government withdrawn the small grant which they used to make to the Society? Are they prepared to consider its restoration?

(b) When and what steps do Government propose to take to ensure to Indian horse-breeders a profitable market for their produce, and to support the National Horse-Breeding and Show Society of India in its efforts to this end?

**Mr. G. S. Bajpai:** (a) Government are aware of the activities of the National Horse-Breeding and Show Society of India. Government withdrew the grant as a measure of retrenchment and the question of restoring it can be considered only when financial conditions improve.

(b) The matter appears to be one for Local Governments in the first instance as animal husbandry is a transferred provincial subject.

#### IMPORT DUTY ON HORSES.

705. **\*Mr. Muhammad Ashar Ali** (on behalf of Lieut. Nawab Muhammad Ibrahim Ali Khan): Is there any import duty on horses imported from over-seas? If not, why not?

**The Honourable Sir Joseph Blore:** Horses are not liable to customs duty as it has not hitherto been part of the tariff policy of the Government of India to levy duty on live animals.

**RAILWAY BETWEEN JAKHAL AND SIRSA.**

**706. \*Sirdar Harbans Singh Brar:** With reference to the unstarred question No. 37 of the 20th January, 1930, by Khan Bahadur Sarfraz Hussain Khan, will Government please state when they are likely to start the project of connecting Jakhal Junction on the North Western Railway with Sirsa on the Bombay, Baroda and Central India Railway and from thence to Ellenabad on the Bikaner State Railway? If not, why not?

**Mr. P. R. Rau:** The proposal to connect Jakhal and Sirsa by a broad gauge line was dropped in 1930, as it was found that the traffic prospects were not promising. An extension of that line to Ellenabad has never been under consideration.

**INDIANS GIVEN THE KING'S COMMISSION IN THE ARMY.**

**707. \*Sirdar Harbans Singh Brar:** (a) Will Government please state the number of Indians, according to communities, who have so far been given the King's Commission in the Army and the number of those who belong to (i) martial classes and (ii) non-martial classes from each of these communities?

(b) Will Government please state the number of persons belonging to non-martial classes among the ranks in the Army as compared with those belonging to martial classes?

(c) Is it a fact that for a very long time only martial classes have been offering themselves for service in the Army? If so, do Government propose that the commissions in the Army shall be restricted to the martial and non-martial classes in proportion to their number in the ranks?

**Mr. G. R. F. Tottenham:** (a), (b) and (c). Government do not maintain statistics of the kind asked for by the Honourable Member in the first part of the question. He would, however, probably be able to extract the information he requires from the gradation list in the Indian Army List which gives the names of all officers. As regards the remainder of (a), part (b) and the first portion of part (c), his attention is invited to the answer I gave on the 11th December, 1933, to part (d) of starred question No. 1384.

The answer to the last portion of part (c) is in the negative. Entry to the officer ranks of the Army is by open competition and Government have no intention of introducing communal considerations.

**TRAINS, ETC., ON THE FEROEZPORE-LUDHIANA SECTION OF THE NORTH WESTERN RAILWAY.**

**708. \*Sirdar Harbans Singh Brar:** Will Government please state if the number of trains run and the time taken by them, on the Ferozepore-Ludhiana Section of the North Western Railway is the same as was twenty years ago?

**Mr. P. E. Rau:** I am making enquiries from the Agent, North Western Railway, and shall place a reply on the table in due course.

**PROVISION OF CERTAIN AMENITIES ON STATIONS OF THE REWARI-FAZILKA AND KOTKAPURA-FAZILKA SECTIONS OF THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.**

**709. \*Sirdar Harbans Singh Brar:** (a) Are Government aware that the number of trains run on the Rewari-Fazilka section of the Bombay Baroda and Central India Railway are few and the time taken by them long?

(b) Is it a fact that at most of the way-side stations there are no sheds, whatsoever, for the shelter of passengers from the rain or the heat of the sun?

(c) Are Government aware that Roranwala and Ramnagar stations on the Kotkapura-Fazilka section, are situated in very well-to-do localities with fairly large traffic, but that the absence of waiting rooms and passenger sheds, as well as of the platforms is causing great inconvenience to the travelling public?

(d) Do Government propose to take early steps to get these amenities provided for the public without any further delay?

**Mr. P. E. Rau:** I am making enquiries from the Agent, Bombay Baroda and Central India Railway, and shall place a reply on the table in due course.

**CONVERSION OF THE FAZILKA-KOTKAPURA SECTION OF THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY INTO A BROAD GAUGE RAILWAY.**

**710. \*Sirdar Harbans Singh Brar:** Will Government please state when it is proposed to convert the Fazilka-Kotkapura section of the Bombay Baroda and Central India Railway into a broad gauge railway?

**Mr. P. E. Rau:** The conversion to broad gauge of the Fazilka-Kotkapura section was at one time under consideration as a possible continuation of the proposed broad gauge cross connection from Lyallpur to Chananwala, but was abandoned after investigation.

**CONSTITUTION OF THE ADVISORY COMMITTEE OF THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.**

**711. \*Sirdar Harbans Singh Brar:** (a) Will Government please state the constitution of the Advisory Committee of the Bombay, Baroda and Central India Railway?

(b) Are Government aware that the Advisory Committees of the Bombay Baroda and Central India Railway do not have a single person on them to represent the Rewari-Fazilka section, which is no less than 200 miles in length and serves about the whole of the Southern Punjab and the Punjab States? If so, do Government propose to request the Railway administration to nominate a person of this section on the Ajmer Committee?

**Mr. P. E. Rau:** (a) The constitution of the Bombay, Baroda and Central India Railway Advisory Committee is as follows:

1. Agent, Bombay, Baroda and Central India Railway—Chairman.
2. One representative of the Local Government.
3. One representative of the Bombay Legislative Council.
4. One representative of the Bombay Municipality.
5. One representative of the Bombay Chamber of Commerce.
6. One representative of the Indian Merchants' Chamber and Bureau.
7. One representative of the Bombay Port Trust.
8. One representative of the Bombay Millowners' Association.
9. One representative of the Ahmedabad Millowners' Association.
10. One representative of the Rajputana Administration.

(b) Members of the Committee are not selected on the basis of representation of different sections of the line. The principles governing the choice, which were laid down in 1922, after consultation with the Central Advisory Council for Railways, are that in addition to members representing the Local Government and the municipal corporation at headquarters, there should be representatives from the Legislative Council to represent rural interests and the travelling public, and other members to represent industries, commerce and trade.

**PROVISION OF REFRESHMENT ROOMS AT CERTAIN STATIONS ON THE REWARI-FAZILKA SECTION OF THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.**

**712. \*Sirdar Harbans Singh Brar:** (a) Are Government aware that on the Rewari-Fazilka section of the Bombay, Baroda and Central India Railway with a length of 263 miles, there are only two stations with Hindu and Muhammedan refreshment rooms?

(b) If so, do Government propose to get more Indian refreshment rooms established at important stations like Muhtsar, Fazilka, Kotkapura, Hissar or Sirsa? If not, why not?

**Mr. P. E. Rau:** (a) and (b). Government understand that refreshment rooms exist at Rewari and Bhatinda and Indian Refreshment Stalls at Bhiwani, Hissar, Sirsa, Kotkapura, Fazilka, Rewari and Bhatinda. The Agent, Bombay, Baroda and Central India Railway, reports that existing refreshment rooms are poorly patronized and no demand appears to exist for any more at other stations.

**ERECTION OF A BUILDING AT THE RORANWALA STATION ON THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.**

**713. \*Sirdar Harbans Singh Brar:** Do Government propose to get a suitable building erected at the Roranwala station on the Fazilka-Rewari section? Is it a fact that at present the booking and goods offices are located in a goods wagon for the last ten or twelve years? If not, why not?

**Mr. P. E. Rau:** With your permission, Sir, I propose to reply to questions Nos. 713 and 714 together.

Government have no information, but copies of the questions are being forwarded to the Agent, Bombay, Baroda and Central India Railway, for consideration of the Honourable Member's suggestions.

**PROVISION OF THIRD CLASS WAITING ROOMS AT MUKTSAR STATION OF THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.**

†714. **\*Sirdar Harbans Singh Brar:** (a) Are Government aware that Muktsar Railway station on the Bombay, Baroda and Central India Railway (Rewari-Fazilka section) commands large pilgrimage traffic all the year round, and especially in the month of January?

(b) Is it a fact there is no adequate accommodation for the passengers to protect themselves from the biting cold and winds while waiting for the trains?

(c) Do Government propose to get suitable third class waiting rooms erected before the next cold weather?

**DISSOLUTION OF THE PRESENT LEGISLATIVE ASSEMBLY.**

715. **\*Mr. M. Maswood Ahmad:** (a) Has the attention of Government been drawn to the following A. P. I. message published in the *Statesman* (page 9, column 5), dated the 30th March, 1934?

"According to lobby conversations yesterday, the Government of India have practically decided to dissolve the present Assembly before October, by issuing a writ for elections. The next Session in Simla will, therefore, be held towards the end of July or the beginning of August. The present Session is not expected to conclude before April 20."

(b) If the answer to part (a) above be in the affirmative, will Government please make a full statement on the subject of the dissolution of the present Assembly?

(c) Is it intended to hold the next Simla session in July or August?

**The Honourable Sir Brojendra Mitter:** (a), (b) and (c). Government hope to be able to make a statement before the end of the Session.

**Mr. Lalchand Navalrai:** Has the attention of Government been drawn to the communication in the *Hindustan Times* which says that on this question there is a difference of opinion between the Secretary of State and the Government of India?

**The Honourable Sir Brojendra Mitter:** No, Sir. I have not seen what appeared in the *Hindustan Times*.

**Mr. Lalchand Navalrai:** May I know from the Honourable Member if there is a difference between the Government of India and the Secretary of State?

**The Honourable Sir Brojendra Mitter:** I am not in a position to make any statement on this subject beyond what I have said in answer to the question asked by Mr. Maswood Ahmad.

†For answer to this question, see answer to question No. 713.

**Mr. M. Maswood Ahmad:** Have Government received any direction in this connection from His Majesty's Government?

**The Honourable Sir Brojendra Mitter:** I am not in a position to make any further statement than that we hope to make a statement before the end of the Session.

**Mr. H. P. Mody:** Have they received any petition from Members?

**Dr. Ziauddin Ahmad:** Leaving out the question about the communication between the Government of India and the Secretary of State with which we are not concerned, will the Honourable Member please inform the House whether the election will take place this year or not? This is a question in which we are vitally concerned.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Next question.

#### OPENING OF A BROADCASTING STATION IN DELHI.

716. **\*Mr. M. Maswood Ahmad:** (a) Is it a fact that a new broadcasting station is going to be opened during the course of the next year at Delhi?

(b) If so, will Government please state

(i) what the expenses in this connection will be;

(ii) whether sanction of the Standing Finance Committee and this House was obtained, if not, why not; and

(iii) when the new station is likely to be opened?

**The Honourable Sir Frank Noyce:** (a) The attention of the Honourable Member is invited to my reply to Kunwar Hajee Ismail Ali Khan's starred question No. 652 on the 7th April, 1934.

(b) (i) The initial expenditure is estimated at Rs. 25,000 and the recurring expenditure at Rs. 16,000 per annum.

(b) (ii) The approval of the Standing Finance Committee was obtained to the provision of Rs. 40,000 in the budget estimates for 1934-35, for the extension of broadcasting in places other than Calcutta and Bombay. The details of the proposed station at Delhi have not yet been finally worked out, but if decided upon it is intended that the expenditure should be met from the provision just mentioned after a further reference to the Standing Finance Committee if it is found that this is required under the rules.

(b) (iii) It is estimated that at least nine months will be required for constructing and testing the station after all details have been settled.

#### PRODUCTION OF SPIRIT FROM WATER HYACINTH.

717. **\*Mr. M. Maswood Ahmad:** (a) Is it a fact that recently cheap power spirit has been produced from the water hyacinth?

(b) If so, will Government please state

(i) where the experiment was tried in India;

(ii) what steps Government have taken or propose to take with a view to its production on a large scale?

**Mr. G. S. Bajpai:** (a) and (b). (i) The experiment has been tried by Dr. Fowler in Cawnpore, and by Professor Ghosh in Calcutta. Alcohol has been produced successfully from the technical point of view. Quite recently Dr. H. K. Sen of Calcutta claims to have discovered a cheaper process. Government, however, are not in a position to say whether any of the processes are likely to prove a success on a commercial scale.

(ii) In view of the last sentence of the reply to the preceding part of the question, the matter does not arise.

**Mr. M. Maswood Ahmad:** Do Government propose to enquire into this matter?

**Mr. G. S. Bajpai:** I do not think it is really necessary to enquire into this matter. It is for the inventor if he wants assistance to approach the Government.

#### QUANTITY AND VALUE OF INDIAN COTTON BOUGHT BY LANCASHIRE.

718. **\*Mr. M. Maswood Ahmad:** Will Government please state the quantity and the value of Indian cotton bought by Lancashire during each of the last five years?

**The Honourable Sir Joseph Blore:** The Honourable Member is referred to the Annual Seaborne Trade Accounts of British India, copies of which are in the Library of the Legislature, which show by countries the total figures of quantity and value of cotton exported from India in each year. Government have no information regarding the quantity and value of Indian cotton bought by Lancashire but it may reasonably be assumed that most of the cotton shipped from India to the United Kingdom is intended for consumption in Lancashire Mills.

**Mr. M. Maswood Ahmad:** Will Government state whether the time for collecting this information from the Seaborne Trade Accounts would have taken more time than preparing this answer?

**The Honourable Sir Joseph Blore:** I do not wish to deny my Honourable friend the pleasure of collecting the information for himself.

#### COLONIZATION ENQUIRY COMMITTEE OF SOUTH AFRICA.

719. **\*Mr. M. Maswood Ahmad:** (a) Will Government please state the composition and terms of reference of the Colonization Inquiry Committee appointed in 1932 by the South African Government to devise means for the migration of Indians from South Africa?

(b) Were any Indians associated with this Committee? If so, what are their names?

(c) When is the report of the Committee likely to be published?

(d) Will this House be given an opportunity to discuss the report? If not, why not?



**Mr. G. S. Bajpai:** (a) The attention of the Honourable Member is invited to the Press Note, dated the 15th June, 1933, issued by the Government of India.

(b) Mr. S. R. Naidoo represented the South African Indian Congress on the Committee.

(c) No date has yet been fixed.

(d) The suggestion of the Honourable Member will be considered.

**DEPUTATION OF MR. R. H. LOCKE, SUPERINTENDENT OF HORTICULTURAL OPERATIONS IN DELHI, TO BAGHDAD.**

720. \***Mr. M. Maswood Ahmad:** (a) Is it a fact that Mr. R. H. Locke, Superintendent of Horticultural Operations in Delhi has been asked by the British Air Ministry to proceed to Baghdad for the purpose of giving his advice regarding the plantation of a new residential area near Hinadi in South Baghdad?

(b) If the answer to part (a) be in the affirmative, will Government please state:

(i) whether their sanction was obtained by the officer concerned before he consented to undertake this work; if not, why not; and

(ii) who will bear the expenses thus incurred?

**The Honourable Sir Frank Noyce:** (a) Yes.

(b) (i) Yes.

(ii) The expenses will be borne by the British Air Ministry in London.

**SHORT NOTICE QUESTION AND ANSWER.**

**COMMITTEE ON RULES REGARDING PAYMENT OF LOST OR MUTILATED CURRENCY OR BANK NOTES.**

**Mr. Muhammad Muazzam Sahib Bahadur:** When do Government propose to appoint the Committee to examine the question of the rules regarding payment on lost or mutilated currency or bank notes referred to by the Joint Committee on the Reserve Bank Bill?

**The Honourable Sir George Schuster:** As indicated in that report, Government propose to appoint a small Committee of officials and non-officials which will meet in Bombay, as soon as possible, after the close of the present session. It will be composed of two Non-Official Members from the Legislative Assembly and one from the Council of State under the chairmanship of Sir Osborne Smith, Kt., K.C.I.E., Managing Governor of the Imperial Bank of India. Mr. Kelly, Controller of the Currency will also attend as official member and Secretary. The representatives of the Legislature will be Sir Homi Mehta (Council of State) and Sir Cowasji Jehangir and Mr. Vidya Sagar Pandya (Legislative Assembly).

I am laying on the table the proposed terms of reference.

*Terms of Reference.*

To examine the Currency Notes (Refund) Rules, 1921, as modified by the Government of India, Finance Department Notification No. F.4 (XV)-F.27, dated the 19th May, 1927, and to consider whether any change in them is desirable in existing circumstances, and if so, to what extent, and in this connection to consider and report whether the existing remittance facilities are sufficiently cheap and adequate and if not, whether there is any action that Government could take in order to increase those facilities.

## UNSTARRED QUESTIONS AND ANSWERS.

### INADEQUATE NUMBER OF MUSLIM ASSISTANTS IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

343. **Kunwar Hajee Ismail Ali Khan:** (a) Is it a fact that the Controller of Printing and Stationery, India, New Delhi, once issued instructions to the Manager, Government of India Press, New Delhi, asking him to stop the recruitment of members of the majority community to the clerical establishment until the percentage of the minority community reached the required number? If so, will Government be pleased to state what action has so far been taken in that direction?

(b) Are Government aware that questions have been asked from time to time in this House on the subject of recognising the legitimate claims of the Muslim community with regard to the adequate representation in the Assistant's grade of the Government of India Press, New Delhi?

(c) Is it a fact that the Assistant's grade in the Government of India Press, New Delhi, still remains unrepresented by the Muslim community? If so, why?

(d) Will Government be pleased to state the number of appointments in the Assistant's grade made since 1927 in the Government of India Press, New Delhi, and whether the claims of the Muslim community were ever considered at the time of recruitment and promotion in that grade?

(e) If the answer to part (d) shows an inadequate representation of Muslims in the Assistant's grade, are Government prepared to give an assurance that, when filling up future vacancies in that grade, they will take such action as might give the Muslim community their due share?

**The Honourable Sir Frank Noyce:** (a) Yes; the order was cancelled.

(b) Yes.

(c), (d) and (e). The policy of communal representation is not followed in making appointments in each grade and the question of the representation of a particular community in a grade does not arise. I have no list of the appointments made to the Assistant's grade since 1927, but there are no Muslims in that grade at present.

### CONTRIBUTORY PROVIDENT FUND FOR THE CLERKS OF THE GOVERNMENT OF INDIA PRESSES.

344 **Kunwar Hajee Ismail Ali Khan:** (a) Is it a fact that Government have compulsorily established Contributory Provident Fund for the clerks of the Government of India Presses, abolishing the pension system?

(b) Will Government be pleased to state whether the abolition of pension system and the introduction of Contributory Provident Fund has been made at the request of the clerks of the Government of India Presses, or at their own accord?

(c) Is it a fact that the main object to establish Contributory Provident Fund Rule in the Government of India Presses was for the industrial employees, who are considered technical employees, and not for clerks who are considered as non-technical?

(d) Will Government be pleased to state whether the Contributory Provident Fund Rule has also been enforced in any Government of India offices? If not, why? If it has been enforced in any Government of India offices, will Government be pleased to state what rate of Government contribution is given to the employees of those offices?

(e) Are Government aware that Government contribution given to the Press employees is comparatively less than Government contribution given to the employees of those offices?

(f) If the replies to the preceding parts be in the affirmative, are Government prepared either to withdraw the new Contributory Provident Fund Rules and restore the old pension system or to make increase in the contribution given to the employees by the Government?

**The Honourable Sir Frank Noyce:** (a) Yes, for clerks recruited on or after the 15th July, 1920.

(b) The fund was established to meet certain grievances of the press employees generally as regards pensions.

(c) No.

(d) and (e). There are relatively few establishments under the Government of India which enjoy the benefits of the Contributory Provident Fund. The Fund is intended primarily for certain technical specialists, but exceptions to this rule are sometimes made on grounds of administrative convenience. The rate of Government contribution is generally  $6\frac{1}{2}$  per cent. of a subscriber's actual emoluments and this is the rate to which employees in the Government of India Presses are entitled.

(f) No.

#### MACHINE AND BINDERY REPORT-WRITERS OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

845. **Kunwar Hajee Ismail Ali Khan:** Is it a fact that machine and bindery report-writers in the Government of India Press, Calcutta, are treated as industrial employees? If so, will Government be pleased to state why the machine and bindery report-writers of the Government of India Press, New Delhi, are treated as clerical employees?

**The Honourable Sir Frank Noyce:** The reply to the first part is in the affirmative. As regards the second part, the Machine and Bindery report-writers are now treated as industrial employees.

#### LEAVE APPLICATIONS OF THE CLERKS OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

346. **Kunwar Hajee Ismail Ali Khan:** (a) Are Government aware that the leave applications of the clerks of the Government of India Press, New Delhi, are dealt with very strictly by the Manager, and is it a fact that their services are often dispensed with if they apply for leave?

(b) Is it also a fact that the Manager Government of India Press, New Delhi, rejected the applications for leave, supported by medical certificates, of certain clerks?

(c) Is it also a fact that the Manager, Government of India Press, New Delhi, is in the habit of sending clerks to the Chief Medical Officer for

getting countersignatures on their medical certificates, even if the leave applied for is for a short period?

(d) If the answers to parts (a), (b) and (c) be in the affirmative, will Government be pleased to state what remedy they propose in order to put an end to the hardships the clerks have to face each time they apply for leave?

**The Honourable Sir Frank Noyce:** (a) The reply to both parts is in the negative.

(b) Only in one case, as the Manager had reasonable doubts about the illness of the applicant. On an appeal from him, the leave was granted.

(c) No. A second medical opinion is obtained when considered necessary.

(d) Does not arise.

#### RECRUITMENT OF MUSLIM PEONS IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

347. **Kunwar Hajee Ismail Ali Khan:** (a) Will Government be pleased to state the number of permanent and temporary posts of peons in the Government of India Press, New Delhi, with the percentage of the Muslims?

(b) Is it a fact that the percentage of Muslim peons in the Government of India Press, New Delhi, is low? If so, do Government propose to issue orders to the Manager of the above mentioned Press to stop the recruitment of Hindus, till the percentage of the minority community reaches the required limit?

**The Honourable Sir Frank Noyce:** (a) 9 and 4, respectively, 15 per cent. are Muslims.

(b) There is no specified percentage of Muslim peons and the second part of the question does not arise.

#### NON-CONFIRMATION OF CERTAIN MEN IN THE BINDERY AND WAREHOUSE DEPARTMENT OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

348. **Kunwar Hajee Ismail Ali Khan:** Are Government aware that there are men in the bindery and warehouse department of the Government of India Press, New Delhi, who have been working for the last 10 or 15 years, and have not yet been made permanent? If so, what remedy do Government propose to safeguard the interests of the temporary men?

**The Honourable Sir Frank Noyce:** There are some men on the regular temporary establishment with a number of years service, and Government have under consideration proposals for an increase in the permanent establishment by a corresponding reduction in the strength of temporary establishment.

#### FORMATION OF A CIVIL WING OF THE INDIAN ARMY ORDNANCE CORPS.

349. **Mr. S. C. Mitra:** (a) Will Government please state when they sanctioned the formation of a Civil Wing of the Indian Army Ordnance Corps?

(b) What is the extent of the scheme of Civilian Storekeepers and their grading, pay and allowances and prospects together with a statement of the grading, pay and allowances and prospects of their British confreres?

(c) Do Government expect to effect any economy by the introduction of this scheme? If so, how much?

(d) Is it not the intention to Indianize a quarter of the B. O. R. strength of the Indian Army Ordnance Corps? If so, within what period do Government expect to effect it?

(e) Has every fourth vacancy in the cadre of the British Non-Commissioned Officers gone to an Indian since the formation of the Indian Civil Wing? If so, how many such vacancies occurred since 1928 and what is the present strength of the Civilian Assistant Storekeepers?

**Mr. G. E. F. Tottenham:** (a) On the 5th April, 1928.

(b) Every fourth vacancy in the cadre of British N.C.Os. is offered to a civilian who is appointed Assistant Store-keeper. The present grading and rates of pay are:

	Rs.
On appointment—(12 months probation)	100
On confirmation as Assistant Storekeeper (Lower Division).	120—6—150 (efficiency bar).
Assistant Storekeeper (Upper Division).	160—10—250 (efficiency bar).
Storekeeper, Lower Division	260—15—350 (selection bar).
Storekeeper, Upper Division	375—25—450

No allowances are given.

Assistant Storekeepers can reach a maximum pay of Rs. 450 and earn pension under the C. S. R.

The grading and rates of pay of British warrant and non-commissioned officers are:

	Before 26th October 1925.	After 26th October 1925.
Sergeant . . . . .	220	210
Staff Sergeant . . . . .	280	250
Sub-Conductor . . . . .	380	335
Conductor . . . . .	420	370

The value of the allowances given to British other ranks averages Rs. 125 per head. A British other rank who joined the I.A.O.C. before the 30th September, 1931, received:

Promotion to staff sergeant after 3 years I.U.L. service.

„	„	sub-conductor	„	9	„	„	„
„	„	Conductor	„	16	„	„	„
„	„	Commissioned rank, by vacancies occurring in a fixed cadre of 56 departmental officers.					

British other ranks who joined the I.A.O.C. after the 30th September, 1931, receive promotion to the ranks mentioned above within a cadre which consists at present of:

8 majors.

16 captains.

32 lieutenants.

84 conductors.

140 sub-conductors.

336 non-commissioned officers,

with pension according to rank and service.

(c) Yes. Approximately 6 Assistant Storekeepers are appointed annually at an annual saving of about Rs. 18,000.

(d) The attention of the Honourable Member is invited to the answer I gave on the 15th September, 1933, to starred question No. 961.

(e) Yes. There have been 132 vacancies since the 1st April, 1928, and the present strength of Assistant Storekeepers is 33.

#### REORGANISATION OF THE INDIA UNATTACHED LIST.

350. **Mr. S. C. Mitra:** (a) Will Government please state if the I. U. L. has been reorganised lately?

(b) What is the total fixed establishment of the B. O. Rs. of the Indian Army Ordnance Corps under this reorganisation?

(c) What is the proportion of Non-Commissioned Officers to Warrant Officers?

(d) Has any proportion of Assistant Storekeepers to Storekeepers been fixed so far? If not, why not?

(e) If the matter is under consideration, what percentage is under contemplation? In case it is not the same as for Non-Commissioned Officers to Warrant Officers, will Government please state the reasons for this differentiation?

**Mr. G. E. F. Tottenham:** (a) Yes.

(b) 560.

(c) I have given the details in my reply to the preceding question.

(d) and (e). The question is under consideration whether a proportion should be fixed similar to that for British other ranks.

#### PROMOTIONS IN THE INDIAN ARMY ORDNANCE CORPS.

351. **Mr. S. C. Mitra:** Will Government please state:

(a) the number of years of service a Non-Commissioned Officer of the Indian Army Ordnance Corps satisfying all conditions of promotion has normally to put in to attain the rank of a full Conductor;

(b) similar information as at part (a) in case of civilian Assistant Storekeepers; and

(c) whether they propose to introduce the same system of promotion as for their British confreres, *i.e.*, Assistant Storekeepers Lower Division to Assistant Storekeeper Upper Division after three years and thereafter promotion by vacancies within a fixed establishment?

**Mr. G. R. F. Tottenham:** (a) Attention is invited to the answer to part (b) of question No. 349.

(b) and (c). These questions are under consideration.

**PROVISION OF QUARTERS TO CIVILIAN ASSISTANT STOREKEEPERS AND STOREMEN OF THE INDIAN ARMY ORDNANCE CORPS.**

**352. Mr. S. C. Mitra:** (a) Are the permanent civilian employees in Ordnance factories provided with Government quarters at a nominal rent?

(b) Do the civilian Assistant Storekeepers and Storemen of the Indian Army Ordnance Corps get similar housing facilities? If not, why not?

(c) Do Government propose to undertake to build quarters of the type provided to employees of Ordnance factories for this class of personnel?

**Mr. G. R. F. Tottenham:** (a) The civilian non-gazetted supervising staff, both European and Indian, employed in the Ordnance Factories are provided with rent-free quarters under the terms and conditions of their service. When quarters are not available, they are granted compensation.

(b) No. Their terms of service do not entitle them to this concession.

(c) The answer is in the negative.

**PROMOTION OF ROUTINE CLERKS IN THE RAILWAY CLEARING ACCOUNTS OFFICE.**

**353. Lieut. Nawab Muhammad Ibrahim Ali Khan:** (a) Is it a fact that the list of retrenched clerks belonging to minority communities awaiting for appointment in the office of the Railway Clearing Accounts, has almost been exhausted? If so, will Government please state why new clerks from amongst the candidates from outside have been engaged in preference to a number of retrenched and trained routine clerks who are available for re-appointment?

(b) Will Government please state how and for what reasons the new clerks were considered more useful than the routine clerks who are already trained in office work?

(c) Is it not a fact that the routine clerks of the Railway Clearing Accounts Office do precisely the same and equal amount of work as is performed by all other clerks there?

(d) Are Government aware that the rules regarding the promotions of routine clerks to the next higher grade restrict their promotion at a rate of only five per cent. out of the total clerical vacancies?

(e) What is this Punched, etc., grade?

(f) Does the Chief Commissioner, Railway Board, propose to give his personal attention to the grievances of the routine clerks employed in the Railway Clearing Accounts Office?

**Mr. P. R. Rau:** (a) The reply to the first part of the question is in the affirmative. Retrenched punchers, sorters, etc., who are on the waiting list are only eligible for re-employment in vacancies in the grade from which they were retrenched and not in higher grades.

(b) Direct recruitment to the rank of clerks, as distinct from promotion or re-appointment of routine clerks, is based on considerations of efficiency.

(c) No.

(d) Yes.

(e) This is a grade on Rs. 83—2—60 for punchers, sorters and *dak* distributors, etc.

(f) I would refer my Honourable friend to the reply I gave to question No. 691 by Mr. Joshi.

#### RESOLUTIONS PASSED AT THE MEETING OF THE MEDICAL AND DENTAL PROFESSIONS OF BOMBAY.

**354. Dr. Ziauddin Ahmad:** (a) Has the attention of Government been drawn to the resolutions passed at the meeting of the Medical and Dental Professions of Bombay, held on the 18th March, 1984, under the chairmanship of Dr. A. P. Bacha?

(b) If so, what action do Government propose to take on these resolutions?

**Mr. G. S. Bajpai:** (a) Yes.

(b) Government do not consider that any action on their part is called for.

#### RETRENCHMENT IN THE RAILWAY ACCOUNTS DEPARTMENT.

**355. Seth Liladhar Chaudhury:** (a) Is it a fact that Mr. L. S. Deane in his note on retrenchment in the Railway Accounts Department in 1981 promised to run the Controller of Railway Accounts' office with one deputy only and the post of Assistant Controller Railway Accounts had to be abolished after a year?

(b) Is it a fact that, instead of abolishing the post of the Assistant Controller of Railway Accounts, an additional post of an Assistant Accounts Officer was created for four months in connection with the compilation of the Appropriation Accounts and has now been extended for the next official year?

(c) If the reply to the preceding part be in the affirmative, will Government please state what steps they propose to take to materialize the promises made by the Controller of Railway Accounts in regard to retrenchment in that office?

(d) Is it a fact that Mr. L. S. Deane in his note on retrenchment in the Railway Accounts Department stated that he could hold charge of both his own office and of the office of the Controller of Railway Accounts? If so, will Government please state why the proposal was not accepted and a considerable saving made by bringing one of the posts into reduction?



**Mr. P. R. Rau:** (a) No.

(b) Yes.

(c) In view of the reply to part (a), this question does not arise.

(d) Mr. Deane made a suggestion to this effect as a temporary measure, but Government considered it undesirable in the interests of the public service that the Controller of Railway Accounts should be directly responsible for one of the particular offices under his control as Controller of Railway Accounts. It was their view that he should be free to deal with more important matters of policy affecting the Accounts Offices in general.

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STATEMENTS LAID ON THE TABLE.

**Mr. G. S. Bajpai** (Secretary, Department of Education, Health and Lands): Sir, I lay on the table the information promised in reply to unstarred question No. 222, asked by Mr. S. G. Jog on the 21st March, 1934.

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NEW ROADS, PARKS AND PLACES OF RECREATION CONSTRUCTED IN DELHI.

222. No new parks or places of recreation have been constructed in Old or New Delhi during the last three years. As regards roads, construction has been limited during this period to seven branch and service roads none of which has been named after important personages.

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**Mr. G. R. F. Tottenham** (Army Secretary): Sir, I lay on the table the information promised in reply to starred question No. 411 asked by Mr. Gaya Prasad Singh on the 7th March, 1934.

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DISABILITY PENSION TO MILITARY EMPLOYEES INVALIDED DURING THE GREAT WAR.

\*411. (i) To their full extent.

(ii) Yes. The rule in paragraph 44, Financial Regulations, Part I, is quite clear.

(iii) and (iv). No. The amount of arrears to be given in one of the two cases quoted was settled by the Government of India themselves, while in the other cases Government are satisfied that the action taken by the Controller was in accordance with their orders.

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**Mr. P. R. Rau** (Financial Commissioner, Railways): Sir, I lay on the table:

- (i) the information promised in reply to part (b) of starred question No. 1189 asked by Mr. Lalchand Navalrai on the 28th November, 1933;
- (ii) the information promised in reply to starred question No. 193 asked by Mr. Goswami M. R. Puri on the 21st February, 1934;
- (iii) the information promised in reply to unstarred question No. 154 asked by Mr. S. G. Jog on the 6th March, 1934; and
- (iv) the information promised in reply to starred question No. 564 asked by Pandit Satyendra Nath Sen on the 28th March, 1934.

WITHHOLDING OF APPEALS AGAINST HIS ORDERS BY THE DIVISIONAL PERSONNEL OFFICER, NORTH WESTERN RAILWAY, KARACHI.

\*1189. (b) The Agent, North Western Railway reports that he has ascertained from the Divisional Superintendent, Karachi, that appeals to him from the orders of dismissal or discharge passed by an Executive Officer are not withheld.

LEAVE TO SICK STAFF ON THE NORTH WESTERN RAILWAY.

\*193. The Agent, North Western Railway reports as follows :

(a) The rules for medical attendance on Railway employees issued under Government of India, Public Works Department, Circular No. 2-Railway, dated 19th April, 1892, (Copy enclosed), lay down that subject to certain limits as to residence, all employees are entitled to gratuitous attendance from the Medical Officer appointed for the purpose either at their houses in serious cases or at such other place as may be arranged for locally in trifling ailments which do not confine the patients to their houses. This rule is followed on the North Western Railway.

(b) No. Such leave is not refused if the requisite medical certificates acceptable under the Railway rules are produced testifying to the sickness of the employees. No employee is debarred by the Administration from applying for medical aid from Civil Hospitals. Certificates other than those issued by the Railway Doctors are accepted and countersigned if the conditions laid down in the Railway Rules governing the acceptance of such certificates are fulfilled.

NORTH WESTERN RAILWAY.

*Manager's Circular No. 7 of 1892.*

*Rules for Medical Attendance.*

The accompanying rules for medical attendance on Railway employees and their families promulgated under Government of India, Public Works Department, Circular, No. 2-Railway, dated 19th April, 1892, are re-printed for general information, in supersession of the I. V. S. Railway Manager's Circular No. 10. of 1893. The new rules will have effect from 1st June 1892.

G. F. WILSON, Major R.E.,  
for Manager.

LAHORE;

28th June 1892.

*Rules for Medical attendance on State Railway Employees by Medical Officers appointed for the purpose.*

1. For purposes of medical attendance employees shall be classified into :—

I. Officers.

II. Subordinates drawing a salary\* of Rs. 325 and upwards.

III. Subordinates drawing a salary\* of less than Rs. 325.

IV. Menials (including the servants of Railway employees).

\*The word "salary" includes overtime and all allowances except travelling allowance.

2. Subject to the limits as to residence prescribed in Rule 14, all employees are entitled to gratuitous attendance from the Medical officers appointed for the purpose, for themselves (and in the case of those drawing salaries below Rs. 75 a month for their families also) either at their houses in serious cases, or at such other place as may be arranged for locally in trifling ailments which do not confine the patients to their houses.

3. All employees and their families are entitled to gratuitous medical attendance when seeking it at the Railway Hospital or dispensary, either as in or outpatients, to the extent of the accommodation available.

4. It shall be the duty of the Chief Railway Medical Officer to attend at the Railway hospital or dispensary at a fixed hour every morning for the foregoing purpose, as also to consider and countersign the medical certificates granted by Medical Subordinates to employees on whom they are in attendance.

Officers and subordinates who reside within Railway limits or within a reasonable distance, should not apply for certificates to any other medical man than the Railway Medical Officer appointed to attend them.

#### *Classes I and II.*

5. Classes I and II (para. 1) shall be entitled to the personal attendance at their houses, of the Chief Railway Medical Officer appointed for the purpose, gratuitously for themselves, and on payment in the case of members of their families.

6. In cases of trifling sickness which do not confine the employees to their houses, it is expected that they will seek advice from the Medical Officer, either at his own house or at the Railway Hospital during the visiting time, or at such other place as may be arranged for locally, to be considered as the Medical Officer's consulting room.

7. In the case of members of their families, it is not considered desirable to make any rule on this point. The arrangement must be left altogether to the good taste and good feeling of patient and doctor.

8. Medicines shall be issued without charge to all Railway employees and their families on the prescription of Railway Medical officer of all grades. But the Chief Railway Medical Officer shall have power to impose restrictions on his subordinates against the needless issue of expensive drugs or of those which may be running short.

#### *Classes III and IV.*

9. Men of classes III and IV shall receive medical advice from the Subordinate Medical employees; men of class III at their own houses under circumstances sketched in paras. 5 and 6 and men of class IV at the Railway Hospital. Men in class III on salaries of not less than Rs. 75 may, in important cases, desire the attendance of a Superior Medical Officer, who will in that case visit the patient and decide whether his further attendance is necessary or not. It shall be open to the friends of the patient also to ask the medical man in actual attendance for a consultation whenever they think one necessary.

10. Requests of this kind should be complied with and the Medical Officers applied to shall be held responsible for the consequences of a refusal to attend to them.

11. On the other hand, Heads of Departments should see that the privilege is not abused.

12. The application should be made by a responsible member of the family whenever one is present.

13. Whenever an employee calls upon a Medical Officer of the Railway for medical assistance either for himself or for any member of his family, the officer so called upon shall, if the case is represented as urgent, render such assistance as may be necessary without hesitation, leaving the question of urgency, or of his being the particular medical employee who should render aid, or of arrangement as to fees, etc., to be enquired into and settled afterwards.

14. Employees residing in the native town, or in any place remote from the Railway lines, shall make their own arrangements for any medical attendance they may require at their houses. The "remoteness" of a residence shall be determined by local agreement or by previous custom. In case of doubt the decision of the Manager shall be final.

*Medical Certificates.*

15. In the cases of classes I and II, medical certificates of temporary unfitness for duty should be signed by a railway medical officer ordinarily, or by a commissioned medical officer or a medical officer in charge of a civil district.

16. Men of classes III and IV residing within the prescribed beat of a properly appointed Railway Medical Subordinate, should be compelled to obtain medical certificates from such medical subordinate. In the case of men residing beyond the limits of the beat of the Railway Medical Subordinate and tendering such certificates from medical men not qualified, as described in the preceding rule, it shall be the duty of the Chief Railway Medical Officer to enquire into each case, and counter-sign or not, as the case may demand, the medical certificates submitted in this way.

*Payment of fees for medical attendance on families.*

17. This shall be regulated by the contract system or by the visit, as the employee may prefer. The following rules of the contract system do not apply to accouchements, which should be arranged for separately :—

*Contract System.*

18. Employees wishing to pay in this way shall, within two months of their coming to the station, or on their families coming to reside with them, signify their desire to the local heads of their departments, who should without delay communicate information to the Chief Medical Officer, who in his turn will inform the employee of the particular Medical Officer to whom he should look for aid.

19. The contract should be held to commence from the beginning of the calendar half year on which the application is made, to be terminable by notice, and to last for periods of not less than six months; failing notice it will be presumed that the contract is in force for the ensuing six months.

20. Contracts are terminable at once and without notice, *ipso facto*, by transfers of the employees or during their absence on leave or otherwise, for periods of one month or over, provided their families also leave the station at the same time, and are renewable on their return on the employee giving the usual notice.

21. An employee shall have the right to avail himself of the services of a Medical Subordinate of a lower grade than that of the Medical Officer to whose services he is entitled, on payment of the scale of "contract" or "visit" fees fixed for the subordinate he chooses. But when he wants the services of the higher Medical Officer he cannot claim them at the contract rates fixed by these rules.

22. When an Apothecary or Assistant Surgeon is placed in independent medical charge of any Railway Community he shall be entitled to the contract rates of payment as if he were the Chief Railway Medical Officer of a District. But when paid by the visit, the fees shall be at the rates fixed by rule for Medical Officer of his class. The Consulting Physician or other Administrative Medical Officer shall decide, in cases of doubt, whether a Medical Subordinate is in independent medical charge or not.

23. The contract rates of payment shall be Rs. 2 per cent., on the substantive pay when an employee is attended by the Chief Railway Medical Officer, and one per cent., when attended by an Assistant Surgeon or an Apothecary. Payments to be made monthly through the local head of the department, who should receive a written authority from each employee desirous of joining, to make the necessary deduction from his month's pay. These payments shall secure all necessary attendance at his house for his family including all members of it living with, and supported by the employee.

24. Should an employee call upon a Medical Officer to attend any member of his family before he has had an opportunity of formally joining the contract, he should at the time inform the Medical Officer whether he elects to pay by contract or by visit. Failing this it shall be held that the attendance is to be paid for by the visit, and the contract system cannot be adopted afterwards for that particular illness.

25. Employees on salaries below Rs. 75 a month can claim gratuitous medical attendance for themselves and for their families at their houses in necessary cases, from the Medical Subordinate appointed by local arrangement to attend on them, provided they reside within the Railway premises or in their neighbourhood, but are not to be debarred from claiming medical attendance, on payment from a subordinate medical officer or visits in consultation from the Chief Railway Medical Officer of the station whenever they choose to do so; such attendance shall be given

by medical officers without reference to the necessities of the case; these calls should be made, however, whenever possible, during the usual visiting hours, and are compulsory only in the case of residents within the Railway premises or in their neighbourhood.

*Payments by the visit.*

26. In the event of an employee not entering into the arrangement of payment by contract as laid down in the present rules the medical attendant shall be paid the following fees per visit according to the class of the employee, men of class II paying under scale A, and men of class III, who draw Rs. 75 and over, under B :

	A			B		
	Rs.	A.	P.	Rs.	A.	P.
Chief Medical Officer . . . . .	5	0	0	3	0	0
Assistant Surgeon, Civil or Military . . . . .	2	0	0	1	8	0
Hospital Assistants, Sub-Hospital Assistants, and Native Doctors . . . . .	0	12	0	0	8	0

Men drawing less than Rs. 75 are exempt from payment of fees.

*Accouchements.*

27. Railway Medical Officers when called upon shall be bound to attend the wives of employees in their confinements, provided a competent nurse or midwife is employed as well.

The fees shall be as follows :—

To the Chief Medical Officer :—

For the wife of an officer . . . . . Rs. 100

For the wife of a subordinate . . . . . Rs. 0 per cent. of the monthly salary upto a limit of Rs. 50.

To an Apothecary or an Assistant Surgeon :—

For the wife of an officer . . . . . Rs. 50

For the wife of a subordinate . . . . . Rs. 5 per cent. of the monthly salary upto a limit of Rs. 25.

28. No employee shall be compelled to adopt any of the foregoing system of payment for medical attendance on his family, or to employ any of the Railway Medical Officers for this purpose. But in the event of his not desiring to adopt these rules, he must make his own arrangements for medical attendance and medicines.

**TREATMENT OF RE-INSTATED EX-STRIKERS ON THE GREAT INDIAN PENINSULA RAILWAY.**

154. Agent, Great Indian Peninsula Railway, reports as follows :

“The A Grade (Guards) is not reserved exclusively for Europeans and Anglo-Indians. Suitable Indians are appointed to this grade directly and also indirectly by promotion from B Grade Guards. There has been no reduction in the wages of either A Grade or B Grade Goods Guards. In the matter of personnel, a few B Grade Guards that were surplus to requirements were demoted to C Grade, whereas in the A Grade more than 50 per cent. were discharged on account of retrenchment.”

## DISCHARGES IN THE BHURKUNDA COLLIERY.

\*564. (a) and (b). The Chief Mining Engineer, Railway Board, reports that the services of 13 men were terminated owing to reduction in cost of establishment of Bhurkunda Colliery in May, 1933, and that the prescribed rules for reduction were followed in all cases.

## BILL PASSED BY THE COUNCIL OF STATE LAID ON THE TABLE

**Secretary of the Assembly:** In accordance with the provisions of Rule 25 of the Indian Legislative Rules, I lay on the table the Bill further to amend the Indian Trusts Act, 1882, for a certain purpose, which was passed by the Council of State on the 12th April, 1934.

## CERTAIN REPORT OF THE PROCEEDINGS OF THE LEGISLATIVE ASSEMBLY ISSUED BY THE ASSOCIATED PRESS.

**Mr. A. H. Ghuznavi** (Dacca cum Mymensingh: Muhammadan Rural): Sir, I rise to a point of personal explanation. My attention has been drawn to a report of the proceedings of this House issued by the Associated Press and published in yesterday's issue of the *Statesman* and other papers giving quite a wrong impression of an incident which took place in this House on the 12th instant. It will be in your recollection, Sir, and also in the recollection of this House that in the course of my speech, on the spur of the moment, I used certain expressions which I should not have used. Nothing was farther from my thoughts than to have made any insinuations against my Honourable friend, the Commerce Member, and I had never intended to do so. You will further remember, Sir, that immediately thereafter I not only made ample amends by apologising to my Honourable friend and explaining what I had meant to say, but of my own initiative I also requested you, Sir, to have the remarks in question expunged from the minutes of the proceedings, whereupon you directed that they be expunged. Mr. President, the report in question is misleading inasmuch as it absolutely ignores my request to you and makes no mention of it. Further, the publication of these remarks is mischievous inasmuch as it has frustrated and defeated the object of having them expunged from the minutes. Mr. President, you are the custodian of the powers and privileges of this House and my duty ends by drawing your attention to this matter.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Chair believes that the incident of the other day was the first of its kind when part of the proceedings was ordered to be expunged at the same time those proceedings took place. The Chair would suggest for the guidance of the Press that where such expunging of proceedings takes place immediately, it would be eminently desirable that the Press do not give publicity to those things.

**Mr. C. S. Ranga Iyer** (Bhilkund and Kumaon Divisions: Non-Muhammadan Rural): May I enquire from you, Sir, if there is a remedy for gross misreporting of Select Committee proceedings, as for instance, the

dissenting note that I wrote on the Sugar (Excise Duty) Bill in the Select Committee has been put in the mouth of my Honourable friend, Mr. Morgan, misrepresenting him as well as myself by the Associated Press? Is there any remedy for such things? Or, are we to bring them before the notice of the Chair, or are we to submit to them in helplessness?

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Chair is not able exactly to understand the Honourable Member's question.

**Mr. C. S. Ranga Iyer:** The Select Committee report is placed on the table of the House generally. For instance, in regard to the Sugar (Excise Duty) Bill, I had written a dissenting note as well as my Honourable friend, Mr. Morgan. The Associated Press attributed my dissenting note to Mr. Morgan and added his own note to it, thereby misrepresenting Mr. Morgan as well as myself, not giving me a place that was due to me; at any rate, there has been a good deal of misapprehension about that and comments in the newspapers will naturally follow saying that I did not do my duty and that Mr. Morgan has done his duty, not by those by whom he wanted to do this duty, but by the opposite party.

**Sir Muhammad Yakub** (Rohilkund and Kumaon Divisions: Muhammadan Rural): Who suffers?

**Mr. C. S. Ranga Iyer:** My friend, Mr. Morgan, has suffered.

**Mr. President** (The Honourable Sir Shanmukham Chetty): If there is a deliberate misreport of either the proceedings of this House or of the proceedings of a Committee of this House by any newspaper or by any news agency, it is a matter of which the Chair will take notice.

**Mr. C. S. Ranga Iyer:** It was a misreport of a grossly inaccurate kind.

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#### ELECTION OF THE OTTAWA TRADE AGREEMENT COMMITTEE.

**The Honourable Sir Joseph Bhowe** (Member for Commerce and Railways): Sir, I beg to move:

"That this Assembly do proceed to the election, in such manner as may be approved by the Honourable the President, of a Committee of the Assembly consisting of 12 Members in accordance with the recommendation contained in paragraph 19 of the Report of the Committee set up by this Assembly on the 10th November, 1932, which was approved by a Resolution of the House adopted on the 6th December, 1932, on the subject of the Trade Agreement concluded at Ottawa between the Government of India and His Majesty's Government in the United Kingdom."

Sir, I make this motion in pursuance of an undertaking I gave to the House during the course of the Ottawa debate. I need only say, Sir, that the programme I visualise is something like this. The report which Government are to prepare according to the recommendation of the Committee of this House will, I hope, be ready some time in June. The commercial statistics for the year ending 31st March will, of course, be available, some time in April, but the agricultural statistics will, I fear, not be available until some time in May. As soon thereafter as they are

[Sir Joseph Bhore.]

available, the report contemplated by the Committee will be prepared and will then be circulated to all individual members of the Committee which may be set up by this House. After receiving the report, if Honourable Members of the Committee desire any further information or wish for its collection in any particular form and make a reference to the Government of India, every attempt will be made to meet them. Thereafter, Sir, it is proposed to hold a meeting of the Committee to consider the report during the Simla Session.

Sir, I move.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Motion moved:

"That this Assembly do proceed to the election, in such manner as may be approved by the Honourable the President, of a Committee of the Assembly consisting of 12 Members in accordance with the recommendation contained in paragraph 19 of the Report of the Committee set up by this Assembly on the 10th November, 1932, which was approved by a Resolution of the House adopted on the 6th December, 1932, on the subject of the Trade Agreement concluded at Ottawa between the Government of India and His Majesty's Government in the United Kingdom."

**Mr. S. C. Mitra** (Chittagong and Rajshahi Divisions: Non-Muhammadian Rural): Sir, I should like to draw the attention of Government to only one fact as regards voting for these Committees. Government have got a majority of votes, almost two to one, at this fag-end of the Session due to the absence of the elected Members. And the voting being generally by the method of single transferable vote, I appeal to Government that they should not issue any instruction for voting through their Official Whip who cares more for securing votes and not to have the ablest men elected in the Committee. It is in the interest of Government as well as of this House that the best men should be elected. But the viewpoint of a Whip or a Deputy Whip is generally to demoralise the Parties by supporting the candidature of Members of Parties who have failed to secure selection by the Party and thus the real purpose of having the ablest men elected is frustrated. I appeal to them not to misuse their strength of voting in this House.

**Mr. M. Maswood Ahmad** (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Sir, in this connection I want to suggest that this is a very important Committee, and, in this Committee, we are to examine some important questions. So it is better that this Committee should be formed by the votes of the elected Members only, and I request Government not to interfere in this matter, but to leave this matter in the hands of the elected Members of the House.

**The Honourable Sir Brojendra Mitter** (Leader of the House): Sir, I object to the suggestions which have been made by my Honourable friends, Mr. Mitra and Mr. Maswood Ahmad. We have 140 Members in the House and if Members opposite are not present to exercise their franchise, that is no reason why we should not exercise our franchise. Every Member, be he a Government Member, a Nominated Member or an Elected Member, has the same right of vote; and I deprecate the idea that because a Member is a Government Member or a Nominated Member, he should not exercise the franchise which the law has given him.



**Sir Cowasji Jehangir** (Bombay City: Non-Muhammadan Urban): Sir, I think there is a misunderstanding. What I understood Mr. Mitra to mean was that he requested Government Whips not to canvass votes amongst the Party Members for any certain candidate that may want to stand in the Party itself. There may be differences of opinion in the Party . . . . .

**Mr. Gaya Prasad Singh** (Muzaffarpur *cum* Champaran: Non-Muhammadan): Why should Party Members be so weak as to be seduced in this way?

**Sir Cowasji Jehangir**: That is what Mr. Mitra meant. How far his remarks were justified I do not know, but I do not think Mr. Mitra meant to say that Government Members should not vote or use their franchise which they have every right to do being Members of this House.

**The Honourable Sir Brojendra Mitter**: The remedy is Party discipline: that is the only legitimate remedy.

**Mr. K. P. Thampan** (West Coast and Nilgiris: Non-Muhammadan Rural): Sir, if I understood the Leader of the House aright, it is quite possible, if they choose that Government might nominate their own men, Mr. Hardy and Mr. Sloan for instance, and in view of the absentees among non-officials, it would be quite possible that they might be elected. I do not understand why a distinction should not be made between the Government Members and the Elected Members as far as . . . . .

**Mr. President** (The Honourable Sir Shanmukham Chetty): Order, order. The Chair cannot allow a discussion as to how Government Members ought to exercise their vote, as it is absolutely irrelevant to the present motion. If it is the intention of Honourable Members that the election of this Committee should be confined to either Elected Members or Non-Official Members, it was open to them to move an amendment in this matter; just as, for instance, in the Public Accounts Committee, the election is confined only to Non-Official Members. But to say how the Government Whip ought to behave or how Government are to exercise their vote is beside the point and is not relevant to this motion.

**Mr. K. P. Thampan**: Sir, I propose that the election should be confined to Non-Official Members.

**Mr. President** (The Honourable Sir Shanmukham Chetty): It cannot be proposed in this haphazard fashion. The motion is before the House, and due notice ought to have been given.

The question is:

“That this Assembly do proceed to the election, in such manner as may be approved by the Honourable the President, of a Committee of the Assembly consisting of 12 Members in accordance with the recommendation contained in paragraph 19 of the Report of the Committee set up by this Assembly on the 10th November, 1932,

[Mr. President.]

which was approved by a Resolution of the House adopted on the 6th December, 1932, on the subject of the Trade Agreement concluded at Ottawa between the Government of India and His Majesty's Government in the United Kingdom."

(After the division bells had rung.)

**Mr. M. Maswood Ahmad:** Sir, I want to say that we received these papers only last night and it was not possible for us to hand in amendments to this motion, and, for this reason, I could not give notice of an amendment that the election should be made only by the elected Members.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The agenda had been circulated to Honourable Members on the night of the 12th.

**Some Honourable Members:** Many of us received it only last night.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Chair is assured that the agenda was circulated to Honourable Members on the 12th night.

**Mr. M. Maswood Ahmad:** Even if it was so, Sir, it was not possible for us to give in amendments as yesterday was a holiday.

**Mr. Gaya Prasad Singh:** Sir, in view of the uncertainty as regards the time at which some of us are said to have received notice,—I am not sure myself when I received the notice—would I be in order in proposing that the consideration of this motion may be postponed till opportunity is given to other Members to bring forward amendments that the election should be confined only to Non-Official Members?

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Chair apprehends that to accede to that request would be setting a very dangerous precedent. For one thing, the Chair has been informed that the motion relating to the setting up of this Committee has been the subject matter of discussion and negotiation between the Honourable the Commerce Member and Party Leaders for some time, and the Chair has no reason to doubt the statement made by the Assembly Office that the agenda was circulated to Honourable Members on the 12th night. If Honourable Members really thought that the notice was not sufficient, then they ought to have raised that objection as soon as the Honourable the Commerce Member made his motion. This question arises as a sort of subsidiary question, and to raise it on that issue and to ask the Chair to postpone the consideration of it after the division bell has rung would be to create a very dangerous precedent, which it would not be proper for the House to adopt. Under these circumstances, the Chair has no alternative but to put the question to the vote.

**Mr. H. P. Mody** (Bombay Millowners' Association: Indian Commerce): Arising out of your remarks, Sir, is the question whether, in the course

of discussion between Party Leaders and the Honourable the Commerce Member, this particular point on which the Opposition seems to feel strongly was made at all—I would like to know that.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Honourable Members know perfectly well that, except in connection with the Public Accounts Committee, in the case of every other Committee every Member of the House takes part in the voting, and if the Party Leaders and representatives felt that a different procedure ought to be followed in this case, surely they would have devoted their attention to this point.

**Sir Abdur Rahim** (Calcutta and Suburbs: Muhammadan Urban): The point on which we had conversation with the Honourable Member in charge of the matter was as to whether the Committee should be of this House alone or a Joint Committee of the Council of State and this House. That was the point really for consideration, and there was nothing else considered.

**Mr. President** (The Honourable Sir Shanmukham Chetty): In any case the Chair thinks there is not sufficient ground for deviating from the recognised practice of putting the question after the division bell has rung. The Chair may just mention this: it is to ensure that every Group and Party will have its due representation that the system of proportional representation has been devised. Where there is simple voting, any Group, that is in a majority, could secure all the seats on a Committee; but the fundamental object underlying proportional representation is that it ensures to all minority Groups and Parties fair representation on a Committee. If only the Parties will see that their members exercise their right properly, there would be no point for complaint.

**Mr. S. C. Mitra:** The only point was that Government had no business to adopt our Members as their candidates and thus demoralise the party system here.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The question is:

“That this Assembly do proceed to the election, in such manner as may be approved by the Honourable the President, of a Committee of the Assembly consisting of 12 Members in accordance with the recommendation contained in paragraph 19 of the Report of the Committee set up by this Assembly on the 10th November, 1932, which was approved by a Resolution of the House adopted on the 6th December, 1932, on the subject of the Trade Agreement concluded at Ottawa between the Government of India and His Majesty's Government in the United Kingdom.”

The motion was adopted.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Chair would inform Honourable Members that for the purpose of election of Members to the Committee on the Ottawa Trade Agreement, the Assembly Office will be open to receive nominations upto 12 Noon on Monday, the 16th April, and that the election, if necessary, will, as usual, be held in the Secretary's Room on Wednesday, the 18th April, 1934. The election will be conducted in accordance with the principle of proportional representation by means of the single transferable vote.

## THE INDIAN TARIFF (TEXTILE PROTECTION) AMENDMENT BILL.

**Mr. President** (The Honourable Sir Shanmukhām Chetty): The House will now resume consideration of the Indian Tariff (Textile Protection) Amendment Bill.

The other day Sir Cowasji Jehangir had moved his amendment\*. The Chair has no objection if Mr. Thampan wants to move, his amendment also simultaneously and have a discussion on both amendments; but the Chair proposes to put Sir Cowasji Jehangir's amendment to the vote first, and then put Mr. Thampan's amendment.

**Mr. K. P. Thampan** (West Coast and Nilgiris: Non-Muhammadan Rural): Sir, as directed by you, I will address myself both to Sir Cowasji Jehangir's amendment as well as the amendment I propose to move myself. The amendment standing in my name is this:

"That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158E, for the figures and words '50 per cent. plus two rupees' the figures and words '83 per cent' be substituted."

The House is aware that the Tariff Board recommended a uniform *ad valorem* duty of 83 per cent on all silk goods. But the Government in the meantime brought forward a different proposal levying a specific duty of varying nature according to the kind of silk goods. The Select Committee, however, thought that it would work as a hardship, and, therefore, levied a uniform duty of 50 per cent *ad valorem plus two rupees per pound*. That proposal would work out on an average at 96 per cent on Chinese goods and 78½ per cent on Japanese goods. So you will find there is a disparity of 17½ per cent between the duty on Japanese goods and Chinese goods. If my proposal of 83 per cent *ad valorem* is adopted, the Japanese goods will have to pay 4½ per cent more, while on the other hand, the duty on Chinese goods will be reduced by 13½ per cent. It will be levying a uniform rate as recommended by the Tariff Board. On the other hand, if you accept the proposal of Sir Cowasji Jehangir, which I have worked out, you will find that an average of 73½ per cent would be levied on the Japanese goods, while on the Chinese goods the duty would remain 96 per cent, because Sir Cowasji Jehangir's proposals do not affect the Chinese goods. That will make the gap wider. If, therefore, Sir Cowasji Jehangir will kindly accept my amendment as an amendment to his amendment and incorporate the following

\*"That in the Schedule to the Bill, in Amendment No. 9, for the proposed Item No. 158E the following be substituted:—

158E.	Fabrics not otherwise specified containing more than 90 per cent. of silk, including such fabrics embroidered with ial silk—		
	(i) Pongee	. <i>Ad valorem</i>	50 per cent. plus one rupee per pound.
	(ii) uji, Booski and corded (excluding white cord).	. <i>Ad valorem</i>	50 per cent. plus one rupee and eight annas per pound.
	(iii) Other sorts . . .	. <i>Ad valorem</i>	50 per cent. plus two rupees per pound."

three items in his amendment, namely, ghatpot, gauze, paj and sateen under one rupee per pound category, and crepe under Rs. 1-8-0 and embroidered hosiery under Rs. 2 per pound, that will go a long way to reduce this difference and discrimination against Chinese goods. . . .

**Sir Cowasji Jehangir** (Bombay City: Non-Muhammadan Urban): Include what did you say?

**Mr. K. P. Thampan:** Canton silks such as sateen . . . .

**Sir Cowasji Jehangir:** Is that in the Schedule?

**Mr. K. P. Thampan:** That is my amendment.

**Sir Cowasji Jehangir:** Do those items appear in the Customs Schedule?

**Mr. K. P. Thampan:** I do not know. If they are not, we must include them. I shall repeat; to item No. (i) Pongee and ghatpot, gauze, paj and sateen and in item No. (ii) Fuji, etc.; crepe should be added, and, in the third category, namely, other sorts, should be added embroidered hosiery. If that is done, the anomaly will disappear, and I shall have no objection to accept that amendment.

Sir, I should say that as compared with the original proposals of the Government, the proposals adopted by the Select Committee are certainly better, but still as the canton goods are generally heavier, there is a large variation. If my proposal is accepted, there is only the difference in regard to 33 per cent tariff value and two rupees, because the 50 per cent is common, and with regard to the 33 per cent, the difference would depend on the margin between specific duty and one-third of the tariff value. In most cases, there may not be any difference at all. I only want that the duty should be made equitable and even. The canton goods are cheaper, and generally do not come into competition with Indian made goods. This is a protection measure, and so long as they do not come into competition with Indian goods, there is no necessity to differentiate between the same class of goods, and encourage the import of Japanese goods, because, to the extent that we increase the cost of Chinese goods, they will be replaced by Japanese goods.

One point in connection with this Bill ought not to be forgotten. It is entirely due to the depreciation of the yen that this cut throat competition has arisen, but, so far as the Chinese dollar is concerned, it has not depreciated; on the other hand, it has appreciated during the last two or three years. The effect of levying this rate will be practically depriving the consumer of this kind of goods and asking him to purchase Japanese goods. That is not, I daresay, the idea of this Bill. And, Sir, I may say that the Tariff Board has given due consideration to all aspects of the question and recommended a uniform rate of 83 per cent. I consider that the Tariff Board is an expert body, specially constituted for this purpose, and the line of argument they have adopted in coming to their conclusion and their decisions ought to be final, unless we find that they based their conclusions on entirely wrong data. . . .

[Mr. K. P. Thampan.]

[At this stage, Mr. President (The Honourable Sir Shanmukham Chetty) vacated the Chair which was then occupied by Mr. Deputy President (Mr. Abdul Matin Chaudhury)].

I, therefore, recommend and move that the proposals of the Tariff Board, namely, 83 per cent *ad valorem* duty on silk goods be accepted by this House. Sir, I move.

**Sir Cowasji Jehangir:** Mr. Deputy President, since I have not spoken on Mr. Thampan's amendment, may I be allowed to speak again?

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** Let the Chair read the amendment first to the House.

Further amendment moved :

"That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158E, for the figures and words '50 per cent. *plus two rupees*' the figures and words '83 per cent' be substituted."

**Mr. M. Maswood Ahmad (Patna and Chota Nagpur cum Orissa: Muhammadan):** Sir, in this connection I want to point out that the amendment moved by my friend, Sir Cowasji Jehangir, is inter-connected with Item No. 58F, and, as my friend has proposed a change in No. 158E, I think there must be some change in 158F as well. Sir, first of all, I want to suggest that the present rate for Pongee, Fuji, Boseki and other articles is 50 per cent *ad valorem*, and for pongee it was 50 per cent. Then, in the Bill, it was proposed that the rate for Pongee should be 50 per cent *ad valorem* or Rs. 3 per pound, whichever is higher, and for Fuji 50 per cent or Rs. 5-12-0 per pound, whichever is higher, and for others, it was proposed 50 per cent or eight rupees per pound, whichever is higher. Then the Select Committee made certain changes, and they have suggested that there must be one universal duty of 50 per cent or Rs. two per pound for all these articles. Then, Sir, the amendment of my friend, Sir Cowasji Jehangir, says that the duty on Pongee should be 50 per cent *plus one rupee* per pound, on Fuji 50 per cent *plus one rupee* and eight annas per pound, and for other articles 50 per cent *plus two rupees* per pound. Items 158E and 158F are inter-connected. The first one relates to fabrics not otherwise specified, containing more than 90 per cent of silk, including such fabrics embroidered with artificial silk, and the latter relates to fabrics not otherwise specified, containing more than ten per cent. and not more than 90 per cent silk. So, in Item No. 158F, the mixture of silk is between ten per cent and 90 per cent, while in Item No. 158E the mixture of silk is above 90 per cent. The main argument of my Honourable friend, Sir Cowasji Jehangir, was based on the tariff value, *i.e.*, of pongee is about Rs. 2-8-0—the tariff value for bosciki and fuji is Rs. 4-8-0 and Rs. 4-0-0, for paj, sateen, tafetta, kohatu, Rs. 8-12-0, Rs. 6-0-0, and Rs. 8-0-0, and for other sorts, fancies, Rs. 18-0-0, Rs. 11-8-0, and for Burmese scarves, paj Rs. 31-0-0 and other kinds Rs. 38-8-0. There is difference in the tariff values of these articles, and, therefore, 50 per cent *plus two rupees* a pound becomes excessive for fuji. In the same way, I say that in Item

No. 158F also, there are articles of different tariff values, and if that principle is accepted by the Government, namely, because the tariff value of an article is less, so the duty on that article should be less,—the same principle should be applied for those articles which come under 158F, that is, if the tariff value is less there should be less duty and if the tariff value is more, there should be a higher duty. Further, on articles of mixtures having 90 per cent silk there will be 50 per cent *plus* one rupee per pound, and other articles having less than 90 per cent silk the duty will be 50 per cent *plus* two rupees per pound, and I think the Government are not consistent in this matter. Those articles which have more silk in it like pongee and fuji will be charged at the rate of 50 per cent *plus* one rupee per pound, while those articles which will come under Item No. 158F, though they may have less percentage of silk, say something like 50 or 60 per cent silk, will be charged 50 per cent *plus* two rupees per pound, and that is not consistent. The best course for the Government is instead of adding this specific duty of two rupees or one rupee per pound, they should charge a universal 83 per cent duty as suggested by Mr. Thampan, and in that case they will be consistent. If the Government are going to accept the amendment of my Honourable friend, Sir Cowasji Jehangir, then I think they must first of all consider this point also that those articles which have a tariff value of less than four rupees under Item No. 158F should have a less duty, otherwise they will be inconsistent. I do not find any amendment to this Item, but I want to suggest to Government that they must consider this question.

**An Honourable Member:** We are on Item No. 158E.

**Mr. M. Maswood Ahmad:** But the two items are inter-connected, and before Government agree to accept the amendment of Sir Cowasji Jehangir, they must make up their mind on Item No. 158F as well. If they accept the amendment on Item No. 158E and do not make up their mind on Item No. 158F, they will be inconsistent.

**An Honourable Member:** It is a consequential amendment.

**Mr. M. Maswood Ahmad:** Yes, that will be a consequential amendment. I say that this is a very important point, and if it is not considered, there will be some loophole and the Government will not be consistent.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): Before Sir Cowasji Jehangir is called on to speak, the Chair will permit him only to supplement his remarks, and he must confine himself strictly to the amendment of Mr. Thampan.

**Sir Cowasji Jehangir:** So far as I can understand Mr. Thampan's speech he was talking about Canton silks. I tried to explain the position when I made a few remarks in moving my amendment. I stated that the Select Committee made amendments to the Bill in order to meet the grievances of the Canton silk importers. They found that by the classification in the Bill the duties on Canton silks had gone up so considerably that justice was due to them, and the only way they thought they could do justice to the Canton silk importers was to have one class of silk, and for which class they suggested 50 per cent *ad valorem plus*

[Sir Cowasji Jehangir.]

two rupees per pound. I tried to explain, Mr. Deputy President, that the suggestion of the Select Committee resulted in the duty on two classes of silk imported from Japan going up. I also tried to explain that I did not believe it was the intention of the Select Committee to raise the duties on imported silk. Now, I am prepared to show that of the two classes of silk imported from Japan on which the duty went up is the boseki, fuji and corded silk class. I have worked out the duties on this class, and I find that according to the Bill the duty worked out at 66.6 per cent, while according to the Select Committee's Report the duty worked out at 94 per cent. Therefore, I have moved my amendment by which the duty on this class will again come down to about 84 per cent.

Then, the second class I deal with is the class called pongee. The duty on that, according to the Bill, would have been 320 per cent. According to the Select Committee's Report, it would have gone down to 130 per cent. But even a 130 per cent duty was a very high duty, and, therefore, by my amendment, on that class of silk the duty will go down to 90 per cent. I have suggested no further changes, because the duties on all other classes of silk under the Select Committee's Report do not go up as compared with the duties laid down in the Bill, and I saw no reason to move any amendments with regard to those duties. As a matter of fact, in two classes the Select Committee's Report reduced the duty; it raised the duty on other classes, but in none does it go above 83 per cent as suggested by my Honourable friend, Mr. Thampan. On the whole, I am of opinion that my amendment is more favourable to the Japanese importers than my Honourable friend, Mr. Thampan's amendment.

Then, with regard to the Chinese silk imported from Canton, I suggest that the Select Committee came to their conclusions after very careful consideration, and they consider that the duties they propose on Canton silk are fair. I am no expert and I am not here to express an opinion whether the Select Committee's recommendations on Canton silk are fair or unfair.

Now, Mr. Maswood Ahmad has brought in another question and that is the group that we will next discuss, 156F. That group is not before us for discussion just now, but my friend, Mr. Maswood Ahmad, says that it is connected with the group we are discussing. There is something to be said for that. They are connected, for, if you look at the Select Committee's Report, you will find that in 158F they have made changes, because they say they have made certain changes in 158E. But, Sir, the amendments I have suggested are not of such a radical character as to make it necessary to make changes in 158F. I will remind my friend, Mr. Maswood Ahmad, that these mixtures of artificial silk are imports which compete with our Indian silk goods more than anything else and if there is any Honourable Member of this House, who is a champion of home made silk, silk made on hand looms, he will not be a party to making amendments to 158F. These mixtures, so far as I am given to understand, are the qualities that compete most strongly with our silks. Our silks are real silk. These are not real silk, but the Japanese, with their wonderful ability, have manufactured these crepes,



so that, no one, even if he is accustomed to use silk all his life, will be able to detect that there is a certain percentage of artificial silk in them. Today they are being sold in the markets of India at ridiculously low prices. You will be surprised to hear that a lady showed me a *sari* of artificial silk which cost her Rs. 1-11-0, the whole *sari*, bought in Bombay. When I saw some samples of mixtures, I really did not realise that they were mixtures. Surely you don't want to give any encouragement for the sale of such stuff which can be easily mistaken for silk and which will compete with the growing industry of this country of real silk which, if encouraged, will capture the market in time. I have nothing further to say.

**Mr. B. Das** (Orissa Division: Non-Muhammadian): After disposing of the heavier side of the protection of the cotton textile industry, it seems the House has got stuck up on the protection of the silk industry. It is not that the House has any difference of opinion over the degree of protection that will be given to the Indian silk fabric, but the question arises whether there is discrimination between two foreign nations, between China and Japan, and whether the duty that the majority report has levied to which I have appended a minute of dissent and in line with which my Honourable friend, Mr. Thampan, has moved his amendment is the more equitable proposition and whether there should be any discrimination against China. The Indo-Japanese Trade Agreement has brought in the "most-favoured-nation" clause agreement over which we had a delightful discourse from my Honourable friend, Dr. Ziauddin Ahmad, and unfortunately the House was no sleepy on Thursday afternoon that it did not listen with that attention and respect to that learned discourse as it would otherwise have done. However, it is a fact that the Indo-Japanese Agreement has brought about the "most-favoured-nation" clause conditions very prominently and as my Honourable friend, Mr. Mitra, the other day alluded, it goes to discriminate against the European countries and the United States. That is the inevitable effect of that Agreement; but here the protection of the sericulture industry does not bring in the "most-favoured-nation" clause treatment, and, yet, silk being a very special article, in which only an expert like my friend, Mr. Hardy, could give us sound advice and opinion which we very much respected in the Select Committee, yet in spite of his advice we find there is discrimination between China and Japan. My Honourable friend, Sir Cowasji Jehangir, no doubt pointed out the case of the Japanese silk goods and tried to justify that his amendment, if accepted, would help the Cantonese piece-goods, over which neither Mr. Thampan nor I am convinced. As I go on developing my arguments, I will prove that there will be still discrimination if we adopt the system of tariff as proposed by the Select Committee or as proposed by Sir Cowasji Jehangir. The majority report removed the sub-division of silk into three classes as provided in the original Bill with varying duties and proposed one general rate of duty for all classes. The sub-division contained in the original Bill has the unintended result of imposing an unfairly heavy duty upon certain kinds of silk fabric as was specified as "all other sorts". So I concede that the majority report has brought the operation of tariff under one scale instead of three scales for silk fabric as was originally proposed in the Bill. There silk fabric was divided into three classes, whether they were Japanese silk or Shanghai silk, and the scale of tariff was 50 per cent or three rupees per pound, 50 per cent or Rs. 5-12-0 per pound and 50 per cent or eight

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rupees per pound according to quality. Now, my Honourable friend, Sir Cowasji, has split this up into three divisions again by introducing new names and new classification. By the time this debate is over, we will be all experts in silk names of China and Japan and I challenge Honourable Members if they know the names of Indian silk manufactured in this country. Sir Cowasji Jehangir has introduced the name of pongee; but, from the list of Cantonese silk merchants, we find that there are ten or fifteen classes of silk which are not included in any of these items, and although Sir Cowasji thinks that the Cantonese silks will not be heavily taxed, I feel otherwise. I shall just read out from the minute of dissent which I appended, where I did point out that there is still discrimination:

“As regards the silk fabrics, protection under new scale of tariff affords almost the same protection as has been recommended by the Tariff Board. Unfortunately the scale of tariff has been so designed as to discriminate against Chinese silk fabrics. From figures supplied to us by the Government and Chinese trades representatives, it appears Japan gets an advantage of 15 to 30 per cent in certain articles. On the other hand, Chinese silk piecegoods have been represented to us to contain size, and, therefore, of heavier weight in certain cases. This is a point that the Executive must scrutinize and if possible so revise the scale of tariff as would not favour Japan against China which country is stated to be a friendly consumer of Indian rice and cotton.”

Sir, I found the Government spokesman on the Select Committee wanted to be fair and that Mr. Hardy, being the only expert who knew the difficulties of customs and how the tariff was to be levied, as since the time was short. I thought it was best to leave it to the Executive and give them this mandate that they should not unfairly discriminate against China. Certain classes of Chinese goods are at present charged 88 per cent and 50 per cent *ad valorem*, while the Japanese goods are taxed on a different scale under the Tariff Act. Therefore, the nomenclature of Chinese silk does not find a place in the present Tariff Act and that was the difficulty of my Honourable friend, Mr. Hardy; and when this new amendment was proposed before the Select Committee, it was represented to us that the representatives of Cantonese silk merchants said that they would accept fifty per cent *plus* one rupee. But while Government stated that view, I had my own doubts, because from those representations that were received by us and from those samples that were shown to us, we found Chinese silk to be coarser and of heavier stuff with lots of impurity, and, therefore, thought that tariff valuation on a weight basis would work against China. So, my friend, Mr. Thampan, wants to make it a uniform 88 per cent which is but slightly higher in one or two cases than what Government wanted to give. That is true, it may be higher in one or two cases, but lower in other cases, and the net revenue that will come to the Government will balance up. Sir, the new scale of tariff—fifty per cent *plus* two rupees—according to Mr. Hardy will bring 71 per cent to 100 per cent tariff on Japanese goods and on Chinese goods 65 per cent to 94 per cent. I am quoting Government figures, because my friend, Sir Cowasji Jehangir, has just pointed out that it is working adversely against Japanese goods and not against Chinese goods. I do not see my friend here, but he knows that Japanese silk has no impurity, and has no size put in to add gloss or weight; so, naturally, Japanese silk being of superior quality will not suffer as this inferior quality of Chinese silk would suffer under weight basis. Therefore, it is clear that the duties should be on an

*ad valorem* basis. If it is on an *ad valorem* basis, still the duty, as at present levied, will be on the market price or *c. i. f.* price, whatever the Almighty God of the Customs Department will rule, but that is immaterial to this House. What we want is that there should be no discrimination against China.

Sir, we have no quarrel with China; China has never dumped goods on this country, nor has China provoked a war. I had the privilege to attend a public meeting last evening and I listened to Mr. Rajagopalacharia, the Great Congress leader, and people were urged to support Mr. Mody's cause—Buy Indian Goods; and Mr. Rajagopalacharia pointed out that Japan is the big giant that has already invaded India and is going to invade more and more. In comparison with Japan, British will be a pigmy, and Britain's influence on the Indian market is ebbing out, while the Japanese influence is increasing every day. If that is so today, then why should this country confer any special privilege on Japan, simply because the experts of the Commerce Department cannot work out a uniform scale of duties and because the nomenclature of Chinese silk cannot be fitted in the scale of items.

Sir, I oppose my friend, Sir Cowasji Jehangir's amendment, because it again brings out that evil which the Select Committee ruled out—which, the Select Committee rightly say, discriminates, and though it wanted to bring out a fairer scale of tariffs, I pointed out in my note of dissent that it is not completely fair. So I appeal to the House to accept my friend, Mr. Thampan's amendment. Of course, if my Honourable friend, the Commerce Member, says that 83 per cent is high, let him suggest a *via media*—let it be 80 per cent or 75 per cent. I would, of course, still protest a little, because the unanimous opinion of the Tariff Board was 83 per cent. We are not here to present a little more money for the pockets of the importers of Chinese or Japanese silks or to seek a larger quantity of Chinese or Japanese silks coming into this country. If we make any error, let it be in the direction of giving a little more protection to the Indian silk fabric.

Sir, there is one point which my friend, Mr. Maswood Ahmad, pointed out, and I was surprised to see that my friend, Sir Cowasji Jehangir, opposed it: he said, "make any change you like in 158E, but do not make any change in 158F . . . . .";

**Mr. M. Maswood Ahmad:** I did not say, "make any change in 158F". I said, "if you change 158E, then 158F should also be changed". I supported Mr. Thampan.

**Mr. B. Das:** What I was going to point out is that if we make any change in 158E, we have to make consequential changes in 158F. I am in agreement with my friend, Mr. Maswood Ahmad. If pure silk has a particular scale of tariff, how is impure silk to be charged a higher scale of tariff than pure silk,—that is my submission; and I am surprised how Sir Cowasji Jehangir asked the House to put on a higher scale of tariffs on mixed silk. My Honourable friend, Mr. Thampan, suggested that if Government want to consider Sir Cowasji Jehangir's amendment, he would be prepared to accept their *via media*, provided certain silk names—Chinese or Cantonese silk which he named—will be included in that. At that time I noticed both my Honourable friends, the Commerce Member and Mr. Hardy, were too busy getting more particulars from the experts

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in the Government Gallery there, so I do not know whether Mr. Thampan's suggestion was noted which, I found, Sir Cowasji Jehangir was inclined to accept, because he noted the implication of that amendment, because his own only names Japanese silk, and does not include Cantonese silk, but I do not want to go into all this nomenclature here. Suppose tomorrow Japan brings in some other silk and names it Sawada silk, and China brings another silk and calls it Hardy silk. Then Government will have to introduce new nomenclature into the Tariff Act. Therefore, it is better if we proceed on the *ad valorem* basis thus freeing the Customs Department from all troubles. Besides, the Customs Department will not be faced with new modified silk fabrics which may be of the same class of silk as are already included in the tariff scale, but, by its introduction, importers might be trying to evade higher scale of tariff which it ought to pay. I do hope the Honourable the Commerce Member, when he replies, will examine the implications that we are pointing out. There is a common objection to this practice both from this side and the other side. The Commerce Member does not want to discriminate against China nor do we, and it is for his expert, Mr. Hardy, to find out how the scales of tariff should be devised, so that there may be no discrimination against China nor any special favour towards Japan. With these observations, I support the motion of my Honourable friend, Mr. Thampan.

**Mr. A. H. Ghuznavi** (Dacca *cum* Mymensingh : Muhammadan Rural) : Sir, I support the amendment of Sir Cowasji Jehangir. Before I give you the reasons for doing so, by way of a personal explanation I would like to say that my Honourable friend, Sir Joseph Bhore, said the other day that I accused the Government of not knowing their mind and not knowing their facts in regard to raw silk. I said nothing of the kind. There is not a single word in my speech where I accused the Government of not knowing their mind or not knowing their facts.

**The Honourable Sir Joseph Bhore** (Member for Commerce and Railways) : I never said so. I merely mentioned raw silk as an example illustrating a general proposition which the Honourable Member had made.

**Mr. A. H. Ghuznavi** : I see. This is the amendment which has been moved by Sir Cowasji Jehangir, and a similar amendment I moved in the Select Committee, which was not accepted. I am glad that where I failed, he has succeeded. The difficulty was this. This class of silk is known as Pongee. It is a very cheap class of silk. In the first Bill, it was not even classified, and it came under the category of other sorts and on other sorts the tariff was *ad valorem* 50 per cent or eight rupees per pound which worked out to 334 per cent. That was revised, and we had this before us when it was put down at 50 per cent *ad valorem plus* two rupees per pound. That also worked out to nearly 260 per cent. Therefore, this is an amendment which is rightly made, because it is a very cheap silk and is used by the masses. Secondly, for the same reason, Fuji, Boseki and corded have also been classified by name. These are also very cheap silks and are used by the masses. Therefore, the duty that has been proposed is a sufficient protection as against the Indian production. As far as my knowledge goes, there is no production of that kind of silk in India.

Then, Sir, there is another remark that I wish to make in this connection. A very serious charge was made in the Tariff Board Report as against the Bengal Government about the Sericultural Department and my Honourable friend, Mr. S. C. Sen, who is unfortunately not here, also pointed out to us in the Select Committee and he has not forgotten to mention that fact in his note of dissent. But, Sir, the fact is conclusive that my Honourable friend had no knowledge at all as to how the Sericultural Department was being worked in Bengal. With your permission, I will place before the House the facts that I have received from Bengal with regard to the charges that have been made in the Report of the Tariff Board. It is a transferred Department, and, therefore, it is under a Minister. The first charge that the Members of the Tariff Board made was as follows:

"We have not had the benefit of receiving adequate assistance from the Bengal Government to enable us to judge exactly the condition of sericulture in that Province or the measure of assistance it receives from Government, because their brief replies to our main questionnaire were received so late that we had no opportunity of examining them when we were in Bengal. From all appearance, however, it is certain that the industry is decaying on account of lack of popular interest and Government encouragement". . . .

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): Order, order: The discussion as to what the Bengal Government had been doing and had not been doing with regard to sericulture is not relevant to the discussion on this amendment.

**Mr. A. H. Ghuznavi**: If that is your ruling, I bow to it. But the amendment before us is with regard to silk and this question was also raised in the Select Committee, so I thought I was in order in referring to the Sericulture Department. However, I shall say what I have to say on this subject on the third reading of the Bill. But I do maintain that this amendment refers to silk and Mr. Sen objected that the silk industry was not being properly looked after by the Bengal Government and so I thought that this was the proper time to bring the real facts to the notice of the House. In the Report it was said that the Bengal Government were not doing anything at all. This is not fair and this is not correct. There is ample evidence to show that the Bengal Government have done quite a lot for this industry and they must be given the credit for this, because they have been spending no less than 2½ lakhs of rupees even now when their financial condition is very bad. Now, Sir, this amendment, to my mind, is a just amendment, and, as I have explained, these silks are used by poor consumers and even 50 per cent *ad valorem* duty plus one rupee per pound will be a very high tariff. I support the amendment moved by Sir Cowasji Jehangir.

**Mr. B. Sitaramaraju** (Ganjam *cum* Vizagapatam: Non-Muhammadan Rural): Sir, I would like to add a few words to this debate. Sir Cowasji Jehangir, as well as the Honourable Member who has just now resumed his seat, have put the case of Japan. My Honourable friend, Mr. B. Das, and my friend, Mr. Thampan, have put the case of China. Sir, I am not concerned either with Japan or with China as such. As a member of the Select Committee, I must confess that this is a problem of great complexity. It is very difficult to say that I am right and others are not right, or that others alone are right and that we are wrong. In all these matters, we have tried to give our best thought and at the same

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time I venture to submit that that was after all the very best that we could do. We thought when we made those recommendations that we covered fairly all the ground that could be covered keeping in view no specific country, either Japan or China. On the other hand, we had always taken into consideration the fact that China is a very good neighbour of ours, that she was purchasing from us raw materials and articles like that and that we would not be justified in making any discrimination whatsoever as against China herself. Such being the case, one word of explanation is also necessary. When we made these changes in the Select Committee, we found them necessary in consequence of certain changes which we had to make with regard to hosiery where it was considered that the original proposals of the Government with regard to hosiery on the quantity basis was not likely to meet the foreign competition in view of the disparity in the weights of those things. On that analogy, certain changes were made with regard to silk also. When the Government presented their present rate of duty to us, the Select Committee endorsed the same without keeping particularly in view the Canton silk or any other silk for the matter of that. We thought the rate would be able to cover all that. As my Honourable friend, Sir Cowasji Jehangir, himself admitted, by his proposals he is only confining his attention to a particular class of goods and those goods coming only from a particular country, namely, Japan. Whereas, my Honourable friend, Mr. Thampan, is of opinion that if the amendment of Sir Cowasji Jehangir is given effect to, on the same analogy and principle his amendment also should be given effect to, otherwise there would be disparity between the two countries.

Sir, without making further comments, I would like to point out to this House the case which the Canton silks have been making. I was supplied with a copy of their case, and, with your permission, I would just like to point out what they have got to say about it. I do so, because I consider, in a matter of this complexity, we should present the whole case before the Government and the Government with the advice of their experts will be able to come to an understanding with us whether a fair and equitable duty cannot be levied on both without making any discrimination, either the one or the other, because it is not our purpose, and I do admit it is neither the purpose of the Government to make any such discrimination. I would like to present their side of the case and leave it to the Government to consider, with the advice of their experts, both the proposals and decide whether the modification of Sir Cowasji Jehangir on the proposal of the Select Committee made a few days back would be an equitable basis for imposition or not. This is what the Canton Silk Piecegoods Importers Association submit:

"From the customs point of view, the duty on weight basis is sure to prove extremely difficult, onerous and inconvenient, particularly so far as Chinese piecegoods are concerned. Japanese goods are packed differently, but Chinese silk piecegoods are packed in a manner which does not allow of opening packages for clearing the goods, since once these packings are opened the silk pieces cannot be repacked unless a factory for this purpose is established in India, and unless properly repacked they lose their finish and selling price. It was for this reason that hitherto customs authorities always preferred an *ad valorem* duty and Chinese piecegoods have always been assessed on *ad valorem* basis.

The Tariff Board which has been claimed to be a body of experts after due consideration of all the aspects of the case also recommended a duty on *ad valorem* basis and suggested the rate to be 85 per cent. Neither, therefore, considerations of facilities for customs collections nor the recommendations of the Tariff Board support the proposal now put forward by the Government.

We must respectfully submit that the proposed duty does not place Japanese and Chinese piecegoods on an equal footing so far as the incidence is concerned. As will be seen from the attached comparative table the incidence of the duty on comparable Chinese and Japanese piecegoods is much higher in the case of the former and much lower in the case of the latter. This we submit is unfair so far as Chinese piecegoods are concerned and reacts disadvantageously in the interests of the consumer."

Sir, this is the case which they have presented. I would content myself by drawing special notice to this aspect of the case presented by the Cantons in view of the changes which are now proposed to be made by the amendment of Sir Cowasji Jehangir and in view of the representations made by my Honourable friend, Mr. Thampan. I submit that the Government do consider dispassionately these various proposals, and whatever the Government, after due consideration, decide to be an equitable basis in which no country is to be discriminated against another, we shall support such a proposition. It is not a case that we in the Select Committee have made a certain recommendation and that it should not be changed. After all, we do not claim for ourselves all the wisdom in the world. It is quite possible that we have made a mistake and it is up to the Government, with the help of their experts like Mr. Hardy and others, to go into the question a little more carefully and see that no injustice is being done to any particular class. That is all I have got to say.

**The Honourable Sir Joseph Bhore:** Mr. Deputy President, my Honourable friends opposite are quite right in saying that in this matter, there is no difference in principle between us. The only question is, how we are to give effect to and secure the object that both sides have in view. So far as an *ad valorem* duty is concerned, there are two objections to it. The first is the general objection that an *ad valorem* duty is not as effective a safeguard in times of falling prices as a specific duty. As the Tariff Board have pointed out, an *ad valorem* duty may fail just when it is most needed, that is to say, it becomes less effective when its protection is most wanted. That, Sir, is a general objection to an *ad valorem* duty pure and simple, and I think my Honourable friend, Mr. Das, has on more than one occasion expressed his approval of a specific as against an *ad valorem* duty.

**Mr. B. Das:** To help the Finance Member.

**The Honourable Sir Joseph Bhore:** That is the first objection. We would obviously have preferred a straight specific duty, but there is obviously a difficulty here and that difficulty was brought prominently to notice in the discussions of the Select Committee. The difficulty arises when you are applying a single specific rate to a number of goods which differ very greatly in quality and price.

Then, Sir, my second objection to an 83 per cent duty is that it will very largely enhance the duty on the more costly qualities of silk. It is not to our advantage to do so for the reason that those high qualities do not come into any great competition with the silk manufactured in this country and an 83 per cent duty may very well kill that import trade with the result that we shall lose revenue and benefit no one.

**Mr. K. P. Thampan:** Do we import such things very largely?

**The Honourable Sir Joseph Bhoré:** Not in very large quantities, but still the import is, I think, not inappreciable. As regards the amendment of Sir Cowasji Jehangir, it seeks to maintain the combination of the *ad valorem* duty with the specific duty, and at the same time it does reduce the incidence on certain classes which, I must confess, had to bear a considerable burden. Now, I sympathise very greatly with the point of view put forward by my Honourable friends who contended that there should be, as far as possible, no discrimination against China in comparison with Japan. But, I think that my Honourable friends were probably labouring under a slight misapprehension. Let us take the classes of goods which are dealt with in the amendment of my Honourable friend, Sir Cowasji Jehangir. Take fuji and boseki. Fuji and boseki do not, as my Honourable friends think, come entirely from Japan. Fuji and boseki are terms applied to silks which come both from China and Japan. Then, Sir, take the other item, corded silk. That is also a general term and most of the silk that comes in under that head is silk from China. Take, again, pongee. Pongee is another general term, and most of the silk that comes in under this head is silk from Japan. Therefore, we have an almost perfect balance of interests if we have this state of affairs. Fuji and boseki come both from China and Japan. Corded comes largely from China and pongee comes largely from Japan. I hope, therefore, that with that explanation, my Honourable friends will be satisfied that we are not really discriminating against China by accepting this motion of Sir Cowasji Jehangir.

**Mr. B. Das:** None of these items include Cantonese silk; they are all Shanghai silk.

**The Honourable Sir Joseph Bhoré:** That may be, but I am talking generally of Chinese silk. I will admit that there are one or two classes of Chinese silk which may be somewhat heavily hit by being classed under "Other sorts" and having to pay a duty of 50 per cent *plus* two rupees. I think, as far as my information at present goes, those classes will be limited probably to two. But I give an assurance to the House that we will very carefully consider those classes and if we find that that rate of duty is bearing too heavily upon them, we shall have no hesitation in coming and asking this House, if necessary, to reduce the duty.

One other point only remains, and that is in regard to mixtures. My Honourable friend, Mr. Maswood Ahmad, was quite right theoretically when he said that when we make this change in respect of silk, we ought also to make a corresponding change in the other item. But as a matter of fact, I do not think that any change is necessary there, for most of these mixtures practically are of the nature of or simulate the high quality silks. As was rightly pointed out by my Honourable friend, Sir Cowasji Jehangir, they come into very close competition with fabrics turned out by the handloom weaver. In those circumstances, Sir, I personally have no hesitation whatsoever in keeping the duty as it stands in the Bill as recommended by the Select Committee, and I do not think that any alteration is necessary in that respect. Sir, I am prepared to accept the amendment of my friend, Sir Cowasji Jehangir.

**Mr. K. P. Thampan:** Sir, may I ask my Honourable friend whether he has any objection to accept my amendment to Sir Cowasji



Jehangir's amendment? It is that under item (i) imposing one rupee and 50 per cent *ad valorem* Ghatpot, Gauze, Paj and Sateen may be included; under item (ii) which imposes Rs. 1-8-0 besides 50 per cent *ad valorem* crepe may be included; and under item (iii) which imposes two rupees besides 50 per cent *ad valorem* embroidered hozaria may also be included. I think that will cover the whole field.

**The Honourable Sir Joseph Bhoré:** My Honourable friend must know from his experience in the Select Committee how extremely complicated this question is. It is utterly impossible for me here and now at a minutes' notice to accept an important amendment which may have very serious consequences indeed. I shall be very happy, if he will make the suggestion to the Commerce Department, to have it very carefully considered, and I will deal with it in connection with the assurance that I have just now given in respect of the two qualities of Chinese silk which I think may possibly be very hard hit, under our present classification.

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** The question is:

"That in the Schedule to the Bill, in Amendment No. 9, for the proposed Item No. 158E the following be substituted:

*158E	Fabrics not otherwise specified containing more than 90 per cent. of silk, including such fabrics embroidered with artificial silk—		
	(i) Pongee . . .	<i>Ad valorem</i> . .	50 per cent. <i>plus</i> one rupee per pound.
	(ii) Fuji, Boseki and corded (excluding white cord).	<i>Ad valorem</i> . .	50 per cent. <i>plus</i> one rupee and eight annas per pound.
	(iii) Other sorts . . .	<i>Ad valorem</i> . .	50 per cent. <i>plus</i> two rupees per pound'."

The motion was adopted.

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** The amendment moved by Mr. Thampan now automatically falls through.

**Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural):** Sir, I move:

"That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158F (i), the words 'or artificial silk or of both' be omitted."

Sir, I do not want to repeat the arguments which I urged on the floor of the House day before yesterday. The intention of my motion is that artificial silk should be treated as cotton and not as silk. Sir, I move.

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** Amendment moved:

"That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158F (i), the words 'or artificial silk or of both' be omitted."

**The Honourable Sir Joseph Bhore:** Sir, I will follow the excellent example of my Honourable friend and say that I have no desire to add to what I have already said on this matter. I oppose the amendment.

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** The question is:

"That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158F (i), the words 'or artificial silk or of both' be omitted."

The motion was negatived.

**Dr. Ziauddin Ahmad:** Sir, I beg to move:

"That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158F (ii), the words 'or artificial silk or of both' be omitted."

My argument is the same as I have already said. Sir, I move.

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** Amendment moved:

"That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158F (ii), the words 'or artificial silk or of both' be omitted."

**The Honourable Sir Joseph Bhore:** Sir, I oppose the motion.

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** The question is:

"That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158F (ii), the words 'or artificial silk or of both' be omitted."

The motion was negatived.

**Dr. Ziauddin Ahmad:** Sir, I beg to move:

"That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158G (i) (b), for the figures '50' the figures '40' be substituted."

My reasons are the same as I gave the other day that there should be preference to British goods to the extent of ten per cent and not 25 per cent. I gave sufficient arguments last time, and now I need not repeat them. Sir, I move.

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** Amendment moved:

"That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158G (i) (b), for the figures '50' the figures '40' be substituted."

**The Honourable Sir Joseph Bhore:** Sir, I dealt with this matter when my Honourable friend moved a similar amendment the day before yesterday, and I do not think that there is any necessity for me to add to what I said on that occasion. I oppose the amendment.

**Mr. Deputy President (Mr. Abdul Matin Chaudhury):** The question is:

"That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158G (i) (b), for the figures '50' the figures '40' be substituted."

The motion was negatived.

**Mr. A. H. Ghuznavi:** Sir, I beg to move:

“That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158G (i) (b), for the figures and words ‘50 per cent or 3½ annas’ the figures and words ‘40 per cent. or 2½ annas’ be substituted.”

I consider that 40 per cent or 2½ annas is sufficient protection: hence I move.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): Amendment moved:

“That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158G (i) (b), for the figures and words ‘50 per cent or 3½ annas’ the figures and words ‘40 per cent. or 2½ annas’ be substituted.”

**The Honourable Sir Joseph Bhore:** Sir, I dealt with all relevant matters connected with Amendments Nos. 24 to 27 the day before yesterday and I pointed out that, in recommending lower rates of duty, Honourable Members had not established the case that those lower rates of duty were sufficient to secure to the industry the protection that was necessary, and that for that reason I would have to oppose the amendments. I have nothing further to add. I oppose the amendment.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): The question is:

“That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158G (i) (b), for the figures and words ‘50 per cent or 3½ annas’ the figures and words ‘40 per cent. or 2½ annas’ be substituted.”

The motion was negatived.

**Mr. A. H. Ghuznavi:** Sir, I move:

“That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158G (ii) (b), for the figures and words ‘50 per cent or 4 annas’ the figures and words ‘40 per cent or 3 annas’ be substituted.”

For the same reasons that I gave when moving the previous amendment, I consider this as sufficient protection and I move.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): Amendment moved:

“That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158G (ii) (b), for the figures and words ‘50 per cent or 4 annas’ the figures and words ‘40 per cent or 3 annas’ be substituted.”

**The Honourable Sir Joseph Bhore:** Sir, I oppose the amendment for the reasons that I have already given.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): The question is:

“That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158G (ii) (b), for the figures and words ‘50 per cent or 4 annas’ the figures and words ‘40 per cent or 3 annas’ be substituted.”

The motion was negatived.

**Mr. A. H. Ghuznavi:** Sir, I move: !

“That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158H (b), for the figures ‘50’ the figures ‘35’ be substituted.”

I consider that 35 is sufficient protection.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): Amendment moved:

“That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158H (b), for the figures ‘50’ the figures ‘35’ be substituted.”

**The Honourable Sir Joseph Bhore:** Sir, I oppose the amendment.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): The question is:

“That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 158H (b), for the figures ‘50’ the figures ‘35’ be substituted.”

The motion was negatived.

**Mr. H. P. Mody** (Bombay Millowners’ Association: Indian Commerce): Sir, I move:

“That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158J, for the words ‘Sateens, italians’ the words ‘Sateens, including italians of Sateen weave’ be substituted.”

My amendment is of a very simple character. Under the Bill, there is a duty of 25 per cent in respect of British goods and 35 per cent in respect of non-British goods coming under the category of Sateens, italians, velvets and velveteens and embroidered all-overs. As the word “italians” stands, it is calculated to include a great many varieties which are not really italians, but which are commonly known as italians. My amendment seeks to confine the meaning of the word to what it actually should be, namely, italians of sateen weave. The amendment is of a formal character, and I move.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): Amendment moved:

“That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158J, for the words ‘Sateens, italians’ the words ‘Sateens, including italians of Sateen weave’ be substituted.”

**The Honourable Sir Joseph Bhore:** Sir, I understand that this is not an amendment of substance and that it is only intended to clarify the position and make our intention quite clear in this matter. I accept on behalf of Government the amendment proposed by Mr. Mody.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): The question is:

“That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158J, for the words ‘Sateens, italians’ the words ‘Sateens, including italians of Sateen weave’ be substituted.”

The motion was adopted.

**Maulvi Muhammad Shafee Daoodi** (Tirhut Division: Muhammadan): I beg to move:

“That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158L, the following be added at the end :

‘Fleecy undervests’.”

My reasons are that this article of wear stands exactly on the same footing as the articles enumerated in 158L: a long list is given under that heading, but fleecy underwear is omitted. My submission is that this also should be taxed at the same rate as the duty on cotton articles that come under 158C: but if they are omitted here, it appears that they will be hard hit and the duty on these articles will be so high as to affect the agriculturists very much.

**Mr. M. Maswood Ahmad:** Will you please explain what is fleecy undervests?

**Maulvi Muhammad Shafee Daoodi:** They are undervests which are generally worn by the agriculturists in the winter season: it is a *ruidhar* banian, a banian which has got a cotton fleece underneath. I have seen samples of it and I find that a dozen of these undervests, of Japanese design, costs Rs. 4-3-7, weighing six pounds. The present duty on this article is Rs. 1-8-0 per dozen, according to the Tariff Board Report at p. 198, serial No. in the Schedule 100, or the *ad valorem* rate of revenue duty whichever is higher. That was all right; but now the proposal is to raise it to 12 annas per pound which works out to Rs. 4-8-0 a dozen, as a dozen weighs six pounds. This increase in the duty makes it very dear for the poor people. That is the reason why I say that it should be included in 158L in the list of articles enumerated there. I hope this matter will receive the kind attention of the Honourable the Commerce Member; and, just as the other points raised by Sir Cowasji Jehangir and Mr. Mody have been accepted by him, I hope he will see his way to give some relief to these poor people who generally wear it and who will be unnecessarily taxed so high, when there is so much depression in their income and the price level of their articles is not going to be raised a bit higher.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): Amendment moved:

“That in the Schedule to the Bill, in Amendment No. 9, in the second column of the proposed Item No. 158L, the following be added at the end :

‘Fleecy undervests’.”

**Dr. Ziauddin Ahmad:** Sir, I rise to a point of order: will it not be convenient if 158L and 158M be not disposed of till 158O is finished, because these are really consequential to what we shall decide about 158O and I have some points of order to raise when 158O is taken up: therefore, I suggest that 158O may be taken up first.

**Mr. Deputy President** (Mr. Abdul Matin Chaudhury): What is the point of order?

**Dr. Ziauddin Ahmad:** I just want to suggest that amendments under 158L and 158M are consequential to the proposal under 158O about hosiery because, when the question of hosiery is settled, the question of the several kinds of hosiery will also be settled.

[At this stage, Mr. President (The Honourable Sir Shanmukham Chetty) resumed the Chair.]

Therefore, I would suggest that we take up 1580 first.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Is there any *p. m.* objection to that?

**The Honourable Sir Joseph Bhoré**: No, Sir, I have no objection.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Which amendment has been moved?

**Maulvi Muhammad Shafee Daoodi**: I have moved my amendment, Sir.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Maulvi Muhammad Shafee Daoodi has moved his amendment. . . .

**Dr. Ziauddin Ahmad**: I have raised a point of order that this should be taken afterwards.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Dr. Ziauddin Ahmad wants it to be postponed? Is that so?

**Dr. Ziauddin Ahmad**: Yes, Sir; it should be postponed, and it can be taken up after No. 1580 has been disposed of.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Yes, we can keep that in abeyance. There is nothing wrong in it. It can be kept in abeyance for the present.

Then, which is the next amendment, Mr. Ghuznavi's?

**Dr. Ziauddin Ahmad**: Sir, I rise to a point of order again. I consider that the discussion of hosiery at this stage is out of order and against the Standing Order. Standing Order 31 clearly says this:

"A motion must not raise a question substantially identical with one on which the Assembly has given a decision in the same Session."

Now, the Assembly has given a decision in the same Session. Then, the Standing Order says:

"Provided that nothing in this Standing Order shall, unless the President in any case otherwise directs, be deemed to prevent the making of any of the following motions, namely:

(a) a motion for the taking into consideration or the reference to a Select Committee of a Bill, where an amendment has been carried to a previous motion of the same kind to the effect that the Bill be circulated or re-circulated for the purpose of eliciting opinions thereon;

(b) any motion for the amendment of a Bill which has been re-committed to a Select Committee, or re-circulated for the purpose of eliciting opinions thereon;

(c) any motion made as the result of a conference under rule 40;

(d) any motion for the amendment of a Bill which is consequential on, or designed merely to alter the drafting of, another amendment which has been carried;

(e) any motion for the amendment of a Bill made after the return of the Bill by the Governor General for re-consideration by the Assembly;

(f) any motion which has to be or may be made within a period determined by or under the rules or standing orders."

Now, I draw the attention of the House to the rule that "a motion must not raise a question substantially identical with one on which the Assembly has given a decision in the same Session". Sir, in this Session the Assembly has given a decision that the duty on hosiery shall be Rs. 1-8-0 per dozen, and now the same question is raised in another form on the floor of the House by my friend who repeatedly said that he was not going beyond what was recommended by the Tariff Board, and the Board recommended Rs. 1-8-0 per dozen, while by the amendment proposed, a different method of calculation is suggested. He said time after time that this motion was the same, and, instead of suggesting so much per dozen, it suggests so much per pound, but only the classification is different. Therefore, we cannot say that it is not substantially the same motion, simply because a different method of calculation has been introduced. Therefore, I maintain that the motion before us is substantially the same as the previous one, which is practically equivalent to Rs. 1-8-0 per dozen which we have already passed. So far we have been discussing the Bill as a whole and I could not raise this objection, but when we come to this particular item, which has already been discussed and disposed of by the Assembly, and which is substantially the same as we have passed on the 13th February, 1933, I maintain, Sir, that, according to this clause in the Standing Order, any further discussion on this amendment is out of order.

**The Honourable Sir Brojendra Mitter** (Leader of the House): Sir, I submit that Standing Order No. 31 has no application to this case. The motion before the House is that the Schedule do stand part of the Bill. Therefore, you have to see whether the Schedule which is now before the House is substantially identical with the Schedule to the previous Bill. That is the question. It is not whether one particular item there is the same or not. That is not the question. The broad question is whether the Schedule to the present Bill is substantially identical with the Schedule to the previous one, and if you, Sir, compare the two Schedules, you will find they are substantially different, except that there is only one item which is common to both, that is hosiery. Except that one item, the Schedules are entirely different. That is the broad question.

Then, coming to the details, Sir, if we were considering only this particular item, then my submission would be that the really substantial question is what should be the incidence of taxation. In the previous Bill, we say that the incidence of taxation should be so and so on a dozen basis, and now we say that the incidence of taxation should be on a weight basis. Even on the particular item the issues are different. But I need not argue on that basis. I put my case on the broader basis that the two Schedules are substantially different.

**Sir Abdur Rahim** (Calcutta and Suburbs: Muhammadan Urban): Sir, as regards the explanation given by my Honourable friend, the Leader of the House, I think he goes too far. He says that the motion before the House is that the Schedule to the Bill be taken into consideration. But what is the Schedule? The Schedule contains a number of items. Now, supposing a decision has already been reached on one particular item. Is it the contention of Government that if you put it in another Schedule, you can have the same decision re-opened in the same Session? Surely, that is not the meaning of the phrase "substantially the same motion". The same question is raised, and it is something like *res judicata*.

[Sir Abdur Rahim.]

When a Court has decided a certain point, you cannot re-open it unless it is set aside by a higher Court. Here, I think, it seems to be a very wholesome rule that in the same Session you cannot move the same question over and over again. It does not matter if there are a number of items in the Schedule, for you cannot say by inserting certain items which have already been decided upon that because there are other items in the same Schedule, therefore the motion becomes different. We must look at each item. The question is whether a certain item has been decided upon or not. What was the question with regard to hosiery? Surely, the question was whether there should be a protective duty or not. The House has decided that there should be such a duty, and, I take it, according to this Standing Order, the question is settled so far as this Session is concerned. Supposing the House has decided that the duty should be 25 per cent *ad valorem* and in the same Session you bring forward another motion that it should be 30 per cent. *ad valorem*. As if that is not enough, supposing that again, on a third occasion, in the same Session, you bring in another motion that the duty shall be 40 or 50 per cent *ad valorem*, surely that is not the intention of the Standing Order, for if Government can go on like that, there would be no finality to any matter. It is to set at rest the question so far at least as one particular Session is concerned that this Standing Order has been enacted, and I submit that the explanation given by my Honourable friend, the Leader of the House, is far too technical and does not meet really the scope and intention of the Standing Order.

**Sir Hari Singh Gour** (Central Provinces Hindi Divisions: Non-Muhamadan): If we turn to clause 2 of the Bill, we find it reads as follows:

"The amendments specified in the Schedule to this Act shall be made in the Second Schedule to the Indian Tariff Act, 1894."

Consequently, what we are dealing with is the amendment to Tariff Act of 1894, and, if we turn to the Schedule, we find that the Schedule as such has no independent existence apart from the amendments, because the Schedule says:

"See section 2. Amendments to the Second Schedule to the Indian Tariff Act, 1894."

Therefore, if we read clause 2 of the Bill, each amendment has an independent existence, and the mere fact that they are collated under one Schedule cannot deprive them of that independent existence. As a matter of fact, each motion under each particular head amending the corresponding item of the Indian Tariff Act is separately moved and is, therefore, subject to separate amendment. That being the case, the amendment to Item No. 1580, namely, dealing with hosiery, raises the question whether a similar motion is not barred by a previous decision given in this Session. I submit the answer is plain. The motion that this amendment stand part of the Bill has to be independently moved and must be independently moved under clause 2 of the Bill. If it has to be independently moved, it is a motion, and that motion, therefore, if it is barred, must be barred, because there is a decision of this House on a substantially the same question. That, I submit, narrows the whole point to this: Is the motion that this do stand part of the Bill—has been



the subject of a decision of this House before? And I think the Honourable the Leader of the House admits, at any rate, acquiesces in the view advanced by Dr. Ziauddin Ahmad that it has already been the subject of a previous decision. In that view I think that the Standing Order does bar a re-agitation of the same question by this House in the same Session.

**Mr. F. E. James** (Madras: European): May I make one observation? I differ from my Honourable friend, Sir Hari Singh Gour, with very great respect and diffidence, but, surely, in dealing with this motion and the motion which was moved earlier in the year and accepted by the House, we must take into consideration the purposes of those motions. I respectfully suggest that it is impossible to regard each individual item in the Schedule as an isolated and unrelated item. My Honourable friend quoted from clause 2 of this Bill. What is the purpose of the Bill of which clause 2 forms a part? The purpose is to amend the Indian Tariff Act, 1894:

“for the purpose of affording protection to the sericultural industry and to the cotton and silk textile industries in British India and for certain other purposes.”

I am speaking from recollection, but I think I am right in saying that the other Bill, of which the other motion formed a part, was a Bill for the purpose of safeguarding certain industries, and it was made clear at the time that that purpose was a particular purpose, having regard to certain circumstances. The purpose of this Bill is protection to certain industries as a result of the finding of the Tariff Board. I suggest to you if the interpretation which has been given by various Honourable Members in this House is accepted, then it might debar for a long time any legislation in pursuance of a report of the Tariff Board if there happens to have been a temporary measure affording temporary safeguarding protection or temporary protection to a particular industry. What I suggest is that the underlying purpose of this Bill must be taken into account in dealing with this particular motion, and, if it is taken into account, it will be seen that the purpose of this motion is different from the purpose of the other motion which was passed by this House earlier this year.

**Raja Bahadur G. Krishnamachariar** (Tanjore *cum* Trichinopoly; Non-Muhammadian Rural): It seems to me that my Honourable friend, Mr. James, did not quite follow the substance of the position here. Supposing that instead of having so many articles in this Schedule there was only one, and that is 1580, will not that item by itself result—and I submit that is the crucial test—is that or is that not amending the Schedule? Would it not be called amending the Schedule all the same? Starting from that position, the question is whether this identical subject had not been substantially decided by a previous decision of this House in *this Session*. This Session is the important thing. Mr. James seems to have forgotten it.

**Mr. F. E. James:** No, not at all.

**Raja Bahadur G. Krishnamachariar:** I do not understand what difference there can be in principle. The question is not whether the object is safeguarding or protecting, the question is whether this thing has been decided in this Session or not. Here is an individual item of hosiery.

[Raja Bahadur G. Krishnamachariar.]

That item has been subjected to a duty, call it safeguarding duty or protecting duty, call it by any name you like, this House came to a decision which interpreted in ordinary common parlance would mean that it has decided that a certain duty shall be imposed upon it, never mind what the object is. Having done that, this House is again called upon to alter that duty in this Session whether it is something more or even something less. I say, either way it cannot be held to be a new matter, and the fact which I submit for your consideration is not the purpose for which the Bill is framed, but as to whether this particular item has or has not been subject to a substantial decision by means of that previous enactment. If it has been, I submit, your hands are tied so far as this Session is concerned, and you will have to take it to the next Session.

(Dr. Ziauddin Ahmad rose to speak.)

**Mr. President** (The Honourable Sir Shanmukham Chetty): Dr. Ziauddin Ahmad has already spoken.

**Dr. Ziauddin Ahmad**: I want to reply.

**Mr. President** (The Honourable Sir Shanmukham Chetty): He cannot reply on a point of order.

**Mr. H. P. Mody**: It may be that this House was called upon earlier in the Session to pronounce a decision with regard to the relief which is required by the hosiery industry, but the issue that was placed before us then was admittedly on different ground from the grounds on which we are asked to decide today. What was the position then? On account of competition from the imported article, the hosiery industry was being very seriously affected. So without deciding whether that industry deserves protection or not, certain immediate temporary relief was given to that industry, but if we are asked a different question, namely, whether we are going to protect the industry for a certain period of years, then we have got to consider various other things, whether the industry stands in need of protection and whether it has satisfied all the requirements laid down by the Fiscal Commission, and so on. The points of view operating on the minds of Honourable Members when deciding these matters are entirely different, and my submission is that what we are asked to decide today is something very different to what we were asked to consider on the previous occasion.

**Mr. S. C. Mitra** (Chittagong and Rajshahi Divisions: Non-Muhamadan Rural): Even if we assume the arguments of my friends, Mr. James and Mr. Mody, that the reasons were different, I should like to place before you another consideration. The main point is whether there should be a duty on this. The arguments may be quite different. The arguments are no part of this Bill, and they cannot form part of a Bill, and whatever may be the reasons, even assuming that there are different reasons, the motion before the House is whether there should be a particular duty on hosiery. On that point, I think the motion is the same, whether the reasons were quite different or not.

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President (The Honourable Sir Shanmukham Chetty) in the Chair.

## THE MATCHES (EXCISE DUTY) BILL.

### PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

**The Honourable Sir George Schuster** (Finance Member): Sir, I beg to present the Report of the Select Committee on the Bill to provide for the imposition and collection of an excise duty on matches.

Sir, I should like to take this opportunity to call your attention to certain incidents in connection with this and other Select Committee Reports and ask you to make such observations as you think fit upon them. I think all Honourable Members will have seen in the Press this morning what purported to be a very full statement of the conclusions of the Select Committee on this Bill. I am afraid it has been a common incident lately for reports to appear in the Press of conclusions arrived at at Select Committee meetings in the course of their proceedings. I feel sure that there is not one Honourable Member who will question it that that is a very undesirable occurrence. It is not only entirely contrary to the procedure which ought to be followed in connection with Select Committee discussions, but it also tends to give very misleading impressions to the public. In this particular case, for example, the report in the *Hindustan Times* had a headline to one of its paragraphs—"Duty to take effect from October 1st". That obviously misleads the public. It is entirely incorrect. I only mention that as showing some of the harm that occurs from a procedure of this kind; but, of course, the main objection is to the publication in the Press of reports of confidential proceedings. You, Sir, have on other occasions had remarks to make on that, and I feel I cannot present this Report without calling attention again to a very undesirable practice.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Honourable the Finance Member has done well to call the attention of the Chair to this improper conduct on the part of a news agency in publishing beforehand an almost *verbatim* report of the Report of the Select Committee on the matches excise. The House might remember that on a previous occasion the Chair appealed for the co-operation of the Press in building up healthy parliamentary conventions in this country, and for that purpose it is essential that the Press should not give publicity to detailed reports of the proceedings of a Select Committee until that report has been actually presented to the House. The Chair is not unaware of the fact that the members of the Select Committee do not take an oath of secrecy, and somehow or other proceedings of Select Committees might leak out. Though a news agency might come into possession of certain information, it is up to them to see that that news is published at the proper time. The House knows that the powers of the Chair and of this House in bringing home this lesson to newspaper agencies is rather limited, but though the powers may be limited, yet the Chair has got powers to bring it home to recalcitrant newspapers and news agencies: and if there is a repetition of this offence—the Chair calls it an offence, because it is a parliamentary offence—the Chair proposes to exercise whatever powers it has got. (Loud Applause.)

## THE INDIAN TARIFF (TEXTILE PROTECTION) AMENDMENT BILL.

**Mr. President** (The Honourable Sir Shanmukham Chetty): With regard to the point of order raised by the Honourable Member, Dr. Ziauddin Ahmad,—the Honourable Member, Maulvi Shafee Daoodi, has got something to say?

**Maulvi Muhammad Shafee Daoodi**: Yes. The point is that the Honourable the Leader of the House said just now that it was hosiery alone—one of the subjects under discussion—which was decided by the first Bill passed in this House and the same subject is taken up in this Bill also; and if that is admitted, then it appears that a substantial measure which was adopted in the first Bill is going to be discussed in this Bill at the same time; and what appears to me to be very clear is that if one substantial measure, which was passed and passed in the other Bill, is going to be discussed in this Bill also, then it is barred under this section 31. But if the point which has now been raised is that the whole Schedule is construed as one motion put before the House, then the difficulty is more in relation to the Government motion, because I find that the first Bill which was passed has a substantive clause in it, thus:

“The amendments specified in the Schedule to this Act shall be made in the Second Schedule to the Indian Tariff Act, 1894.”

Exactly the same words are used here in the Bill in our hands. The whole Schedule can be considered to be barred by clause 31 of the Standing Orders, but I do not take it in that light. I say that every item which is discussed is by itself a substantive motion: and when this item has been discussed and passed, it should not be allowed to be discussed and passed at this stage in this Bill. That is a very clear point, and I hope the Honourable Member will see his way to accepting this point of order.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Standing Order on which the Honourable Dr. Ziauddin Ahmad relies for his contention is Standing Order No. 31:

“A motion must not raise a question substantially identical with one on which the Assembly has given a decision in the same Session.”

In deciding with this point of order, what the Chair has to do is to interpret the word “motion”. What exactly is a motion under this Standing Order? And the Chair has also to interpret the meaning of the words “substantially identical”. So far as the interpretation of the word “motion” is concerned, a motion is that which has been read out to the House by the Chair. That is the motion. The motion on the previous occasion, when the other Bill was under discussion, was that “the Schedule to that Bill stand part of the Bill”, and the motion that has been read out to the House under this Bill is “that the Schedule to this Bill stand part of the Bill”. Therefore, the motion in this instance means that the whole Schedule do stand part of the Bill. It cannot be construed as meaning that that motion consists of various individual motions to the effect that “item No. 1 stand part”, “item No. 2 stand part”, and so on. It is not to be construed like that. If that were so, then the Chair would be bound to put the motion in that form. Therefore, so far as the word “motion” is concerned, it must be taken that the motion before this House is that “the Schedule to the Bill stand part of the Bill”. Now, the Chair has to decide-

whether that motion raises a substantially identical issue to the one on which the Assembly has given a decision in the same Session. In deciding whether a Schedule to a Bill raises substantially an identical motion, no hard and fast rule can be given. Every motion has to be judged on its own merits and in the light of individual cases. When a Schedule is incorporated in a Bill, it is for the Chair to decide whether, in the light of the various items that go to make up the Schedule, it can reasonably be construed to raise a substantially identical issue. Applying that test, the Chair finds that in the Schedule to the original Bill, which has already been passed in this House, certain amendments were made to Item No. 43C, which the Chair finds is included in Part II of Schedule II of the Indian Tariff Act, the heading of which is "Articles which are liable to non-protective duty at special rates". In the present Bill, the Chair finds that the Schedule seeks to amend Part VII of Schedule II of the Indian Tariff Act, the heading of which is "Articles which are liable to protective duty at special rates". Therefore, the Schedule under the old Bill and the Schedule under the present Bill have two different objects in view. Therefore, the Chair holds that this Schedule does not raise a substantially identical issue which has been disposed of in the House and the Chair, therefore, holds that the Schedule is in order.

**Mr. A. H. Ghuznavi:** Mr. President, I beg to move:

"That in the Schedule to the Bill in Amendment No. 9 for the proposed Item No. 1580 the following be substituted:

'1580. COTTON Hosiery, the following, namely:

(a) Cotton undervests, knitted or woven . . . . .	<i>Ad valorem</i>	25 per cent. or one rupee and eight annas per dozen whichever is higher.
(b) Cotton socks or stockings . . . . .	<i>Ad valorem</i>	25 per cent. or eight annas per dozen pairs whichever is higher."

I have given notice of this amendment, because it is based on the specific recommendation of the Tariff Board. The Tariff Board recommended a protective duty of Rs. 1-8-0 a dozen for underwears and for socks and stockings eight annas per dozen pairs. Although a uniform rate of Rs. 1-8-0 a dozen would have proved unjust, yet the Tariff Board found it on evidence that it was workable, and I have not, therefore, attempted to alter by my amendment, the protection that they have proposed. On page 179 of their Report, the Tariff Board say:

"We find that the average cost of manufacturing a dozen vests weighing three pounds two ounces a dozen may be put at Rs. 3-5-6."

And then, they go on:

"The fair selling price would be raised to Rs. 3-14-0 a dozen. Comparable Japanese vests weighing two pounds eight ounces a dozen are available at a c. i. f. price of Rs. 2-6-0 a dozen."

Therefore, their finding was that the measure of protection that was necessary was Rs. 1-8-0 a dozen. When the old Bill was introduced in this House—although we did not have then the Report of the Tariff Board

[Mr. A. H. Ghuznavi.]

before us,—we were told in the Select Committee that the taxation proposed in that Bill was based on the recommendation of the Tariff Board. Then the Tariff Board also discussed whether it would be possible to give the protection in pounds instead of in dozens. They found that it was difficult to work. In that connection, the Tariff Board say:

“To afford adequate protection, it will, therefore, be necessary to fix a duty per pound sufficiently high to cover this difference.”

They felt that there was a difficulty in giving protection on the basis of pounds, and they said:

“This difficulty will not arise if the duty is levied on the basis of quantity.”

They carefully examined the matter from the point of view of the duty to be levied on the basis of quantity and referred in passing to the question of levying the duty on the basis of pounds, which, in their opinion, was difficult of application. Sir, so far as the hosiery industry is concerned, I understand that it would prefer a duty of Rs. 1-8-0 a dozen to a duty of nine annas a pound as was proposed by Government. Even in the Select Committee some of them, who were looking to the interests of the industry, were of opinion that it would be far better to go back to the old Bill and to have the duty per dozen and not per pound. Now, let us examine the basis on which we arrived at the duty per pound and thus raised the duty from nine annas to twelve annas per pound. The statement is embodied in the Report of the Select Committee in the minute of dissent by Dr. Ziauddin Ahmad and myself. It was very kindly supplied to us by Dr. Meek. The statement puts down, as the first item, the fair selling price as determined by the Tariff Board for undervests comparable with the Japanese imports weighing 2½ pounds per dozen, 62 annas per dozen. We do not know what is the standard size of those undervests. We do not know what are the counts of yarn used in their manufacture. We do not know whether they are closely woven or loosely. Higher counts and loose knitting will lower the weight, while lower counts and close knitting will raise the weight. There is nothing to find out what size they have taken as the standard size. Taking the figure of fair selling price determined by the Tariff Board as 62 annas, that fair selling price was determined by the Tariff Board in 1932, and that is not the fair selling price of 1934. Therefore, when they also took the c.i.f. price of Japanese hosiery, it was the c.i.f. price of 1932 and not of 1934. According to the Tariff Board, they find that the protection of Rs. 1-8-0 per dozen which is equivalent to 9 8/5 annas per pound was recommended in 1932, and how do we calculate now? We take the fair selling price, so far as Indian goods are concerned; but, as I have already said, we do not know what is the standard size, whether they have taken it as 32" or 30" average. We do not know what is the count that was used, higher or lower, because it makes a considerable difference. There we take the fair selling price of 1932, but we are comparing now with the Japanese c.i.f. price of the present day. The industrialists wanted the Government to bring recent prices and so they sent a telegram to ascertain the recent prices. Taking into account the Indian goods, we take the fair selling price as founded by the Tariff Board, but, now, in comparing with the comparable Japanese vests, we take the c.i.f. price of 1934 and not of 1932. According to the statement embodied in our minutes of dissent, the average c.i.f. prices per dozen at Calcutta of a large range of qualities of sizes 26" to 34" with an average weight of two pounds four ounces, per dozen is 32.6. Well, Sir, what is this average?

Before I proceed with this law of average which is playing a very great part in these calculations, let me tell this House what disaster the law of average had played in the late Crimean War. I refer to the boots of average size sent by the British Government for the use of their soldiers during the Crimean War. When the consignment of boots reached Crimea, it was found that they would not fit anybody. On enquiries being made, the Government learnt that the boots had been made of average size and the Government found that the law of average was worked out correctly, but—there is always the but—the result was disastrous. This law of average, so far as hosiery is concerned, is worked out correctly, but with disastrous results. Now, what is this average c.i.f. price? A telegram was sent to Bombay and Calcutta to find out the c.i.f. price of average Japanese hosiery. Here it seems to me that the average sizes concerned were 26" to 34". As far as I understand from the traders, the Japanese standard size is 32" and that can only be worked up if you take the average between 28" and 36". The average size of Indian hosiery is not given. As for comparable Japanese vests, the average size has been taken at 30" and not 32", and, in order to raise the level of protection, the average was taken as 30" and not 32", because, once you take the average 32", the protection that is needed goes down. In order to strike an average, you have to take into consideration standard qualities, standard sizes and their proportion to the total. The statement is silent in these respects. Rather it goes to show that the present summer qualities alone have been considered. The average must be all goods—of summer as well as winter wear. If you have taken the c.i.f. price of the vests by telegram from the ports of Calcutta and Bombay in March, it must have been of summer goods and you have not taken into consideration the winter goods. Then, what is the count that was used? If a higher count is used, the weight must be lower. But, supposing a lower count has been used: Have you taken into consideration all the counts that are used, 30's, 20's, 16's and 10's? You are not told what were the counts that were taken into consideration when that average was taken. Then, what is the texture? Closely knit or loosely knit? You must know these facts. Merely stating that a large range of qualities was examined is, I submit, absolutely misleading, without the specification of any of these particulars.

Then, there is another point. The weight of undervests of size 32" for summer wear varies according to count, the count of the  
 3 P. M. yarn that was used; and, again, it varies in texture. It varies between one pound eight ounces and three pounds eight ounces. What is the average that you have taken of vests made of counts 30's, 20's, 16's or 10's? You have to weigh them separately, and also to ascertain their proportion of the total. Then and then alone you can work out an average.

**Mr. S. C. Mitra:** What were you doing in the Select Committee if you did not find these things?

**Mr. A. H. Ghuznavi:** The difficulty is that I do not want to introduce any heat: nor divulge what took place in the Select Committee: but the whole question of hosiery was disposed of in 20 minutes. So far as this important item of this Bill was concerned, 20 minutes or 30 minutes were considered quite enough. Take, for instance, winter wear; they are of cotton and they vary in weight from four pounds to nine pounds. Let me explain a little more. The Tariff Board recommended that the comparable

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Japanese vests weigh two pounds eight ounces, and they were giving a difference of protection between two pounds eight ounces and three pounds two ounces a dozen. On that basis, of course, as I have pointed out, the difference is that the protection they needed was Rs. 1-8-0 a dozen or nine annas a pound if they wanted to have it on the pound basis. There are findings on which they came to that conclusion. I do not know what Government's case is, but they take shelter under the subsequent clause, and that is this. Mind you, they have examined none excepting those who are interested in the industry. They have not examined any one on behalf of the consumers or on behalf of the importers although the importers wanted to offer evidence. What they had to say was not heard. This is only one sided evidence, but even on that they say :

"We understand that the imported goods often weigh not more than two-thirds of the weight of the Indian manufactures with which they compete. Thus the Indian goods weighing three pounds a dozen have to compete with the imported goods whose average weight will not be more than two pounds a dozen."

I think Government, in attempting to prove their case of 12 annas, will be taking shelter under this. We find that their own case is nine annas a pound which is equivalent to Rs. 1-8-0 a dozen. Here they say, "We understand, etc.". Somebody informed them about all this, but they have not tested all that. They merely go on saying that, "We understand that such and such a thing has happened". They say nothing further.

The other day, I made my submission that it is very difficult to follow this without the evidence. If we had the evidence, we could have gone into the matter very carefully. How did they come to that finding? How do they say, "We understand, etc."? What was the evidence before them? We have only to take what they say in their Report and nothing else. If we have to go on the basis of the Report, let us take the portion where they say, "We find, etc.". That means that they must have gone into the matter very carefully and then come to that finding. And they say that it is very difficult to impose a protective duty per pound. It will be far better to do so by the dozen, and that is the reason why they came out in the first Bill on the basis of a dozen and not of pounds. The Government, however, take the fair selling price of 1932 of Indian goods, keep it constant and compare it with the c.i.f. price of the Japanese goods of March, 1934, of a smaller size and lesser weight, thereby reducing the cost of Japanese goods and increasing the protection to be given to Indian goods. The protection is estimated at 10½ annas, that is, on the Calcutta invoices on the Calcutta imports. Then, they take up Bombay. Indian hosiery is manufactured throughout India. They have taken into account the imports of Japan into Calcutta. Calcutta imports are of lighter quality. We pressed them to take that into account, because it raises the level of protection. Have they taken the average of Indian manufacture which is sold in Bombay? When you take the average of Bombay also with Calcutta, surely take also the average of the Indian production which is sold in Bombay. That must be of higher weight. No, they do not do that. Then they find that so far as Calcutta is concerned, 10½ annas should be given, and in Bombay the protection is 13 annas 8 pies. Taking again the inexorable law of averages, they hit upon 12 annas, or as my Honourable Friend, Mr. Maswood Ahmad, puts it in his amendment at 11 annas 9 pies, which they now want to allow. The Fiscal Commission has said very clearly that the measure of protection should be given after



considering that the burden must not be higher than the masses can bear; and high protection always results in inefficiency and a desire not to try and improve and come into the market with competitive prices. The Bill provides very high protection. We are yet to know, according to the Tariff Board Report, whether it is a suitable or unsuitable industry. They say that you must find out first whether it is a suitable industry where you can give protection. If it is unsuitable and you give protection, it hits the masses, results in nothing and ends in just the opposite of what you want to do. We have today passed the amendment so far as silk is concerned. Here they do not even classify them. Give protection, I have no objection. But it should be on the basis of the recommendations of the Tariff Board. It is heavy, but we should not hit the masses harder and also the consumers by raising it; but we have passed it; and, as far as I understand, the industries also think it better for them to have Rs. 1-8-0 per dozen. That is why I gave notice of this amendment. Sir, I move.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Amendment moved:

"That in the Schedule to the Bill in Amendment No. 9 for the proposed Item No. 1580 the following be substituted:

'1580. COTTON HOSIERY, the following, namely:

- |   |       |   |
|---|-------|---|
| (a) Cotton undervests, knitted or woven | . . . | <i>Ad valorem</i> 25 per cent or one rupee and eight annas per dozen whichever is higher. |
| (b) Cotton socks or stockings           | . . . | <i>Ad valorem</i> 25 per cent or eight annas per dozen pairs whichever is higher."        |

**Mr. M. Maswood Ahmad:** Sir, I beg to move an amendment in this connection. I wrote the amendment very late and I hope you will kindly allow me to move the amendment, though I have given notice of it only today. I gave notice yesterday as well, but by mistake I forgot to write one item and so I have corrected the same amendment of which I gave notice yesterday. The amendment runs:

"That in the Schedule to the Bill in Amendment No. 9 for the proposed Item No. 1580 the following be substituted:

'1580. COTTON HOSIERY, the following, namely:

- |   |       |   |
|---|-------|---|
| (a) Cotton undervests, knitted or woven | . . . | <i>Ad valorem</i> 25 per cent or one rupee eight annas per dozen or 9 annas per pound, whichever is higher. |
| (b) Cotton socks or stockings           | . . . | <i>Ad valorem</i> 25 per cent. or eight annas per dozen pairs or 9 annas per pound, whichever is higher."   |

I want to say that the change which I have proposed is . . . . .

**Maulvi Muhammad Shafee Daoodi:** On a point of order, Sir. I think there is some confusion. This amendment comes after the amendment moved by Mr. Ghuznavi. It is an amendment on the same question. His amendment is Rs. 1-8-0 per dozen. My amendment is Re. 0-9-0 per pound for the same article . . . .

**Mr. President** (The Honourable Sir Shanmukham Chetty): Mr. Maswood Ahmad gives three alternatives.

**Maulvi Muhammad Shafee Daoodi:** Let the alternative of Mr. Ghuznavi be disposed of first.

**Mr. President** (The Honourable Sir Shanmukham Chetty): We shall have a discussion on both. That will simplify matters.

**Maulvi Muhammad Shafee Daoodi:** I had also moved an amendment.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Have you got one prior to Mr. Maswood's amendment?

**Maulvi Muhammad Shafee Daoodi:** No, it is on the same point.

**Mr. M. Maswood Ahmad:** Sir, I have given three alternatives to the Government, and Government can accept one of them. In this connection it is very important to know how many hosiery factories exist in the country today. Hosiery trade affects my constituency too, and so I want to inform the House as to where these hosiery factories are situated in India, so that the House may be in a position to judge the real condition of the industry. In Bengal, there are 44 power factories and about 100 hand factories. Next comes the Punjab, and there you will find that there are 30 power factories and about 130 hand factories. In the U. P., practically there is no independent hosiery factory, but there are about four mills in which a separate hosiery department is maintained. In the C. P., there are six factories. In Bombay, there are seven, in Madras there are 14, and in Burma there is only one factory. Then, the next question to be considered is that this hosiery question was discussed by the Tariff Board in 1926-27. At that time, the Tariff Board came to the conclusion that there was no case for giving protection to the hosiery industry. Since 1926-27, we have not got . . . .

**The Honourable Sir Joseph Shore:** Will my Honourable friend refer to the passage which he thinks bears out what he has said just now?

**Mr. M. Maswood Ahmad:** I quote here the Tariff Board Report of 1932, and would refer to page 180, para. 189, wherein it is stated that the Tariff Board in its 1926-27 Report rejected the hosiery industry's application for protection, and they give reasons as to why they rejected it.

**The Honourable Sir Frank Noyce** (Member for Industries and Labour): Sir, the Tariff Board over which I presided did not reject the application of the hosiery industry.

**Mr. M. Maswood Ahmad:** Sir, I have read every word contained in para. 189, and hence I have referred to it. I never quote anything without thoroughly reading it before and without proper authority for it, and if the Honourable Member will refer to the figures I quoted at the time of the Postal Budget discussion, he will see that what I say is perfectly correct. The Tariff Board in its 1926-27 Report rejected the hosiery industry's application for protection . . . . .

**The Honourable Sir Frank Noyce:** Sir, I think I am perhaps even more capable than the Tariff Board,—I mean the recent Tariff Board which examined the claim to protection of the cotton textile industry—to interpret what is meant by the Report of the Tariff Board of 1926-27 in view of the fact that I presided over it myself. I can say definitely that that Tariff Board did not reject the claim of the hosiery industry to protection. What they said was that they did not see why hosiery should be treated in the matter of protection differently from any other cotton textiles. That, I maintain, is quite a different thing from rejection.

**Mr. M. Maswood Ahmad:** If the Members of the Tariff Board who sat and examined in 1931 have interpreted it in the same way as I interpret, my friend cannot say anything. When they have interpreted it that way, I have got a right to say that they agreed with my opinion that the Tariff Board rejected the application of the industry, and I want to examine the position from that aspect. Since 1926-27, whether this protection was given or it was rejected, what is the position now? Where was the competition during the last five or six years?

In this connection, Honourable Members will see that in 1926-27, about 47 lakhs 37 thousand dozens of hosiery were imported into India. In 1927-28, the imports came down, and only 45 lakhs 30 thousand dozens were imported. Again, in 1928-29, 51 lakhs 49 thousand dozens hosiery were imported, in 1929-30, 51 lakhs 6 thousand dozens, in 1930-31, 38 lakhs 43 thousand dozens of hosiery were imported, and, in 1931-32, only 25 lakhs 93 thousand dozens of hosiery were imported into this country. So, without any protection, the imports of hosiery into this country is going down year by year. Not only this. If you will examine the condition of hosiery made in Indian factories, you will find that in 1926-27 it was 3 lakhs 52 thousand dozens only; it jumped up in 1927-28 and reached 5 lakhs 56 thousand dozens. It again went up in 1928-29 and reached 5 lakhs 93 thousand dozens. In 1929-30, it came to 5 lakhs 76 thousand dozens. In 1930-31, it was 5 lakhs dozens, and, in 1931-32, it jumped up to 6 lakhs 31 thousand dozens. So, in these six years, you will find that the import of hosiery came down year by year, while the hosiery manufactured in India went up in the same period. Where was the competition I should like to know from the Government. If import is decreasing, if the Indian manufactured hosiery is flourishing, where is the need for any further protection and where is the competition I want to know from Government. And so Government have to consider this aspect of the question seriously and see whether there is any necessity for protection or not.

My friend, Dr. Ziauddin Ahmad, has given his minute of dissent at page 6 of the Report of the Select Committee, and, in that minute, he has

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stated the calculation on which Government have based their case for this protective duty for hosiery :

"The reason for enhancement of this duty as given in the Select Committee was as follows :

	Per dozen.
'The Fair Selling Price as determined by the Tariff Board for undervests comparable with Japanese imports weighing 2½ lbs. per dozen (187 Tariff Board's Report.)	62 As.
Average c. i. f. prices per dozen at Calcutta of a large range of qualities of sizes 26" to 34" with an average weight of 2 lb. 4 oz. per dozen is	32·8
The corresponding c. i. f. price when the average weight is raised to 2½ lbs. per dozen as taken by the Tariff Board would be	35·7
The protective duty required on these Calcutta figures for one dozen weighing 2½ lbs. is therefore	26·3
And this is equivalent to 10½ annas per lb.	
Similarly—	
Average c. i. f. prices per dozen at Bombay of a large range of qualities of sizes 26" to 34" with an average weight of 2 lb. 10½ oz. per dozen is	30·6
The corresponding c. i. f. price when the average weight is reduced to 2½ lb. per dozen as taken by the Tariff Board would be	28·7
The Protective Duty required on these Bombay figures for one dozen weighing 2½ lbs. is therefore 33·3.	

And this is equivalent to 13·3 annas per lb. Taking the average of the results for Calcutta and Bombay we obtain as the necessary Protective Duty on Cotton Undervests a figure of 11·9 annas per lb. or say 12 annas per lb. "

I think my Honourable friend will agree that these figures quoted by him are correct, because my Honourable friend, Sir Joseph Bhore, has said that the figures mentioned there are correct and that they have been taken from their papers. If you examine the tning, you will find that these calculations are based on an entirely defective basis. At the very beginning they have assumed that the fair selling price as determined by the Tariff Board for undervests comparable with Japanese imports weighing 2½ lbs. per dozen is 62 annas. I pause for a minute, and I want to know whether this is correct or not. As it has been quoted by my Honourable friend, Sir Joseph Bhore, yesterday and as he has not challenged it, this is correct. If you look at the report of the Tariff Board, you will find that the figure 2½ lbs. which is quoted here is entirely incorrect. The Tariff Board says :

"We find that the average cost of manufacturing a dozen vests weighing 3 lbs. 2 oz. may be put at Rs. 3-5-6, allowing for 16 per cent wastage of yarn. To this figure we add 8½ annas to provide for interest on working capital at the rate of 6 per cent. on four month's works costs, depreciation at 10 per cent. on the machines, and profit at 8 per cent on the capital invested. We thus get a fair selling price of Rs. 3-14-0."

This fair selling price they have definitely said is for vests of 3 lbs. 2 oz. But here I find in the Government papers, supplied to the Select Committee, they have based their whole argument on 2½ lbs. per dozen of 62 annas. This is the first mistake they have committed. When the foundation of a building is sandy, the whole building will come down with a crash. The second defect in their calculation is this. The figures they have taken for the market rate are based on December, January and February figures of this year. But the fair selling price which they have taken from the Tariff Board, Rs. 3-14-0, is for the year 1981-82. So, there cannot

be any comparison, because the fair selling price has also come down in these years, on account of the price of cotton having gone down, and the wages of labour also having gone down. So, this is another mistake. A third mistake which they have committed is that they have taken the figures of the prices for the months of December, January and February of this year, and they have neglected those undervests that are used in winter season, and that figure they have not mentioned. If that had been taken into consideration, the result would have been different from that in the Select Committee. Again, they were not satisfied with the figures they had calculated for Calcutta and so they considered the Bombay market too, and here, as in other cases, as we have seen and as you have heard too, the mills and factories in Bombay are defective, and when the protection was calculated on Bombay basis, it was found that hosiery required a protection to the extent of 13·3 annas, while for Calcutta, in spite of defective calculations, the figure was 10½ annas. If this is calculated on 3 lbs. 2 oz. basis, the result would have been, in respect of the Bombay market, the protection required would not have gone by more than six annas per pound. This 62 annas for fair selling price would have remained as it is, and the average price per dozen c.i.f. at Calcutta of a large range of qualities of sizes 26" to 34" with an average weight of 2 lbs. 4 oz. per dozen is 32·8 annas—I admit that and keep it at that. The corresponding price, c.i.f. price, when the average weight is raised to 2½ lbs. per dozen as taken by the Tariff Board would have been 46·8 annas, and by this means the difference between 62 annas and 46·8 annas is 15 annas, and then this 15 annas is for three pounds two ounces per dozen, and so for each pound it would come to five annas only. But they have reduced the fair selling price basis from 3 lbs. 2 ozs. to 2½ lbs., and they have increased the market price here, and by this means they have reached 10½ annas per pound. I leave this question of calculation for a moment. I think Government should consider how far they have calculated reasonably.

Then, I think that I should be failing in my duty if I do not bring to the notice of the House the fact that the protective measures, which have been brought before this House by my Honourable friend, Sir Joseph Bore, go against my constituency to a very great extent and my constituency is not satisfied with all these protective measures. You will find that all these protective measures are either for the benefit of Calcutta or Bombay. This 12 annas has come on account of the Bombay market only. But, for Bombay, the duty would not have gone beyond 10½ annas, and I say that Bombay is the main source of trouble here as well. My constituency will greatly suffer on account of these protective measures. I have proposed three alternatives to the Government. The first alternative is the 25 per cent duty and the second alternative is 1·8·0 per dozen and the third is nine annas per pound. Here also I may say that the Tariff Board have definitely said that this difficulty will not arise if the duty is levied on the basis of quantity. They have mentioned certain things and then they definitely say that it is not advisable for the hosiery to pay duty by weight, because you will find that by this means of duty on a pound basis the result will be that taxes on the cheaper quality of hosiery will go up while the taxes on the finer qualities of hosiery will come down, and the great trouble which is felt in India is that Indian hosiery and Indian undervests cannot compete with Japan, because Japan supplies finer quality of undervests. That also has been mentioned in the Tariff Board that the

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great competition is on the finer quality and on light weight Japanese undervests. This question must be considered by the Government. There should not be any duty on the basis of pounds. Rather it should be on the basis of dozens, and we have given three alternatives, and, of these three alternatives, whichever may be higher Government may take duty on that basis. Sir, I move:

**Mr. President** (The Honourable Sir Shanmukham Chetty): Further amendment moved:

"That in the Schedule to the Bill, in Amendment No. 9, for the proposed Item No. 1580, the following be substituted:

1580. COTTON HOSIERY, the following, namely:

- |   |   |
|---|---|
| (a) Cotton undervests, knitted or woven | . <i>Ad valorem</i> 25 per cent or one rupee eight annas per dozen or 9 annas per pound, whichever is higher. |
| (b) Cotton socks or stockings           | . <i>Ad valorem</i> 25 per cent or eight annas per dozen pairs or 9 annas per pound, whichever is higher."    |

**Mr. K. P. Thampan** (West Coast and Nilgris: Non-Muhammadan Rural): Sir, I hope I shall not be divulging a secret if I say that the duty of 12 annas per pound was arrived at as a compromise in the Select Committee. I was one of those who wanted to raise the duty still further. There was another school which thought that it might be reduced and if my memory is right, it was Sir Joseph Bhore who suggested a compromise.

**Maulvi Muhammad Shafee Dadoodi**: I want to understand what are the different points of view, on which a compromise was arrived at.

**Mr. K. P. Thampan**: There was one school which wanted at least one rupee, for instance, per pound. There was another school which wanted to reduce it from nine annas per pound.

**Mr. A. H. Ghuznavi**: The Bill provided for nine annas.

**Mr. K. P. Thampan**: If I had known that it was not a compromise, I would have written a dissenting minute and given notice of amendments to raise it still further.

**Dr. Ziauddin Ahmad**: May I point out that a compromise really means that both the sides accepted it. That is really the meaning of compromise. At least as far as I am concerned, I never accepted any increase and I protested up to the end and wanted to record my dissent.

**Mr. A. H. Ghuznavi**: I did the same thing.

**Mr. K. P. Thampan**: I represent a constituency which I presume has got more of these hosiery factories than any other constituency in the country. I am surprised to find the Tariff Board state that in Madras

there are only as many as 14 factories employing 579 men. Of course they are cautious to say "so far as our information goes". There is that qualification. In Calicut alone, for instance, the headquarter of the Malabar district, there are four big factories employing about 900 odd hands. Then there is the one belonging to Commonwealth Trust in Mangalore which is one of the oldest factories in the country. It was under the management of the Basel Mission. They were manufacturing the best undervests in the country. I myself have been using them for the last 30 years and their products are as good as the English banians. Their woollen undervests are as good as Jaegers. I can say this from my own personal experience. In the whole of my constituency, there are as many as 15 factories employing 1,500 people, and, taking all the factories together outside, they employ about 3,500 men. On the whole, there are not less than 5,000 men employed in the hosiery business in South India.

[At this stage, Mr. President (The Honourable Sir Shanmukham Chetty) vacated the Chair which was then occupied by Mr. Deputy President (Mr. Abdul Matin Chaudhury).]

As the Honourable the Commerce Member will deal with the merits, I do not propose to do it. If the object of this measure is to give protection to the textile industry, I do not know why this branch of that industry should not be supported adequately; why here alone the consumers' interest should prevail. I do not want to take up the time of the House by reading all the telegrams I have received on this subject. I have had as many as 14 telegrams from South India alone. I would, however, like to read only a portion from one telegram I received from the Malabar Chamber of Commerce on the 20th of March: It says:

"Chamber, therefore, urges Government to levy immediately specific duty at least two rupees per dozen or one rupee per pound on weight basis for cotton undervests including all knitted apparel and hosiery not otherwise specified."

This is more or less the trend of all the telegrams received from the several Chambers of Commerce in South India and the four big factories in Calicut have sent telegrams to the same effect. As I said, I had no idea that the House would go back upon the proposals of the Select Committee. Otherwise, I would have moved the necessary amendments. I cannot afford to neglect the interests of my constituents, and I strongly oppose the proposal to reduce the duty from 12 annas.

**Maulvi Muhammad Shafee Daoodi:** Sir, I want to make out three points on this question. The one relates to that which has just now been raised by my friend, Mr. Thampan, and which has also been raised by my friend, Mr. Maswood Ahmad—one on behalf of the manufacturers, and the other on behalf of the consumers. It is true that Malabar may have the largest number of factories and that they would like to increase the duty on the hosiery, but here we have not got to look to Malabar or to Patna. These are not the two constituencies which are under consideration. We have got to look at the whole affair—India as a whole, and when we consider this question on the basis of the interests of consumers as well as manufacturers throughout India, we have no doubt that the conclusion to which we should come is that the hosiery industry does not require any additional, special protection at this stage. It is clear from

[Maulvi Muhammad Shafee Daoodi.]

the figures given in the Report of the Indian Tariff Board regarding the grant of protection to the cotton textile industry that since 1926 and 1927 we have improved a good deal in 1931-32. I take only these two years as indicating the progress made by the hosiery industry so far as Indian factories are concerned. In 1926-27, the quantity imported was 4,787,000, while in 1931-32 the quantity imported was 2,593,000. It clearly shows that the import of hosiery from outside had been reduced by half. When we come, Sir, to the Indian manufacturers and Indian factories themselves, I find that this inference of ours is very well maintained. In 1926-27, the Indian manufacturers produced 352,000 dozens of hosiery, but in 1931-32, they produced 622,000 dozens of hosiery. Now, this is practically double of what was produced in 1926-27. So, Sir, in point of imports, as well as in point of the output of the Indian manufacturers, we find that our condition has improved. In the case of imports, it has been reduced to half, and in the case of manufacturers, our production has been doubled. Now, therefore, it is very clear that the object of protection is gained by the processes which we have been following all these years. No additional, special protection need be devised for protecting the hosiery industry. It is a different matter, of course, that one may have a soft corner for Madras, because factories are larger in number there, and some of those in authority may feel a greater sympathy for the people in Madras (Laughter), but this is not the view which we should hold in this House. We should divest our minds of all such misconceptions and we should look at the thing in a particular way and find out what is in the interest of the entire population of India. So I find that no better proof can be given than these figures which I have quoted from the Tariff Board Report. Now, the third point, I wanted to make out, is this. In paragraph 187 of the Tariff Board Report for 1932, we find a discussion of the duty imposed by dozens and the duty imposed by weight. Now, this discussion in that paragraph makes the matter very very clear to me at least. I find, Sir, that while discussing this question, they say, in one place, that they have come to a definite finding that a certain amount of duty should be levied by numbers, but later on they say that they understand from various sources that if the duty is levied by pounds, it will give greater protection to the hosiery industry. Now, these are the two methods by which they have discussed this question. In the one case, they have come to a definite finding, a definite conclusion, while in the other case they rely upon evidence which they cannot quote in support of their finding; therefore, they say that they understand that such a thing would happen. Now, I will read to you what they say, and you will be able to judge for yourself as to how far the two positions are consistent and what is the view that we should adopt. Now, they say:

“We find”—(a finding is given)—“that the average cost of manufacturing a dozen vests weighing 3 lbs. 2 oz. a dozen may be put at Rs. 3-5-6, allowing for 16 per cent wastage of yarn. To this figure we add 8½ annas to provide for interest on working capital at the rate of 6 per cent on four months' works costs, depreciation at 10 per cent on the machines, and profit at 8 per cent on the capital invested. We thus get a fair selling price of Rs. 3-14-0 a dozen. Comparable Japanese vests weighing 2 lbs. 8 oz. a dozen are imported at a c. i. f. price of Rs. 2-6-0 a dozen; so the measure of protection necessary is not less than Rs. 1-8-0 a dozen vests.”

Here, Sir, they finish their ‘finding’. Then they go on to say:

“An alternative statement of costs works out to Rs. 4-8-0 a dozen after providing for depreciation and interest and profit. Owing to the competition of imported articles,



the utmost that can be realised for these goods which cost Rs. 4-8-0 a dozen to manufacture is Rs. 3-12-0 a dozen; 12 annas out of this represents the present duty at 25 per cent. So the measure of protection required in this case too works out at Rs. 1-8-0 a dozen. If the duty is levied on the basis of weight, allowance will have to be made for the difference in weight between comparable qualities of Indian and Japanese goods. We understand that the imported goods often weigh not more than two-thirds of the weight of the Indian manufactures with which they compete."—

and they go on describing how they want to impose a duty by pound.

Now, it is very clear to a man who will read dispassionately and without any prejudice whatsoever that they have come to a definite finding of giving protection to the hosiery industry in dozens and they themselves say that there are so many difficulties in giving protection in pounds. I could not follow those difficulties very well, but I suppose the Honourable Mr. Ghuznavi has made it clear that it is very difficult to weigh the different sizes of underweares and find out as to what the average would be. That is a difficult task which no customs officer can easily perform. Therefore, I find that the course which the Government should adopt is one which is based on facts, figures and evidence and not on inferences, surmises and such evidence on which no findings can be based.

The fourth point that I would try to make out is this. The chief bone of contention which comes under this head are the underweares **4 P. M.** and not so much the socks and stockings which are worn by people of rich class. But the undervests are perforce to be worn by the poor people. They have got to clothe themselves with some sort of underwear which is of cheaper value. Now, to raise the price of an article which is worn by so many millions of people is not justified. I would appeal to the Honourable the Commerce Member to imagine for a moment what would be the feeling of those poor agriculturists who have got to wear something of a lower order and which they were getting at first for, say, X, and for which they will now have to pay X plus two pice. I am told that it is something more than that.

**Mr. A. H. Ghuznavi:** It is much more than that.

**Maulvi Muhammad Shafee Daoodi:** Even if it is two pice more, then I would ask the Honourable the Commerce Member to realise and imagine the feeling which the poor cultivators will have in these days of depression. If they had the price level of their commodities raised, then they would not have felt this extra two pice for their underwear. But, in the present circumstances, I do not think any reasonable man with some heart in him for the poor people can support this proposal. At the same time, we find that we are justified by the facts as given by the Tariff Board. It is not an arbitrary appeal that we are making. We are making our appeal on the basis of the Tariff Board, and we hope that the Honourable the Commerce Member will not see his way even to increase it by a pie. These are the points, Sir, which I wanted to make out. I had an amendment on this point and that also a prior one, but as my friend, Mr. Maswood Ahmad, has taken pains to move his own in the late list, I need not move mine.

**Khan Bahadur Haji Wajihuddin** (Cities of the United Provinces: Muhammadan Urban): Sir, I rise to support the motion moved by my Honourable friend, Mr. Ghuznavi. The House only a few weeks ago accepted

[Khan Bahadur Haji Wajihuddin.]

that a duty of Rs. 1-8-0 per dozen should be levied on cotton under-vests. This duty was recommended by the Tariff Board, it was recommended by the majority of the Select Committee. It is not desirable to change our own decision in the course of only six weeks. The Government ought to have made up their mind before introducing any legislation on hosiery. They ought to have studied every aspect of the question and come to a decision for themselves. In matters of legislation there are always two opinions. Manufacturers want the maximum of duty for their personal gain. Importers and consumers want the minimum for their personal gains, and it is for the Government to fix a *via media* and stand by it.

I understand that the decision of the Government was Rs. 1-8-0 per dozen. No argument has been given by the Select Committee for changing the dozen basis into a weight basis. The dozen basis affects adversely certain classes of goods, such as children's vests, but the weight basis affects another class of goods such as fleecy substance. The most equitable solution of this problem is, in my opinion, that the Government should levy the duty of Rs. 1-8-0 per dozen, as recommended by the Tariff Board, but in case of smaller sizes the duty may be a little less, i.e., for children's size from 16 inches to 20 inches, 12 annas a dozen and for boys' sizes, i.e., 20 inches to 26 inches, one rupee a dozen and the rest Rs. 1-8-0 per dozen. This duty would have been fair to manufacturers and fair to the consumers, but the constant change is upsetting the trade and is a source of confusion to every person. I do not remember that any commodity has been discussed in such an extensive extent as hosiery has been done in this Session, and it is due to the continuously changing opinion of the Government. The Government adopted nine annas per pound as equivalent to Rs. 1-8-0 per dozen, but the Select Committee, by a majority, changed it from nine annas to 12 annas. The Select Committee, in their Report, gave no argument, but my esteemed friend, Dr. Ziauddin Ahmad, in his note of dissent, pointed out that the only argument given by the Select Committee for raising the duty is that the c.i.f. prices of sizes from 20 to 34 has been reduced from 38 annas to 32 annas. There are two points which are to be noticed. In the first place, 38 annas is the price of undervests with an average size of 32 inches, and 32 annas is the price of an average size of 30 inches. The average in one is 82, but the average in the other is 30. I admit that the c.i.f. prices have gone down on account of further depreciation of Japanese yen, but simultaneously the price of yarn and the labour have also gone down. In this note, no change is allowed for the fall in the cost of production. I, therefore, say that this question ought to have been thoroughly investigated by a Special Officer before the duty is raised. I have just received a telegram from Bombay which, with your permission, I would like to read out. It runs thus:

"Proposed duty twelve annas per pound on cotton undershirts and socks disastrous to trade. Must be nine annas per pound as per amicable settlement arrived when All-India Hosiery Merchants Association Deputation waited on Commerce Member last January. Specific duty Ra. 1-3-0 on undershirts, ten annas on socks preferable to new proposal. Fleecy undershirts not manufactured in India, hence must be exempted. Bombay Hosiery Merchants Association."

Sir, we should now stand by our own decision and should not alter it till the matter has been enquired into thoroughly either by the Tariff Board or by a Special Officer. With these words, I support the amendment.

**Sir Muhammad Yakub** (Rohilkund and Kumaon Divisions: Muhammadan Rural): Sir, the Honourable the Commerce Member coming from Madras as he does, naturally, the people of Malabar and Madras have a greater claim upon his sympathy and support. But I hope that sitting in this House the wider consideration of the public welfare in general would command more influence with him than the sympathy for the Province to which he belongs. Judging from this point of view, we have to see what is the aim and object of this Bill. The aim and object of the Bill, as has been stated by the Government, is to give protection to the indigenous industry of hosiery in this country.

Now, Sir, in all measures in which protection is given to any indigenous industry of India, we have to see whether it is to the benefit of the people of the country or to their detriment. We will not grudge giving protection to any indigenous industry of the country. In fact, we want it. India has been crying for years and years that her industry and trade should be encouraged, and, in fact, Government have not yet taken any steps to encourage the industry of the country. Our education has been going on on the same reckless lines as before. We have to see, however, that in our desire to protect an industry, we do not hit hard the consumers and the people of the country and do not make their living intolerable for them.

Now, Sir, it has been pointed out with a great deal of force, backed up by facts and figures, that the proposed duty which has been raised by the Select Committee is going to hit hard the public of this country. It is really very strange that against all the established practice of the House this duty has been raised suddenly in the Select Committee. If the Government wanted to go against the report of the Tariff Board, why this enhanced duty was not put down first when the Bill was introduced in this House? What is the reason? In fact, it looks very suspicious. At first a Supplementary Bill was introduced and hosiery was made the subject-matter of that Bill and a certain duty was levied upon it. Then, after two or three weeks, another Bill was introduced in the House, and a certain duty was put upon hosiery. Then, when this Bill, for the second time, goes to the Select Committee, against all the established practice of this House, suddenly the scheme is changed and an additional duty is put upon hosiery. These are things which naturally create the greatest suspicion in the minds of the public that there is something wrong in the Kingdom of Denmark about this matter, and no explanation is forthcoming on behalf of Government why this additional duty was not imposed when the Bill came up for the first time in the House and why in the Select Committee you raised this duty and that too against the Tariff Board Report. Then, my Honourable friends, Mr. Ghuznavi and Mr. Maswood Ahmad, have already pointed out with facts and figures that the protection which the hosiery industry enjoys at present is quite sufficient to protect it. It has been shown that the import of hosiery has been decreasing from year to year and that the number of country manufacture is increasing every year. If this is a fact—and that it is a fact has been proved by the documents of the Government themselves—then why should you impose an additional duty and levy a heavier burden on the poor consumers of the country? It seems to me that the Honourable the Commerce Member has become a disciple of Mr. Gandhi and he wants the people of this country to have no clothes except a small loin cloth. If you increase this already prohibitive duty on undervests, and

[Sir Muhammad Yakub.]

especially fleecy undervests which the poor man puts on in winter, I am quite sure that the result would be that the poor man will have to go naked and will have to content himself with Mr. Gandhi's loin cloth.

**Mr. K. P. Thampan:** Do poor people wear undervests? I thought it was only the luxury of the rich people.

**Mr. A. H. Ghumavi:** Poor people wear cotton undervests.

**Sir Muhammad Yakub:** The population of the country is increasing and there seems to be no war at present and so the Honourable the Commerce Member wants to decrease the population of the country by making the people go naked.

**Mr. B. V. Jadhav** (Bombay Central Division: Non-Muhammadan Rural): They will enjoy better health.

**Sir Muhammad Yakub:** The object of protection is already gained by the duty which has already been imposed. The country manufacture is increasing every year, and the import of hosiery is decreasing. Therefore, there seems to be no reason why this novel way of raising the duty in the Select Committee stage should be adopted and this has really created a great deal of suspicion in the country. My Honourable friend, Mr. Wajihuddin, has just now read a telegram from Bombay, here is another telegram from the Secretary of the Calcutta Hosiery Association, addressed to me, and, with your permission, I should like to have it on record. The telegram runs:

"We appeal to you reconsider proposals re duty on cotton undervests. This should not exceed Government's proposal of nine annas per pound. Moreover fleecy undervests being not made in India should not be subjected to increase and old duty should be maintained.

Secretary, Calcutta Hosiery Association."

Sir, as regards this fleecy undervests, as pointed out by the Secretary of the Calcutta Hosiery Association, this stuff is not made in India at all. Then, what is the industry that you are protecting by raising the duty on this stuff? There is no reason at all. What is the reply you have got to give on that point? I think my Honourable friend, Mr. Ramsay Scott, who is probably benefited by this duty, will be able to say something. . .

**Mr. J. Ramsay Scott** (United Provinces: European): I am not being benefited by this duty at all. I have no connection personally in this matter.

**Sir Muhammad Yakub:** I do not mean personally. I do not think that the Honourable the Commerce Member can show that we have got any appreciable manufacture of fleecy undervests in this country. If you want to give protection to an industry, you must see what is the extent of that industry, and what are its chances of expansion in the country. Otherwise, one or two men, sitting at the door of their houses, might start some business and then they would come before the Honourable the Commerce Member and say "we have started such and such an industry, give us protection". Will you give protection at the expense of the consumer to every tiny little industry in the country? That ought not to be the criterion. So, Sir, I hope that the Government have not got a

biased mind on this point, and I hope that their minds are open to conviction, and, considering all the facts which have been placed before them, they will still change their opinion and stick to the duty which they themselves proposed when the Bill came up before this House. With these words, I support the amendment. (Applause.)

**Dr. Ziauddin Ahmad:** The ruling given by the Honourable the President on my point of order has really solved the legal difficulties of the Government, but it has not absolved them of the moral obligations and the obligations to act in a businesslike manner. Sir, I do not like to speak at length on each of these amendments, so I take longer time on this particular motion. The Tariff Board Report of 1926, the author of which is just sitting before me, at least as understood by my Honourable friend, Mr. Maswood Ahmad, and myself, does not seem to be in favour of any special protection to hosiery. Of course, their final remark is embodied on page 204 of the Report which says:

"In these circumstances, we are unable to recommend that hosiery should be treated in any way differently from piecegoods."

Of course, this sentence might have a different connotation in the mind of the author of this Report. But certainly it is understood by everyone to mean that they were not in favour of giving special protection. Not only myself and Mr. Maswood Ahmad are under this impression, but the Tariff Board, which sat subsequently in 1932, were also of the same opinion.

**The Honourable Sir Frank Noyce:** Sir, what the Tariff Board of 1926-27 said was that they were unable to recommend that hosiery should be treated in any way differently from piecegoods. What Mr. Maswood Ahmad said and what the recent Tariff Board said was that they rejected the claim of hosiery for protection. But I would remind the House that the Tariff Board of 1926-27 definitely recommended protection for piecegoods. They recommended that piecegoods should get protection of 15 per cent.

**Sir Abdur Rahim:** Including hosiery?

**The Honourable Sir Frank Noyce:** Exactly, that is the point. I trust I have made it clear that the Tariff Board of 1926-27 definitely recommended protection for piecegoods. They recommended, as I have said 15 per cent. What they rejected was the claim of hosiery to special protection. They said that it should be treated in exactly the same way as piecegoods, and, therefore, if their recommendation for 15 per cent protection had been accepted for piecegoods, that presumably would have been accepted for hosiery also. What I would remind this House, if I may do so in the course of an interruption, is that we are now dealing in "astronomical" figures. In the days of that Tariff Board, 15 per cent was considered a great deal, but we have now got to the region of 50 and 75 per cent. But I would again remind the House that the Tariff Board of 1926-27 did recommend protection, that they suggested that hosiery should get the same protection as piecegoods and that, therefore, hosiery should receive protection. That is the position, and I trust I have made it clear to this House beyond possibility of doubt. I must confess that I am a little tired of hearing that the Tariff Board rejected the claim of the hosiery industry to protection, because that is not a fact.

**Mr. M. Maswood Ahmad:** Then that line that I read out is incorrectly printed in this book.

**Dr. Ziauddin Ahmad:** I think the author is more reliable than his words, and, in the face of what he has said, I must accept that the Tariff Board did recommend some kind of protection, but that protection should be to the same extent as they would like to give to Indian pigegoods. As I said, unfortunately everybody has been put on a wrong track and I am glad that the remarks made by the author of the Report will now definitely remove the misunderstanding. The misunderstanding was created by the remarks of the second Tariff Board when they said:

"The Tariff Board in its 1926-27 report rejected the hosiery industry's application for protection....."

**Sir Abdur Rahim:** Read the whole sentence.

**Dr. Ziauddin Ahmad:**

".....partly for the reason that it was not confronted with unfair competition from Japan, but chiefly because they considered that the grant to the hosiery industry of protection on a scale higher than that applicable to other manufactured cotton goods would merely furnish an incentive to textile mills to devote more attention to this branch of the industry and encourage them to produce hosiery articles in such quantities and at such prices as to ruin the small factories in which hosiery was mostly manufactured."

In any case, the question was taken up by the 1932 Tariff Board and they gave certain figures. They gave the figures of the imports and the figures for Indian manufacture. Of course, I only go by the figures given here, and I find that since the first Tariff Board wrote its Report, the import has been diminished from 4,737,000 dozen to 2,593,000, that is, approximately reduced to half; while, during the same period, as pointed out by my Honourable friend, Mr. Shafee Daoodi, the export has increased from 352,000 to 622,000, that is, doubled. That is, the Indian manufacture was  $7\frac{1}{2}$  per cent of the import in 1926-27 and it is 24 per cent in the year 1931-32. The Tariff Board also gave the number of persons employed. They say that the total number of men employed in this industry throughout India is only 5,676. The figures may be entirely wrong, but these are the figures which are given to us by the Tariff Board. Therefore, their argument for protection is based on two grounds, that is, import and export. There we find that under the protection, given on the recommendation of Sir Frank Noyce's Committee, it proved to be sufficient to diminish the import to half and increase the Indian manufacture to double the quantity. And, then, at the same time, the Report says that the number of persons employed is very small for India, and it is a figure which we may practically ignore. Therefore, they have not made out a particular case of protection. But still the House has accepted the principle of protection. We passed a Resolution, and now I do not challenge what we in this House by a majority accepted, and I proceed on the principle that protection ought to be given to this particular industry. But the question is about the manner in which the whole thing was handled by the Government and the quantum of protection. These are the two points which I should like to enter upon. Sir, there is one point before I leave this question of protection and that is that the duty of Government did not finish by merely passing a measure of protection. What they ought to see is that the protection is

really enjoyed by the people of India and not by a few capitalists and,—this is a point which I always emphasise,—they should create some kind of machinery by means of which they can judge how the protection is actually working in this country. Is it benefiting the people or is it providing only a fat dividend for a few capitalists? Evidently we are not giving protection for the benefit of a few persons; we give protection to any industry for the benefit of the people of this country. I pointed out last time that the amount of protection is really a kind of loan to the industry which will have to be paid back after a certain number of years and the Government are really a surety of this particular loan. It is the duty of Government to see that the loan which we are going to pay to these industries is paid back to us. It is given under the orders of Government, it is given on the security of Government and we expect Government to see that it is paid back to us.

Sir, the other day, Sirdar Harbans Singh Brar gave some illuminating facts which really require serious attention if they are correct. I, of course, cannot really take the responsibility for their accuracy. He said that a certain individual was appointed a Member of the Tariff Board on steel protection. Soon after the protection was given, he joined that particular industry, and, later on, he was again asked to be a Member of the Tariff Board on the match industry protection. The protection was given and then he joined the match industry. And now, again, he has come here to negotiate with Government that the excise duty may not be increased. If a Member of the Tariff Board himself becomes a partner in the business to which protection is given on his own recommendation, I think that is not a right way of doing it. The Government ought to see and it is their duty to watch over the interests of the people. They should see that persons, who are appointed as Members of the Tariff Board and on whose recommendations we tax the consumers and the tax-payers to a very large extent, are men who themselves in the future or in the past do not have financial interest in that particular industry and that they give their just and impartial opinion on matters referred to them. But the very fact that they are joining the industry is not a very good thing and it does not set a good example. If these facts are correct, as pointed out by my friend, Sirdar Harbans Singh Brar, then I do request the Government that they ought to pay serious attention to this particular question: otherwise, the Tariff Board Reports and everything else will become very much discredited in the country. People will lose their confidence in you and in your Tariff Board.

While discussing the question about the Lancashire-Bombay Agreement, I put a straight question to the Honourable the Commerce Member on the floor of the House, as to whether he was not setting a bad example in accepting an agreement between private individuals, and then he said "Yes, if that person be the Honourable Member (Dr. Ziauddin)". That really means that in discussion he believes in individuals and not in arguments. This is what Imam Ghizali has said:

*"Unzur ma qa la, wa la Unzur man gala."*

You must always pay attention to what is said and pay no attention to who has said it. This is really the principle laid down by Imam Ghizali in his famous book "Ahyaul Vlum". I would like very much to present a copy of this famous book to the Library of the Secretariat or

[Dr. Ziauddin Ahmad.]

of the House, for the benefit, not only of Government, but of some of the Non-Official Members who are as much guilty as the Honourable Member on the Treasury Bench.

In this case there has been a good deal of discussion—I have, of course, very great respect for Mr. Scott—I have known him before he and I came to the Assembly, and I can say on the floor of the House that he has got a very great reputation in the United Provinces for his ability, his good work and his honesty; but my difficulty is that we have got a very high opinion of him, but on account of his modesty he has not got such an opinion of himself as was shown last time when he got up to speak on certain matters.

Now, the principle of protection has been accepted. However, I do mention and this is the point emphasised by my friends, Haji Wajihuddin and Sir Muhammad Yakub,—that in these matters the Government ought to have made up their mind very definitely as to what they proposed to do: they had the Tariff Board Report before them for the last two years; they had an inquiry, and if they were not very certain, they could have deputed one more person to make further inquiries and they could have formed their definite opinion and stick to them. We know very well that there are rival claims—manufacturers will pull one way: consumers and importers will pull another way: and the statical position or the position of equilibrium can be decided by the Government and the Government alone and by nobody else. Every one of us is interested in one form or another and Government alone are supposed to be a disinterested body and capable of deciding for themselves. But, once they have decided, they ought to stick to their guns. If any fundamental point is raised in which they have any doubts, then it is their duty to make first hand inquiries and then modify the opinion, if necessary, and say why they have done so. They should not allow themselves to be pulled by one party or the other. But certainly all these points ought to have been prejudged and the Government ought to have formed their opinion beforehand and put forward definite proposals which they modify only in respect of minor details. Had the Government adopted this attitude and stuck to the recommendation of the Tariff Board and continued to support Rs. 1-8-0 a dozen standard, as recommended by the Tariff Board then, though I or X or Y may not have been pleased, still all of us would have said that Government had done the greatest good to the greatest number, and we cannot please everybody. This is the only principle on which they ought to have followed. As regards this particular duty, we brought to the notice of the Government at that time that in the case of children's sizes, from 16 to 20, the duty worked out to 204 to 266 per cent: in the boys sizes, from 20 to 24, it worked out to 170 per cent, and in cases of better quality to 137 per cent; and in the case of the 30 to 34 sizes, it worked out to 69 to 128 per cent. My friend, Sir Frank Noyce, said that in his Report they were taking figures in the earthly numbers, but now we are talking in astronomical numbers: we were satisfied in 1926 with a duty of five per cent or six per cent. 10 to 20 per cent was considered high: nobody could dream then that the duty could be cent per cent or even more: it is not supposed to be marvellous: we are living in days when we have forgotten even millions—we talk of billions, trillions, quadrillions, and perhaps something more



will have to be discovered if this principle of managed currency continues. In Germany, during the period of depreciation of marks, they forgot all arithmetical names, and they only asked how many zeros there were—10 or 12, 14 or 16 zeros, that is the way in which they calculated . . . .

**Mr. B. Das:** All zeros: nothing else.

**Dr. Ziauddin Ahmad:** Had the Government shown the slightest concession, a little kindness by putting on a variable duty: for example, in children's sizes, say, 12 annas, or one rupee, in the case of the boys' sizes Rs.1-4-0 or something like that, they would have been appreciated. We could not demand it. It was only a kindness had they accepted it: but, of course, we thought that after all the Government are considering the greatest good to the greatest number and we should submit to their proposal; and we did submit to it and we thought the matter was over and finished. And, as I interpreted section 31, before this ruling of the President was given today, I thought this thing could not possibly come up again in this present Session. But the whole question was reopened by putting this hosiery in the second Bill, and here we come to the fundamental question, how much this Rs. 1-8-0 a dozen is equivalent to how much per pound. Had the Government decided that the protection given by the Tariff Board is not sufficient, that was a different matter. In that case the right course for the Government would have been to appoint another officer to make inquiries and make suggestions or adopt some method by means of which they ought to have come to the conclusion that in their opinion the recommendation of the Tariff Board of protection of Rs. 1-8-0 is not enough and greater protection should be given: they ought to have come forward boldly and asserted that this was the opinion of the Government, and this is the method which the Finance Member always adopts; we may or may not agree with him, but his proposals are clear, fair and intelligible to everybody. I understand that the protection which the Government accepted is Rs. 1-8-0 a dozen, and there was no question raised on behalf of the Government that the quantum of protection should be raised beyond Rs. 1-8-0. Now, the question is, if you transfer the dozen basis to a pound basis, how much is this Rs. 1-8-0 a dozen equivalent to in terms of pounds? If they wanted to increase the protection on the basis of weight, they ought to have made an independent inquiry before the quantum of protection was increased; but agreeing that the protection of Rs. 1-8-0 a dozen was decided upon, then the only thing that remains is how much this is equivalent to in pound.

I would here refer to the speech of my Honourable friend, Sir Joseph Bore, which he delivered on the 13th February, 1934. He said:

"We have calculated that Rs. 1-8-0 a dozen is approximately the equivalent of nine annas a pound on a weight basis. I do not ask the House to accept that as final, because that question will come up for consideration when we are dealing with the Cotton Textile Bill and we can go into that matter then."

As I interpret the particular passage of the Honourable the Commerce Member's speech, at present the duty of Rs. 1-8-0 is equivalent to nine annas or ten annas a pound, but then the question of quantum of protection may be considered in the Textile Bill. This question was also considered by a Select Committee in which Messrs. Scott and Hardy were present, and it was pointed out to me by the Government that the equivalent of the proposal, that is, Rs. 1-8-0 per dozen in the Bill would be

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approximately ten annas per pound. Dr. Meek and I calculated, and we agree that Rs. 1-8-0 a dozen works out to 9 3/5 annas per pound, and if anybody wants to challenge me, he can do so, and I am prepared to give way . . . . .

**An Honourable Member:** How have you worked it?

**Dr. Ziauddin Ahmad:** I will work out.

**An Honourable Member:** Rs. 1-8-0 is for two half pounds. The size is smaller.

[At this stage, Mr. President (The Honourable Sir Shanmukham Chetty) resumed the Chair.]

**Dr. Ziauddin Ahmad:** Whenever we take the manufacturers' or sale price, we take the standard size of 32" and make the calculation. If we want to increase the quantum of protection, it is a different thing, but if you don't want to raise the quantum of protection beyond what is suggested by the Tariff Board, then I maintain that Rs. 1-8-0 is equivalent to 9 3/5 annas, neither more nor less. . . . .

**Mr. J. Ramsay Scott:** Where do you get that figure from?

**Dr. Ziauddin Ahmad:** May I remind Mr. Ramsay Scott that this figure was given to him and to me by Dr. Meek when both of us were present. Had the majority in the Select Committee proposed that they were not satisfied with the protection of Rs. 1-8-0 and they wanted a higher protection, then I would have said, please make further inquiries. If Government were satisfied that higher protection was needed, it would have been all right. But my strong objection is, that the arguments advanced by them for raising the duty from nine annas to twelve annas is open to very serious objection. The only argument adduced by them was a series of figures I published, with permission, in my note of dissent. Their whole argument comes to this, that the manufacturing cost per dozen comes to 62 annas,—that is admitted by the Tariff Board Report itself. Then the Board said that the sale price in 1932 was 38 annas. This is also accepted, but what we say is that this sale price might be correct in 1932, but considering the latest figures available, the c.i.f. was only 32'8 in Bengal. Therefore, it really means that on account of the further depreciation of Japanese currency, the c.i.f. sale price has come down from 38 to 32'8. Then, there is another objection to which I must allude. The Tariff Board made all their calculations for an average size of 32", but the figure given here is for an average size of 30" and not for 32", and, therefore, the c.i.f. price must necessarily be lower. They ought to have given figures for 32", and not for 30" as they have done. That is my first objection.

My second objection is, if you look to the figures of the Tariff Board and try to bring them up to date, then you should not do so only in respect of c.i.f. imported goods, but you should also bring up to date the cost of manufactured goods in India. We all know well that the cost of yarn has

diminished since 1932. I have got the figures of the price of yarn for some years.

In the year 1929-30, the price was Rs. 1-5-0.

In the year 1930-31, the price was Rs. 1-0-11.

In the year 1931-32, the price was Re. 0-15-7.

In the year 1932-33, the price was Re. 0-13-6.

Mr. Mody or Sir Cowasji will tell what the price of yarn today is. It is certainly not more than 8½ annas per pound. If the price of yarn goes down, then the price of one yard of cloth also goes down in sympathy. Therefore, what I want to point out is that the cost of manufacture has gone down, for two reasons. In the first place, the cost of yarn for making hosiery has gone down; secondly, the cost of labour also has gone down at the same time. The Tariff Board calculated labour to be Rs. 1-6-6 for manufacturing a dozen vests, but today for turning out the same quantity of vests it costs only Rs. 1-0-6. Of course, I don't expect the Government to accept the figures of A. B. or C. They ought to make independent inquiries themselves, they should keep their eyes and ears open, and after hearing everybody concerned, they should form their own just and impartial decision in the best interests of the country. Therefore, these two established facts nobody can deny, namely, that the wages have gone down, and the price of yarn also has gone down, and, therefore, the cost of manufacture must go down. My submission is, you should accept the figures and recommendations of the Tariff Board in toto, because that would be quite intelligible to me, but if you want to modify these figures in the light of the Report being two years old, then, I say, that you should modify both cost of manufacture and selling price. It is not correct to change the figures on one side and keep the figures on the other side the same as they are. The most reasonable thing would have been to study the whole position by appointing special officers for the purpose. This is a point which I wish to emphasise once more, that the Government ought to have accepted the recommendation of the Tariff Board, and if they believed that those recommendations were not correct, or if they believed that those recommendations were old, then they should have placed some officers on special duty and verified the facts, and then formed their own judgment. It is not right for the Government to form their opinion simply on the representations of A or B. They should have heard them and then made inquiries through their own officers and then form their own opinion.

Now, the only argument that was given for increasing the import duty from nine annas to twelve annas are the figures which I have quoted from the Report. In these figures, I have pointed out two difficulties. The first difficulty is that they have taken the average size to be 30", while the average size in all the calculations is 32", and, therefore, the figures must necessarily be defective. My second point is, they have reduced the c.i.f. prices from 1932 figures to 1934 figures, but they have not done so with regard to the manufacturing prices. Either leave them as they were, or bring them up to date in both cases. My third point is, that in the figures given on the basis of which we have increased the duty from nine annas to twelve annas, they have taken the average of the summer variety and they have excluded the average of the winter variety, and the results would have been different if they had taken the average of both. One thing which struck me particularly—perhaps my Honourable friend, Mr. Mody, may

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come forward with an explanation, but I give my own explanation—is that the c.i.f. price in Calcutta is 32.8 and the c.i.f. price in Bombay is 28.7. I thought that this difference is enormous. The c.i.f. prices may differ by half an anna or one anna in the case of the two places, but the difference is so very much in the present case, that all the hosjery might have been ordered to Bombay from where they could be sent to Calcutta, and it would have been cheaper. But the facts are these. In Bengal, people are accustomed to wearing buttoned vests, and, on Bombay side, from whom we get vests in Upper India, they do not wear buttoned vests. Buttoned vests cost a little more. Again, the vests they wear in Bengal are of longer size, and those used in Bombay and in Upper India are of shorter size. Therefore, the vests used in Bengal are different from the vests used in Bombay. Therefore, the calculation on these vests is very different. So I have reason to enquire on what basis the Tariff Board calculated the cost of manufacture. Did they calculate the cost of manufacture on the vests which are used in Bengal, or on the kind of vests which are used in Bombay and in Upper India? This is not known to us. It might be that the point might be clear in the evidence taken by the Tariff Board, but that evidence is not before us and we are left completely in the dark and we have to go on and trust what the Government tell us, because we have really got no figures, and whatever figures are given to us are figures which nobody will accept. Before I finish, I must tell my Honourable friend, the Commerce Member, that if any examinee had used these figures and these arguments in his examination paper, I, as his examiner, would have given him a zero (Laughter), and, if I consider the ability also, then the negative marks would not be too little. I should like to point out that we are really for protection but it is a mistake to give more protection than is justified. The Tariff Board has recommended in a particular way, but you jump up and give protection of 12 annas. If somebody had made an enquiry and some definite conclusion had been arrived at on some proper data and figures, which unfortunately we do not know, then I would have accepted it, but, without any justification, to give more protection is really injurious to the industry. Here I shall quote one or two sentences from the speech of the Finance Member about over-protection. He said:

“If we keep it permanently in a hot-house which enables it to make even a 10 per cent profit without any great difficulty, then the industry will never improve itself. And that, Sir, is our position.”

Again, he said:

“I do put it to the House that if the efficiency of Indian industry is to be developed it will never succeed if the expectations of profit and the check on inefficiency are so high and so loose as what seems to be the case in most of the minds of those who have spoken on the subject.”

**Mr. B. Das:** He said that with reference to sugar particularly.

**Dr. Ziauddin Ahmad:** Whatever applies to the protection of one industry equally applies to the protection of any other industry. We have accepted protection, we do not object to it, but give adequate protection, the protection which has been recommended by the Tariff Board, and never give over-protection. If the Government decide to give over-protection, then, I venture to submit, they should give good reasons on the floor of this House. Unfortunately, neither in the Select Committee nor at any time

here have they given any reasons to us in favour of increased protection. If any good arguments are given, I am willing to change my opinion, because I have no obstinate mind, and I am open to reason. There may be good reasons in the mind of the Commerce Member, but unfortunately those good reasons have not been given to us so far. Even if they are given later, I will accept them, but with a protest that they were not given when the Select Committee was sitting.

Before I finish, there is one little point to which I wish to draw attention. I have calculated the meaning and the amount of protection that we are giving. The protection of 12 annas which we are now proposing will cost to the Government revenue Rs. 15 lakhs a year, and that will be a present by the Government to the manufactures of this industry. In addition, the consumers will have to give a present of about Rs. 75 lakhs per annum to the manufacturers of hosiery. Therefore, the manufacturers will get a present—I shall not call it a present, but I call it a loan of Rs. 90 lakhs every year, and I hope that the Government will stand surety for these 90 lakhs a year that the tax-payer and the consumer will pay to this industry—that that amount will be returned to us after a certain number of years and Government should see that it is done and should give us a guarantee on the floor of this House. Before I sit down, I should like to appeal in the end that though we are in favour of protection, we are equally in favour of the protection of cottage industries. If, as a result of this measure, the mills capture the field of supply of the cottage industries, the very purpose of protection will be negated. Of course, the Tariff Board in this particular case has given us a hope that the cottage industry will not die out, but that it will flourish side by side with the mill industry. I have myself great doubts, but I hope that Government will watch the situation very carefully and see how it works out.

Finally, I submit that the only protection that we should give should be that recommended by the Tariff Board, and no additional protection should be given unless an independent enquiry has been made by a special officer of the Government. And, if we translate the Rs. 1-8-0 directly into a weight basis, it would work out to be 9 $\frac{3}{4}$  annas, or they may put it at nine annas or ten annas as the Commerce Member has said in his previous speech, and not more, and, if the Government want to increase the protection, they must substantiate their case by reasoned arguments and not by fallacious arguments, as I have said in my minute of dissent.

**Sir Abdur Rahim:** I feel justified at this stage of the debate in making just a few observations on this measure, as I think an important question of principle is involved in the way the Government have dealt with this case from time to time. After your ruling, the Government, I must admit, are within their right in bringing forward their present proposal, but, at the same time, I do think it is entirely against public interest that they should play with a question of this sort in the way they have done in this case. Last December, they brought a Bill dealing with hosiery by which they imposed certain specific duties, duties at the rate of Rs. 1-8-0 per dozen for undervests and ten annas for socks. Then, they presented their present Bill in which they proposed certain other duties. The Bill was referred to a Select Committee and, as a result of the deliberations of the Select Committee, they have now come forward with another proposal, that is to say, while, in their original Bill, they proposed nine annas per pound, they are now proposing twelve annas per pound. This is dealing with a question of economic importance in a way which is bound to unsettle the

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trade in this country, with the result that people will not know whether they are to carry on a certain trade or not. All questions of protection are to be dealt with by a Tariff Board which we have instituted for that very purpose. Now, the Tariff Board did make proper inquiries and came to certain conclusions and the Government, apparently after making their own inquiries or after considering the question in their own way, came to the conclusion that the Tariff Board's recommendation should be accepted with very slight modification and they accepted it accordingly. The question was then presented again to this House by this Bill in a different form, that is to say, the duty was proposed in another form by weight and not by quantity. That proposal was in its essence not very different from the proposal of the Tariff Board, but when the matter was referred to the Select Committee, that Committee, without, I understand, any further investigation, excepting obtaining certain figures, increased the duty which they themselves had originally proposed from nine annas to twelve annas. Now, Sir, when I look at the Report of the Committee, what I find is this. There is only one paragraph dealing with it, and they say:

"In Item No. 158M, we have increased the duty on cotton knitted fabrics to 50 per cent *ad valorem* or 12 annas per pound and have abolished the distinction made in the Bill between fabrics of lighter and heavier weights."

The reason they give for the abolition of the distinction is this:

"We understand that at the moment there is practically no import of such goods."

I suppose they mean heavier weights. Then they say:

"But we consider that import should be definitely discouraged in view of the possibility of evading the protection to cotton hosiery by the manufacture in India of undervests, etc., from imported cotton knitted fabrics."

When we are adopting a criterion of weight, in that case to say that we will take no notice of the distinction between lighter and heavier weights seems to be an absolutely untenable position. You are going by the weight, and you say that it makes no difference whether the article is lighter or heavier. It is really an absolutely unintelligible and untenable position which the Government have taken up in this matter. If the weight is light, then, in that case, surely the incidence of taxation would work out at a higher figure than if the weight was heavy. To say, therefore, that we do not recognise any distinction between the lighter and the heavier weights is at least to me quite unintelligible. The reason they give is this. They will not recognise such distinctions, because, at the moment, there is practically no import of such goods. Does that mean that this Bill is only to operate for the moment? You are placing this measure on the Statute-book for five years. Surely there will be import of heavier articles. Then, why have you made no provision for such articles? That will surely make a difference in the incidence of taxation. Now, that is one argument. The next argument of theirs is that they want to prevent the evasion of this protective duty by the importers importing cotton knitted fabrics. I believe here they are alluding to what the Tariff Board said that there must be also a duty on knitted fabrics which are not made into garments and which the tailor can make here once the fabric is imported. I believe they are alluding to that there. If that is so, the proper course evidently was to have another item for knitted fabrics which are not made into undervests. Then, you could tax that by the weight. There would be no difficulty there, but to proceed as Government have done, to abolish the distinction between the

lighter and the heavier weights and to have the test of weight as the criterion of taxation, because the importers might import articles which are not made into garments, it seems to me there is nothing to justify a position of that sort. They have given no reasons excepting these. These are the two reasons that I can find in the Report for increasing the duty in the Select Committee by 25 per cent. I do not think I have misread the Report, but that is the only reason that I can find. I find that in the beginning of their Report they say that in making this Report they have tried to adjust the various interests affected. I have no doubt they have tried to do that in their own minds, but I think those who were not in the Select Committee are entitled to expect from the Select Committee something to indicate how the various interests have been taken into account, and how those interests have been affected.

Now, here the figures show that, as a matter of fact, the indigenous manufactures have not gone down; on the other hand, they have been going up steadily, though the recent rise may not have been as marked as in the previous years. If that is so, what is the obvious inference? It is that the industry has not suffered, at any rate to any appreciable extent, because, if the industry had appreciably suffered, the natural result would have been that the manufacture of hosiery in this country would have gone down. I know we are only dealing with hosiery manufactured by factories, that we have the figures only of factories manufacturing such articles; there is also the cottage industry which also produces undervests and socks, but we have not got the figures of such production, and, therefore, we are not able to deal with that in this Bill. Any way, there is nothing whatever to show that the industry as a whole has suffered in any way. If that is so, then as we represent the general public, one of our important duties here is to look after the interests of the consumers. The consumers, I take it, are the millions who will be affected by a measure of this sort (Hear, hear) by the imposition of such a duty as this, which, I believe, works out from something like 70 per cent or 80 per cent to about 125 per cent or more (*Dr. Ziauddin Ahmad*: "Up to 273 per cent")—up to 273 per cent in some cases, and I accept that figure from my Honourable friend, *Dr. Ziauddin Ahmad*, unless he is contradicted. At any rate, there will be a considerable increase, as a consequence, in the price of these articles. And these articles, Sir, are used by whom? By the very poor people. And I do think it ought to be the special concern of the Government to see that these poor people—whose incomes have certainly not been increasing, in these hard days, but have been steadily declining during the last few years—do not suffer undue hardship. These are articles of clothing,—and these poor people haven't a large variety of articles of clothing to choose from: and, if the prices of these articles are put up to that extent—about, say, one hundred per cent on the average, then, surely, there must be some justification forthcoming for such a serious step. The only justification that could be pleaded would be the need of the industry. Now, if that need is not clearly proved, then the justification falls to the ground. I shall take it, Sir, that by means of this protective duty the hosiery industry will make larger profits, and, therefore, it will benefit those who are concerned in those industries. But that is not the object of our protective policy. It is not our object, and it is not our concern, merely to see that certain persons who may be making certain goods should make a certain amount of profits. That is not the point. We have got to take many other factors

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into account: and I do not find anything in the report of this Committee and if my Honourable friend, the Commerce Member, will pardon me, I did not find in the speeches that he delivered on the various occasions with regard to this measure and the previous measure, that these factors were considered. I did not find that he made out a good case at all, so far as the hosiery industry is concerned.

Now, the Tariff Board recommended Rs. 1-8-0 per dozen, after calculating the profit which the industry would make if their proposal was adopted. They allowed ten per cent for depreciation, they allowed six per cent, I think, for interest on working capital, and a profit on invested capital of eight per cent. Now, that would be the profit which the industry would secure for itself if the duty proposed by the Tariff Board was accepted. May I ask, if the Government really consider that this is an inadequate profit for any industry to make nowadays? Sir, their proposal was based on this calculation of profit and that works out, I believe, at nine annas per pound. Now, if that be so, where is the justification for increasing this duty? I have no doubt, everyone of us has received many representations from persons who purport to be engaged in manufacturing hosiery, and, similarly, we have received representations which purport to come from persons who are engaged in the import trade. I do not think that we can at all be safe in proceeding merely on representations made by the one side or the other. Naturally, those who are engaged in the industry would like to make more if they can: and if they can make more at the expense of the general public, I do not think that their conscience will give them much difficulty. (Laughter.) But if by a measure of this sort the Tariff Board has ensured to the industry a very fair margin of profit—I would call it really more than fair, eight per cent after meeting all your costs, and depreciation of machinery and also six per cent interest on working capital, this nowadays must be a very very handsome profit for any industry or for any business to make. I must say that it would require considerable justification on our part to depart from the proposal of the Tariff Board.

Now, let us take the case of socks. I find from the Report of the Tariff Board that there is only one factory, at any rate that is the factory they mention, somewhere in the Punjab which produces socks. Now, their turnover, I think, is something very small. It is 450 dozen pairs per month, whereas the imports from Japan and other countries come to 500,000 dozen pairs. If that is so, surely the Indian industry at present is not in a position to supply the needs of the country in that respect. How Government could think of protecting an industry like that, is very difficult to understand. What will be the result? If the bulk of the articles have to be imported and only a small proportion is produced in the country, then surely the prices will be regulated by the imported articles. Generally speaking, that must be the result. Then, it is the consumer that is to suffer. He has got to pay. Having regard to the nature of the articles and having regard to the fact that it is the poorest of the poor in this country that use these articles, both imported as well as those manufactured here, I do earnestly ask the Government to reconsider the position and not to go beyond nine annas per pound or Rs. 1-8-0 per dozen which was the recommendation of the Tariff Board and also their own original proposal.



**The Honourable Sir Joseph Bhore:** Sir, with your permission, I will attempt to deal with the whole question of hosiery once for all, so that it may save the time of the House when we come to the consideration of the numerous other items dealing with the same question. Now, Sir, there has, I venture to think, been a great deal of misunderstanding and misapprehension in regard to this subject of hosiery; and I hope that I may be able to remove those misapprehensions by a plain statement of the facts of the case.

The Tariff Board, as everybody knows, recommended a rate of Rs. 1-8-0 a dozen and this rate was entered in our Safeguarding Bill which was brought before this House in December last. Now, during the course of the discussions on that Bill, Mr. Ghuznavi himself cried out very strongly against the imposition of a duty on a numerical basis. I think it will be within the recollection of this House how he waved in the face of this Assembly certain small sizes of hosiery articles and pointed to the inequity of imposing the same rate on these articles as on larger sized articles. Now, Sir, I should hate to think that he was simulating anger on that occasion; and, if he was not, then his anger is the best reply to the amendment which he is now bringing forward before this House. But, Sir, we did feel, after considering his case, that there was something in it. We felt that it was not perhaps quite right to have a single rate of duty levied on a numerical basis, and, therefore, we took the opportunity, when we were bringing in this protective measure, to substitute what we thought would meet with the general approval of Members of this House, and we inserted a rate of duty per pound instead of a rate per dozen. Now, the question will be raised: How did we get that figure of 9 annas per pound? We took, Sir, three sizes of vests of average quality, and, working on that basis, we arrived at a minimum rate of  $9\frac{3}{4}$  annas a pound—my Honourable friend, Dr. Ziauddin Ahmad, is quite right there—and a maximum rate of something up to eleven annas a pound. Sir, I entered in the Bill the figure of 9 annas a pound knowing perfectly well that that was a contentious figure and that that figure was open to challenge, but I did it with the hope of putting down the duty as low as it possibly could be put down. But when I introduced the measure in this House, I made it perfectly clear that that figure of 9 annas was a tentative figure and that we would be open to conviction if it was proved to us that that figure required to be enhanced in the interests of the industry. My Honourable friend, Dr. Ziauddin Ahmad, was perfectly fair and honest. He read out that part of my speech, and I think it must be perfectly obvious to the House from what I then said that the figure of 9 annas was a tentative figure and that it was open to discussion and after re-examination possibly to enlargement later on. Now, Sir, that re-examination did take place. It took place in the Government of India; it also took place in the Select Committee. What we did feel was that it was unfair to take only one standard size. We felt that it was far more equitable to take a wide range—a range spreading from 26 inches to 34 inches, a range, mind you, which covers no less than 75 per cent. of the imports into this country. It was upon the basis of the prices for that wide range of articles that we arrived at a figure of 12 annas a pound. Dr. Ziauddin Ahmad is perfectly correct in the statement in his minute of dissent of the methods by which we arrived at the figure of 12 annas. I, Sir, am content to stand by the calculation as is shown there, despite the criticism of my Honourable friend. But I would go a little further.

[Sir Joseph Bhoré.]

My Honourable friend, Dr. Ziauddin Ahmad, said that he was perfectly ready to admit that this industry needed protection. He was perfectly willing to give it the protection of Rs. 1-8-0 per dozen which was recommended by the Tariff Board, but he felt that if we improved upon that position, then he was not prepared to go with us. I hope, Sir, that I may be able to convince him from the Report of the Tariff Board itself that if they had recommended a duty on the basis of weight, it would have been practically the same duty as we are now proposing, namely, twelve annas per pound. The passage has been often quoted, and my Honourable friend himself quoted it. It is on page 179 of the Tariff Board's Report. They say:

"So, the measure of protection required in this case works out at Rs. 1-8-0 a dozen."

But if you want to substitute a weight basis for a numerical basis, then you have to proceed in the following way, and this is what they say:

"If the duty is levied on the basis of weight, an allowance will have to be made for the difference in weight between the comparable qualities of Indian and Japanese goods. We understand that the imported goods often weigh not more than two-thirds of the weight of the Indian manufactures with which they compete. Thus, Indian goods weighing three pounds a dozen have to compete with imported goods whose average weight will not be more than two pounds a dozen. To afford adequate protection, it will therefore be necessary to fix the duty per pound sufficiently high to cover this difference."

I think, Sir, if on that plan you work out the duty on a weight basis, you will find that there is very little difference between our twelve annas and the weight rate recommended by the Tariff Board in case we wished to impose a duty according to weight instead of according to number.

**Dr. Ziauddin Ahmad:** The Tariff Board, just above the passage which the Honourable Member quoted, says:

"We find that three pounds two ounces is practically equivalent to two pounds eight ounces."

The Tariff Board is definite as expressed by the words "we find"; but doubts are implied in the words *we understand*. The words *we understand* are used for the passage on which the Honourable Member bases his arguments.

**The Honourable Sir Joseph Bhoré:** I do not read the passage in the sense in which my Honourable friend has read it. I accept the figures that they have given there, and I submit that our rate of duty varies practically not at all from the rate of duty calculated on their basis.

**Sir Abdur Rahim:** Then, why did you not put that figure in the original Bill?

**The Honourable Sir Joseph Bhoré:** For the simple reason that I wished to put the duty as low as possible.

**Maulvi Muhammad Shafee Daoodi:** You should have stuck to it.

**The Honourable Sir Joseph Bhoré:** I made it perfectly clear that I was prepared to revise it in the face of any strong argument that might be brought to bear on the other side. I made that perfectly clear and my Honourable friend, Dr. Ziauddin Ahmad, has read out the passage in which I said so.

Then, Sir, it has been pointed out that we are making no difference between vests of various weights. In that matter, we are by no means peculiar. My Honourable friend, Mr. Ghuznavi, must know that in Japan they do exactly what we are doing. They have only one rate of duty for all articles of hosiery; they make no distinction in regard to articles of various weights. The only difference is that, whereas we are proposing a rate of twelve annas a pound, their rate works out to something like twenty-one annas a pound.

There is only one other argument put forward by my Honourable friend, Dr. Ziauddin Ahmad, which I need deal with now. I think that was possibly the basis of his whole case. He said that the fair selling price upon which the Tariff Board proceeded was calculated in 1932 and you should, therefore, re-calculate the fair selling price on a 1934 basis. My reply to him is . . . . .

**Dr. Ziauddin Ahmad:** You mean the manufacturing price.

**The Honourable Sir Joseph Blore:** Fair selling price which, of course, takes count of the cost of manufacture. My reply to that is that we cannot, when we are dealing with matters of protection, re-calculate the fair selling price month by month or year by year. The whole procedure of the Tariff Board all along has been to calculate one fair selling price and to assume that that fair selling price extends over the whole period of protection, because they have always assumed that if there are factors which bring down the fair selling cost during that period, there are almost certain to be factors on the other side raising the fair selling price. In regard to cost of labour, it may be perfectly true as my Honourable friend says that there are certain factors reducing the cost of labour. On the other hand, it is equally true that there are certain factors which are tending to increase the cost of labour. I need only point to the fact that my Honourable friend, Mr. Mody, has, in his minute of dissent, contended that the labour legislation, which this House is going to consider soon, will tend to increase very heavily the cost of production. I do wish the House to realise this that, in accepting this figure of twelve annas per pound, we are not, as far as I know, going beyond our original intention. Our original intention was to accept the rate of Rs. 1-8-0 a dozen, but we felt that in view of the arguments which were put forward by Honourable Members then, that that was perhaps not a wholly equitable way of taxing this commodity, we, therefore, substituted what we took to be a fair equivalent of Rs. 1-8-0 a dozen, and, Sir, I still believe that the figure of twelve annas per pound is, as far as it is possible for us to calculate, the fair equivalent of Rs. 1-8-0 per dozen. I must, therefore, oppose both these amendments and all the other amendments dealing with the same matter.

**Dr. Ziauddin Ahmad:** The Honourable Member has not given any answer to my argument why the c. i. f. price of the Tariff Board figures of 1932 was changed. Then, why have you not changed the manufacturing price in manufactured articles also to the figures of 1934 in view of the price of yarn and the cost of labour having both gone down.

**The Honourable Sir Joseph Blore:** I have already dealt with that question, and I said that it was not our habit, it was not our custom to change the fair selling price upon which protection is calculated. I have already pointed out that if there are factors lowering the fair selling price during the period of the protection, there are also almost certain to be factors on the other side tending to raise the cost of production.

**Mr. M. Maswood Ahmad:** We have decided just now that it is better that we vote on Mr. Ghuznavi's amendment. I, therefore, beg leave of the House to withdraw my amendment.

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

**Mr. President** (The Honourable Sir Shanmukham Chetty): The question is:

"That in the Schedule to the Bill, in Amendment No. 9, for the proposed Item No. 1580, the following be substituted:

' 1580, **CORRON HOZIMAY**, the following, namely:

- |   |                   |  |
|---|-------------------|--|
| (a) Cotton undervests, knitted or woven | <i>Ad valorem</i> | 25 per cent. or one rupee and eight annas per dozen whichever is higher. |
| (b) Cotton socks or stockings           | <i>Ad valorem</i> | 25 per cent. or eight annas per dozen pairs whichever is higher."        |

The Assembly divided:

AYES—15.

Abdur Bahim, Sir.  
Ankleasaria, Mr. N. N.  
Azhar Ali, Mr. Muhammad.  
Ghuznavi, Mr. A. H.  
Krishnamachariar, Raja Bahadur G.  
Mahapatra, Mr. Sitakanta.  
Maswood Ahmad, Mr. M.

Muazzam Sahib Bahadur, Mr. Muhammad.  
Patil Rao Bahadur B. L.  
Shafee Daoodi, Maulvi Muhammad.  
Uppi Sahab Bahadur, Mr.  
Wilayatullah, Khan Bahadur H. M.  
Yakub, Sir Muhammad.  
Yamin Khan, Mr. Muhammad.  
Ziauddin Ahmad, Dr.

NOES—54.

Abdul Aziz, Khan Bahadur Mian.  
Ahmad Nawaz Khan, Major Nawab.  
Allah Baksh Khan Tiwana, Khan Bahadur Malik.

Bajpai, Mr. G. S.  
Bhore, The Honourable Sir Joseph.  
Chatarji, Mr. J. M.  
Clow, Mr. A. G.  
Cox, Mr. A. R.  
Dalal, Dr. R. D.  
Darwin, Mr. J. H.  
Das, Mr. B.  
Dillon, Mr. W.  
Graham, Sir Lancelot.  
Grantham, Mr. S. G.  
Haig, The Honourable Sir Harry.  
Hardy, Mr. G. S.  
Hezlett, Mr. J.  
Hudson, Sir Leslie.  
Irwin, Mr. C. J.  
Ishwarsingji, Nawab Naharsingji.  
Jadhav, Mr. B. V.  
James, Mr. F. E.  
Jawahar Singh, Sardar Bahadur Sardar Sir.  
Jehangir, Sir Cowasji.  
Joishi, Mr. N. M.  
Lahiri Chaudhury, Mr. D. K.  
Lal Chand, Hony. Captain Rao Bahadur, Chaudhri

Lindsay, Sir Darcy.  
Macmillan, Mr. A. M.  
Metcalfe, Mr. H. A. F.  
Millar, Mr. E. S.  
Mitter, The Honourable Sir Brojendra.  
Mody, Mr. H. P.  
Morgan, Mr. G.  
Mukharji, Mr. D. N.  
Mukherjee, Rai Bahadur S. C.  
Neogy, Mr. K. C.  
Noyce, The Honourable Sir Frank.  
O'Sullivan, Mr. D. N.  
Rafiuddin Ahmad, Khan Bahadur Maulvi.  
Rajah, Rao Bahadur M. C.  
Ramakrishna, Mr. V.  
Ranga Iyer, Mr. C. S.  
Rau, Mr. P. R.  
Reddi, Mr. P. G.  
Reddi, Mr. T. N. Ramakrishna.  
Sarma, Mr. G. K. S.  
Scott, Mr. J. Ramsay.  
Sher Muhammad Khan Gakhar, Captain.  
Sitaramaraju, Mr. B.  
Sloan, Mr. T.  
Talib Mehdi Khan, Nawab Major, Malik.  
Thampan, Mr. K. P.  
Tottenham, Mr. G. R. F.

The motion was negatived.

**Mr. President** (The Honourable Sir Shanmukham Chetty): There are some other amendments relating to Item No. 1580, cotton hosiery. There has been a full discussion on cotton hosiery and the other amendments only vary the duties slightly. Honourable Members, in whose names these amendments stand, may, if they want, formally move them and they will be put to the vote, but there cannot be any detailed discussion.

**Dr. Ziauddin Ahmad**: Sir, one point is not clear, whether the protection is equivalent to nine annas or eight annas. It was mentioned incidentally, but we did not have a debate on this point.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Honourable Member knows perfectly well the procedure. When the original question and amendments are proposed, the discussion proceeds both on the original motion and the amendments. Honourable Members had full opportunities of doing that, and surely Dr. Ziauddin Ahmad does not want another full-dress debate on cotton hosiery goods?

**Maulvi Muhammad Shafee Daoodi**. Sir, the point is that I have got an amendment which is not exactly the same as has been just now disposed of. My amendment is No. 2\* in Late List No. 1. That is a different matter from the one we have now disposed of.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Chair was only talking of 1580, but what the Honourable Member is talking of is Item 158M. That is different.

**Mr. A. H. Ghuznavi**: Sir, I move:

"That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 1580, for the figures '12' the figure '9' be substituted and after the words 'per pound' the following be inserted:

'for goods weighing up to 3 pounds per dozen and an additional 6 annas per each successive pound beyond 3 pounds for goods weighing more than 3 pounds per dozen.'"

You have given a ruling, Sir, that we are not to make any further speeches, but merely move the amendments . . . .

**Maulvi Muhammad Shafee Daoodi**: This is a different matter: unless you make a speech, we cannot understand.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Honourable Member knows what the Chair has said.

**The Honourable Sir Joseph Bhoré**: Sir, the amendment, as it stands, as far as I understand it, has the effect of increasing the rate of duty, for it means nine annas per pound for the first three pounds, and then 15 annas for each succeeding pound—the words are "and an additional six annas", not "six annas" for each successive pound. The result will be this: take, for instance, an article which weighs, say, about seven pounds per dozen: it would have definitely the effect of increasing the duty.

\*"That in the Schedule to the Bill, in Amendment No. 9 in the fourth column of the proposed Item No. 158M, for the figures '12' the figure '9' be substituted."

**Mr. A. H. Ghuznavi:** That is not the meaning: it is said here additional six annas for each successive pound beyond three pounds.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Suppose a particular commodity weighs six pounds: it means nine annas for the first three pounds and for each successive pound 15 annas.

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

**Honourable Members:** The words are "additional six annas".

**Mr. A. H. Ghuznavi:** The fourth pound will be six annas only. It must have been a printing mistake. )

**Mr. H. P. Mody:** It must have been a thinking mistake.

**Mr. President** (The Honourable Sir Shanmukham Chetty): How does the Honourable Member want his amendment to read?

**Mr. A. H. Ghuznavi:** Nine annas a pound for the first three pounds, and from the fourth pound six annas a pound. )

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Chair wants to know how it reads. How does the Honourable Member want to move his amendment?

**Mr. A. H. Ghuznavi:** For goods weighing up to three pounds per dozen . . . . .

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Honourable Member can think over the matter, and, in the meantime, allow other Honourable Members to move their amendments.

**Dr. Ziauddin Ahmad:** Sir, I move:

"That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 1580, for the figures '12' the figure '9' be substituted."

We were just discussing certain questions . . . . .

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Honourable Member can tell a story; he cannot speak on the amendment.

**Dr. Ziauddin Ahmad:** I am telling a story of a certain Assembly, not this particular Assembly, and a certain Member really moved a motion there and unfortunately every single man in that House did not understand mathematics, and, instead of acknowledging their utter ignorance of mathematics, they began to abuse the one person who knew something about mathematics. ("Hear, hear" and "Laughter.") His mathematical proposition was that you charge a certain duty, say one rupee up to three pounds, and whenever the weight increases, then for every additional pound you charged eight annas: that was a simple proposition, but the whole House did not understand it. The story continues and says: if the weight of an article was five pounds, for the first three pounds the charge must be one rupee per pound . . . . .

**Mr. President** (The Honourable Sir Shanmukham Chetty): Stories must be relevant to the amendments. The Honourable Member has moved his amendment. The question is :

"That in the Schedule to the Bill, in Amendment No. 9, in the fourth column of the proposed Item No. 1580, for the figures '12' the figure '9' be substituted."

The motion was negatived.

**Mr. M. Maswood Ahmad**: Sir, I move:

"That in the Schedule to the Bill, in Amendment No. 9, for the proposed Item No. 1580, the following be substituted :

'1580. COTTON HOSIERY, the following, namely: *Ad valorem* 25 per cent. or 11 annas per pound, whichever is higher.' "

Cotton undervests, knitted or woven, and cotton socks or stockings.

I do not want to make any speech. Only I regret that neither logic, nor reason, nor mathematics can satisfy the Treasury Benches and they are determined to pass in whatever manner they have brought this Bill from the Select Committee. As a personal explanation only, I want to read two sentences only from this book. At that time I had quoted from the new Report, now I quote from the old Report on page 204. Sir Frank Noyce in his Report has said—and I do not find anything in the minute of dissent against these two sentences from him I read from the original book. He said:

"It will, however, be obvious from the facts stated above that no special case can be made out for the protection of this industry on the ground of unfair competition from Japan since the bulk of Japanese output is not produced in cotton mills but in small factories in which the conditions of labour are in no way inferior in respect of the nature of work or of hours of similar labour in India."

These words are very important to be remembered by Honourable Members. It has been definitely stated that no case can be made out for protection of this industry. I quote that just in support of my view only: and I have quoted from the original book. Sir Frank Noyce's present interpretation goes against the wording of the Report to which he himself is a party. Sir, I move.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The question is:

"That in the Schedule to the Bill, in Amendment No. 9, for the proposed Item No. 1580, the following be substituted :

'1580. COTTON HOSIERY, the following, namely: *Ad valorem* 25 per cent. or 11 annas per pound, whichever is higher.' "

Cotton undervests, knitted or woven, and cotton socks or stockings.

The motion was negatived.

**Mr. M. Maswood Ahmad:** Sir, I beg to move:

"That in the Schedule to the Bill, in Amendment No. 9, for the proposed Item No. 1580, the following be substituted:

1580. **COTTON HOSEMARY**, the following, namely: *Ad valorem* 25 per cent. or 11½ annas per pound whichever is higher." 1

Cotton undervests, knitted or woven, and cotton socks or stockings.

This is a very simple amendment, and I don't think I need make a long speech on this. There is a proverb amongst us which says:

*"Daroq go ra badar baboed rasameed."*

**An Honourable Member:** What do you mean by that?

**Mr. M. Maswood Ahmad:** The Doctor Saheb will translate it, and I leave it to him. The duty of 11½ annas which they have calculated is just in accordance with their calculations, but instead of 11½ annas they have increased the figure to 12 annas to make it a round sum. This is really very unjust on the part of the Government to raise the duty to make the figure a round sum. We, however, expect Government, whatever wrong calculations or whatever wrong methods they have adopted in their calculations, to stick to the exact figure.

**Mr. President (The Honourable Sir Shanmukham Chetty):** The question is:

"That in the Schedule to the Bill, in Amendment No. 9, for the proposed Item No. 1580, the following be substituted:

1580. **COTTON HOSEMARY**, the following, namely: *Ad valorem* 25 per cent. or 11½ annas per pound whichever is higher." 1

Cotton undervests, knitted or woven, and cotton socks or stockings.

The motion was negatived.

## STATEMENT OF BUSINESS.

**The Honourable Sir Brojendra Mitter (Leader of the House):** With your permission, Sir, I desire to make a statement as to the probable course of Government business in the week beginning Monday, the 16th.

The business left over from today's list has been placed first on the list for Monday and includes the Bill to continue the life of the Trade Disputes Act. Thereafter, motions will be made to take into consideration and pass the Sugar (Excise Duty) Bill, the Sugar-cane Bill and the Matches (Excise Duty) Bill. Arising out of the Matches (Excise Duty) Bill, motions will be made for leave to introduce and thereafter to take



into consideration and pass the Mechanical Lighters (Excise Duty) Bill. Copies of the Bill, as soon as received from the Press, will be exhibited at the Notice Office and will also be sent to Honourable Members.

It is hoped that the consideration of these measures will be concluded at the latest by Friday evening and that Saturday will be available for the discussion of the Resolution on the Road Fund. In addition to the above business, a motion will be made on Monday for the election of a Standing Committee on Roads, and at a convenient time leave will be asked to introduce a Bill to amend the Indian Army Act for certain purposes.

**Mr. N. M. Joshi** (Nominated Non-Official): May I know, Sir, what is the position of the Trade Disputes Bill?

**Mr. President** (The Honourable Sir Shanmukham Chetty): It is already on the agenda.

**The Honourable Sir Brojendra Mitter**: Today's agenda goes over.

**Mr. N. M. Joshi**: It will be taken after this Cotton Bill is over?

**The Honourable Sir Brojendra Mitter**: Yes.

The Assembly then adjourned till Eleven of the Clock on Monday, the 16th April, 1934.